Half-Year
Financial Report for the Period

1 January 2026 – 30 June 2026

PRIMOCO UAV

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1. Statement of Responsible Persons

We, the undersigned members of the Board of Directors of PRIMOCO UAV SE, declare that, to the best of our knowledge, the condensed set of financial statements presented below gives a true and fair view of the assets, liabilities, financial position and financial performance of the Company and its consolidated group, and that the description presented below, pursuant to Section 119(2)(b) of Act No. 256/2004 Coll., on Capital Market Undertakings, as amended, provides a true and fair overview of the information required under the aforementioned provision.

Prague, 28 August 2026

Ladislav Semetkovský	Petr Kováč	Romana Wyllie
Chairman of the Board of Directors	Member of the Board of Directors	Member of the Board of Directors

2. Basic Information on the Company, Its Activities and the Consolidated Group

Primoco UAV SE, with its registered office at Výpadová 1563/29f, 153 00 Prague 5 – Radotín, Company ID No.: 037 94 393, registered in the Commercial Register maintained by the Municipal Court in Prague, Section H, File 1546 (the **"Company"**), whose shares (ISIN CZ0005135970) are admitted to trading on the regulated Prime Market, which forms part of the regulated market organised by Burza cenných papírů Praha, a.s. (Prague Stock Exchange), with its registered office at Rybná 14/682, 110 00 Prague 1, Company ID No.: 471 15 629, registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, File 1773, is a leading European manufacturer of medium-sized, fully autonomous Primoco One 150 unmanned aircraft and a provider of related aviation services.

Primoco UAV SE is the first company in the world to obtain an EASA LUC civil operational authorisation under SORA 2.5 SAIL III for the operation of a 150 kg fixed-wing unmanned aircraft. This authorisation permits, among other things, operations in non-segregated airspace up to ARC-b and flights over populated areas with a population density of up to 5,000 people per km^2.

In 2025, the Company achieved another world first when the Primoco One 150M unmanned aircraft received type certification under the NATO military standard STANAG 4703 (AEP-83B). Primoco UAV also holds Design Organisation Approval and Production Organisation Approval (DOA/POA) under the EMAR 21 standard, confirming compliance with stringent requirements for the development, production and airworthiness assurance of military aviation equipment.

To date, the Company has manufactured more than 250 Primoco One 150 unmanned aircraft, which are operated on four continents. They are used for monitoring strategic infrastructure, protecting national borders and coastlines, calibrating airport navigation systems, as well as for other civil, security and military missions. Depending on their specific configuration and intended use, Primoco One 150 unmanned aircraft are classified as either dual-use products or military materiel.

In addition to the Company, the Company's consolidated group comprises Primoco UAV Defence, s.r.o., with its registered office at Výpadová 1563/29f, 153 00 Prague 5 – Radotín, Company ID No.: 081 05 111, registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, File 313076, in which the Company holds a 100% ownership interest. The financial data presented in Parts 3 and 9 of this report are in each case stated for the consolidated group as a whole.

3. Description of Significant Events in the First Half of 2026

Dear Shareholders, Dear Investors,

We usually use this part of our report to write about revenue growth, profit, new contracts and other financial indicators. The first half of 2026, however, cannot be assessed solely through the financial statements. In the eleven years since Primoco UAV SE was founded, we have never experienced a period of such intensity or one that has transformed our Company so fundamentally in such a short time.

The Company today is no longer the same company it was a year ago. We have grown not only in terms of the volume of contracts and the number of employees, but above all in our capabilities, organisation, infrastructure, technologies and the scale of projects for which we can compete. And we consider this to be the most important development of the first half of 2026.

First-Half Results and Outlook for 2026

In the first half of the year, the Company generated revenue of CZK 101 million and EBITDA of CZK 42 million. Revenue in the second quarter remained comparable to the first quarter, primarily as a result of the production and customer delivery schedule for our aircraft. A substantial part of this year's production will only be reflected in the Company's results in the second half of the year. A total of 30 unmanned aircraft for European customers will be delivered during this period. Despite this timing of deliveries, the Company remained profitable in the first half of the year.

For the full year 2026, we expect consolidated revenue of between CZK 900 million and CZK 1 billion and EBITDA of between CZK 225 million and CZK 300 million. Compared with 2025, we therefore expect the Company to approximately double in size.

From a Small Company to an Industrial Enterprise

Over the past year, we have completed one of the most significant organisational transformations in the Company's history. The Company has grown from a small business managed by a very lean team into a medium-sized industrial enterprise. We have adapted the way it is managed accordingly.

The Company's management team now consists of nine people. Among other positions, we have added a Marketing Director, HR Director and Project Director and completed an organisational structure that clearly defines the responsibilities and competencies of individual members of management. This is not simply about increasing the number of managers – we are building a structure capable of managing a Company facing substantially higher production volumes, more complex international projects and further technological development.

Our new facilities reflect this transformation. During the first half of the year, the Company's management relocated from the production site in Prague-Radotín to new office premises in Prague-Modřany. The production facilities in Radotín can therefore focus fully on their primary purpose – the manufacture of unmanned aircraft.

Our Own Airfield and New Training Centre

One of the most visible results of the past twelve months is the completion of the new training centre at our own Písek-Krašovice airfield.

Following a year of construction work, we have built infrastructure comprising a new hangar, a training centre, renovated buildings, service roads and additional technical and operational facilities. The project also included the demolition of the original redundant structures, project preparation, construction supervision and the complete equipping of the site. The Company's total investment in the airfield reached CZK 69 million.

The opening ceremony was attended by representatives of the Government of the Czech Republic, the Czech Armed Forces, international guests, customers and the Company's business partners. For the Company, however, this is not an investment made for appearances – it is first and foremost a key part of the infrastructure we need for our continued growth. The ability to offer customers not only the aircraft itself, but also training, operational support, servicing and comprehensive know-how is becoming an increasingly important part of our product.

The First ATO of Its Kind

In May, the Company became the first of its kind in the world to obtain an ATO certificate for an unmanned aircraft training centre. Alongside our DOA and POA approvals, this represents another key element of the certification framework and capabilities that we have been systematically building over recent years.

At first glance, individual certifications may appear to be an administrative matter. In reality, however, they represent a significant competitive barrier in our industry. Obtaining them requires time, experience, technical capabilities, extensive documentation and, above all, a demonstrably functioning system across the entire Company.

Preparing Production for the Next Stage

In April, we obtained a building permit for the construction of a new manufacturing facility, which we plan to develop into one of the most advanced unmanned aircraft production facilities in Europe. The tender process for the general contractor is currently underway. We plan to commence construction work in January 2027.

To date, we have invested a total of CZK 26 million in project documentation, archaeological surveys and related preparatory work. The anticipated investment in the construction itself is approximately CZK 500 million, with a further approximately CZK 100 million planned for production technologies and machinery.

Our intention is to finance this strategic investment primarily from the Company's own resources, without the need for external debt. Our strong financial position allows us to plan the Company's further development while maintaining financial stability and a high degree of independence.

We are not investing in production capacity for the Company we are today – we are investing in the capacity we will need for the Company we are building for the decade ahead.

The Future Is Not Built in Production Alone

Without continuous development, we would not be able to secure the Company's long-term future. We therefore reinvest a significant proportion of our resources and capacity in the Primoco One 150 product and its capabilities.

After more than two years of intensive development, we are completing a new generation of combustion engine for the Primoco One 150, which is now undergoing flight testing. At the same time, we are completing new aircraft control systems, a fuel tank and a range of other structural and technological components.

These changes are not always visible at first glance. They are, however, fundamental evolutionary steps that further enhance the safety, reliability and technical performance of the entire system.

Alongside our own development activities, we collaborate on projects with leading European and multinational technology companies. These include, for example, cooperation with Airbus and Defence on the MARS project, as well as projects with Deutsche Telekom and other partners. Our ability to integrate new technologies, sensors, communication systems and other equipment is one of the main reasons why the Company can now participate in projects that were beyond our reach only a few years ago.

Business Opportunities on a New Scale

Ten years ago, our commercial objective was to sell a single system – three unmanned aircraft, a ground control station, sensors and related equipment worth approximately EUR 2 million. At the time, such a contract represented an exceptional success for us.

Today, we are working on projects whose potential value to the Company, if successful, ranges from tens of millions to hundreds of millions of euros. This is perhaps the clearest illustration of the transformation the Company has undergone in recent years. Europe remains our primary market, while at the same time we are developing business opportunities in Asia and the Middle East.

Given the nature of our customers, commercial negotiations and procurement processes, we cannot comment in greater detail on individual opportunities before they are concluded. We can, however, say that the scale of the projects, their technological complexity and customer requirements are now incomparable with those we were dealing with five or ten years ago.

The Company holds NATO STANAG certification, has references from real-world operations, its own production and training infrastructure, the necessary approvals and, at the same time, is a transparent, publicly traded European company. We have spent many years building each of these elements. Together, they now enable us to participate in tenders that would have been virtually beyond our reach only a few years ago.

Growth Also Brings Complex Situations

The first half of the year was not solely a period of investment, certifications and commercial growth. Following the Company's General Meeting in January, shareholder Gabriel Fülöpp filed a lawsuit against Primoco UAV SE challenging the validity of the General Meeting. We informed shareholders of this matter separately and transparently. As a publicly traded company, we consider it our duty to communicate not only positive developments but also disputes and matters that materially affect the Company. The Company will address this matter through the standard legal process and defend both its decisions and the interests of its shareholders. This matter has no impact on the Company's operations, production, fulfilment of contracts or our long-term strategy.

Security and Protection of Know-How

As the Company grows and the importance of our technology's increases, so too does our responsibility to protect them. European technology and defence companies today face cyberattacks, industrial espionage and activities by foreign powers. Over the past year, the Company has therefore invested significantly in physical and cybersecurity, data protection, communications and the protection of its own know-how. The Company has also made fundamental progress in this area – security is no longer a collection of individual measures, but an integral part of the Company's management.

Capital Market Developments

Monitoring the Company's market value is as important to us as it is to you. During the first eight months of 2026, the Company's share price declined by 35%, while the value of shares traded decreased to CZK 290 million (compared with CZK 364 million in the same period of 2025).

This development reflects a combination of several factors in the capital market. In addition to the lower overall liquidity of the Prague Stock Exchange, the share price was affected by sales of shares by two significant shareholders. In a market with limited liquidity, even a relatively small volume of shares offered for sale can exert significant downward pressure on the share price, without in any way reflecting the Company's actual economic condition or fundamental value.

In the short term, the market price of shares often responds to these technical and supply-side factors.

For a broader perspective, it is important to recall that the subscription price at the time of the IPO in 2018 was CZK 250 per share. The annual high was CZK 1,150, while the share price currently remains above CZK 700. This development demonstrates not only the long-term appreciation since the Company's stock market debut, but also the exceptional volatility the shares are currently experiencing.

Our role is not to manage the short-term share price, but to create long-term value for the Company. We believe that completing the planned deliveries of 30 aircraft in the second half of the year, further expanding production capacity, investing in technology and executing the international projects currently under development will be the best response to current capital market developments.

Eleven Years of Building

When we founded the Company eleven years ago, we had no manufacturing facility, no airfield of our own, no certified aircraft and no international references. We had no LUC, STANAG, DOA, POA or ATO. And we certainly were not discussing projects worth tens or hundreds of millions of euros. What we did have was a clear vision that Europe could develop its own unmanned aircraft capable of competing technologically on the global market.

Today, we have eleven years of work, development, certifications, investment, successes and lessons learned behind us. The first half of 2026 was perhaps the most intensive of them all. The financial statements for the first half capture only part of this story. The 30 aircraft that will be delivered to European customers in the second half of the year are not yet reflected in them. The new factory is not yet reflected in them. The results of more than two years of development of the new-generation engine are not reflected in them. Above all, they do not reflect the value of the business opportunities on which we are currently working intensively.

This does not mean that we take their future success for granted – quite the opposite. As contracts increase in size, so too do their complexity, competition, decision-making timelines and the Company's responsibility towards its customers and shareholders.

We know that the next stage of the Company's development will in many respects be more demanding than the previous one. At the same time, we are entering this stage as a substantially stronger Company:

- We have a proven product, valid certifications and references from real-world operations.
- We have our own airfield and training centre, and we are building new production capacity.
- We have an experienced management team and continue to invest in the technologies that will determine the competitiveness of our aircraft in the years ahead.
- We have business opportunities on a scale that we could only have contemplated a few years ago.
- We have an exceptionally strong financial position. As of today, we have approximately CZK 275 million in bank accounts and a further CZK 132 million in receivables. Company's total assets exceed CZK 1 billion. As of today, our revenue totals approximately 431 million CZK. The Company is debt-free and has financed its growth, development and investments to date from its own resources.

For us, this is the most important result of the first half of 2026.

We thank our employees, customers, partners and you, our shareholders, for your continued trust.

Yours sincerely,

Ladislav Semetkovský
Petr Kováč
Romana Wyllie

Ladislav Semetkovský

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Board of Directors of Primoco UAV SE

4. Description of Related-Party Transactions in the First Half of 2026

The Company's related parties comprise Primoco Capital, s.r.o., Company ID No.: 230 93 391, as the majority (50.4%) shareholder of the Company; Mr Ladislav Semetkovský, as the sole (100%) shareholder of Primoco Capital, s.r.o.; PRIMOCO INVESTMENTS s.r.o., Company ID No.: 290 60 231, whose sole (100%) shareholder is Mr Ladislav Semetkovský; the members of the Company's Board of Directors (3 persons), the members of the Company's Supervisory Board (3 persons), other members of the Company's senior management (6 persons) and their family members; and Primoco UAV Defence, s.r.o., Company ID No.: 081 05 111, whose sole (100%) shareholder is the Company.

All sales of unmanned aircraft manufactured by the Company to end customers are carried out through the subsidiary Primoco UAV Defence, s.r.o., pursuant to a framework agreement. In this context, during the first half of 2026, transactions between the Company and Primoco UAV Defence, s.r.o. comprising the sale of goods and services amounted to CZK 101,249 thousand.

In August 2024, a lease agreement was entered into between the Company, as lessee, and PRIMOCO INVESTMENTS s.r.o., as lessor, for the lease of a Piper M600 aircraft. During the first half of 2026, transactions between the Company and PRIMOCO INVESTMENTS s.r.o. comprising the lease of the Piper M600 aircraft, including the re-invoicing of flight hours, amounted to CZK 7,164 thousand.

Apart from the above, no transactions with related parties took place during the period that materially affected or could have affected the Company's financial performance.

During the first half of 2026, the Company paid remuneration and salaries totalling CZK 12,891 thousand to members of its Board of Directors, Supervisory Board and senior management. In addition to the above, the Company did not provide these persons with any other monetary or non-monetary benefits during the period.

No other transactions between the Company and related parties took place during the period.

All of the above related-party transactions were conducted on normal market terms.

5. Alternative Performance Measures

This report contains certain financial measures that are not defined or recognised under IFRS accounting standards and are considered alternative performance measures as defined in the "ESMA Guidelines on Alternative Performance Measures" issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 ("alternative performance measures"). This report contains the following alternative performance measure: EBITDA. The Company uses alternative performance measures because they serve as key indicators for its management in assessing the Company's operating performance. The Company's management also believes that the disclosure of alternative performance measures is useful because such measures and ratios are used by many investors, analysts and other interested parties as supplementary measures of performance and liquidity when assessing the efficiency of companies' operations and their ability to use earnings to repay debt, fund capital expenditure or meet working capital requirements. The Company's management also believes that the presentation of alternative performance measures facilitates comparisons over time by excluding the effects of one-off items that management does not consider indicative of the Company's underlying operating performance.

Alternative performance measures are not derived directly from the audited financial statements, although they are derived from financial data contained in the consolidated financial statements. Alternative performance measures are neither audited nor reviewed by an independent auditor. They are not defined under IFRS accounting standards and should not be considered measures of financial performance or operating cash flows, nor are they a substitute for profit figures. Alternative performance measures should therefore be regarded solely as a source of supplementary information. They are neither a substitute for, nor a more significant source of information than, financial information prepared in accordance with IFRS as adopted by the EU. Alternative performance measures should not be given greater prominence than measures presented directly in the audited financial statements. Alternative performance measures should be considered in conjunction with the information contained in the audited consolidated financial statements. There are no generally accepted principles governing the calculation of alternative performance measures. Similarly, the criteria on which these measures are based may vary between companies, limiting their suitability for comparison. Although the Company's management uses alternative performance measures in assessing the Company's financial results, and although investors commonly consider such measures, their use as analytical tools is subject to important limitations. On their own, they do not provide a sufficient basis for comparing the Company's performance with that of other companies. Accordingly, when assessing the Company's financial position or results, they should not be considered in isolation from other information or as a substitute for revenue, profit before tax or cash flows from operating activities calculated in accordance with IFRS accounting standards.

The use of alternative performance measures as analytical tools is subject to the following limitations:

- they do not reflect the Company's cash expenditures or future capital expenditure requirements or contractual commitments;
- they do not reflect changes in the Company's working capital requirements or the related cash requirements;
- they do not reflect significant interest expense or the related cash requirements for debt servicing or principal repayments;
- although depreciation and amortisation are non-cash expenses, many of the assets being depreciated and amortised will need to be replaced in the future, and alternative performance measures do not reflect the cash requirements for such replacements;
- some of the exceptional items that the Company excludes when calculating alternative performance measures represent past or future cash expenditures;

- other companies operating in the same industry as the Company may calculate their alternative performance measures differently, reducing the usefulness of such measures for comparative purposes;
- the names of alternative performance measures may not have the same or similar meaning as other terms that may be defined in other documentation relating to the Company's financial obligations;
- and the alternative performance measures presented in this H1 Financial Report may differ from the alternative performance measures presented in annual/H1 reports for previous periods. When assessing its financial results, the Company uses those alternative performance measures that it considers relevant and indicative of its financial position in the respective period.

The following table provides a description of the individual alternative performance measures in relation to the Company's financial statements:

CZK thous.	**1/1-30/6 2026**	**1/1-30/6/2025**
EBITDA	41,596	91,369

The Company's management considers EBITDA to be a key performance measure in assessing the Company's business performance. As described above, EBITDA is not a measure defined or recognised under IFRS accounting standards. The Company calculates EBITDA based on data from the audited consolidated financial statements. EBITDA is calculated as profit after tax for the reporting period, increased by income tax, decreased by other finance income, increased by other finance costs, decreased by interest income, increased by interest expense, adjusted for gains/losses on derivative transactions, decreased by the share of profit or loss of associates and gains on investments in associates, and increased by depreciation and amortisation. All items used in the calculation of EBITDA are derived from the consolidated statement of profit or loss and statement of comprehensive income included in the financial statements for the relevant half-year period.

The following table provides the calculation of EBITDA for the periods presented:

CZK thous.	**1/1-30/6 2026**	**1/1-30/6/2025**
Profit for the period	**29,794**	**67,147**
Income tax (+)	8,405	18,928
Finance cost (+)	2,105	966
Finance income (-)	6,707	2,280
Depreciation and amortisation (+)	7,999	6,608
EBITDA	**41,596**	**91,369**

6. Impact of the International Situation on the Company and Cybersecurity

Neither the Company nor its subsidiary, Primoco UAV Defence, s.r.o., maintains direct business relationships in Ukraine, Russia, Belarus or the Middle East. The Company has no production facilities or other assets in these territories, nor are any of the Company's direct suppliers or customers based there. Neither the Russian invasion nor the situation in the Middle East has resulted in any disruption to the Company's supply chains. The Russian invasion of Ukraine and the situation in the Middle East therefore have no direct negative impact on the Company's production or sales and do not create uncertainty in this respect.

The Company has not adopted any specific measures to mitigate or address the impacts of the Russian invasion or the situation in the Middle East, nor has it adopted any specific risk management strategy or received any public support in this connection.

As the Company grows and the importance of our technologies increases, so does our responsibility to protect them. European technology and defence companies today face cyberattacks, industrial espionage and activities by foreign powers. Over the past year, the Company has therefore made significant investments in physical and cybersecurity, data protection, communications and the protection of its proprietary know-how. The Company has also made substantial progress in this area – security is no longer a collection of individual measures but an integral part of the Company's management.

Accordingly, the Company has not experienced and does not expect any significant negative impact on its operations or financial position as a result of the Russian invasion of Ukraine or the situation in the Middle East. On the contrary, the geopolitical tensions caused by the Russian invasion of Ukraine and the associated increase in interest among government actors in strengthening their defence capabilities may create new business opportunities for the Company.

The Company has neither experienced nor expects any significant negative impact on its operations or financial position in connection with developments in tariff policies and other trade restrictions imposed by major participants in international trade, energy and commodity prices, supply chains, interest rate and currency conditions, the availability of financing, or cybersecurity threats.

7. Description of Expected Activities and Principal Risks and Uncertainties for the Second Half of 2026

Description of Expected Activities

In the second half of 2026, the Company intends to continue its existing business activities, in particular the development, manufacture and sale of unmanned aircraft and the provision of related services.

During the second half of 2026, the Company expects to fulfil deliveries arising from contracts already concluded, under which a total of 30 unmanned aircraft is to be delivered to customers.

At the same time, the Company is developing a number of additional business opportunities and projects whose potential value, if successfully realised, ranges from tens to hundreds of millions of euros. The scale and nature of these projects reflect the Company's significant shift towards contracts that are more demanding in terms of technology, commercial complexity and execution.

Europe remains the Company's primary market. At the same time, the Company is developing business activities and opportunities in Asia and the Middle East. Given the nature of the customers, ongoing commercial negotiations and procurement processes, it is not possible to comment in greater detail on individual business opportunities before they are concluded. In general, however, the scale of projects under development, their technological complexity and customer requirements have increased significantly in recent years.

In 2026, the Company completed a new training centre at its Písek-Krašovice airfield. This investment represents an important part of the infrastructure required for the Company's further development. The ability to provide customers not only with unmanned aircraft themselves, but also with training, operational support, servicing and related know-how, is becoming an increasingly important part of the Company's comprehensive offering.

In May 2026, the Company obtained an ATO certificate for its unmanned aircraft training centre. Together with the DOA and POA approvals already obtained, this certification represents another important element of the system of professional approvals, technological capabilities and infrastructure that the Company has progressively built over recent years.

Alongside its own development activities, the Company continues to cooperate with leading European and multinational technology companies. These include, for example, cooperation with the Airbus group on the MARS project, as well as projects carried out in cooperation with Deutsche Telekom and other partners. The ability to integrate new technologies, sensors, communication systems and other equipment is one of the key prerequisites for the Company's participation in more technologically and commercially demanding projects.

Preparing Production Capacity for the Next Stage of Growth

In April 2026, the Company obtained a building permit for the construction of a new manufacturing facility intended to significantly expand and modernise the Company's production capacity. The tender process for the general contractor is currently underway. Construction work is scheduled to commence in January 2027.

The Company intends to finance this strategic investment primarily from its own resources, without the need for significant external debt. The Company's current financial position enables it to plan its further development while maintaining financial stability and a high degree of financial independence.

Risk of Loss of Significant Clients and Business Opportunities

The Company's business is to a significant extent based on the execution of individual major contracts and projects. Given the relatively limited number of major projects being carried out concurrently, the loss of a customer, cancellation or postponement of a specific contract, or failure to secure or successfully complete a significant business opportunity could adversely affect the Company's revenue, financial performance and financial position.

Competition Risk

The Company operates in a global market in which it faces competition from a number of international manufacturers and technology companies. Given the growing attractiveness of the unmanned aircraft systems segment, further development of existing competitors as well as the entry of new market participants can be expected. Increased competitive pressure could adversely affect, in particular, achievable selling prices, the volume of contracts secured, margins and the Company's future business opportunities.

Risk of Failure to Obtain Export Authorisation for Dual-Use Goods and Military Materiel

Products manufactured by the Company, in particular unmanned aircraft and certain of their components or equipment, may, depending on their specific configuration, technical parameters and intended use, be subject to the export control regime for dual-use goods under Regulation (EU) 2021/821 of the European Parliament and of the Council, as amended, or to the foreign trade regime for military materiel under the applicable legislation.

The execution of certain of the Company's international business transactions is therefore conditional upon obtaining the relevant permits, licences or other approvals from public authorities. There is a risk that the relevant permit or licence may not be granted for a specific transaction, may be granted subject to restrictive conditions, or that the process of obtaining it may be significantly delayed.

In the case of contracts already concluded, such a situation could result in the postponement or inability to complete the relevant delivery and, depending on the specific contractual terms, could also result in an obligation to refund advance payments received or other adverse economic consequences. Failure to obtain, or delays in obtaining, the relevant permit or licence could therefore adversely affect the Company's revenue, cash flows, financial performance and financial position.

Risk of Loss of Know-How and Key Personnel

The Company's key know-how is concentrated primarily in two areas. The first comprises technological expertise related to the development and manufacture of unmanned aircraft, the integration of specific technologies, sensors and other systems, and the ability to manufacture these solutions on a serial-production basis while adapting them to individual customer requirements.

The second key area comprises commercial and regional expertise, in particular a detailed understanding of individual customer needs and the specific characteristics of particular markets, which the Company develops through long-term relationships and the direct activities of its sales team.

The departure of key employees or the loss of a significant part of this know-how could adversely affect the Company's ability to develop, manufacture and sell its products and could lead to a temporary reduction in revenue or delays in the execution of individual projects, particularly during the period required to recruit and train suitable replacements. As of the date of this report, the Company is not aware of any specific circumstances indicating a significant increase in this risk during the second half of 2026.

Risk Associated with Property Insurance

The Company maintains property insurance for its significant assets, which also includes insurance coverage for risks related to terrorism. However, there can be no assurance that the insurance coverage in place will fully cover all potential losses and related costs arising from natural disasters or other unforeseen events, such as fire, storms, floods, inundation, windstorms, hail or terrorist attacks.

A significant insured event, particularly if its consequences were not fully covered by insurance or resulted in an interruption of production or other operating activities, could adversely affect the Company's assets, financial performance and financial position.

Credit Risk

Given that the Company makes significant use of advance payments from customers to finance production, credit risk arising from commercial relationships is not currently considered significant. Apart from advance payments, the Company does not generally use other forms of security for receivables.

The Company's management applies a credit policy and continuously monitors its exposure to the credit risk of individual business partners.

Liquidity Risk

The Company uses advance payments from customers, among other things, to finance production and the purchase of required components. Liquidity risk could increase, in particular, if the Company were unable to deliver the agreed products in the required quality or within the agreed timeframe. Such a situation could result in the customer refusing to pay the outstanding portion of the purchase price, requesting the refund of an advance payment already made, or the Company becoming liable to pay contractual penalties.

If these circumstances were to occur concurrently, they could adversely affect the Company's cash flows and its ability to meet its obligations to suppliers and other business partners when due. As of the date of this report, the Company is not aware of any specific circumstances indicating a significant increase in this risk during the second half of 2026.

8. Additional Information

This H1 Financial Report is based primarily on the condensed interim consolidated financial statements prepared as of 30 June 2026 in accordance with International Financial Reporting Standards as adopted by the European Union (International Accounting Standards – IAS and International Financial Reporting Standards – IFRS).

This H1 Financial Report has not been audited.

9. Condensed Interim Consolidated Financial Statements under IFRS (Unaudited)

Condensed Interim Consolidated Financial Statements

(Unaudited)

for the period from 1 January 2026 to 30 June 2026

Primoco UAV SE

Prague, 28 August 2026

Ladislav Semetkovský,
Chairman of the Board of Directors of Primoco UAV SE

Consolidated Statement of Comprehensive Income for the Half-Year Ended 30 June 2026

	Note	1/1-30/6 2026 CZK thous.	1/1-30/6 2025 CZK thous.
Revenue from contracts with customers	9	**101,199**	**249,104**
Other operating income	10	10,110	3,731
Change in inventories of finished goods and work in progress		-47,810	-3,634
Materials and energy consumed		56,937	106,132
Personnel expenses	26	32,402	30,343
Services, repairs and maintenance expenses	11	25,056	21,821
Depreciation and amortisation expenses		7,999	6,608
Impairment losses on assets		-	-
Other operating expenses	12	3,128	6,804
Finance costs	13	2,105	966
Finance income	13	6,707	2,280
Other income		-	-
Profit/Loss before tax		**38,199**	**86,075**
Income tax	24	8,405	18,928
Profit for the period		**29,794**	**67,147**
Earnings per share	14		
- Basic earnings per share attributable to holders of ordinary shares of the parent		6,33	14,26
OTHER COMPREHENSIVE INCOME			
Gain (loss) on revaluation of assets		-	-
Total other comprehensive income		**-**	**-**
Total comprehensive income for the period		**29,794**	**67,147**

Consolidated Statement of Financial Position as of 30 June 2026

	Note	30/6/2026 CZK thous.	31/12/2025 CZK thous.	30/6/2025 CZK thous.
ASSEETS				
Non-current assets				
Property, plant and equipment	16	238,938	173,255	154,903
Intangible assets	15	19,776	17,516	16,194
Right-of-use assets	17	25,992	20,336	4,895
Deferred tax assets	24	996	971	177
		285,702	212,078	176,169
Current assets				
Inventories	18	356,624	117,427	76,751
Trade and other receivables	19	295,882	161,980	136,554
Contract assets	9.1	-	-	-
Tax receivables		17,973	9,765	6,421
Other current receivables and financial assets	20	11,218	6,704	59
Cash and cash equivalents	21	142,004	486,375	213,713
		823,701	782,251	433,498
TOTAL ASSETS		**1,109,403**	**994,329**	**609,667**
EQUITY				
Share capital	25	4,709	4,709	4,709
Share premium	25	159,269	159,269	159,269
Other reserves		-	-	-
Retained earnings		435,030	405,233	368,291
Total equity		**599,008**	**569,211**	**532,269**
Non-current liabilities				
Lease liabilities	17	21,026	16,554	2,072
Deferred tax liabilities		-	-	-
		21,026	16,554	2,072
Current liabilities				
Trade and other payables	22	13,149	10,247	70,562
Contract liabilities	9.1	462,399	394,029	-
Lease liabilities	17	5,391	4,088	2,876
Government grants		-	-	1,688
Income tax liabilities		8,230	-	-
Provisions	23	200	200	200
		489,369	408,564	75,326
Total liabilities		**510,395**	**425,118**	**77,398**
TOTAL EQUITY AND LIABILITIES		**1,109,403**	**994,329**	**609,667**

Consolidated Statement of Changes in Equity for the Half-Year Ended 30 June 2026

CZK thous.	Note	Share Capital	Share Premium	Retained Earnings	Total equity
Balance on 1 January 2025		**4,709**	**159,269**	**301,084**	**465,062**
Profit for the period		-	-	67,147	**67,147**
Comprehensive income for the period		**4,709**	**159,269**	60	**60**
Balance on 30 June 2025		**4,709**	**159,269**	**368,291**	**532,269**
Balance on 1 January 2026		**4,709**	**159,269**	**405,233**	**569,211**
Profit for the period		-	-	29,794	**29,794**
Other comprehensive income		-	-	3	**3**
Comprehensive income for the period		**4,709**	**159,269**	**435,030**	**599,008**
Balance on 30 June 2026		**4,709**	**159,269**	**435,030**	**599,008**

Consolidated Statement of Cash Flows for the Half-Year Ended 30 June 2026

CZK thous.	Note	30/6/2026	30/6/2025
Cash flows from operating activities			
Profit before tax		38,199	86,075
Adjustments for:			
Depreciation and amortisation expenses		7,999	6,608
Finance income	13	-6,224	-2,280
Finance costs	13	2,105	966
Change in provisions	23	-	-
Foreign exchange differences		-	-
Gain on disposal of property, plant and equipment		46	1,105
Other non-cash items		-4,553	3,045
Working capital adjustments:		-	-
Change in trade and other receivables		-133,899	-136,119
Change in inventories		-239,197	20,828
Change in trade and other payables		71,272	55,184
		-264,252	35,412
Interest received		6,224	2,280
Interest paid on lease liabilities	17	-450	-125
Income tax paid		-8,408	-34,236
Net cash flows from operating activities		**-266,886**	**3,331**
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		50	3,240
Purchase of property, plant and equipment		-70,748	-10,369
Purchase of intangible assets		-2,260	-904
Additions to capitalised development costs		-	-
Net cash flows from investing activities		**-72,958**	**-8,033**
Cash flows from financing activities			
Repayment of lease liabilities	17	-2,911	-11,402
Proceeds from issue of shares		-	-
Dividends paid		-	-
Net cash flows from financing activities		**-2,911**	**-11,402**
Net increase in cash and cash equivalents		-342,755	-16,104
Effect of changes in foreign exchange rates		-1.616	-819
Cash and cash equivalents at the beginning of the period		486,375	230,636
Cash and cash equivalents at the end of the period	21	**142,004**	**213,713**

Notes to the Consolidated Financial Statements for the Half-Year Ended 30 June 2026

1. Information about the Company

Primoco UAV SE (hereinafter referred to as the **"Company"** or the **"Parent Company"**) is a joint-stock company incorporated and domiciled in the Czech Republic, whose shares are publicly traded on the Prague Stock Exchange. The Company has its registered office at Výpadová 1563/29f, 153 00 Prague 5. The Company's identification number is 037 94 393. The Company is the sole shareholder of Primoco UAV Defence s.r.o., with its registered office at Výpadová 1563/29f, 153 00 Prague 5 (hereinafter referred to as **"Primoco Defence"** or the **"Subsidiary"**).

The Company and its Subsidiary (together hereinafter referred to as the **"Group")** are engaged in the manufacture and sale of medium-sized, fully autonomous unmanned aircraft (UAVs) and provide related aviation services.

Primoco UAV SE is the first company in the world to obtain an EASA LUC civil operational authorisation under SORA 2.5 SAIL III for the operation of a 150 kg fixed-wing unmanned aircraft. This authorisation permits, among other things, operations in non-segregated airspace up to ARC-b and flights over populated areas with a population density of up to 5,000 people per km^2.

In 2025, the Company achieved another world first when the Primoco One 150M unmanned aircraft received type certification under the NATO military standard STANAG 4703 (AEP-83B). Primoco UAV also holds Design Organisation Approval and Production Organisation Approval (DOA/POA) under the EMAR 21 standard, confirming compliance with stringent requirements for the development, production and airworthiness assurance of military aviation equipment.

To date, the Company has manufactured more than 250 Primoco One 150 unmanned aircraft, which are operated on four continents. They are used for monitoring strategic infrastructure, protecting national borders and coastlines, calibrating airport navigation systems, as well as for other civil, security and military missions. Depending on their specific configuration and intended use, Primoco One 150 unmanned aircraft are classified as either dual-use products or military materiel.

2. Basis of Preparation

The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (hereinafter referred to as "IFRS"). The consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in Czech currency, and all amounts are rounded to the nearest thousand CZK, unless otherwise stated. The consolidated financial statements have been prepared on a going concern basis. The Group's fiscal year begins on 1 January and ends on 30 June.

Auditor's Remuneration

The audit firm Grant Thornton Audit s.r.o. provided audit services for the year 2025. For these services, remuneration of CZK 867 thousand was paid during the period from 1 January to 30 June 2026. No non-audit services had been provided or invoiced by the statutory auditor by the end of the first half of 2026.

The General Meeting approved Grant Thornton Audit s.r.o. as the audit firm to perform the audit of the financial statements for 2026. The remuneration will be paid in 2027.

3. Basis of Consolidation

The consolidated financial statements comprise the financial statements of Primoco UAV SE and its Subsidiary. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee. Control is achieved only if the following conditions are met:

- The Group has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- The Group is exposed, or has rights, to variable returns from its involvement with the investee; and
- The Group has the ability to use its power over the investee to affect its returns.

It is presumed that control is achieved through ownership of a majority of the voting rights. In addition to this presumption, and also where the Group holds less than a majority of the voting rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has control over an investee, including:

- Contractual arrangements with other shareholders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's actual and potential voting rights.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there have been changes to one or more of the elements of control described above. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary are included in the consolidated financial statements from the date the Group obtains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the owners of the Group's Parent Company and to non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interests and other components of equity and recognises any resulting gain or loss in profit or loss. Any investment retained in the former subsidiary is recognised at fair value.

4. Significant Accounting Policies

The accounting policies applied in the preparation of the consolidated financial statements are set out below. These accounting policies have been applied consistently in all material respects to the periods presented.

4.1. Revenue from Contracts with Customers

Revenue Recognition

Revenue is recognised when the Group has satisfied a performance obligation, and the amount of revenue can be reliably measured. The Group recognises revenue in an amount that reflects the consideration to which the Group expects to be entitled (net of expected discounts) in exchange for transferring goods or services to a customer.

All contracts with customers are analysed upon entering into the contract to identify all performance obligations to the customer. The transaction price is then determined and allocated to the individual performance obligations based on their stand-alone selling prices. Revenue is subsequently recognised for each performance obligation in the appropriate amount when control of the goods or services is transferred to the customer, either at a point in time or over time.

Revenue from the sale of aircraft, control units, payloads and spare parts is recognised when control is transferred to the customer, the amount of revenue has been agreed or can be reliably measured, and receipt of payment is probable. This generally corresponds to the point in time when the products are delivered to the customer.

Revenue from the sale of services that are sold together with an aircraft but are distinct from it (e.g. pilot and mechanic training) and that will be provided in future periods is identified as a separate performance obligation and recognised when the service is provided or, where the services are provided continuously over a period of several months, on a straight-line basis over the relevant period. Payments received are initially recognised as contract liabilities arising from payments received and are subsequently recognised as revenue over the term of the service contract.

Contract Assets

A contract asset is the Group's right to consideration in exchange for goods, products or services that it has transferred to a customer. If the Group performs by transferring goods, products or services to a customer before the customer pays the consideration or before payment becomes due, the Group recognises the conditional right to consideration as a contract asset.

Contract Liabilities

A contract liability is recognised if the Group receives consideration from a customer, or if consideration is due (whichever occurs first), before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e. transfers control of the related goods or services to the customer).

Trade Receivables

A receivable is recognised if the Group has an unconditional right to consideration (i.e. only the passage of time is required before payment of the consideration becomes due).

4.2. Intangible Assets

Intangible assets acquired separately are measured at cost upon initial recognition. After initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, with the exception of capitalised development costs, are not capitalised, and the related expenditure is recognised in profit or loss in the period in which it is incurred.

Directly attributable costs that are capitalised as part of software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recognised as intangible assets and amortised from the date the asset is ready for use.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over their useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of the future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives as follows:

	Years
Development costs	6
Software	3
Other rights	6
Other non-current intangible assets – STANAG Certification	6
Other non-current intangible assets	1,5

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

4.3. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the total amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to bringing the asset to the location and condition necessary for it to operate as intended.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Similarly, when a major inspection is performed, its cost is recognised in the carrying amount of property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

	Years
Buildings	20-30
Vehicles	5
Test aircraft	5
Moulds	3
Other tangible assets	3-5

Land and construction in progress are not depreciated.

Property, plant and equipment and any significant components thereof that were initially recognised are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising on derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in profit or loss when the asset is derecognised.

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed at the end of each reporting period and adjusted prospectively, where appropriate.

Items of property, plant and equipment with a useful life of more than one year and a cost of less than CZK 80 thousand are recognised directly as expenses.

4.4. Impairment of Assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, or when annual impairment testing of an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount of an asset is the higher of the fair value of the asset or cash-generating unit ("CGU") less costs of disposal and its value in use.

The recoverable amount is determined for an individual asset unless the asset generates cash inflows that are largely independent of those from other assets or groups of assets. If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, where available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices of publicly traded companies or other available fair value indicators.

Impairment losses on continuing operations are recognised in profit or loss.

At each reporting date, assets are assessed for any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the Group estimates the recoverable amount of the asset or CGU. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount or the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

Intangible assets with indefinite useful lives are tested for impairment annually as of 31 December, either individually or at the cash-generating unit level, and whenever circumstances indicate that their carrying amount may be impaired.

4.5. Leases

Identification of a Lease – Lease Agreement

A lease is a contract, or part of a contract, that conveys the right to use an identified asset for a period of time in exchange for consideration. At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. The Group reassesses whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

The Group assesses whether a contract conveys the right to control the use of an identified asset for a period of time based on the following:

- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- The lease relates to a specific asset, and the lessor does not have the right to substitute the asset or obtain a financial benefit from such substitution;
- The Group has the right to control the use of the identified asset;
- The lease term is longer than 12 months (the short-term lease exemption permitted under IFRS 16); and
- The value of the new asset exceeds CZK 80,000 (the low-value asset exemption permitted under IFRS 16).

The Group assesses whether a contract contains a lease separately for each potential lease component.

The Group has no external subleases outside the Group and no contracts under which the Group acts as a lessor.

Lease Liability

At the commencement date of the lease, the lessee measures the lease liability at the present value of the lease payments that have not been paid at that date. Lease payments are payments made by the lessee to the lessor for the right to use an underlying asset during the lease term.

These payments include:

- fixed payments (less any lease incentives);
- variable lease payments that depend on an index or a rate;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- payments of penalties for terminating the lease if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, variable lease payments that are not included in the measurement of the lease liability are recognised in profit or loss in the period in which the event or condition that triggers those payments occurs. Interest on the lease liability is recognised as a finance cost of the Group.

Right-of-Use Asset

The Group measures the right-of-use asset at the commencement date of the lease based on the lease agreement. The measurement is based on:

- the amount of the lease liability, increased by any lease payments made by the Group at or before the commencement date (less any lease incentives received);
- any initial direct costs incurred by the Group;
- an estimate of costs to be incurred in dismantling and removing the identified asset or restoring the site on which the asset is located; and
- costs of modifications and reconstruction of the asset required under the lease agreement, through the recognition of a provision in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Right-of-use assets are generally depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term.

4.6. Foreign Currency Transactions

The Group's consolidated financial statements are presented in Czech koruna. Items included in the financial statements of each Group entity are measured using this functional currency.

Transactions denominated in foreign currencies are initially recorded by the Group entities at the respective functional currency exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot exchange rate prevailing at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss as finance income and finance costs. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates prevailing at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates prevailing at the date when the fair value was measured.

Gains or losses arising from the translation of non-monetary items measured at fair value are recognised consistently with the recognition of gains or losses arising from changes in the fair value of the respective items.

4.7. Financial Instruments (IFRS 9)

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Financial assets are classified based on the Group's business model and the characteristics of the contractual cash flows. Under IFRS 9, financial assets are classified into the following categories: financial assets subsequently measured at amortised cost ("AC"), financial assets measured at fair value through other comprehensive income ("FVTOCI") and financial assets measured at fair value through profit or loss ("FVTPL").

Trade and other receivables that do not contain a significant financing component, or for which the Group has applied the practical expedient, are measured at the transaction price determined in accordance with IFRS 15.

The Group's financial assets comprise cash and trade and other receivables without a significant financing component that meet the criteria for classification as AC.

Trade and Other Receivables

Trade and other receivables are recognised at their original invoiced amount less an allowance for impairment of these receivables.

The Group's impairment policy for receivables is described below, and further information on trade and other receivables is provided in Note 19.

Impairment of Financial Assets Measured at Amortised Cost

As the Group's financial statements include only financial assets comprising trade and other receivables that do not contain a significant financing component, the Group applies the simplified approach to calculating expected credit losses ("ECL"). Accordingly, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECL at each reporting date. The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the loss is recognised in profit or loss.

The simplified approach adopted by the Group uses elements of the general approach, with the principal difference being that the staging of financial assets is not applied.

The determination of ECL is based on three components used by the Group: probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD"):

- PD is an estimate of the likelihood of default over a given period of time. It is calculated using a combination of customers' financial position and performance, transaction data, volumes and payment behaviour. The set of variables differs depending on the scorecards applied to customers, which are determined by their country of residence.

- EAD is an estimate of the exposure at a future default date, taking into account expected changes in exposure after the reporting period, including repayments of principal and interest and expected drawdowns on committed credit limits.

- LGD is an estimate of the loss arising in the event of default. It is based on the difference between the contractual cash flows due and the cash flows that the lender would expect to receive, including from any collateral. It is usually expressed as a percentage of EAD.

Impaired receivables are derecognised when they are assessed as uncollectible.

Financial Liabilities

Financial liabilities are classified primarily in the fair value measurement category. The Group's financial liabilities comprise trade and other payables.

Trade and Other Payables

Trade payables are recognised at their nominal amount, which is considered to be substantially equivalent to fair value.

Derecognition

A financial liability is derecognised when the obligation is discharged, cancelled or expires. Where an existing financial liability is replaced by another liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognised in profit or loss.

4.8. Inventories

Inventories are measured at the lower of cost and net realisable value.

Costs are assigned to individual items using the "first-in, first-out" (FIFO) method (the initial cost used to measure additions to inventories is used as the initial cost when measuring inventory disposals). The cost of purchased inventories includes costs associated with their acquisition (freight, customs duties, commissions, etc.).

Internally produced inventories are measured at production cost, which includes direct costs incurred in production or other activities and, where applicable, an appropriate portion of indirect costs attributable to production or other activities.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

4.9. Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash on hand and cash at banks.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise cash and short-term deposits, as defined above, net of outstanding bank overdrafts, as these are considered an integral part of the Group's cash management.

4.10.Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. Expenses relating to a provision are recognised in profit or loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

4.11. Cash Dividends to the Company's Shareholders

The Company recognises a liability to make cash distributions to the Company's shareholders when the distribution is authorised and is no longer at the discretion of the Company. Under Czech corporate law, a distribution is authorised when it is approved by the shareholders. The corresponding amount is recognised directly in equity.

4.12. Tax

Current Tax

Current income tax assets and liabilities for the reporting period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to calculate the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. The Group's management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is calculated separately for each Group company using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to a deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss;
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in relation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination that do not satisfy the criteria for separate recognition at the acquisition date are recognised subsequently if new information about facts and circumstances changes. The adjustment is either treated as a reduction in goodwill (provided it does not exceed goodwill), if it arises during the measurement period, or is recognised in profit or loss.

5. Adoption of New or Revised Standards

The amendments have no material impact on the Group’s consolidated financial statements.

5.1. Application of New IFRS Accounting Standards – New or Amended Standards that Are Effective and Have Been Endorsed by the European Union

IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendment)

The amendment is effective for annual reporting periods beginning on 1 January 2025, although entities may apply it earlier. It clarifies how an entity should assess whether a currency is exchangeable and how it should determine the spot exchange rate when a currency is not exchangeable.

A currency is considered exchangeable if an entity is able to obtain the other currency within a timeframe that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction creates enforceable rights and obligations.

If a currency is not exchangeable, an entity is required to estimate the spot exchange rate at the measurement date. The objective is to determine the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. Under the amendment, an entity may use an observable exchange rate without adjustment or may apply another estimation technique.

5.2. New or Amended Standards Issued but Not Yet Effective and Not Early Adopted by the Group/Company

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments (Amendments)

In May 2024, the IASB issued amendments relating to the Classification and Measurement of Financial Instruments, amending IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026. Earlier application of the amendments relating to the classification of financial assets and the related financial disclosures is permitted, with the option to apply the other amendments at a later date.

The amendments clarify that a financial liability is derecognised on the "settlement date", when the liability is discharged, cancelled, expires or otherwise qualifies for derecognition. An accounting policy option has been introduced to derecognise liabilities settled through electronic payment systems before the settlement date, subject to certain conditions.

The amendments also provide guidance on assessing the contractual cash flow characteristics of financial assets that include environmental, social or governance (ESG) features or other similar contingent features. In addition, the amendments clarify the treatment of non-recourse assets and contractually linked instruments and require additional disclosures under IFRS 7 for financial assets and liabilities with terms that reference contingent events (including ESG-related features) and equity instruments measured at fair value through other comprehensive income.

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity (Amendments)

In December 2024, the IASB issued targeted amendments to better reflect contracts referencing nature-dependent electricity, amending IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted. The amendments include clarification of the application of the "own use" requirements, permit hedge accounting when contracts within the scope of the amendments are used as hedging instruments and introduce new disclosure requirements to enable investors to understand the effects of these contracts on the Group's financial performance and cash flows. The clarification relating to the "own use" requirements must be applied retrospectively, while the guidance permitting hedge accounting must be applied prospectively to new hedging relationships designated on or after the date of initial application.

Annual Improvements to IFRS Accounting Standards – Volume 11

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11. An entity shall apply these amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The IASB's annual improvements process addresses non-urgent but necessary clarifications and amendments to IFRS Accounting Standards. In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11. An entity is required to apply these amendments for annual reporting periods beginning on or after 1 January 2026. Annual Improvements to IFRS Accounting Standards – Volume 11 includes amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. These amendments are intended to clarify wording and correct minor unintended consequences, oversights or conflicts between requirements in the standards.

5.3. New or Amended Standards Not Yet Effective and Not Yet Endorsed by the European Union

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements, which replaces IAS 1 – Presentation of Financial Statements and will be effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

IFRS 18 introduces new requirements for presentation in the statement of profit or loss. It requires an entity to classify all income and expenses in its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. These categories are supplemented by requirements to present subtotals and totals for “operating profit or loss”, “profit or loss before financing and income taxes” and “profit or loss”. The standard also requires disclosure of management-defined performance measures and introduces new requirements for the aggregation and disaggregation of financial information based on identified “roles” in the financial statements and the notes to the financial statements. The standard will also result in consequential amendments to other accounting standards. IFRS 18 will be effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. Retrospective application is required for both annual and interim financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19 – Subsidiaries without Public Accountability: Disclosures, and in August 2025 the IASB issued amendments to IFRS 19. IFRS 19 (including the amendments) will be effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

IFRS 19 allows subsidiaries without public accountability to apply reduced disclosure requirements if their parent (ultimate, direct or indirect) prepares publicly available consolidated financial statements that comply with IFRS Accounting Standards. These subsidiaries are still required to apply the recognition, measurement and presentation requirements in other IFRS Accounting Standards. Unless otherwise specified, entities that elect to apply IFRS 19 will not be required to apply the disclosure requirements in other IFRS Accounting Standards.

The amendments issued in August 2025 reduce the disclosure requirements relating to new IFRS Accounting Standards that were originally included in full when IFRS 19 was first issued. IFRS 19 (including the amendments) will be effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

IAS 21 – The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (Amendments)

In November 2025, the IASB issued amendments on Translation to a Hyperinflationary Presentation Currency, amending IAS 21 The Effects of Changes in Foreign Exchange Rates. The amendments will be effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency using the closing rate. If an entity’s functional currency is the currency of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the entity’s financial performance and financial position are translated into the presentation currency by translating all amounts (i.e. assets, liabilities, equity items, income and expenses) and all comparative information at the closing rate at the date of the most recent statement of financial position. An entity whose functional currency and presentation currency are both currencies of a hyperinflationary economy restates the comparative information of a foreign operation whose functional currency is the currency of a non-hyperinflationary economy by applying a general price index to the comparative information of that foreign operation. The amendments also introduce additional disclosure requirements and have not yet been endorsed for use in the EU.

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)

In December 2015, the IASB deferred the effective date of the amendments indefinitely, pending the outcome of its research project on the equity method.

The amendments address the existing inconsistency between the requirements of IFRS 10 and IAS 28 concerning the accounting for the loss of control of a subsidiary when it is sold or contributed to an associate or joint venture.

The principal consequence of the amendments is that, where the assets involved in the transaction constitute a business (regardless of whether or not they are contained within a subsidiary), the related gain or loss is recognised in full. Conversely, where the assets involved in the transaction do not constitute a business (even if they are contained within a subsidiary), the entity recognises only a partial gain or loss. In December 2015, the IASB deferred the effective date of the amendments indefinitely, pending the outcome of its research project on the equity method.

Based on the Group management's estimates, compliance with these standards, amendments to existing standards and interpretations are not expected to have a material impact on the Group's consolidated financial statements in the period in which they are first applied.

6. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the consolidated financial statements requires the use of estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, as well as the disclosure of accompanying information and contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of the affected assets or liabilities in future periods.

The Company's management has determined these estimates and assumptions based on all relevant information available to it. There have been no changes in the nature or amount of the estimates used since the previous financial statements were issued.

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that involve a significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are described below.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions regarding future developments may change due to market changes or circumstances arising beyond the Group's control. Such changes are reflected in the assumptions when they occur.

Useful Lives of Non-Current Assets

At the reporting date, the Group reassesses and, where necessary, adjusts the useful lives of assets and the related depreciation and amortisation methods, taking into account the current condition of the assets and the related investment plan for future periods.

Leases

The Group has applied judgement in determining the lease term for certain lease agreements that include extension or termination options or that have been entered into for an indefinite period. The assessment of whether the Group is reasonably certain to exercise such options, and the assessment of how long the Group will use the underlying assets under contracts entered into for an indefinite period, affect the lease term, which has a significant impact on the recognised lease liabilities and right-of-use assets.

7. Information about the Group

The Group's consolidated financial statements include:

Name	Principal Activity	Seat	Address	Effective Ownership Interest 2026	2025
Primoco UAV SE	UAV Production	Czech Republic	Výpadová 1563/29f, 153 00 Praha 5	Company	Company
Primoco UAV Defence s.r.o.	UAV Sale	Czech Republic	Výpadová 1563/29f, 153 00 Praha 5	100%	100%

All shares are ordinary shares unless otherwise stated.

7.1. Group Management

The day-to-day operations of the Group companies are managed by management. Strategic and long-term decisions concerning significant investments and the overall direction of the Group's development are subject to approval by the Group's management. The Board of Directors is the highest governing body of the Parent Company, responsible for the business management of the Company and acting on behalf of the Company in all matters that are not reserved for the General Meeting or the Supervisory Board by the Articles of Association or by law. The Supervisory Board is the Company's supervisory body, overseeing the performance of the Board of Directors and the activities of the Company.

As of 30 June 2026, the Group's management comprised the following:

Management

Ladislav Semetkovský	Chairman of the Board of Directors, Chief Executive Officer
Petr Kováč	Member of the Board of Directors
Romana Wyllie	Member of the Board of Directors
Jaroslav Svoboda	Chief Production Officer
Josef Šťastný	Chief Technical Officer
Jakub Toman	Chief Pilot and Chief Designer
Miroslav Mišík	Chief Financial Officer
Vladan Ševčík	Quality Director
Jakub Fojtík	Sales Director
Lenka Holsteinová	Director of Legal Affairs and General Counsel
Irena Schöpp	Marketing Director
Tereza Koucká	HR Director

Supervisory Board

Vladan Ševčík	Chairman of the Supervisory Board
Lenka Holsteinová	Member of the Supervisory Board
Jakub Fojtík	Member of the Supervisory Board

Audit Committee

Petr Babický	Chairman of the Audit Committee
Jan Venglář	Member of the Audit Committee
Rostislav Kuneš	Member of the Audit Committee

8. Segment Information

Management is the entity's chief operating decision-maker (CODM) and monitors operating results and performance measures for the purpose of making decisions about resource allocation and assessing performance at the level of a single segment (i.e. the Group as a whole).

The Group is therefore presented as a single segment.

9. Revenue from Contracts with Customers

The Group comprises a single segment engaged in the sale of aircraft and related equipment and services.

The timing of revenue recognition was as follows:

CZK thous.	**1/1-30/6/ 2026**	**1/1-30/06/ 2025**
Goods and services transferred at a point in time	101,199	249,104
Total revenue from contracts with customers	**101,199**	**249,104**

Services provided to customers include training for aircraft pilots and operators, which is provided upon delivery of the aircraft to the customer.

In connection with aircraft sales, services totalling CZK 2,756 thousand were provided during the period 1/1-30/6/2026 (1/1-30/6/2025: CZK 950 thousand).

9.1. Contract Balances

CZK thous.	**30/6/2026**	**31/12/2025**
Trade Receivables	295,468	161,236
Contract Assets	-	-
Contract Liabilities	462,399	394,029

Contract liabilities comprise advance payments received from customers with whom contracts for the purchase of aircraft have been concluded.

9.2. Performance Obligations

A typical contract with a customer includes several performance obligations. The transaction price is allocated to these obligations based on their stand-alone selling prices. Information on the Group's performance obligations is provided below:

Manufacture and Delivery of Aircraft and Related Equipment

The performance obligation is satisfied upon delivery and handover of the aircraft and equipment to the customer.

Payment is divided into two instalments. 50% of the consideration is payable within 14 days of signing the contract, with the remaining amount payable 14 days before the agreed delivery date to the customer.

Pilot and Mechanic Training

The performance obligations are satisfied over time, and payment for the satisfaction of these obligations is included in the transaction price specified in the contract.

The Group recognises contract liabilities in respect of these performance obligations and recognises revenue over a period of 2–3 months as the customer receives and consumes the benefits provided by the Group's performance.

Remote Pilot Support

Under the contract, the customer may order remote pilot support measured in flight hours.

As this service is prepaid by the customer, the Group recognises a contract liability and satisfies the performance obligation over time in line with the customer's demand for and consumption of flight hours.

Contract Liabilities / Deferred Revenue

CZK thous.	30/06/2026	31/12/2025
Opening Balance	**394,029**	**44,137**
Additions	68,370	394,029
Releases	-	-44,137
Total contract liabilities / deferred revenue	**462,399**	**394,029**

10. Other Operating Income

CZK thous.	1/1-30/6/ 2026	1/1-30/06/ 2025
Proceeds from the sale of non-current intangible assets and property, plant and equipment	50	3,240
Government grant income	-	-
Other operating income	10,060	491
Total other operating income	**10,110**	**3,731**

On 23 November 2022, the Company entered into a Grant Agreement (GRANT AGREEMENT Project 101073911 — I-SEAMORE: INTEGRATED SURVEILLANCE ECOSYSTEM FOR EUROPEAN AUTHORITIES RESPONSIBLE FOR MARITIME OPERATIONS LEVERAGED BY RELIABLE AND ENHANCED AERIAL SUPPORT), supported under the HORIZON-CL3-2021-BM-01 call by the European Research Executive Agency (REA).

The agreement was concluded with the coordinating company: ATOS IT SOLUTIONS AND SERVICES IBERIA SL (ATOS IT), PIC 952979120, established at RONDA DE EUROPA 5, TRES CANTOS MADRID 28760, Spain.

The grant was provided under an EU funding programme in the field of security and environmental protection, as part of a project financed from EU funds.

The grant was provided for a fixed period from 1 January 2023 to 31 October 2025. As at the reporting date, the grant had not yet been finally approved and closed. Until 30 June 2023, the beneficiary on our side was Primoco UAV Defence, s.r.o.; from 1 July 2023, the beneficiary has been Primoco UAV SE.

The objective of the project is to develop a platform comprising infrastructure in the form of unmanned aircraft equipped with sensors for data collection, other open (satellite) data sources, and an artificial intelligence-based software layer for data analysis. The platform is intended to enable end users to monitor extensive maritime borders and coastal areas, analyse potential threats, support search and rescue operations, and detect illegal activities.

Total pre-financing for both Companies amounts to EUR 419,015.63 (75% of the grant).

At the end of 2024 and 2025, the Company prepared and submitted the final report and, at the same time, recognised movements in expenditure under other operating income.

11. Service, Repair and Maintenance Costs

CZK thous.	1/1-30/6/ 2026	1/1-30/06/ 2025
Repairs and maintenance	425	826
Commissions	0	9,872
External contractors	4,549	2,481
Other services	20,082	8,642
Total service, repair and maintenance costs	**25,056**	**21,821**

12. Other Operating Expenses

CZK thous.	1/1-30/6/ 2026	1/1-30/06/ 2025
Insurance costs	1,485	1,096
Capitalisation of non-current assets	-	-
Other operating expenses	1,643	5,708
Total other operating expenses	**3,128**	**6,804**

13. Finance Income and Costs

CZK thous.	1/1-30/6/ 2026	1/1-30/06/ 2025
Interest expense on lease liabilities	450	125
Bank charges	39	22
Foreign exchange losses	1,616	819
Total finance costs	**2,105**	**966**
Interest income	6,224	2,280
Foreign exchange gains	457	-
Other finance income	26	-
Total finance income	**6,707**	**2,280**

14. Earnings per Share

The following table reflects the profit and shares data used in the calculation of basic earnings per share.

No share options or other convertible rights were issued in 2025 or 2026, nor were there any additional share issues. Accordingly, there are no dilutive effects, and the weighted average number of ordinary shares remains unchanged throughout the periods and corresponds to the original share issue.

CZK thous.	1/1-30/6/ 2026	1/1-30/06/ 2025
Earnings	29,794	67,147
Number of shares	4,709	4,709
EPS	**6,33**	**14,26**

15. Intangible Assets

Cost of intangible assets:

CZK thous.	Purchased software	Patents and rights	Other intangible assets	Development costs	Intangible assets under development	Total
1/1/2025	**1,437**	**-**	**2,161**	**7,476**	**9,608**	**20,682**
Additions	499	-	9,482	-	3,449	**13,430**
Transfers	-	-	-	-	-10,666	**-10,666**
30/6/2025	**1 936**	**-**	**11 643**	**7 476**	**2 391**	**23 446**
1/1/2026	**3,328**	**-**	**11,643**	**7,476**	**4,792**	**27,239**
Additions	-	-	-	-	4,551	**4,551**
Transfers	-	-	-	-	-	**-**
30/6/2026	**3,328**	**-**	**11,643**	**7,476**	**9,343**	**31,790**

Accumulated amortisation and impairment of intangible assets:

CZK thous.	Purchased software	Patents and rights	Other intangible assets	Development costs	Intangible assets under development	Total
1/1/2025	**815**	**-**	**360**	**4,217**	**-**	**5,392**
Amortisation	156	-	761	943	-	**1,860**
30/6/2025	**971**	**-**	**1,121**	**5,160**	-	**7,252**
1/1/2026	**1,341**	**-**	**2,280**	**6,102**	-	**9,723**
Amortisation	429	-	1,116	746	-	**2,291**
30/6/2026	**1,770**	**-**	**3,396**	**6,848**	**-**	**12,014**
Carrying amount						
1/1/2025	965	-	10,522	2,316	2,391	**16,194**
31/12/2025	1,987	-	9,363	1,374	4,792	**17,516**
30/6/2026	1,558	-	8,247	628	9,343	**19,776**

Significant Assets

On 14 March 2025, the Company was granted STANAG certification. Services performed in connection with the certification were capitalised as intangible assets. The Company continues to work on STANAG certification, and the related services are recognised as intangible assets under development. The Company also invested in the development of aircraft know-how.

16. Property, Plant and Equipment

Cost of property, plant and equipment:

CZK thous.	**Land**	**Buildings**	**Vehicles**	**Machines and equipment**	**Assets under construction**	**Other tangible assets**	**Total**
1/1/2025	**114,487**	**10,522**	**14,642**	**9,870**	**6,131**	**77**	**155,729**
Additions	-	-	-324	-	12,306	-	**11,982**
Transfers	-	-	-	-	-	-	**-**
Disposals	-	-	-827		-	-	**-827**
Foreign exchange differences	-	-	-	-371	-	-	**-371**
30/6/2025	**114,487**	**10,522**	**13,491**	**9,499**	**18,437**	**77**	**166,513**
1/1/2026	**114,487**	**10,681**	**16,862**	**9,503**	**35,184**	**77**	**186,794**
Additions	-	69,156	-	-	68,456	-	**137,612**
Transfers	-	-	-	-	-69,156	-	**-69,156**
Disposals	-	-126	-	-	-	-	**-126**
Foreign exchange differences	-	-	-	-	-	-	**-**
30/6/2026	**114,487**	**79,711**	**16,862**	**9,503**	**34,484**	**77**	**255,124**

Accumulated depreciation and impairment of property, plant and equipment:

CZK thous.	Land	Buildings	Vehicles	Machines and equipment	Assets under construction	Other tangible assets	Total
1/1/2025	**-**	**1,930**	**4,379**	**5,312**	**-**	**-**	**11,621**
Depreciation	-	185	4,679	193	-	-	**5,057**
Disposals	-	-	-5,068	-	-	-	**-5,068**
30/06/2025		**2,115**	**3,990**	**5,505**	**-**	**-**	**11,610**
1/1/2026	**-**	**2,300**	**5,295**	**5,944**	**-**	**-**	**13,539**
Depreciation		61	1 817	673			**2,551**
Disposals		96					**96**
30/6/2026	**-**	**2,457**	**7,112**	**6,617**	**-**	**-**	**16,186**
Carrying Amount							
30/6/2025	114,487	8,407	9,501	3,994	18,437	77	**154,903**
31/12/2025	114,487	8,381	11,567	3,559	35,184	77	**173,255**
30/6/2026	114,487	77,254	9,750	2,886	34,484	77	**238,938**

Significant Assets

On 8 June 2026, the Transport and Energy Construction Authority issued the occupancy approval for the construction works at Písek Airport. The approval covers the extension of the hangar and the administrative and sanitary facilities, with a total value of CZK 69 million. In the first half of 2026, the Company completed the design work for the project "Construction of the New Písek Airport, Production Hall and Administrative Building." The project costs were recognised as assets under construction.

17. Leases

The Group currently leases a building in Radotín, where its production facilities are located, and an aircraft for travel purposes. From 1 May 2026, the Company leased office premises in Modřany. The lease agreements for the offices and the aircraft include extension and termination options. The Group applies the exemptions under IFRS 16 for short-term leases and leases for which the underlying asset is of low value.

Right-of-Use Assets

CZK thous.	Buildings	Aircraft	Total
1/1/2025	**1,704**	**5,469**	**7,173**
Additions	-	-	**-**
Additions due to modifications	-	-	**-**
Depreciation	-551	-1,727	**-2,278**
30/6/2025	**1,153**	**3,742**	**4,895**

CZK thous.	Buildings	Aircraft	Total
1/1/2026	**5,466**	**14,870**	**20,336**
Additions	8,048	-	**8,048**
Additions due to modifications	165	-	**165**
Depreciation	-935	-1,622	**-2,557**
30/6/2026	**12,744**	**13,248**	**25,992**

Lease Liabilities

CZK thous.	2026	2025
On 1 January	**20,642**	**7,249**
Additions	8,195	-
Interest accrued	450	125
Payments	-2,869	-2,426
On 30 June	**26,417**	**4,948**
Non-current	21,026	2,072
Current	5,391	2,876

An overview of future undiscounted cash flows from lease liabilities by expected maturity is provided in Note 27.

18. Inventories

CZK thous.	30/6/2026	31/12/2025
Material	235,647	44,179
Spare parts	37,054	-
Work in progress	5,924	34,977
Finished goods and merchandise	77,999	38,271
Total inventories	**356,624**	**117,427**

Cost of finished goods sold, materials consumed and changes in inventories:

CZK thous.	1/1-30/6 2026	1/1-30/6 2025
Materials and spare parts consumed	56,937	106,132
Capitalisation of materials and merchandise	-	-
Changes in inventories of finished goods and work in progress and inventory allowances	-47,810	-3,634
Total inventories	**9,127**	**102,498**

19. Trade and Other Receivables

CZK thous.	30/6/2026	31/12/2025
Trade receivables	295,468	161,236
Intra-group receivables	-	-
Advances paid	412	738
Prepaid expenses	2	6
Other receivables	-	-
Total trade and other receivables	**295,882**	**161,980**

Trade receivables bear interest at a rate of 0.05% of the outstanding amount for each day of delay, up to a maximum of 10%, and are generally due within 14 days. Trade and other receivables are non-derivative financial assets carried at amortised cost.

When entering into contracts with customers for the sale of aircraft, the Company collects a 50% advance payment, which covers the production costs associated with the relevant contract. This enables the Group to mitigate the risk of unrecovered costs incurred in the production of aircraft.

Given the high collection rate of receivables, the Group did not recognise any loss allowances as of 30 June 2026 or 31 December 2025.

20. Other Receivables and Financial Assets

CZK thous.	30/6/2026	31/12/2025
Receivables from tax authorities	11,218	1,846
Other receivables	-	4,858
Total other receivables and financial assets	**11,218**	**6,704**

21. Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise:

CZK thous.	30/6/2026	31/12/2025
Cash at banks	142,004	486,375
Cash on hand	-	-
Cash and cash equivalents presented in the statement of financial position and statement of cash flows	**142,004**	**486,375**

The fair value of cash and cash equivalents approximates their carrying amount due to their short-term maturities.

22. Trade and Other Payables

CZK thous.	30/6/2026	31/12/2025
Trade payables	2,929	2,479
Employee-related liabilities	10,095	6,077
Payables to tax authorities	-	-
Other payables	125	1,691
Total trade and other payables	**13,149**	**10,247**

Trade payables are non-interest-bearing and are generally settled within 14 days.

Other payables mainly comprise accrued expenses relating to energy and services, with the underlying costs incurred in 2025.

Employee-related liabilities include social security and health insurance liabilities, amounts payable to employees in respect of wages and salaries, and accrued employee leave to be taken or paid in the following reporting period.

Trade and other payables are non-derivative financial liabilities measured at amortised cost. The fair value of current trade and other payables approximates their carrying amount due to their short-term maturities.

23. Provisions

CZK thous.	Other Provisions
1/1/2025	**200**
Additions	-
Utilised	-
Unused amounts reserved	-
30/6/2025	**200**

1/1/2026	**200**
Additions	-
Utilised	-
Unused amounts reserved	-
30/6/2026	**200**

In 2023, the Group recognised a provision of CZK 200 thousand for costs arising from legal proceedings with a former employee, Mr Lukáš Trzaskalik. The legal proceedings had not been resolved as of 30 June 2026 and, accordingly, the provision remained recognised as at that date.

24. Income Tax

The corporate income tax rate applicable to companies in the Czech Republic has been set by law at 21% since 2024.

The components of income tax for the respective reporting periods are as follows:

CZK thous.	**30/6/2026**	**30/6/2025**
Current income tax	8,405	18,928
Adjustments in respect of current income tax of previous years	-	-
Deferred tax	-996	-177
Total	**7,409**	**18,751**

Reconciliation of the income tax expense and accounting profit multiplied by the Parent Company's domestic tax rate for the periods presented below:

CZK thous.	**30/6/2026**	**30/6/2025**
Accounting profit before tax	38,199	86,075
Statutory income tax rate in the Czech Republic of 21%	8,022	18,076
Non-deductible expenses and other additions/deductions	454	852
Deferred tax recognised	-71	-
Income tax recognised in the statement of profit or loss	**8,405**	**18,928**

Deferred tax balances and movements:

CZK thous.	**1/1/2026**	**Recognised in profit or loss**	**Recognised in equity**	**Foreign exchange differences**	**30/6/2026**
Difference between the carrying amount of non-current assets for accounting and tax purposes	**-411**	-	-	-	**-411**
Provisions for liabilities and charges	**1,318**	-	-	-	**1,318**
Other – consolidation adjustments	**64**	25	-	-	**89**
Net deferred tax asset liability	**971**	**25**	**-**	**-**	**996**
Deferred tax asset recognised	**971**	**25**	**-**	**-**	**996**

CZK thous.	**1/1/2025**	**Recognised in profit or loss**	**Recognised in equity**	**Foreign exchange differences**	**30/6/2025**
Difference between the carrying amount of non-current assets for accounting and tax purposes	**-59**	-	-	-	**-59**
Provisions for liabilities and charges	**184**	-	-	-	**184**
Other – consolidation adjustments	**48**	4	-	-	**52**
Net deferred tax asset / liability	**173**	**4**	**-**	**-**	**177**
Deferred tax asset recognised	**173**	**4**	**-**	**-**	**177**

The Group offsets tax assets and liabilities only if it has a legally enforceable right to offset current tax assets against current tax liabilities.

25. Equity

The Group has 4,708,910 issued and fully paid ordinary shares with a nominal value of CZK 1 each and International Securities Identification Number (ISIN) CZ0005135970. The market price of the Group's shares on the Prime Market of the Prague Stock Exchange as of 30 June 2026 was CZK 794 per share.

Authorised, issued and fully paid shares:

	Number of shares	Share capital CZK	Share premium CZK thous.
	Ordinary shares		
At 30/6/2025	**4,709**	**4,709**	**159,269**
Issue of share capital, nominal value of CZK 1 per share	-	-	-
Conversion into shares with a nominal value of CZK 1	-	-	-
At 31/12/2025	**4,709**	**4,709**	**159,269**
At 30/6/2026	**4,709**	**4,709**	**159,269**

All ordinary shares are freely transferable without restriction. Each share with a nominal value of CZK 1 carries one vote.

In 2026, the net profit for 2025 was transferred to retained earnings. The Company did not pay any dividends or issue any new shares in 2026.

26. Personnel Expenses

The Company has established rules governing employees' entitlement to variable remuneration. Each employee is assigned specific targets that must be met in order for the variable remuneration to be paid. Achievement of these targets is reviewed during performance appraisals conducted throughout the year.

Personnel expenses for the respective periods comprise the following:

CZK thous.	**1/1-30/6/ 2026**	**1/1-30/6/ 2025**
Average number of employees and key management personnel of the Group	42	36
Wages, salaries and remuneration of members of the Company's governing bodies	25,184	23 843
Social security and health insurance	7,132	6 353
Other personnel expenses	86	147
Total personnel expenses	**32,402**	**30,343**

Of which, remuneration of key management personnel of the Group:

CZK thous.	1/1-30/6/ 2026	1/1-30/6/ 2025
Wages, salaries and remuneration of members of the Company's governing bodies	12,891	10,738
Total	**12,891**	**10,738**

Under its contractual arrangements with executive members of elected bodies and directors, the Group does not provide for the right to require repayment of any variable remuneration, or any part thereof, to which the individual has become entitled, and which has already been paid. Entitlement to such variable remuneration is conditional upon the achievement of performance criteria set by the Group's Supervisory Board, approval by the General Meeting, and submission of the auditor's report on the audit of the Group's financial statements for the relevant calendar year. This represents a robust mechanism through which the Group seeks to prevent the improper payment of variable remuneration.

In addition, under its remuneration policy, the Group reserves the right to seek compensation for damages, including variable remuneration paid to a member of the Board of Directors who has been convicted of the criminal offence of misrepresentation of information concerning the state of business operations and assets.

27. Financial Risk Management

The Group's classes of financial instruments correspond to the line items presented in the consolidated statement of financial position.

The Group's principal financial liabilities comprise lease liabilities and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and investments. The Group's principal financial assets include trade and other receivables and cash and cash equivalents, which arise directly from its operations.

The Group is exposed to market risk, foreign currency risk and liquidity risk. The Group's management identifies financial risks that could adversely affect its business objectives and, through active risk management, mitigates these risks to an acceptable level.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices.

All production processes are carried out in the Czech Republic, and the Group focuses on maintaining stable and reliable supplier relationships, contributing to its resilient market position. Key elements of market risk management include supplier diversification, obtaining timely information on price movements from appropriate sources, and optimising purchasing and inventory levels.

In the event of supply chain disruptions, the Group is able to replace suppliers rapidly with alternative partners, further reducing potential risks associated with commodity price fluctuations.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows will fluctuate due to changes in foreign exchange rates. The Group's exposure to foreign currency risk relates primarily to its operating activities where revenues or expenses are denominated in a foreign currency.

The Group invoices predominantly in euros. However, it is exposed to a certain degree of foreign currency risk arising from sales and purchases denominated in other currencies, primarily CZK, EUR and USD.

Financial assets and liabilities include cash and cash equivalents, trade and other receivables, and trade and other payables. All other assets and liabilities denominated in foreign currencies are either immaterial or not exposed to foreign exchange risk (e.g. property, plant and equipment).

Liquidity Risk

Prudent liquidity risk management involves maintaining sufficient cash and the availability of adequate funding to meet obligations as they fall due. The Group regularly monitors its liquidity position to ensure that sufficient financial resources are available to meet its obligations and fund its receivables.

The following table summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (CZK thous.):

30/6/2025	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Lease liabilities	-	-	639	-	-	**639**
Trade and other payables	-	1,061	-	-	-	**1,061**
Total	**-**	**1,061**	**639**	**-**	**-**	**1,700**

31/12/2025	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Lease liabilities	-	935	4,700	16,980	-	22,615
Trade and other payables	-	4,170	-	-	-	4,170
Total	**-**	**5,105**	**4,700**	**16,980**	**-**	**26,785**

30/6/2026	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Lease liabilities	-	2,229	6,413	19,617	-	28,258
Trade and other payables	-	3,054	-	-	-	3,054
Total	**-**	**5,283**	**6,413**	**19,617**	**-**	**31,312**

Trade and other payables exclude tax liabilities, advances received and contract liabilities, as these are non-financial liabilities.

Interest Rate Risk

The Group is exposed to minimal interest rate risk, as its operations are fully financed from its own resources and the Group has no outstanding borrowings.

Credit Risk

Credit risk is the risk that counterparties will be unable to meet their contractual obligations.

The Group is exposed to minimal credit risk because it always collects a 50% advance payment for each production order, which covers the production costs associated with the relevant contract. This enables the Group to mitigate the risk of unrecovered costs incurred in the production of aircraft.

Final delivery of the product takes place only after the full contract consideration has been received. If the remaining consideration is not paid, the Group is able to sell the product to another counterparty.

28. Capital Management

The primary objective of the Group's capital management is to ensure that it has sufficient capital to operate and grow its business at an appropriate cost of capital without assuming undue financial risk. For the purposes of the Group's capital management, capital comprises share capital and all other equity reserves attributable to the Company's shareholders.

The Group's primary capital management objective is to maximise shareholder value. The Group's capital allocation principles include:

- Investing in technology and capabilities to support organic growth.
- Maintaining a robust balance sheet and financial strength to preserve strategic flexibility.
- Prioritising growth over dividend distributions, with no intention to declare dividends in the near term.
- Maintaining a high operating margin.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust its capital structure, the Group may adjust dividend payments to shareholders, return capital to shareholders or issue new shares.

There were no changes in the Group's capital management objectives, policies or processes during the period presented.

29. Related Party Disclosures

During the first six months of 2026, the consolidated Group entered into transactions with related parties on normal market terms. During the periods presented, there were no related-party transactions that had a material impact on the Company's financial performance.

During the first six months of 2026, the consolidated Group did not enter into any contractual transactions between related parties. During the periods presented, there were no related-party transactions that had a material impact on the Company's financial performance.

The following table summarises transactions with related parties (CZK thous.):

30/6/2025	**Relationship**	**Payables**	**Receivables**	**Purchases**	**Sales**
Primoco UAV Defence, s.r.o.	Group company	269	199,911	-	230,502

31/12/2025	**Relationship**	**Payables**	**Receivables**	**Purchases**	**Sales**
Primoco UAV Defence, s.r.o.	Group company	244,487	1,148	5,756	357,192

30/6/2026	**Relationship**	**Payables**	**Receivables**	**Purchases**	**Sales**
Primoco UAV Defence, s.r.o.	Group company	184,683	190	-	99,165

30. Subsequent Events

No significant subsequent events occurred after the reporting date that would affect the Group's financial position.

Prague, 28 August 2026

Ladislav Semetkovský
Chairman of the Board of Directors