Sky-Watch A/S

Østre Alle 6, 9530 Støvring

CVR no. 32 65 38 47

Annual report 2024

Approved at the Company's annual general meeting on 27 June 2025

Chair of the meeting:

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Søren Pedersen

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Sky-Watch A/S for the financial year 1 January - 31 December 2024.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Støvring, 27 June 2025
Executive Board:

Martin Schousboe
CEO

Board of Directors:

Per-Erik Edvard Svehag Chairman	Søren Pedersen	Niels Jesper Jespersen Jensen

Independent auditor's report

To the shareholder of Sky-Watch A/S

Opinion

We have audited the financial statements of Sky-Watch A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations as well as the cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aalborg, 27 June 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Hans B. Vistisen
State Authorised Public Accountant
mne23254

Mads Obel Knøsgaard
State Authorised Public Accountant
mne49041

Management's review

Company details

Name	Sky-Watch A/S
Address, Postal code, City	Østre Alle 6, 9530 Støvring
CVR no.	32 65 38 47
Established	1 December 2009
Registered office	Rebild
Financial year	1 January - 31 December
Board of Directors	Per-Erik Edvard Svehag, Chairman Søren Pedersen Niels Jesper Jespersen Jensen
Executive Board	Martin Schousboe, CEO
Auditors	EY Godkendt Revisionspartnerselskab Østre Havnegade 65, 9000 Aalborg, Denmark

Management's review

Financial highlights

DKK'000	2024	2023	2022	2021	2020
Key figures					
Gross profit	365,038	124,825	13,343	-10,566	-5,667
Operating profit/loss	287,792	91,425	-7,118	-22,730	-38,458
Net financials	-423	-384	-1,865	-4,031	-3,027
Profit for the year	223,308	71,077	5,503	-23,528	-39,057
Total assets	287,789	115,190	20,888	10,545	10,092
Investments in property, plant and equipment	5,498	5,628	146	18	146
Equity	109,763	10,605	2,377	-102,198	-78,670
Financial ratios					
Return on assets	142.8%	134.4%	-45.3%	-220.3%	-759.4%
Equity ratio	38.1%	9.2%	11.4%	-969.2%	-779.5%
Average number of full-time employees	**81**	**43**	**32**	**29**	**32**

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss: Profit/loss before net financials +/- Other operating income and other operating expenses

Return on assets: $\frac{\text{Profit/loss from operating activites} \times 100}{\text{Average assets}}$

Equity ratio: $\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$

Management's review

Business review

Sky-Watch is dedicated to developing and commercializing market-leading mini-unmanned aerial systems (UAS) for professional users, primarily within the defense and security sectors. The company collaborates with globally recognized industry leaders to develop cutting-edge system components and solutions, serving an expanding international customer base.

Development in activities and financial matters

The ongoing geopolitical situation, particularly the war in Ukraine, continues to drive a significant increase in demand for Sky-Watch's advanced solutions. In 2024, the company strategically leveraged its operational capabilities to achieve substantial growth and profitability.

In March 2022, Sky-Watch was acquired by the US-based AIRO Group Holdings, Inc., a company pursuing a strategy of consolidating leading businesses within the aerospace sector. AIRO Group Holdings recently became publicly listed on Nasdaq (New York) through an IPO (Form S-1). The group is focused on integrating businesses in avionics, advanced air mobility, uncrewed aerial systems (UAS), and specialized training programs, strengthening Sky-Watch's position within the broader aerospace ecosystem.

Financial review

The income statement for 2024 shows a profit of DKK 223,308 thousand against a profit of DKK 71,077 thousand last year, and the balance sheet at 31 December 2024 shows equity of DKK 109,763 thousand.

The company submitted annual accounts for 2023 in accordance with the Danish Financial Statements Act for accounting class B, and there was no requirement for disclosure on the outlook for 2024.

Financial risks and use of financial instruments

The company's activities result in the fact that earnings and equity are affected by the rate development for certain currencies. The company will constantly follow the rate development and continuosly assess the need of covering the risk including covering expected purchases and sales. The company does not use financial instruments for now.

Research and development activities

Since early 2024, Sky-Watch has made significant investments in its facilities and organizational capacity to support increased operational activity and anticipated expansion. A major focus area has been research and development (R&D), which remains a core strategic priority. The company is committed to advancing its product and technology platform to stay at the forefront of UAS innovation.

Outlook

Sky-Watch remains confident in its products, with strong market demand expected to continue. The uncertain geopolitical climate is anticipated to persist throughout 2025, further driving demand for the company’s solutions.

Sky-Watch will continue its expansion efforts throughout 2025 to meet this growing demand, ensuring it remains well-positioned to address rising market needs while maintaining operational efficiency.

Robust sales opportunities are expected to drive continued growth in 2025. However, profitability is projected to decrease slightly due to ongoing investments in R&D and the development of a global sales organization.

Accordingly, for 2025, the company expect a gross profit in the range of DKK 156-314 million and a profit for the year in the range of 0-123 million.

Sky-Watch aims to enhance its technological capabilities and introduce new solution layers and value propositions in 2025 and beyond through sustained partnerships with globally leading defense industry corporations. These efforts will ensure the continued delivery of state-of-the-art solutions that meet evolving industry requirements.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2024	2023
	Gross profit	365,038	124,825
3	Staff costs	-75,613	-32,946
	Amortisation/depreciation of intangible assets and property, plant and equipment	-1,633	-454
	Profit before net financials	287,792	91,425
	Financial income	1,871	1,840
	Financial expenses, group enterprises	0	-890
	Financial expenses	-2,294	-1,334
	Profit before tax	287,369	91,041
4	Tax for the year	-64,061	-19,964
	Profit for the year	223,308	71,077

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	ASSETS		
	Fixed assets		
6	**Intangible assets**		
	Acquired intangible assets	100	0
		100	0
7	**Property, plant and equipment**		
	Plant and machinery	1,983	1,587
	Other fixtures and fittings, tools and equipment	6,262	3,163
	Leasehold improvements	1,170	795
		9,415	5,545
	Total fixed assets	9,515	5,545
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	51,864	7,745
	Finished goods and goods for resale	6,520	5,283
	Prepayments for goods	6,672	1,170
		65,056	14,198
	Receivables		
	Trade receivables	56,957	3,871
11	Deferred tax assets	7,546	2,741
	Other receivables	5,266	2,853
8	Prepayments	543	483
		70,312	9,948
9	**Cash**	142,906	85,499
	Total non-fixed assets	278,274	109,645
	TOTAL ASSETS	287,789	115,190

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
10	Share capital	1,000	1,000
	Retained earnings	108,763	9,605
	Total equity	109,763	10,605
	Provisions		
	Other provisions	935	318
12	**Total provisions**	935	318
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Other payables	1,568	1,516
		1,568	1,516
	Current liabilities other than provisions		
	Bank debt	550	312
	Prepayments received from customers	37,009	59,584
	Trade payables	16,102	12,075
	Income taxes payable	68,161	9,011
	Other payables	17,906	8,507
13	Deferred income	35,795	13,262
		175,523	102,751
	Total liabilities other than provisions	177,091	104,267
	TOTAL EQUITY AND LIABILITIES	287,789	115,190

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Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Retained earnings	Total
	Equity at 1 January 2024	1,000	9,605	10,605
5	Transfer, see "Appropriation of profit"	0	223,308	223,308
	Extraordinary dividend distributed	0	-124,150	-124,150
	Equity at 31 December 2024	1,000	108,763	109,763

Financial statements 1 January - 31 December

Cash flow statement

Note	DKK'000	2024	2023
	Profit for the year	223,308	71,077
16	Adjustments	66,117	20,802
	Cash generated from operations (operating activities)	289,425	91,879
17	Changes in working capital	-92,365	72,497
	Cash generated from operations (operating activities)	197,060	164,376
	Interest received, etc.	1,871	1,840
	Interest paid, etc.	-2,294	-2,224
	Income taxes paid	-9,717	776
	Cash flows from operating activities	186,920	164,768
	Additions of intangible assets	-103	0
	Additions of property, plant and equipment	-5,498	-5,628
	Cash flows to investing activities	-5,601	-5,628
	Dividends paid	-124,150	-62,850
	Repayments, debt to credit institutions	0	-11,250
	Cash flows from financing activities	-124,150	-74,100
	Net cash flow	57,169	85,040
	Cash and cash equivalents at 1 January	85,187	147
18	**Cash and cash equivalents at 31 December**	142,356	85,187

Financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies**

The annual report of Sky-Watch A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

On the conclusion of sales contracts that consist of several separate sales transactions, the contract price is split up into the individual sales transactions based on the relative fair value approach. The separate sales transactions are recognised as revenue when the criteria for sale of goods and services are met.

A contract is split up into individual transactions when the fair value of each individual sales transaction can be estimated reliably and when each individual sales transaction represents a stand-alone value for the buyer. Sales transactions are deemed to have a stand-alone value for the buyer when the transaction is individually identifiable and sold separately.

Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Revenue from sale of goods

Income from the sale of goods for resale and finished goods, including sale of mini UAS (Unmanned Aerial Systems), is recognised in revenue when the most significant rewards and risks have been transferred to the buyer, the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020.

Income from the sale of goods where installation is a prerequisite for considering significant risks to have been transferred to the buyer is recognised in revenue when the installation is complete.

Revenue from the sale of services

Income from the sale of services, which include service contracts, is recognised in revenue on a straight-line basis as the services are rendered because the services are rendered in the form of an indefinite number of actions over a specified period of time. Revenue corresponds to the selling price of the services rendered in the year (percentage of completion method).

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Gross profit

The items revenue, work performed for own account and capitalised, cost of sales, other external costs and other operating income have been aggregated into one item called gross profit/loss in accordance with section 32 of the Danish Financial Statements Act.

Work performed for own account and capitalised

Work performed on own account and risk and recognised as assets includes staff costs regarding work performed in the financial year in relation to the construction of one or more assets recognised in the balance sheet.

Cost of sales

Cost of sales comprise costs incurred in generating revenue for the year. Such costs include direct costs of raw materials and consumables and wages and salaries.

Other external expenses

Other external costs comprise costs of distribution, sale, advertising, administration, premises, etc.

Other external costs also comprise research and development costs that do not qualify for capitalisation and payments relating to operating leases.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Acquired intangible assets	5-7 years

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Plant and machinery	3 - 15 years
Other fixtures and fittings, tools and equipment	3 - 8 years
Leasehold improvements	3 - 5 years

In case of changes in the depreciation period, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Intangible assets

On initial recognition, intangible assets are measured at cost.

Acquired intangible assets consist of software. Software is measured at cost less accumulated amortisation and impairment losses.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses on the sale of property, plant and equipment are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gain and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs and other costs directly related to the purchase.

Finished goods are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries as well as direct production costs. Production overheads and borrowing costs are not included in cost.

The net realisable value of inventories is determined as the selling price less any discounts, costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable has been impaired.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Cash

Cash comprise cash.

Equity

Proposed dividends

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Provisions

Provisions comprise anticipated costs related to warranties. Provisions are recognised when, as a result of past events, the Company has a legal or constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions for warranties are measured at net realisable value and recognised based on past experience.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the expected value of their realisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities comprising amounts owed to credit institutions, trade payables and payables to external lenders are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

Prepayments received from customers

Prepayments received from customers include deferred revenue where payment has been received for later sales of goods and services but delivery has not yet taken place.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

	DKK'000	2024	2023
3	**Staff costs**		
	Wages/salaries	68,570	29,166
	Pensions	6,398	2,980
	Other social security costs	645	262
	Other staff costs	0	538
		75,613	32,946
	Average number of full-time employees	81	43

Total remuneration to Management: DKK 11,751 thousand (2023: DKK 3,670 thousand).

	DKK'000	2024	2023
4	**Tax for the year**		
	Estimated tax charge for the year	68,161	9,011
	Deferred tax adjustments in the year	-4,805	11,023
	Tax adjustments, prior years	705	-70
		64,061	19,964

5 Appropriation of profit

Recommended appropriation of profit		
Extraordinary dividend distributed in the year	124,150	62,850
Retained earnings	99,158	8,227
	223,308	71,077

Financial statements 1 January - 31 December

Notes to the financial statements

6 Intangible assets

DKK'000	Acquired intangible assets
Cost at 1 January 2024	757
Additions in the year	103
Cost at 31 December 2024	860
Impairment losses and amortisation at 1 January 2024	757
Amortisation/depreciation in the year	3
Impairment losses and amortisation at 31 December 2024	760
Carrying amount at 31 December 2024	100

7 Property, plant and equipment

DKK'000	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2024	2,206	3,408	1,688	7,302
Additions in the year	864	4,056	579	5,499
Cost at 31 December 2024	3,070	7,464	2,267	12,801
Impairment losses and depreciation at 1 January 2024	619	245	893	1,757
Amortisation/depreciation in the year	468	957	204	1,629
Impairment losses and depreciation at 31 December 2024	1,087	1,202	1,097	3,386
Carrying amount at 31 December 2024	1,983	6,262	1,170	9,415

8 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including rent and insurance policies.

9 Cash

Hereof an amount of DKK 0 thousand (2023: DKK 59,593 thousand) is deposited on a closed account as a warranty. The amount is expected to be released as the Company delivers goods to the customer.

DKK'000	2024	2023
10 Share capital		
Analysis of the share capital:		
1,000,000 shares of DKK 1.00 nominal value each	1,000	1,000
	1,000	1,000

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2024	2023
11 Deferred tax		
Deferred tax at 1 January	-2,741	-13,763
Deferred tax adjustments in the year	-4,805	11,022
Deferred tax at 31 December	-7,546	-2,741
Deferred tax relates to:		
Property, plant and equipment	329	177
Liabilities	-7,875	-2,918
	-7,546	-2,741

12 Provisions

Other provisions comprise provisions for warranty commitments, totalling DKK 935 thousand. Warranty provisions relate to expected warranty expenses in accordance with usual guarantee commitments applicable to the sale of goods. The obligation is expected to be settled over the warranty period. DKK 935 thousand is expected to be utilised in the coming financial year.

13 Deferred income

Deferred income, DKK 35.795 thousand (2023: DKK 13.262 thousand), consists of payments received from customers that may not be recognised until the subsequent financial year.

14 Contractual obligations and contingencies, etc.

Other contingent liabilities

Other financial obligations

The company has entered into rent agreements with a remaining term of 3-38 months and with a total obligation of DKK 3,310 thousand.

Lease liabilities on operating assets during the notice period total DKK 325 thousand.

15 Related parties

Sky-Watch A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Airo Group Holdings, Inc.	1209 Orange Street Wilmington, New Castle County Delaware 19801, United States of America.	US parent company (100%)

Financial statements 1 January - 31 December

Notes to the financial statements

15 Related parties (continued)

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Airo Group Holdings, Inc.	1209 Orange Street Wilmington, New Castle County Delaware 19801, United States of America.	https://theairogroup.com/investor-relations/

Related party transactions

Sky-Watch A/S was engaged in the below related party transactions:

DKK'000	2024
Extraordinary dividend distributed	124,150

Information on the remuneration to management

Information on the remuneration to Management appears from note 3, "Staff costs".

	DKK'000	2024	2023
16	**Adjustments**		
	Amortisation/depreciation and impairment losses	1,633	454
	Financial income	-1,871	-1,840
	Financial expenses	2,294	2,224
	Tax for the year	68,161	9,012
	Deferred tax	-4,100	10,952
		66,117	20,802
17	**Changes in working capital**		
	Change in inventories	-50,858	-9,134
	Change in receivables	-55,558	-6,510
	Change in trade and other payables	14,051	88,141
		-92,365	72,497
18	**Cash and cash equivalents at year-end**		
	Cash according to the balance sheet	142,906	85,499
	Short-term debt to banks	-550	-312
		142,356	85,187

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Hans Børge Sinding Vistisen
EY Godkendt Revisionspartnerselskab CVR: 30700228
Statsaut. revisor
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: 8e396adc-e0e6-4c96-9dae-606a551fad68
IP: 147.161.xxx.xxx
2025-06-27 08:58:53 UTC

Edvard Per Erik Svehag
Chairman
På vegne af: Sky-Watch A/S
Serienummer: ce4f5df7-994a-46ba-b03c-88aafe5dc17c
IP: 81.37.xxx.xxx
2025-06-27 09:01:38 UTC

Niels Jesper Jespersen Jensen
Board of Directors
På vegne af: Sky-Watch A/S
Serienummer: 0e07afd8-25ef-4486-a051-e80e1ee94207
IP: 93.162.xxx.xxx
2025-06-27 09:03:09 UTC

Søren Pedersen
Board of Directors
På vegne af: Sky-Watch A/S
Serienummer: 51d82ef2-a313-4573-afd5-ecd4944e3b43
IP: 2.107.xxx.xxx
2025-06-27 09:04:39 UTC

Martin Schousboe
Executive Board
På vegne af: Sky-Watch A/S
Serienummer: 23b4654a-8dab-4f1d-a9ca-e8f8f56d4fb1
IP: 178.72.xxx.xxx
2025-06-27 09:09:44 UTC

Mads Obel Knøsgaard
EY Godkendt Revisionspartnerselskab CVR: 30700228
Statsaut. revisor
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: f04d352a-011d-4f07-9df7-39c863661838
IP: 147.161.xxx.xxx
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Søren Pedersen

Chair of the meeting

På vegne af: Sky-Watch A/S
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