Aero

2025

Annual report


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Chairman's Foreword

Ladies and Gentlemen,

The year 2025 was truly exceptional for AERO. Building on the extraordinarily successful year 2024, we collectively moved the company even further forward – in terms of growth, performance and its perception on the global market.

Today, AERO represents a modern, confident and growing company that draws on more than a century of tradition while redefining it for a new era. From this rich heritage, we take what is best and bring it forward at a time when the Czech Republic is once again reaffirming its ability to design, manufacture and deliver top-tier aviation technology to the world's most demanding customers.

The results achieved in 2025 clearly demonstrate this. We recorded a record turnover of close to CZK 6.5 billion and achieved the highest profit before tax in the company's history, amounting to CZK 512 million. At the same time, our operating profit more than doubled compared to the previous year.

These figures are not driven solely by increased production volumes, but largely by a profound transformation of the company. Over the long term, we have focused on improving efficiency, maintaining strict cost discipline, advancing our technological capabilities, and fostering a culture in which our employees are not afraid to take on challenges and see them through to completion. The results presented confirm that AERO is not only successful, but also a healthy and sustainably positioned company.

Several key factors contributed to our success last year. These included the continued serial production of the L-39 Skyfox aircraft and our ability to meet delivery schedules and volumes as planned, the stabilisation and growth of cooperative programmes in the Aerostructures segment, as well as the systematic increase in internal efficiency across the entire company, reflected in higher value added.

The undisputed symbol of this success is our flagship product, the L-39 Skyfox. In 2025, it became not only the main pillar of our business, but also a clear demonstration of the technological capabilities of Czech industry. With more than half of total revenues and a record number of aircraft delivered, the Skyfox represents both the economic engine of the company and a symbol of the return of the Czech aerospace industry among the world's technologically advanced players.

Last year, we delivered a record number of aircraft to customers — completing 14 of them at the Vodochody factory. At the same time, we expanded the capabilities of the Skyfox platform with new configurations compatible with NATO standards and introduced new capabilities in simulated training using augmented reality.

Moreover, today we no longer perceive the Skyfox merely as an aircraft, but as a comprehensive training system designed to prepare pilots for the most advanced fifth-generation fighter aircraft. It is a product that proudly represents both AERO and the Czech Republic on the global stage and stands shoulder to shoulder with the most demanding international competitors.

We also made significant progress in the area of in-service support through the development of the Skycare programme, which offers customers post-warranty support for their aircraft to the highest standards throughout the entire life cycle, while guaranteeing long-term operational availability. Taken as a whole, this shifts our business model towards higher value-added services and helps us build long-term relationships with our customers.

The year 2025 was also marked by the strengthening of our international presence. We actively pursued business opportunities across Europe, Asia and Africa, and systematically developed relationships with key partners.

We recorded a record turnover of close to CZK 6.5 billion and achieved the highest profit before tax in the company's history, amounting to CZK 512 million.

Moreover, today we no longer perceive the Skyfox merely as an aircraft, but as a comprehensive training system designed to prepare pilots for the most advanced fifth-generation fighter aircraft.

A truly exceptional chapter was the commercial mission associated with our participation at the Dubai Airshow, followed by the presentation of the L-39 Skyfox in Africa. This journey, lasting more than six weeks, ranked among the most ambitious commercial activities in the company's modern history. During the mission, the aircraft flew more than 23,000 kilometres, crossed over 30 countries and took part in numerous presentations for air force representatives.

This mission, however, was not just about numbers. It was about the trust we were able to build, the respect AERO is earning in new markets, and the pride that a Czech aircraft can perform under demanding conditions while representing our country with distinction.

After a period of stagnation, the MRO and modernization segment has regained momentum, clearly demonstrating AERO's ability to provide comprehensive support for aircraft already delivered and to offer services that customers truly value. In 2025, we completed major overhauls for the Bulgarian Air Force, and towards the end of the year we signed a multi-year contract with the Czech Ministry of Defence for the overhaul of L-159 aircraft in the T1/T2 versions. We also continued to support the Draken fleet. We expect this segment to grow further in the coming year, as we see it as an opportunity for a gradual economic transition from legacy platforms to the Skyfox aircraft.

We also achieved significant results in the Aerostructures segment, which once again confirmed its role as a stable and growing pillar of our business. In the Airbus A220 and Embraer C-390 Millennium programmes, we reached record production and delivery volumes and met all targets set.

Within the Airbus A220 programme, we manufactured 100 wing leading edges and advanced to the role of a Tier 1 partner, representing a major milestone in our position within the global aerospace industry. In the Embraer C-390 programme, we delivered close to seven complete shipsets of structural assemblies, confirming our ability to respond to growing demand and further increase production capacity.

The Aerostructures segment continues to demonstrate that AERO is a trusted partner to the world's leading manufacturers, and we will undoubtedly continue to take every step to further strengthen this line of our business.

Another important strategic milestone was AERO's involvement in the industrial cooperation project within the F-35 programme with Lockheed Martin. The development contract for a multi-purpose modular reconnaissance pod moves us into the segment of highly sophisticated aerospace systems and opens up new opportunities for further technological advancement.

These achievements are primarily the result of the work of our employees. In 2025, we deliberately strengthened our internal organisation, stabilised our teams and developed key competencies. A reduced reliance on external contractors, together with investments in education and the systematic development of employees, directly translated into higher performance and greater resilience of the company.

The trust of our employees, their engagement and willingness to take responsibility are among the main reasons why AERO is growing at a pace that would have been hard to imagine just a few years ago. The result is not only higher performance, but also a growing sense of pride in being part of the AERO story. This is also reflected in our corporate values – Innovation, Efficiency, Competence and Reliability – which today form an integral part of our day-to-day operations.

The year 2025 clearly demonstrated that AERO has solid foundations, a strong product portfolio and the capability to succeed in highly competitive markets. At the same time, we are fully aware that we are standing at the beginning of the next phase of our development.

Our ambition is to continue strengthening AERO's position as a respected global manufacturer of training and light combat aircraft, to develop comprehensive training solutions and to actively participate in the most advanced aerospace programmes. Equally important to us remains the building of long-term partnerships and a responsible approach to business.

We aim to remain a company that delivers value to the Czech Republic – as a major employer, a technological leader and a proud custodian of the Czech aviation tradition.

My thanks go to all employees for their commitment and professionalism, as well as to our partners and customers for their trust.

The year 2025 was exceptional for AERO, and I am confident that the company's strongest performance is still to come in the years ahead.

Yours

Viktor Sotona
President and Chairman of the Board
AERO Vodochody AEROSPACE a.s.

Company History and Profile

AERO ranks among the world's oldest aircraft manufacturers. The company's history dates back to 25 February 1919, just months after the formation of independent Czechoslovakia.

Over more than one hundred years of continuous operation, AERO has delivered over 11,000 aircraft. The company's L-39 Albatros remains a benchmark in its category and is still operated today by dozens of military users and aerobatic teams worldwide. This strong heritage, further reinforced by the introduction of the new L-39 Skyfox, places AERO among the global leaders in the jet trainer aircraft segment . In the civilian aviation sector, AERO partners with leading international manufacturers across a wide range of programmes. Through risk-sharing arrangements, it contributes not only to the production and assembly of major aerostructures but also to their design and development.

Today, AERO operates under the corporate name AERO Vodochody AEROSPACE a.s. (a company incorporated on 15 December 2011 as TULAREO a.s. and renamed to AERO Vodochody AEROSPACE a.s. with effect from 19 September 2012.). AERO is based at U Letiště 374, 250 70 Odolena Voda – Dolínek and is registered with the Metropolitan Court of Prague under file number B 17749 (company registration number: 24194204, VAT registration number: CZ24194204).

AERO is the successor of AERO Vodochody a.s., a company with a rich history that was, until 2006, almost entirely owned by the Czech Consolidation Agency. On 4 January 2007, a 100 per cent stake in the company was acquired by the Penta Group which in the same year initiated an extensive restructuring programme. Between 2007 and 2011, AERO Vodochody a.s. recorded cumulative net profits of CZK 1,523 million. With effect from 1 January 2012, the manufacturing operations of AERO Vodochody a.s. were demerged into AERO, which at that time was also wholly owned by the Penta Group. The registered share capital of AERO Vodochody AEROSPACE a.s. amounts to CZK 1,002 million and has been fully paid up.

This ownership structure remained unchanged until 2021 when a 100 per cent stake in AERO and other companies within the group was acquired by HSC Aerojet Zrt. under an agreement signed in July 2021.

AERO is the largest aerospace manufacturer in the Czech Republic. It develops, manufactures, sells and maintains both military and civilian aircraft and its core activities centre on proprietary aircraft platforms and on long-term cooperation with leading aerospace manufacturers in international collaborative programmes. In the military domain, AERO has been a trusted partner to the armed forces of many countries, most notably the Armed Forces of the Czech Republic.

AERO operates a certified quality management system compliant with AS 9100 and ISO 9001 and holds all required approvals and certifications at both company and process level under national and international regulations. For its own final assembly operations, AERO is authorised to perform aircraft development, manufacture, maintenance, and maintenance training. In its role as a supplier, it holds customer-specific quality approvals and special process accreditations, including NADCAP certification.


„AERO"

Key Events of 2025

January

AERO entered 2025 with full-rate serial production of the L-39 Skyfox firmly under way. Over the course of the year, the Skyfox established itself as the company's flagship product and the cornerstone of its manufacturing programme.

February

AERO reached a major milestone in the modernisation of Czech military flight training. On 10 February, AERO delivered the first two L-39 Skyfox aircraft to the state-owned enterprise LOM PRAHA. This historic moment marked a crucial step in preparing Czech pilots for training on the most advanced fighter aircraft, including the F-35.

AERO took part in practical flight training for pilots of the Flight Training Center Pardubice, conducted at Vodochody Airport. The L-39 Skyfox received highly positive feedback from pilots from the Czech Republic, Vietnam and Hungary, who highlighted the aircraft's modern avionics, virtual training capabilities and overall user-friendliness.

March

During an official visit to the company, the President of the Czech Republic, Petr Pavel, completed a flight in the L-39 Skyfox jet trainer. The flight provided the President with a first-hand opportunity to experience the capabilities of an aircraft designed to prepare pilots for modern fighter platform, including the F-35. The visit also included a presentation of AERO's manufacturing programmes and product portfolio, covering the Skyfox programme as well as cooperation on international projects.

AERO commemorated the 100th anniversary of the altitude record of 8,651 metres achieved by the AERO A-18 fighter aircraft, flown by the AERO's chief test pilot, Josef Novák. Just two months later, this record was surpassed when the same aircraft, fitted with a modified engine, reached an altitude of 9,140 metres.

April

AERO welcomed representatives of the governments of the Czech Republic and the Slovak Republic, led by the Ministers of Defence of both countries. Jana Černochová and Robert Kaliňák were introduced to the production of the L-39 Skyfox and to other key AERO programmes. The visit confirmed AERO's importance within Czech–Slovak defence-industrial cooperation and its role in the modernisation of military flight training.

AERO delivered a complete shipset for the Embraer C-390 Millennium transport aircraft. The shipset comprises the wing leading edge, rear fuselage section, a complete set of doors and the cargo ramp. Over the course of the year, AERO manufactured almost eight such shipsets, including components for two C-390 Millennium aircraft destined for service with the Czech Armed Forces.

May

AERO marked a major export milestone with the ceremonial handover of the first three L-39 Skyfox aircraft to the Hungarian Air Force at Kecskemét Air Base, which took place on 30 May. The ceremony was attended by representatives of the Hungarian Defence Forces, the Hungarian Ministry of Defence and AERO's management.

At the International Defence and Security Technologies Fair (IDET) in Brno, AERO signed an industrial cooperation agreement with Lockheed Martin within the F-35 programme, further strengthening its involvement in global defence projects. The agreement establishes a specific cooperation project focused on the development and production of a next-generation Multi Sensor Reconnaissance Pod manufactured from advanced composite materials.

At IDET, AERO and the state-owned enterprise LOM PRAHA signed a Letter of Intent aimed at further developing the capabilities of the L-39 Skyfox training system through the implementation of an advanced Live Virtual Constructive (LVC) system. A joint demonstration of the LVC system was scheduled for the Future Air Forces Conference 2025 at Pardubice Airport.

The first Hungarian pilots successfully completed their training on the L-39 Skyfox. Following theoretical instruction and training in emergency systems, they progressed through type training and instructor qualification training. All pilots passed their final examinations and are fully prepared to integrate the L-39 Skyfox into their operational structure.

June

AERO published its financial results for 2024, achieving the best performance in the company's modern history, with significant growth in both EBITDA and revenues. The primary driver of this growth was the L-39 Skyfox programme, which accounted for the dominant share of company revenues.

Pilots of the Vietnamese Air Force completed basic type training on the AERO L-39 Skyfox tactical trainer, preparing them for advanced training. This marked the successful completion of basic training for a second group of six pilots, all of whom obtained aircraft commander type qualification.

July

AERO introduced a new concept of comprehensive operational support for the L-39 Skyfox and announced the signing of long-term contracts with customers from the Czech Republic and Hungary. The initiative includes the launch of the Skycare programme, which guarantees aircraft operational availability and establishes a new standard of services in military aviation.

August

AERO successfully completed a project involving the major overhaul and modernisation of L-39ZA aircraft for the Bulgarian Air Force, handing over the final modernised aircraft fully in line with the agreed schedule and contractual terms. The project confirmed AERO's strong position in the MRO segment (maintenance, repair and overhaul) and its ability to deliver long-term international contracts.

AERO delivered two additional L-39 Skyfox aircraft to the state-owned enterprise LOM Praha. The aircraft were ferried to Pardubice, where they joined the training fleet of the Flight Training Centre Pardubice and will be used to train pilots of the Czech Air Force, including future F-35 pilots. At the customer's request, the last two aircraft were delivered six months ahead of the contractual schedule.

September

AERO announced the delivery of a further four L-39 Skyfox aircraft to the state-owned enterprise LOM Praha, following the exercise of an option included in the contract concluded in November 2022, under which AERO had previously manufactured and delivered four Skyfox aircraft. The option was formally exercised during the NATO Days event in Ostrava.

AERO contributed to the preparation of a presentation of the advanced Live Virtual Constructive (LVC) training system, showcased at the Future Air Forces Conference 2025, where it was presented to representatives of air forces from more than forty-five countries. The system links aircraft in flight with ground-based simulators via secure data connections.

AERO hosted the European Air Chiefs Conference (EURAC 2025), which brought representatives from more than twenty European countries to the Czech Republic. Conference delegates visited AERO's manufacturing facilities and were introduced to the company's products and technological solutions, including a flight demonstration of the L-39 Skyfox.

AERO also hosted a meeting of the Women in Aviation Association, an organisation that brings together female professionals from across the aviation and space sectors and supports the advancement of women in technical and leadership roles within the aerospace industry.

October

AERO continued to expand cooperation with key partners and to strengthen its role in international defence programmes.

The L-39 Skyfox received the Technology Agency of the Czech Republic Award in the Business category in recognition of the fatigue testing programme and the associated extension of service life and enhancement of aircraft performance. The new airframe is lighter, three times more durable, safer and offers lower operating costs.

November

AERO continued deliveries of the L-39 Skyfox while further expanding customer support in the areas of training and operations. Three additional L-39 Skyfox aircraft were ferried to Hungary.

AERO participated in the Dubai Airshow 2025, where the L-39 Skyfox made its world premiere in a new configuration, including an armed variant capable of integrating Western weapons systems in accordance with NATO standards. The presentation highlighted not only new operational capabilities, but also the aircraft's innovative design and new camouflage scheme. Participation in one of the world's most significant aerospace exhibitions enabled AERO to engage with a broad spectrum of potential customers and to further strengthen the global visibility of the Skyfox brand. Following its debut, the aircraft embarked on a commercial tour lasting more than four weeks across Africa, where it was presented to air force representatives in Uganda, Ghana and Nigeria.

December

After more than six weeks, the L-39 Skyfox returned to Vodochody from its commercial mission. One of AERO's most significant commercial activities of the past twenty years, the tour saw the aircraft cover more than 23,000 kilometres, cross over 30 countries, complete 20 intermediate landings and log a total flight time exceeding 56 hours.

In the final days of 2025, AERO delivered a further two L-39 Skyfox aircraft to the domestic customer LOM PRAHA. These were the first two aircraft delivered under the option for a total of four L-39 Skyfox aircraft, with the remaining two scheduled for delivery in 2026.

Within the Airbus AST programme, AERO completed and delivered 100 shipsets, representing the highest number of shipsets delivered by AERO in a single calendar year.

AERO closed 2025 as a growing company with record results, a strong order backlog and stable serial production of the L-39 Skyfox aircraft. The Skyfox programme became the main pillar of the company's commercial success and a major export product of the Czech aerospace industry.

6 487
million CZK
The company's revenues increased by 8 per cent

512
million CZK
net profit

14 aircraft
During the year, a record total of 14 aircraft were delivered

1 716
million CZK
civilian program revenues

Report on Company's Business Activities and Assets

Year 2025

Following a challenging year in 2023 and an exceptionally successful year in 2024, the company not only maintained its positive trajectory but further accelerated its growth in 2025, achieving a new record level of profitability. This result was driven primarily by the successful completion of deliveries across all business segments. The company's revenues increased by 8 per cent, from CZK 6,007 million to CZK 6,487 million, supported by the strong performance of proprietary products and services, which rose year on year by CZK 435 million to a total of CZK 5,794 million, representing a 8 per cent increase. Sales of traded goods also increased slightly to CZK 694 million (2024: CZK 649 million).

Operating profit more than doubled, increasing from CZK 286 million to CZK 666 million, as a result of systematic efficiency improvements, leaner processes and disciplined management of programme costs. Profit before tax reached its highest level in the company's history, rising by CZK 410 million to CZK 512 million (2024: CZK 102 million).

This performance confirmed the soundness of the strategic transformation initiated in previous years and the company's strong positioning in the global market for trainer and light combat aircraft. Growth was driven primarily by the L-39 Skyfox programme and the stabilisation of cooperative projects in the civil aviation segment.

Manufacturing Programmes and Commercial Activities

L-39 Skyfox Programme – Key Pillar of Growth

The L-39 Skyfox aircraft remained the company's dominant segment in 2025, accounting for 58 per cent of total revenues, which reached CZK 3,796 million (2024: CZK 3,848 million). During the year, a record total of 14 aircraft were delivered (2024: 12 aircraft), to the state-owned enterprise LOM Praha (4 aircraft) and the Hungarian Armed Forces (8 aircraft). A portion of the revenues related to these aircraft had been recognised in the previous year due to the revenue recognition methodology based on the Percentage of Completion.

The L-39 Skyfox is produced both in the basic trainer version, which has been the subject of historical deliveries, and newly also in a modernised combat version compatible with NATO standards, which was unveiled at the Dubai Airshow 2025. This expanding range of capabilities significantly enhances the programme's export potential.

Aerostructures

Civil aviation programmes currently represent the second most significant segment, with revenues of CZK 1,716 million (2024: CZK 1,388 million), corresponding to a 26 per cent share of total revenues (2024: 23 per cent). The Aerostructures segment consists primarily of two programmes for Embraer and Airbus. The C-390 Millennium programme for Embraer accounted for 48 per cent of the segment's revenues, mainly through the manufacture of four major structural assemblies – rear fuselage sections, doors, leading edges and the cargo ramp. Production for Airbus under the A220 programme represented 42 per cent of total segment revenues and recorded stable growth, with a confirmed increase in production volumes in the coming years.

The long-term nature of these programmes ensures stability and confirms AERO's strong reputation within the European supply chain.

Military Programmes and Fleet Operational Support (FOSS)

The third reported segment comprises military programmes, including in particular the overhaul of L-39 and L-159 aircraft, airworthiness support and maintenance services provided to customers in the Czech Republic and abroad. Since 2025, the segment has also included the Skycare programme, a comprehensive operational support and maintenance service for L-39 Skyfox aircraft. The programme currently operates under long-term contracts with LOM Praha and the Hungarian Armed Forces. FOSS and Skycare services strengthen long-term cooperation with military customers and ensure recurring business opportunities.

In 2025, this segment generated revenues of CZK 1,062 million (2024: CZK 874 million), representing a 16 per cent share of the company's total revenues (2024: 14 per cent).

Company Assets

As at 31 December 2024, the company's total assets amounted to CZK 8,389 million. Fixed assets were reported at CZK 2,678 million, while current assets totalled CZK 4,340 million. Work in progress declined by CZK 224 million, primarily in connection with deliveries of L-39 Skyfox aircraft. The company's equity increased to CZK 1,210 million, representing a further strengthening of financial stability and a solid foundation for future development.

Investments, Development Programmes, and Research and Development

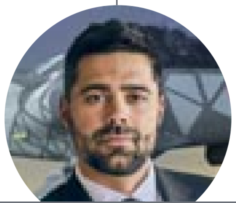
From an investment and development perspective, 2025 was a highly active year. A total of CZK 112 million was invested in the development of the L-39 Skyfox aircraft, primarily in the development of additional capabilities, control system actuators, engine software upgrades and the development of composite components in cooperation with research institutions. The company also invested nearly CZK 200 million in infrastructure, IT systems – including the modernisation of ERP – production equipment, and building security.

Organizational structure

Organizational structure of AERO Vodochody AEROSPACE a.s. as at 31 December 2025

President and Chairman of the Board
Viktor Sotona

EVP & Chief Engineering Officer
Petr Jinda



EVP & Chief BD Officer
Filip Kulštrunk (until 10/2025)

EVP & Chief Defence Officer
Jan Štechr

EVP & Chief Aerostructures Officer
Michal Krofta

EVP & Chief Financial Officer
András Huszár

EVP & Chief People & Property Officer
Luboš Tejkl

EVP & Chief Sourcing Officer
Tamás Gyömbér

EVP & Chief Industrial Officer
Jan Čáp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L-39NG
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AERO's business rests on three principal pillars:

L-39 Skyfox Programme
The development and production of a new-generation military jet aircraft designed for pilot training and/or light combat roles.

Support for AERO Aircraft
Support for AERO-designed platforms – L-39, L-59 and L-159 – encompassing MRO services and ongoing upgrades.

Aerostructures Programmes
Participation in international aerospace programmes as both a manufacturing supplier and a development partner.

Business Activities Report

L-39 Skyfox Programme (commercial designation Skyfox, certified as NG – Next Generation)

While retaining the proven aerodynamic concept of the L-39 Albatros, Skyfox incorporates contemporary technologies, redesigned structures and a new-generation avionics suite. This combination enables effective training of pilots transitioning to fourth- and fifth-generation aircraft, while supporting seamless integration with simulators and ground-based training systems. The platform is offered in both Western and Eastern configurations and complies with EU and NATO certification standards.

Certification

The first L-39NG prototype was unveiled in October 2018, completing its maiden flight two months later. A second flying prototype followed in December 2019. Alongside the L-39NG technology demonstrator (airframe 2626), these aircraft form the backbone of the flight test programme. The test fleet is complemented by two additional airframes produced for ground-based testing: one for static structural testing and the other for fatigue testing. Both were delivered to the Czech Aerospace Research and Test Establishment.

Highlights of 2025

The L-39 Skyfox programme recorded significant progress during 2025 across deliveries, customer support and commercial development. In February, AERO delivered the first two L-39 Skyfox aircraft to LOM PRAHA, with the remaining two handed over in August, completing the initial four-aircraft order. These aircraft are operated by the Training Centre Pardubice and serve both Czech and international trainees, including future F-35 pilots.

In September, LOM PRAHA exercised an option for a further four aircraft. This order expands the Czech training fleet and underlines Skyfox's role as a national training platform aligned with NATO standards. Two aircraft from this option were delivered before year-end, with the remaining two scheduled for delivery in 2026.

The Hungarian programme also advanced markedly. The first three L-39 aircraft were delivered to the Hungarian Air Force in May 2025. The contract covers 12 aircraft – eight in training configuration and four configured for reconnaissance – together with ground support equipment, simulators and a comprehensive training package. By November 2025, eight aircraft had been delivered, with the balance due in 2028.

Customer support capabilities and the long-term operational sustainability of the L-39 Skyfox programme were further strengthened in 2025. In July, AERO announced the signing of long-term agreements with LOM PRAHA and the Hungarian Defence Forces for comprehensive L-39 Skyfox fleet sustainment under the AERO Skycare programme, combining integrated logistics support, spare parts provisioning, engineering services, training and customer care. For the Hungarian fleet, AERO guarantees aircraft availability exceeding 80 per cent.

The L-39 Skyfox programme is also making a significant contribution to the Czech aerospace industry and the domestic supply chain. Around 600 suppliers are involved in production, including approximately 400 based in the Czech Republic. As a result, Skyfox is not only a cornerstone product in AERO's proprietary aircraft portfolio, but also an industrial programme with a meaningful impact on the wider Czech aerospace ecosystem.

The L-39 Skyfox is a modern, multi-role jet aircraft designed for basic and advanced training, tactical instruction, reconnaissance missions and light combat operations. The programme was launched in 2014 and formally introduced to the market under the Skyfox brand in 2024. From the outset, the programme has been supported by OMNIPOL as its strategic partner, with primary responsibility for business development in selected export markets, underpinned by its long-standing role in the international marketing of L-29 and L-39 aircraft.

A core pillar of AERO's business is the ongoing support and capability development of L-39, L-59 and L-159 aircraft, and, more recently, the L-39 Skyfox, together with the delivery of services to operators across maintenance, overhaul, upgrades, modifications and testing of aviation equipment.

Support for aircraft of own production

In 2025, activity centred primarily on bringing the L-39 Skyfox into operational service with European customers. Four aircraft were delivered to LOM PRAHA for the Flight Training Centre Pardubice, together with a complete logistics package, personnel training, modern simulators and computer-based training facilities. A further eight aircraft were delivered to the Hungarian Air Force. At both sites, AERO implemented full maintenance and support frameworks. In this context, a permanent establishment has also been set up in Hungary, which, in addition to the aforementioned maintenance, provides training for pilots and aircraft mechanics.

In parallel, advanced pilot training continued in Vietnam, with local crews receiving instruction in advanced L-39 Skyfox flight operations.

Support for L-159 Aircraft in Service with Czech Armed Forces

Single-seat L-159 ALCA light combat aircraft entered service with the Czech Armed Forces in 2000, followed by twin-seat L-159T trainers in 2007. The Czech Air Force currently operates sixteen single-seat L-159 and eight twin-seat L-159T aircraft.

The L-159 fleet performs a wide range of missions, from advanced and operational training to close air support, reconnaissance and air defence. The aircraft regularly participate in NATO exercises, including the Tactical Leadership Programme, NATO Air Meet, Clean Hunter or Flying Rhino.

In 2025, AERO, in cooperation with the Czech Ministry of Defence, prepared a contract to restore the operational life of the twin-seat L-159 aircraft in service with the Czech Armed Forces. The contract was subsequently signed in early January 2026. Under its terms, AERO will overhaul all eight twin-seat aircraft over a three-year period.

L-159 Abroad

In April 2014, AERO signed a contract for the delivery of ten single-seat L-159A and two twin-seat L-159T1 aircraft to the Iraqi Air Force, including repair, overhaul and logistics support. The first L-159 aircraft were delivered in December 2015, with the final deliveries completed by the end of December 2016. The contract also included the training of Iraqi pilots and technicians at AERO's facilities. The aircraft were subsequently deployed in operational missions in Iraq. In 2018, AERO signed a FOSS (Follow-On Support Services) contract with the Iraqi Ministry of Defence covering post-warranty support for the L-159 fleet. The contract entered into force in March 2020.

Discussions with the Iraqi side on completing the final part of the contract continued throughout 2025, with full completion not yet achieved.

In July 2014, AERO signed a contract with Draken International (USA) covering the delivery of up to twenty-one L-159 aircraft, including repair, overhaul and logistics support. The final aircraft was delivered in 2019, and AERO continues to support the customer under a post-warranty support agreement.

In 2024, AERO entered into a further agreement with Draken focused primarily on repair and support of L-159E aircraft. The contract was executed during 2025 and successfully completed by year-end, further expanding the scope for cooperation between the two companies.

Support for L-39 and L-59 Aircraft

AERO continues to provide support for L-39 aircraft operated by both military and civilian users. Its services range from spare parts provisioning and field support to scheduled maintenance and repairs, as well as periodic overhauls. These are often combined with service life extension, installation of structural usage monitoring systems, avionics upgrades – such as the integration of multifunction displays and head-up displays – and other enhancements. AERO service teams are also capable of operating directly on customer sites.

At the end of 2022, AERO signed a contract with the Bulgarian Air Force covering the overhaul and partial avionics upgrade of two L-39 aircraft. The aircraft were delivered to AERO in January 2023 and returned to the customer in the second quarter of 2024. In 2023, a further contract was signed covering an additional two aircraft, which were handed back to the customer in mid-2025.

With the retirement of the L-59 fleet in Tunisia, AERO has decided to gradually phase out support for the aircraft, as there are currently no operators relying on its services.

Aerostructures Programmes

AERO has long operated as both a Tier 1 supplier and a Tier 2 subcontractor to leading global aerospace OEMs across multiple regions, including Brazil, Ireland, Italy and Germany. In the aerostructures segment, the company focuses primarily on the manufacture and assembly of complex structural units, as well as smaller subassemblies and components.

In 2025, two programmes remained central to AERO's aerostructures activities: the production of the fixed wing leading edge for the Airbus A220 and the manufacture of large structural assemblies for the Embraer C-390 Millennium. In the same year, AERO successfully completed the STEA programme.

The year 2025 represented the most successful period in recent years for AERO's aerostructures business. Production volumes increased across all programmes, with output targets fully achieved. This positive performance provides a solid foundation for further growth in the coming years.

Airbus A220

Programme Overview

The Airbus A220 is a commercial aircraft designed for short- and medium-haul operations. Originally developed by Bombardier as the CSeries, it is offered in two variants, the A220-100 and A220-300, with a seating capacity of approximately 100 to 150 passengers.

AERO is the sole supplier of the aircraft's fixed wing leading edge under a development and production contract signed in 2009.

In 2017, Airbus acquired a majority stake in the programme, with Bombardier exiting in 2020. The current ownership structure stands at 75 per cent Airbus and 25 per cent Government of Québec (via Investissement Québec).

In December 2025, Airbus completed the acquisition of selected Spirit AeroSystems assets related to its commercial programmes, including assets linked to A220 production in Belfast, the site of A220 wing assembly. The move further strengthens the direct integration of the programme's supply chain with Airbus, elevating AERO to Tier 1 supplier status.

Product and AERO's Role

AERO delivers fully assembled and equipped fixed wing leading edges, ready for integration into the aircraft wing.

AERO's role in the programme spans:

- full scope of design, industrialisation and production of the fixed leading edge;
- manufacture and assembly of the complete structural unit, including system installations; and
- deliveries aligned to the A220 programme schedule.

In 2025, AERO delivered 100 units, with production set to increase to 110 units annually in 2026 and 2027.

Embraer C-390 Millennium

Programme Overview

The Embraer C-390 Millennium is a medium-sized, multi-mission military transport aircraft designed for cargo and troop transport, airborne operations, medical evacuation, humanitarian missions and other specialised roles. The programme was launched by the Brazilian Air Force, which also co-financed its development and became the launch customer.

The aircraft was unveiled in October 2014 and completed its maiden flight in 2015. The first production aircraft was delivered to the Brazilian Air Force in September 2019. Since then, the C-390 has established itself in international markets, with customers including Brazil, Portugal, Hungary, the Netherlands, Austria, South Korea, the Czech Republic, Uzbekistan and Sweden. Embraer continues to pursue further export opportunities.

AERO has been a strategic risk-sharing partner in the programme since 2011, responsible for the production of major structural assemblies, including the rear fuselage, paratrooper and crew doors, emergency exits, hatches, the cargo ramp and the wing leading edge. Production rates have increased in recent years, rising from an average of two to three shipsets annually to nearly seven in 2025. Similar volumes are expected in 2026, with further growth planned to reach up to ten shipsets per year from 2027.

Product and AERO's Role

Within the programme, AERO delivers a range of key structural assemblies and components, including the wing leading edge and major fuselage and door structures.

AERO's role spans the design and manufacture of:

- wing leading edge;
- rear fuselage;
- complete door sets;
- cargo ramp; and
- hatches and other primary structural elements.

Leonardo C-27J Spartan

Programme Overview
The Leonardo C-27J Spartan is a tactical military transport aircraft designed for cargo and troop transport as well as specialised missions. With a payload capacity of up to 11.5 tonnes, it is capable of operating from short and unprepared runways.

The aircraft is operated by the armed forces of Italy, Greece, Australia and the United States, alongside a wider international customer base across Europe, Latin America, Africa and other regions.

Since 2007, AERO has been the exclusive supplier of the centre wing box, a critical structural and systems assembly. The company manufactures, equips and functionally tests the complete unit prior to delivery and also provides aftermarket support.

The centre wing box integrates fuel tanks, engine attachment points, wing mechanical systems, fuel and hydraulic lines, as well as electrical wiring, with all installed systems undergoing functional testing at AERO prior to delivery.

In 2025, two centre wing boxes were delivered, with three planned for completion and delivery in 2026. During the year, a rivet machine used in the programme was modernised to address previous reliability issues and improve process stability.

At the end of 2025, Leonardo announced a major wing design update expected to support the aircraft's further commercial potential.

Landing Gear Production for L-410 Turboprop Aicraft

AERO is an established manufacturer of landing gear systems, with comprehensive capabilities spanning design, development, production, assembly and testing, including shock absorbers. These capabilities enable the company to deliver complete landing gear systems to its customers.

A key competitive advantage lies in specialised in-house processes, including hard chrome plating, cadmium plating, vacuum oil quenching and tempering. These technologies are essential for the production of critical components made from high-grade steels and forged materials.

In 2025, AERO delivered 14 complete landing gear sets to Aircraft Industries for the L-410 turboprop aircraft. Production is expected to reach twelve to fifteen shipsets per year in 2026 and 2027, depending on customer requirements.

Serial production of complete landing gear systems for the L-39 Skyfox and L-410 NG remains the core activity in this segment. At the same time, AERO continues to develop its capabilities in the supply of landing gear components for large commercial aircraft programmes.

During 2025, AERO continued to modernise its production facilities, acquiring new grinding equipment and approving the purchase of a turning and machining centre for steel components. These investments support improvements in efficiency, quality and production stability.

Ongoing investment in technologies and manufacturing capacity strengthens AERO's ability to participate in demanding international aerospace programmes and further enhances its position in the landing gear segment.

Composite Manufacturing

AERO continues to develop its composite manufacturing capabilities, which form an integral part of its technology portfolio across both aerostructures programmes and proprietary aircraft projects.

In 2015, AERO signed a contract with MT Aerospace (Germany) covering the delivery of three composite work packages for the Airbus A350 and A400M programmes, including components in the RAIO and VTP areas. Production of the A350 package was discontinued in 2023 in line with customer decisions.

As part of this arrangement, a significant share of the material, including composites, is supplied by the customer, with AERO being responsible for the manufacture, assembly and delivery of completed units. These include, in particular, components and assemblies for the vertical tail, rear fuselage fairings, and air inlet and outlet systems.

Composite technologies are also applied across other programmes, including the Embraer C-390 Millennium and the L-39 Skyfox. The company continues to assess further opportunities to deploy these capabilities in both existing and future projects.

AERO holds NADCAP COMP certification, confirming its capability in composite manufacturing processes. In 2020, the company was also awarded NADCAP Gold status, reflecting strong process stability and quality.

Commercial and Marketing Activities

In 2025, AERO continued its successful cooperation with the state-owned enterprise LOM Praha and the Flight Training Center Pardubice, a key customer in the field of pilot training. The delivery of the first L-39 Skyfox aircraft during the year marked a major milestone in the modernisation of training for Czech military pilots and in their preparation for fifth-generation aircraft. This achievement was subsequently followed by the exercise of option for a further four L-39 Skyfox aircraft.

These developments confirm the customer's confidence in the Skyfox platform as a comprehensive training system meeting the NATO standards, while also reinforcing the Czech Republic's position as an important centre for pilot training within the NATO Flight Training Europe initiative. During 2025, a total of six aircraft intended for pilot training at the Flight Training Center Pardubice were delivered. Four aircraft were supplied under the contract concluded in November 2022, with the remaining two delivered following the exercise of an option in September 2025. At the same time, AERO completed deliveries of L-39 Skyfox aircraft to an international customer, including a further eight aircraft for the Hungarian Air Force.

To support the operation of these fleets, AERO concluded key long-term contracts with both LOM Praha and the Hungarian Defence Forces, covering comprehensive logistical support for the L-39 Skyfox. Implemented under the newly introduced Skycare programme, these contracts encompass MRO services as well as spare parts supply and technical support, with the aim of ensuring a high level of operational availability. The programme reflects the increasing emphasis customers place on effective life-cycle management and contributes to further strengthening AERO's long-term relationships with aircraft operators.

In the course of 2025, AERO also became involved in a major international project within the offset programme associated with the acquisition of F-35 aircraft by the Czech Republic. An agreement signed with Lockheed Martin establishes a specific cooperation project focused on the development and production of a next-generation Multi Sensor Reconnaissance Pod manufactured from advanced composite materials. This project represents an important step in developing AERO's technological capabilities in advanced aerospace systems and composite structures, while also enhancing its participation in the global supply chains of the F-35 programme.

Alongside these activities, AERO continued to expand its commercial presence across key regions, particularly in Europe, Africa and Asia. The company benefited from growing demand for modern training platforms reflecting the needs of both current and future generations of military pilots. Emphasis was placed on a balanced combination of aircraft deliveries, long-term operational support and the development of comprehensive training solutions. At the same time, AERO continued to build strategic partnerships and participate in international programmes, further reinforcing its position in the global aerospace market.

During 2025, AERO welcomed a number of prominent political representatives and senior military officials from around the world. In March, as part of an official visit, the President of the Czech Republic, Petr Pavel, completed his first flight in an L-39 Skyfox aircraft. The company's production facilities were also visited by the Ministers of Defence of the Czech Republic and the Slovak Republic, along with numerous business delegations and representatives of militaries and air forces from several continents.

These activities contributed to significant progress in contractual negotiations relating to the sale of L-39 Skyfox aircraft to prospective international customers. Growing international interest continues to confirm the attractiveness of the Skyfox platform, which combines advanced training capabilities with the ability to perform light combat and reconnaissance missions, thereby supporting AERO's long-term strategy to strengthen its position in the global jet trainer market.

In 2025, AERO participated in more than two dozen international exhibitions and trade fairs. The most prominent included IDEX in Abu Dhabi (UAE), LIMA in Malaysia, Indo Defence in Indonesia and the SIAE Airshow in Paris. The company was also a major partner of NATO Days in Ostrava and the Future Air Force Conference held in Prague. As part of the conference programme, AERO presented its Live Virtual Constructive (LVC) system to representatives of air forces from more than 45 countries. This system links an aircraft in flight with a ground-based simulator via a data connection, enabling pilots on the ground and in the air to work together on complex training scenarios, including those involving computer-generated targets and threats.

AERO also hosted the European Air Chiefs Conference (EURAC 2025), which brought together representatives from more than twenty European countries. Delegates visited the company's production facilities and were introduced to its products and technological solutions, including a flight demonstration of the L-39 Skyfox.

One of the key marketing and commercial highlights of 2025 was AERO's participation in the Dubai Airshow, where the L-39 Skyfox was presented in a new configuration for the first time. This included an armed variant capable of integrating Western weapons systems in accordance with NATO standards. The presentation covered not only new operational capabilities, but also the aircraft's design and a new camouflage scheme. Participation in this prestigious event enabled AERO to engage with a wide range of potential customers and further enhance the global visibility of the Skyfox brand. The world premiere was followed by a commercial tour lasting more than four weeks across Africa, during which the aircraft was presented to representatives of air forces in Uganda, Ghana and Nigeria.

Strategic cooperation with the Bulgarian Air Force also continued in 2025, with the successful completion of major overhauls and partial modernisation of four L-39ZA Albatros aircraft. The original contract with the Bulgarian Ministry of Defence was concluded in 2022, and in August 2025 AERO delivered the last aircraft, fully in line with the agreed schedule and contractual commitments.

People

1 555
internal employees

60 %
of employees took part in the engagement survey

70 %
of employees stated they would recommend AERO as an employe

500
presentation training was carried out in 2025

Building a People-Driven Organisation

The year 2025 was marked by a carefully managed transformation in Human Resources, focused on stabilisation and the strengthening of internal capabilities. Over the course of the year, the company continued its deliberate shift away from a model reliant on external resources towards an organisation anchored in its own people and internal expertise.

The average full-time equivalent headcount stabilised at approximately 1 555 internal employees. At the same time, the number of external contractors was progressively reduced by 50 per cent, from 160 to 80 by year-end. This development reflects the company's strategic commitment to strengthening internal teams while improving capacity predictability and operational efficiency.

Stability with Purposeful Renewal

Employee turnover remained at around 14 per cent throughout the year and was managed intentionally. Rather than signalling disruption, this level of fluctuation reflected a controlled renewal of the workforce and targeted reinforcement of key areas. By combining selective workforce renewal, internal recruitment and the gradual reduction of external capacities, the company refreshed its teams, safeguarded critical know-how and enhanced the organisation's overall resilience.

People Powering Performance

The transformation of the workforce translated directly into stronger organisational performance. More stable teams and reinforced internal competencies delivered measurable efficiency gains, including a 10 per cent improvement in Aerostructures programmes and a 15 per cent increase in the Skyfox programme. These results underline a clear message: sustained investment in own resources and capability development is a decisive factor in maintaining the company's long-term competitiveness.

Engagement and Corporate Culture

Employee engagement continued to strengthen in 2025. More than 60 per cent of employees took part in the engagement survey, with results confirming increasing trust in management and a clearer understanding of role expectations across the organisation.

Seventy per cent of employees stated they would recommend AERO as an employer, highlighting a strong sense of identification with the company and its strategic direction.

This positive momentum was further reinforced by a range of internal initiatives focused on open communication, strategy sharing and the ongoing development of corporate culture.

Developing Skills and Capabilities

Learning and development activities expanded significantly in both scope and structure during 2025. More than 500 classroom training sessions were delivered, representing approximately 6,000 participant attendances and a total of over 26,500 training hours.

Digital learning also continued to grow in importance. A total of 1,600 employees completed 18,500 online courses, amounting to 9,200 hours of training.

Overall, training activities reached 35,700 hours, equivalent to an average of 22 hours of development per employee per year.

Key development priorities included:
- strengthening line management capabilities in manufacturing;
- advancing technical and digital skills; and
- supporting the implementation of new systems and processes.

At the same time, the company continued to actively support internal mobility and career development, enabling key positions to be filled from internal resources.

Leadership and Change Management

The year 2025 also brought significant changes in the company's leadership. These transitions were managed with a strong emphasis on continuity, stability and the reinforcement of expert leadership in critical areas. The successful integration of new leaders brought fresh perspectives, sharpened the focus on performance and strengthened cooperation across the organisation.

Looking Ahead

The results achieved in 2025 confirm that AERO has built solid foundations in human capital management. The shift towards an internally anchored organisation, combined with controlled workforce renewal and systematic capability development, provides a strong platform for future growth.

The company's ongoing priority is to foster an environment in which individuals develop their skills, assume responsibility and actively contribute to the company's long-term success.

Environment

The company is fully aware of the environmental footprint of its operations and systematically seeks opportunities to minimise negative impacts. All environmental measures follow a pragmatic principle: investments of human, financial and material resources are designed to be efficient, generate genuine added value and deliver tangible benefits both for the environment and for the business.

Inspections and Audits

In March 2025, the Czech Environmental Inspectorate conducted an inspection focused on compliance with the conditions of the integrated permit for the production site. The inspection confirmed full compliance, with no breaches of legal or other applicable requirements identified.

In May, LRQA carried out a surveillance audit of the ISO 14001 environmental management system. The audit confirmed full compliance with the standard and resulted in one recommendation for improvement, which was implemented in the following months.

Incidents and Emergencies

No extraordinary incidents or environmental accidents occurred during the year. Should minor local leaks of operating fluids or chemical substances occur, they are immediately contained using absorbent materials available across the site or with the support of the company’s internal fire brigade.

Fines and Penalties

In February 2025, the Central Bohemian Regional Authority imposed a fine of CZK 10,000 for exceeding the permitted limit of suspended solids in wastewater discharged from the biological wastewater treatment plant. The exceedance was caused by a technical issue that was resolved shortly after detection. Given the negligible impact on the receiving watercourse, the penalty was largely symbolic.

Resource Abstraction and Related Charges

In 2025, total groundwater abstraction amounted to 124 thousand cubic metres. Of this volume, 114 thousand cubic metres were used for production processes, including the preparation of demineralised water and rinsing operations, while 10 thousand cubic metres covered personal needs such as catering and hygiene facilities. Charges for groundwater abstraction totalled CZK 360,000.

Pollution Generation and Related Charges

Manufacturing activities and site operations are inherently associated with wastewater discharges and air emissions. In 2025, the company discharged 93 thousand cubic metres of wastewater containing 74 tonnes of pollutants and released 12 tonnes of pollutants into the atmosphere. Pollution charges amounted to CZK 114,000. In addition, the company incurred costs of CZK 350,000 for the measurement and analysis of wastewater pollutants and air emissions.

Waste Generation and Related Costs

A total of 1,947 tonnes of waste was generated in 2025, including 680 tonnes of hazardous waste. Of the overall amount, 55 per cent was recovered through recycling or energy and material recovery. Compared to the previous year, waste generation per worked hour decreased by 2.5 per cent, indicating slightly more efficient use of materials and resources. Total annual costs related to waste disposal and packaging reached CZK 9 million.

Significant Events and Innovations

One of the most important environmental initiatives in 2025 was the installation of a flue-gas heat exchanger at the gas boiler plant. This measure reduced natural gas consumption and is expected to deliver annual savings of approximately CZK 1 million. Another key step was the preparation for the implementation of vacuum evaporator technology aimed at reducing a specific hazardous waste stream significant both in volume and cost. Once commissioned, the technology is expected to generate annual savings exceeding CZK 2 million.

ESG – Environmental, Social, Governance

At the beginning of 2025, significant changes to ESG requirements were introduced at EU level under the collective designation "OMNIBUS". These changes required a reassessment of impacts and a revision of the company's ESG roadmap, taking into account completed and ongoing activities as well as stakeholder expectations. As a result, some activities, such as work related to the EU Taxonomy, were suspended, while others, including the Climate Risk Assessment and the preparation of the Decarbonisation Strategy, were temporarily slowed.

Corporate Carbon Footprint

The company calculates its corporate carbon footprint in accordance with the GHG Protocol, covering Scopes 1, 2 and 3. Despite the complexity of the process, the company has managed to shorten the calculation timeline by several months each year. Calculations have been completed for the base year 2023 and for 2024. The calculation for 2025 will be finalised by the end of April. From 2028 onwards, the long-term objective is to complete the calculation within the first two months following the end of each reporting year.

A particularly positive result was achieved in reducing emissions intensity, measured as greenhouse gas emissions relative to revenues. Compared to the base year, emissions intensity decreased by approximately 34 per cent.

Product Carbon Footprint

During the past year, product carbon footprint calculations were completed for customer Embraer in line with the GHG Protocol within a gate-to-gate scope. These calculations will be updated annually and gradually extended to additional customers, including Airbus, Aircraft Industries and Leonardo.

Sustainability Assessment

By the end of 2025, the company registered on the EcoVadis platform and completed its first sustainability assessment, achieving an overall score of 36 out of 100. The lower score partly reflected the fact that some supporting documents were not fully aligned with the methodology and could therefore not be included. During 2026, corrective measures will be implemented, and at the next planned assessment in Q4 the company expects to improve its score to 50–55 points.

The individual EcoVadis indicator ratings were also shared within the International Aerospace Environmental Group, which brings together leading aerospace manufacturers.

Further Key ESG Steps

Despite the temporary slowdown of certain ESG activities following EU-level regulatory changes, work on the Climate Risk Assessment continued, along with the preparation of the brief for the Decarbonisation Strategy. Both are scheduled for completion in 2026. In the same year, the company will prepare its first abridged non-financial report. Although not yet fully aligned with CSRD requirements, this report will serve as an important preparatory step towards mandatory non-financial reporting from 2028.

Preparing for Future Obligations

The company continuously monitors sustainability-related obligations arising from existing and forthcoming EU legislation in order to respond in due time and minimise potential negative impacts. In addition to the Carbon Border Adjustment Mechanism (CBAM), which is already being addressed, the company is prepared to meet the requirements of the EU Deforestation Regulation (EUDR). Further detailed steps are planned in relation to the European Batteries Regulation (EUBR), the Packaging and Packaging Waste Regulation (PPWR) and other forthcoming regulations.

Events after Balance Sheet Date

January 2026

The fifth and sixth L-39 Skyfox aircraft for LOM Praha were delivered, ferrying from Vodochody Airport to the customer's air base in Pardubice.

AERO also launched a communications campaign linked to its African business mission, opening with a press conference at which the armed Skyfox variant was unveiled to the media. This configuration, capable of performing a counter-UAS role, is commonly referred to as a "drone hunter".

February 2026

AERO participated in the Singapore Airshow and the World Defence Show in Riyadh, Saudi Arabia.

The company commenced the prescribed PP2000 programme on two-seat L-159 aircraft operated by the Czech Air Force, covering a total of eight aircraft in the L-159T1 and L-159T2 variants.

On 6 February 2026, AERO's production facilities were visited by the Prime Minister of the Czech Republic, Andrej Babiš, who was introduced to the company's production portfolio, technological capabilities and key manufacturing programmes.

Draken and AERO completed the first general overhaul under the PP2000 programme on an L-159E aircraft. The work was carried out by Draken using its own resources at its Teesside facility in the United Kingdom.

March 2026

AERO participated as a partner organisation in the Our Security Cannot Be Taken for Granted conference held in Prague.

April 2026

AERO continued to support regional sport and the local community by signing a multi-year agreement with the top-division volleyball club AERO Odolena Voda.

AERO was also a partner of the Military Flight Training 2026 conference in Lucerne, Switzerland, where the training capabilities and a wide range of light combat applications of the L-39 Skyfox platform were showcased.

AERO representatives joined an official Czech government delegation visiting Azerbaijan, Kazakhstan and Uzbekistan.

May 2026

Přeložená věta zde: AERO participated in the international defence, aerospace and security industry trade fair and conference BSDA in Romania, as well as the EU Defence Technology Forum security conference in the United Arab Emirates.

Report on relations between affiliated entities

Report on relations between the controlling entity and the controlled entity and between the controlled entity and other entities under common control prepared by the Management Board of AERO Vodochody AEROSPACE a.s. in accordance with Sections 82-88 of Business Corporations Act No. 90/2012 Sb.

Section I. Controlled entity and controlling entity

Controlled entity
AERO Vodochody AEROSPACE a.s.
with its registered office at 250 70 Odolena Voda - Dolínek, U Letiště 374
registration number 241 942 04
registered with the Metropolitan Court of Prague under file number B 17749 ("Company")

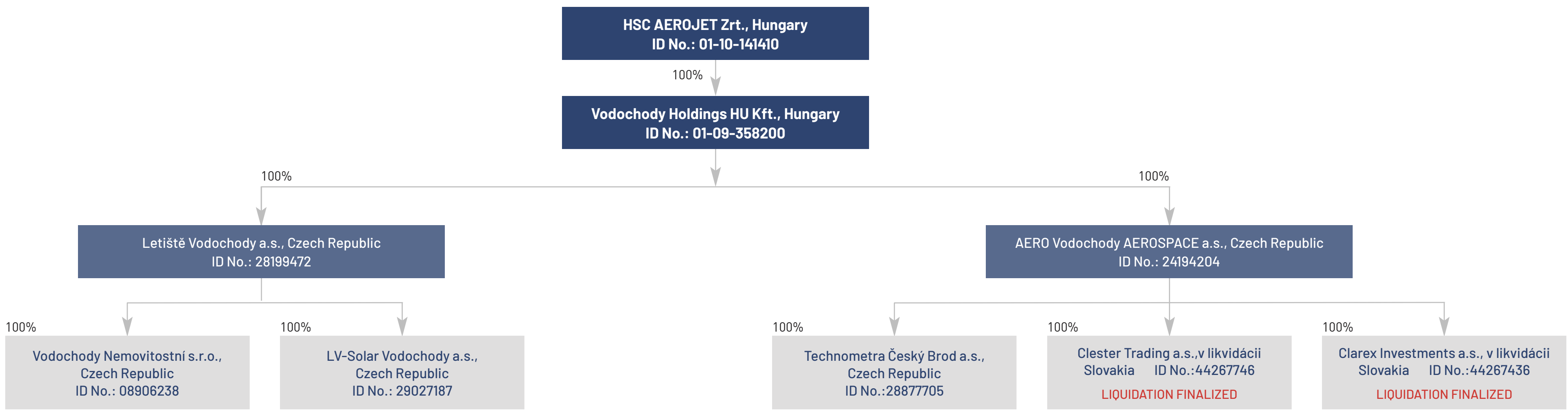
Controlling entity
HSC Aerojet Zrt.
with its registered office at 1122 Budapest, Városmajor utca 13. 6. em., Hungary
registration number 01-10-141410

Section II. Reporting period

This report covers the period of 1 January 2025 to 31 December 2025.

Section III. Ownership structure

Entities under common control of the same entity include the Company, entities directly or indirectly controlling it, and entities controlled by the controlling entity, i.e. entities controlled by HSC Aerojet Zrt. The ownership structure is shown in the diagram below.



Section IV. Role of the controlled entity in the ownership structure

The Company is a body corporate controlled by the controlling entity through ownership. The Company is an independent business entity engaged in specific economic activities.

The Company does not conduct any activities common to the other entities under common control and is not managed on a unified basis; it does not form a group (concern) together with the controlling entity and other entities under common control.

Section V. Controlling mechanisms

The controlling entity controls the Company through the Hungarian company Vodochody Holdings HU Kft. holding 100 per cent of the Company's shares. The controlling entity pursues its business interests through its shareholder rights, exercised by the Company's supreme governing body, including the appointment of members of the Company's governing bodies.

Section VI. Transactions conducted in the past reporting period at the instigation of, or in the interest of, the controlling entity or other entities under common control, involving assets exceeding 10 per cent of the controlled entity's equity as reported in the most recent financial statements.

Details of receivables, liabilities, loans and accruals as at 31 December 2025, together with sales to and purchases from affiliated entities for the year 2025, are disclosed in the notes to the financial statements for the period ending on 31 December 2025.

Section VII. Contracts and agreements executed between the controlled entity and the controlling entity or between other entities under common control

Throughout the reporting period, the Company entered into, and/or continued to be party to, the following contracts and agreements with other entities under common control:

Entity	Contract	Effective Date	Performance provided	Performance received	Duration	Loss
Vodochody Holdings HU Kft.	Loan Payment Agreement	12-Dec 2022	terms of loan payment	none	15-Aug 2036	none
Vodochody Holdings HU Kft.	Loan Agreement dated 23-Sep 2021	23-Sep 2021	loan	interest	15-Aug 2036	none
Vodochody Holdings HU Kft.	Amendment 1 to Loan Agreement dated 23-Sep 2021	16-Mar 2023	amended loan terms	interest	15-Aug 2036	none
Vodochody Holdings HU Kft.	Loan Agreement dated 27-Jan 2020	27-Jan 2020	loan	interest	01-Jul 2025	none
Vodochody Holdings HU Kft.	Amendment 1 to Loan Agreement dated 27-Jan 2020	13-Jun 2025	extended loan term and new interest rate	interest	30-Jun 2030	none
HSC AEROJET ZÁRTKÖRÜEN MÜKÖDÖ RÉSZVÉNYTÁRSASÁG	Loan Agreement dated 5-Sep 2024	05-Sep 2024	interest	loan	15-Aug 2036	none
Technometra Český Brod a.s.	Loan Agreement dated 2-Apr 2024	02-Apr 2024	interest	loan	31-Mar 2025	none
Technometra Český Brod a.s.	Amendment 1 to Loan Agreement dated 2-Apr 2024	30-Mar 2025	interest	extended loan term and new interest rate	31-Mar 2028	none
Technometra Český Brod a.s.	Management Services Agreement	04-Dec 2024	payment	management and other support services	indefinite	none
Technometra Český Brod a.s.	Amendment 1 to Management Services Agreement	30-Sep 2025	payment	modified scope of services and modified fee	indefinite	none
Technometra Český Brod a.s.	Master MRO Agreement	02-Dec 2025	MRO services	payment	02-Dec 2035	none
Vodochody Nemovitostní s.r.o.	Loan Agreement dated 29-Nov 2021	29-Nov 2021	interest	loan	31-Dec 2022	none
Vodochody Nemovitostní s.r.o.	Amendment 1 to Loan Agreement dated 29-Nov 2021	30-Dec 2022	interest	extended loan term	31-Dec 2023	none
Vodochody Nemovitostní s.r.o.	Amendment 2 to Loan Agreement dated 29-Nov 2021	20-Dec 2023	interest	extended loan term	31-Dec 2024	none
Vodochody Nemovitostní s.r.o.	Amendment 3 to Loan Agreement dated 29-Nov 2021	4-Apr 2024	interest	corrected designation of parties	31-Dec 2024	none
Vodochody Nemovitostní s.r.o.	Amendment 4 to Loan Agreement dated 29-Nov 2021	20-Nov 2024	interest	extended loan term	31-Dec 2025	none
Vodochody Nemovitostní s.r.o.	Amendment 5 to Loan Agreement dated 29-Nov 2021	29-Dec 2025	interest	extended loan term and new interest rate	30-Jun 2030	none
Letiště Vodochody a.s.	Lease Agreement SM/297/LV dated 31-Dec 2015	31-Dec 2015	leased airport premises	rent	indefinite	none
Letiště Vodochody a.s.	Amendment 1 to Lease Agreement SM/297/LV dated 31-Dec 2015	15-Jun 2017	adjusted rent and modified lease rent	rent	indefinite	none
Letiště Vodochody a.s.	Amendment 2 to Lease Agreement SM/297/LV dated 31-Dec 2015	23-Jan 2025	adjusted rent	rent	indefinite	none

Entity	Contract	Effective Date	Performance provided	Performance received	Duration	Loss
Letiště Vodochody a.s.	Services Agreement dated 1-Jan 2009	01-Jan 2009	payment	services	indefinite	none
Letiště Vodochody a.s.	Amendment 1 to Services Agreement dated 1-Jan 2009	22-Jan 2015	payment	services	indefinite	none
Letiště Vodochody a.s.	Amendment 2 to Services Agreement dated 1-Jan 2009	01-Jan 2016	payment	services	indefinite	none
Letiště Vodochody a.s.	Amendment 3 to Services Agreement dated 1-Jan 2009	29-Jul 2021	payment	services	indefinite	none
Letiště Vodochody a.s.	Deed of Servitude	29-Apr 2016	servitude	payment	indefinite	none
Letiště Vodochody a.s.	Agreement on cancellation of services and establishment of services	21-Feb 2020	Reciprocal establishment of services	Reciprocal establishment of services	indefinite period	none
LV-Solar Vodochody a.s.	Non-Residential Property Lease Agreement	30-Apr 2013	leased property	rent	indefinite	none
LV-Solar Vodochody a.s.	Amendment 1 to Non-Residential Property Lease Agreement	04-Jun 2025	adjusted rent	rent	indefinite	none

In addition to the contracts and agreements referred to above, the Company and Technometra Český Brod a.s. also conducted transactions involving the purchase and sale of materials, goods and services on the basis of individual orders. Technometra Český Brod a.s. purchased materials and services from the Company, while the Company purchased from Technometra Český Brod a.s. MRO parts, components (including aircraft instruments and assemblies) and services. All such transactions were conducted in the ordinary course of business and on arm's length terms.

Section VIII. Potential loss incurred by the controlled entity and compensation

Throughout the reporting period, the Company did not incur any loss as a result of any actions taken by the controlling entity; no compensation was considered.

Section IX. Advantages and disadvantages arising from relations between the controlling entity and the controlled entity, and between other entities under common control

Throughout the reporting period, no circumstances arose in the relations between the controlling entity and the controlled entity that could be regarded as disadvantageous in business or any other respect.

Section X. Conclusion

The Company's Management Board confirms that, for the purposes of this report, it acted with due managerial care to identify the relations between the controlling entity and the controlled entity, as well as between the controlled entity and other entities under common control. In doing so, it relied in particular on information obtained from the controlling entities regarding the entities they controlled during the reporting period.

The Company's Management Board further confirms that, in its opinion, all monetary payments and related consideration made throughout the reporting period by virtue of relations described in Section VII of this report were made on arm's length terms.

This report was submitted for review to the Company's Supervisory Board and to the Company's auditor appointed to audit the Company's financial statements for the year 2025 in accordance with applicable statutory requirements.

Odolena Voda, March 31, 2026

Ing. Viktor Sotona MBA
President and Chairman of the Board
AERO Vodochody AEROSPACE a.s.

Tibor Bial MBA
Management Board Member
AERO Vodochody AEROSPACE a.s.

Review of the Report by the Supervisory Board

The report on relations between the controlling entity and the controlled entity and between the controlled entity and other entities under common control prepared by the Company's Management Board for the year 2025 was reviewed by the Supervisory Board on. The Supervisory Board raised no objections to its content.

JUDr. Jana Fialová
Supervisory Board Chairman
AERO Vodochody AEROSPACE a.s..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Independent Auditor's Report

to the Shareholder of AERO Vodochody AEROSPACE a.s.

Opinion

We have audited the accompanying financial statements of **AERO Vodochody AEROSPACE a.s.**, with its headquarters at U Letiště 374, Odolena Voda, 250 70 Odolena Voda, Czech Republic, IC (Registration Number) 241 94 204, (hereafter the Company) prepared in accordance with Czech accounting regulations, which comprise the balance sheet as at 31 December 2025, the profit/loss account, statement of changes in equity and cash flow statement for the period from 1 January 2025 to 31 December 2025 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the assets and liabilities of the Company as at 31 December 2025 and of the costs, revenues and its profit or loss and its cash flows for the period from 1 January 2025 to 31 December 2025, in accordance with Czech accounting regulations.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under these regulations are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information included in the Annual Report

In compliance with Section 2 (b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Company's Statutory Body is responsible for this other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge of the Company obtained from the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with the applicable laws and regulations, in particular, whether the other information complies with the laws and regulations in terms of formal requirements and procedures for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that

- the other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and

- the other information is prepared in compliance with the applicable laws and regulations.

In addition, our responsibility is to report, based on our knowledge and understanding of the Company obtained from the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Company's Statutory and Supervisory Bodies for the Financial Statements

The Company's Statutory Body is responsible for the preparation and fair presentation of the financial statements in accordance with Czech accounting regulations, and for such internal control as the Statutory Body 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, the Statutory Body is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the Statutory Body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Body is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about 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 the above regulations 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 these financial statements.

As part of an audit in accordance with the above regulations, we exercise professional judgment 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.

BDO

- 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 the Statutory Body.

- Conclude on the appropriateness of the Statutory Body's use of the going concern basis of accounting 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Company's Statutory and Supervisory Bodies 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.

Praha, 29 May 2026

Audit firm:	Engagement Partner:
BDO Audit s.r.o.	
BDO Audit s. r. o.	Ondřej Šnejdar
Certificate No. 018	Certificate No. 1987

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Balance sheet as of December 31, 2025

(in thousand Czech crowns)			CURRENT ACCOUNTING PERIOD		PREVIOUS ACCOUNTING PERIOD
	LINE	GROSS	ADJUSTMENTS	NET	NET
TOTAL ASSETS	**1**	**14 130 361**	**-5 741 232**	**8 389 129**	**9 076 815**
B. Fixed assets	**3**	**7 504 995**	**-4 826 804**	**2 678 191**	**2 869 396**
B. I. Intangible assets	**4**	**3 557 785**	**-1 952 489**	**1 605 296**	**1 741 956**
B. I. 1. Research and development	5	2 201 323	-1 071 418	1 129 905	1 372 783
B. I. 2. Valuable rights (patents, copyrights, trademarks and brands)	6	1 071 663	-894 285	177 378	214 548
B. I. 2. 1. Software	7	324 595	-287 602	36 993	38 538
B. I. 2. 2. Other valuable rights	8	747 068	-606 683	140 385	176 010
B. I. 3. Goodwill (+/-)	9	-13 915	13 915	0	0
B. I. 4. Other intangibles	10	701	-701	0	0
B. I. 5. Advances for intangible assets and Intangible assets under construction	11	298 013	0	298 013	154 625
B. I. 5. 2. Intangible assets under construction	13	298 013	0	298 013	154 625
B. II. Tangible fixed assets	**14**	**3 854 448**	**-2 812 335**	**1 042 113**	**1 096 658**
B. II. 1. Land and Buildings	15	1 347 986	-855 237	492 749	471 848
B. II. 1. 1. Land	16	17 102	0	17 102	17 102
B. II. 1. 2. Buildings and structures	17	1 330 884	-855 237	475 647	454 747
B. II. 2. Machinery, equipment, vehicles, fixtures and fittings	18	2 428 297	-1 928 624	499 673	539 466
B. II. 4. Other tangible fixed assets	20	19 304	-18 938	366	510
B. II. 4. 3. Other tangible fixed assets	23	19 304	-18 938	366	510
B. II. 5. Advances for tangible fixed assets and Tangible fixed assets under construction	24	58 861	-9 536	49 325	84 834
B. II. 5. 1. Advances for tangible fixed assets	25	8 224	0	8 224	2 601
B. II. 5. 2. Tangible fixed assets under construction	26	50 637	-9 536	41 101	82 233
B. III. Financial assets	**27**	**92 762**	**-61 980**	**30 782**	**30 782**
B. III. 1. Investments in subsidiaries	28	92 762	-61 980	30 782	30 782

(in thousand Czech crowns)			CURRENT ACCOUNTING PERIOD			PREVIOUS ACCOUNTING PERIOD
		LINE	GROSS	ADJUSTMENTS	NET	NET
C.	**CURRENT ASSETS**	**37**	**5 254 535**	**-914 428**	**4 340 107**	**5 438 059**
C. I.	Inventories	38	3 717 250	-730 841	2 986 409	3 205 110
C. I. 1.	Raw material	39	1 881 029	-509 175	1 371 854	1 173 235
C. I. 2.	Work-in-progress and semi-finished products	40	1 453 899	-196 449	1 257 450	1 481 344
C. I. 3.	Finished products and goods	41	221 387	-11 133	210 254	302 224
C. I. 3. 2.	Goods	43	221 387	-11 133	210 254	302 224
C. I. 5.	Prepayments on inventories	45	160 935	-14 084	146 851	248 307
C. II.	**Receivables**	**46**	**1 076 270**	**-183 587**	**892 683**	**923 880**
C. II. 1.	Long-term receivables	47	8 141	0	8 141	0
C. II. 1. 1.	Trade receivables	48	8 141	0	8 141	0
C. II. 2.	Short-term receivables	57	1 068 129	-183 587	884 542	923 880
C. II. 2. 1.	Trade receivables	58	789 050	-177 756	611 294	705 578
C. II. 2. 2.	Receivables from controlling entities	59	4 514	0	4 514	3 724
C. II. 2. 4.	Other Receivables	61	274 565	-5 831	268 734	214 578
C. II. 2. 4. 3.	Government - tax receivables	64	55 051	0	55 051	37 061
C. II. 2. 4. 4.	Short-term advances	65	104 892	-5 831	99 061	57 619
C. II. 2. 4. 5.	Estimated accrued revenues	66	633	0	633	388
C. II. 2. 4. 6.	Other receivables	67	113 989	0	113 989	119 510
C. IV.	**Cash and bank accounts**	**75**	**461 015**	**0**	**461 015**	**1 309 069**
C. IV. 1.	Cash	76	2 400	0	2 400	4 926
C. IV. 2.	Bank accounts	77	458 615	0	458 615	1 304 143
D.	**Prepayments and accrued income**	**78**	**1 370 831**	**0**	**1 370 831**	**769 360**
D. 1.	Prepaid expenses	79	161 737	0	161 737	116 550
D. 3.	Accrued income	81	1 209 094	0	1 209 094	652 810

(in thousand Czech crowns)		LINE	CURRENT ACCOUNTING PERIOD NET	PREVIOUS ACCOUNT. PERIOD NET
	TOTAL LIABILITIES AND EQUITY	**1**	**8 389 129**	**9 076 815**
A.	**Equity**	**2**	**1 209 864**	**697 771**
A. I.	**Subscribed capital**	**3**	**1 002 000**	**1 002 000**
A. I. 1.	Subscribed capital	4	1 002 000	1 002 000
A. II.	**Share premium and capital reserves**	**7**	**947 901**	**947 901**
A. II. 2.	Capital reserves	9	947 901	947 901
A. II. 2. 1.	Other capital reserves	10	947 927	947 927
A. II. 2. 2.	Valuation differences from revaluation of assets and liabilities	11	-26	-26
A. III.	**Revenue reserves**	**15**	**1 169**	**1 169**
A. III. 2.	Statutory and other reserve	17	1 169	1 169
A. IV.	**Retained earnings**	**18**	**-1 253 298**	**-1 355 563**
A. IV. 1.	Retained earnings and accumulated losses of previous years	19	-1 253 298	-1 355 563
A. V.	**Profit / loss of current accounting period**	**21**	**512 092**	**102 264**
B. +C.	**Liabilities**	**23**	**5 204 985**	**6 479 337**
B.	**Provisions**	**24**	**694 186**	**622 793**
B. 4.	Others provisions	28	694 186	622 793
C.	**Payables**	**29**	**4 510 799**	**5 856 544**
C. I.	**Long-term liabilities**	**30**	**3 075 466**	**3 358 331**
C. I. 4.	Trade payables	36	88 480	46 331
C. I. 6.	Payables - controlling or controlled entity	38	2 986 986	3 312 000
C. II.	**SHORT-TERM LIABILITIES**	**45**	**1 435 333**	**2 498 213**
C. II. 3.	Short-term advances received	50	360 519	1 150 011
C. II. 4.	Trade payables	51	430 687	524 015
C. II. 6.	Payables - controlling or controlled entity	53	298 911	408 014
C. II. 8.	Other payables	55	345 216	416 173
C. II. 8. 3.	Payables to employees	58	84 824	84 449
C. II. 8. 4.	Payables to social security and health insurance	59	47 253	47 279
C. II. 8. 5.	Government - tax payables and subsidies	60	12 207	12 638
C. II. 8. 6.	Estimated accrued items	61	181 684	252 498
C. II. 8. 7.	Other payables	62	19 248	19 309
D.	**Accruals and deferred income**	**66**	**1 974 280**	**1 899 707**
D. 1.	Accrued expenses	67	42 666	43 791
D. 2.	Deferred income	68	1 931 614	1 855 916

Profit and loss statement as of December 31, 2025

(in thousand Czech crowns)			VALUES IN ACCOUNTING PERIOD	
		LINE	CURRENT ACCOUNTING PERIOD	PREVIOUS ACCOUNT. PERIOD
I.	**Revenues from the sale of own products and services**	**1**	**5 793 579**	**5 358 145**
II.	**Revenues from sold goods**	**2**	**693 655**	**649 178**
A.	**Consumption from production**	**3**	**3 413 599**	**3 951 468**
A. 1.	Costs of goods sold	4	276 721	355 303
A. 2.	Consumption of material and energy	5	1 991 474	2 349 170
A. 3.	Services	6	1 145 404	1 246 995
B.	**Increase/decrease in finished goods and in work in progress**	**7**	**185 952**	**-731 582**
C.	**Own work capitalized**	**8**	**-148 901**	**-138 752**
D.	**Staff costs**	**9**	**1 751 525**	**1 534 093**
D. 1.	Wages and salaries	10	1 275 761	1 120 338
D. 2.	Social security and health insurance costs and other costs	11	475 764	413 755
D. 2. 1.	Social security and health insurance costs	12	408 174	363 392
D. 2. 2.	Other social costs	13	67 590	50 363
E.	**Adjustment of values in operating activities**	**14**	**322 992**	**727 393**
E. 1.	Adjustment of values of Intangible and tangible assets	15	443 326	518 720
E. 1. 1	Adjustment of values of Intangible and tangible assets - permanent	16	570 535	531 608
E. 1. 2	Adjustment of values of Intangible and tangible assets - temporaly	17	-127 209	-12 888
E. 2.	Adjustment of values of inventories	18	-99 063	50 769
E. 3.	Adjustment of values of receivables	19	-21 271	157 904
III.	**Other operating income**	**20**	**227 365**	**163 240**
III. 1.	Proceeds on sale of fixed assets	21	63 990	530
III. 2.	Proceeds on sale of material	22	135 982	149 270
III. 3.	Other operating income	23	27 393	13 440

(in thousand Czech crowns)			VALUES IN ACCOUNTING PERIOD	
		LINE	CURRENT ACCOUNTING PERIOD	PREVIOUS ACCOUNT. PERIOD
F.	**Other operating expenses**	**24**	**522 941**	**541 993**
F. 1.	Net book value of fixed assets sold	25	64 206	0
F. 2.	Material sold	26	117 310	144 718
F. 3.	Taxes and fees relating to operating activities	27	12 799	17 214
F. 4.	Provisions and adjustments relating to operating activities and complex deferred expenses	28	71 394	131 375
F. 5.	Other operating expenses	29	257 232	248 686
*	Profit/loss from operating activities	30	666 491	285 950
VI.	**Interest income and similar income**	**39**	**21 266**	**36 959**
VI. 1.	Interest income and similar income in subsidiaries	40	2 282	3 376
VI. 2.	Other interest income and similar income	41	18 984	33 583
J.	**Interest expense and similar expenses**	**43**	**190 271**	**207 386**
J. 1.	Interest expense and similar expenses in subsidiaries	44	183 762	199 710
J. 2.	Other interest expense and similar expenses	45	6 509	7 676
VII.	Other financial revenues	46	238 967	5 924
K.	**Other financial expenses**	**47**	**224 361**	**19 183**
*****	**Profit/loss from financial activities**	**48**	**-154 399**	**-183 686**
******	**Profit/loss before tax**	**49**	**512 092**	**102 264**
******	**Profit/loss after tax**	**53**	**512 092**	**102 264**
*******	**Profit/loss for the period**	**55**	**512 092**	**102 264**
*****	**Netto turnover for the period**	**56**	**6 487 234**	**6 007 323**

Cash flow statements as of December 31, 2025

(in thousand Czech crowns)			VALUES IN ACCOUNTING PERIOD	
		LINE	CURRENT ACCOUNTING PERIOD	PREVIOUS ACCOUNT. PERIOD
P.	**Cash and cash equivalents at beginning of accounting period**	**1**	**1 309 069**	**1 649 501**
Z.	**Profit/loss before taxation**	**2**	**512 092**	**102 264**
A. 1.	Adjustments for non-cash transactions	3	568 541	1 031 790
A. 1. 1.	Depreciation of fixed assets (except of net book value of fixed assets sold, depreciation of adjustment for assets acquisition (+/-).	4	570 535	531 608
A. 1. 2.	Change in adjustments, provisions	5	-176 149	327 160
A. 1. 3.	Profit/loss on disposal of fixed assets	6	216	-530
A. 1. 5.	Net interest expense (+) (except of capitalized interest) and interest income (-)	8	169 005	170 427
A. 1. 6.	Adjustments for other non-cash movements	9	4 934	3 125
A*	**Net cash flow from operating activities before tax and changes in working capital**	**10**	**1 080 633**	**1 134 054**
A. 2.	Change in non-financial items of working capital	11	-1 111 915	-1 056 533
A. 2. 1.	Increase/decrease in trade and other receivables, including prepayments and accrued income (+/-)	12	-421 785	408 514
A. 2. 2.	Increase/decrease in trade payables, including accruals and deferred income (+/-)	13	-879 204	-1 542 138
A. 2. 3.	Increase/decrease in inventories	14	189 074	77 091
A **	**Net cash flow from operating activities before taxes**	**16**	**-31 282**	**77 521**
A. 3.	Interest paid, excl. capitalized interests	17	-190 271	-207 386
A. 4.	Interest received (+)	18	21 061	36 800
A ***	**Net cash flow from operating activities**	**22**	**-200 492**	**-93 065**
B. 1.	Costs associated with acquisition of fixed assets	23	-317 669	-216 656
B. 2.	Proceeds on sales of fixed assets	24	63 990	530
B. 3.	Loans and credits to related persons	25	-790	-1 100
B ***	**Net cash flow from investing activities**	**26**	**-254 469**	**-217 226**
C. 1.	Net effect of changes in long-term liabilities and short-term liabilities, belonging to the financial activities area, to cash and cash equivalents	27	-393 093	-30 141
C ***	**Net cash from financing activities**	**35**	**-393 093**	**-30 141**
F.	**Net increase/decrease in cash and cash equivalents**	**36**	**-848 054**	**-340 432**
R.	**Cash and cash equivalents at end of period**	**37**	**461 015**	**1 309 069**

Changes in shareholders equit as of December 31, 2025

(in thousand Czech crowns)				VALUES IN ACCOUNTING PERIOD	
			LINE	CURRENT ACCOUNTING PERIOD	PREVIOUS ACCOUNT. PERIOD
A.	1.	Opening balance	1	1 002 000	1 002 000
A.	4.	Closing balance	4	1 002 000	1 002 000
C.	1.	Opening balance A. +/- B.	9	1 002 000	1 002 000
C.	6.	Closing balance A. +/- B. incl. (252)	14	1 002 000	1 002 000
E.	1.	Opening balance	19	947 927	947 927
E.	4.	Closing balance	22	947 927	947 927
F.	1.	Opening balance	23	-26	-26
F.	4.	Closing balance	26	-26	-26
H.	1.	Opening balance	31	1 169	1 169
H.	4.	Closing balance	34	1 169	1 169
I.	1.	Opening balance	35	1 022 220	1 022 220
I.	4.	Closing balance	38	1 022 220	1 022 220
J.	1.	Opening balance	39	-2 377 783	-2 377 783
J.	3.	Decrease	41	-102 265	
J.	4.	Closing balance	42	-2 275 518	-2 377 783
L.	1.	Opening balance	47	102 264	
L.	2.	Increase	48	512 092	102 264
L.	3.	Decrease	49	102 264	
L.	4.	Closing balance	50	512 092	102 264
X.	1.	Opening balance	55	697 771	595 507
X.	2.	Increase	56	512 092	102 264
X.	3.	Decrease	57	-1	
X.	4.	Closing balance	58	1 209 864	697 771

Financial Statements for the year ended 31 December 2025

1. DESCRIPTION OF THE COMPANY

AERO Vodochody AEROSPACE a.s. (hereinafter referred to as the "Company") was incorporated on 15 December 2011 by the Municipal Court in Prague, Section B, Insert 17749 under the name TULAREO a.s. and is located in Odolena Voda, Dolínek, U Letiště 374 , Postal Code 250 70, Czech Republic. The identification number is 241 94 204. The main scope of the Company's activity is cooperation in the production of helicopters and aircraft parts, foreign trade in military material, development, production, repairs and modernization of training and combat military aircraft, aerial work and operation of Vodochody Airport.

Members of statutory bodies as at 31st of December 2025:

Board of Directors	
Chairman of the Board:	Ing. Viktor Sotona, MBA
Member of the Board:	Tibor Bial
Supervisory Board	
Chairman:	Jana Fialová
Member:	Miloslav Hostaša

These financial statements have been prepared as at 31st of December 2025. The reporting period is from 1st of January 2025 to 31st of December 2025.

2023 is the first year when the accounting unit subjected to a consolidation. Consolidation is carried out by Interstand Consulting Kft. with registered office at Damjanich utca 23/B, 1188 Budapest. The consolidated financial statements of the consolidating accounting units can be obtained online in the system of the Ministry of Justice of the Republic of Hungary (https://e-beszamolo.im.gov.hu/oldal/kezdolap).

The current economic situation is being impacted mainly by the war in Ukraine which broke out on 24th of February 2022, including the related sanctions against Russia, then by disrupted supply chains, energy crisis, uncertainty on the commodities and financial markets and finally by negative trends in key macroeconomic indicators with consequences on business, such as the inflation rate, growth of interest rates, volatility of foreign exchange rates. Another driver has emerged in US import tariffs, which has affected many sectors in countries across the globe, however export to USA forms only a marginal part of the Company's revenue.

The Company's management has evaluated the impact of the current economic situation on its business and concluded that it has no material impact to the operation of the Company in the current nor the following period.

2. BASIC PRINCIPLES FOR THE PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the Czech Republic relevant for large companies and have been prepared under the historical cost convention. Derivatives and securities (excluding interests in controlled entities or entities under significant influence) are stated at fair value.

3. GENERAL ACCOUNTING POLICIES, ACCOUNTING METHODS AND DEVIATIONS FROM THESE METHODS

With respect to the business object and business model of the entity, the company determines that netto turnover of the sales will be defined according to the sales of products, services and goods. In connection with the amendment to Act No. 563/1991 Coll., on Accounting, as amended, the definition of net turnover in the profit and loss statement has changed as of January 1, 2024. In accordance with the opinion of the Ministry of Finance of the Czech Republic, for the accounting period starting from January 1 to December 31, 2025, the value of net turnover determined according to § 35 of Decree No. 500/2002 Coll. will be reported in the current period.

The valuation methods used by the Company in preparing the financial statements for 2025 are as follows:

a) Intangible fixed assets

All intangible assets with a useful life longer than one year and a unit cost of more than CZK 60 thousand are treated as Intangible fixed assets.

Purchased intangible and tangible fixed assets are initially recorded at cost, which includes all costs related to their acquisition. Intangible fixed assets created by own activities are valued at own costs, which include direct material and labor costs and a proportional part of production overheads.

Intangible fixed assets are depreciated applying the straight-line method over their estimated useful lives or based on performance as follows:

	Estimated useful life
Development costs – aircraft prototype	Percentage of project completion
Development costs - other	realized sales of serial production
Software	3-5 years
Other royalties	according to contract
Goodwill	5 years

The depreciation plan is updated during the useful life of the intangible fixed assets based on the expected useful life or change of the performance plan.

The company creates provisions mainly for long-term intangible assets, which relate to terminated programs. A provision for impairment is created when the carrying value of an asset is greater than its estimated recoverable amount. The estimated recoverable amount is determined based on expected future cash flows generated by this asset.

Goodwill represents the difference between the valuation of the enterprise (or its part) acquired through a transfer or transfer for consideration or deposit or the valuation of assets and liabilities within a business combination, other than a change in legal form, and the total of individually re-valued assets and liabilities acquired less assumed debts.

Repairs and maintenance expenditures for intangible fixed assets are expensed as incurred. Technical improvements of intangible fixed assets are capitalized.

Emission allowances are presented by the Company as other intangible fixed assets. Emission allowances allocated to the Company by the National Allocation Plan are recorded to the account of other intangible fixed assets and to the account taxes and state subsidies payable upon being credited to the Company in the Register of Emission Allowances in the Czech Republic.

Emission allowances allocated to the Company free of charge are recorded at replacement cost. Emission allowances purchased by the Company are recorded at cost. The consumption of emission allowances is recorded to other operating expenses on the basis of an estimate of actual CO2 emissions produced in the period or on the basis of actual CO2 emissions produced in the period. At the same time the emission allowances liability is released in other operating income, if it is consumption of the allocated emission allowances.

The first-in-first-out method is applied for all disposals of emission allowances. Sales of emission allowances are recorded as other operating revenue and are stated at the selling price. At the same time, their book value is disposed from assets.

A provision is created for the deficit in emission allowances to cover their consumption in the disclosed period. A provision for diminution in value is created when the carrying value of emission allowances is greater than its estimated recoverable amount.

b) Tangible fixed assets

All tangible assets with a useful life longer than one year and a unit cost of more than CZK 80 thousand are treated as tangible fixed assets.

Purchased tangible fixed assets are initially recorded at cost, which includes all costs related with its acquisition. Own work capitalised is recorded at cost, which include direct material and labor costs and a proportional part of production overheads. Assets received as gifts are recorded at replacement cost against other operating income account as at the date of receipt. The replacement cost of these assets is determined based on their price at the time the asset was acquired.

Tangible fixed assets, except for land which is not depreciated, are depreciated applying the straight-line method over their estimated useful lives or based on performance as follows:

	Estimated useful life
Constructions	20-40 years
Jigs	realized sales of serial production
Machines, devices and equipment	3-30 years
Means of transport	3-20 years
Inventory	3-15 years
Other tangible fixed assets	3-15 years

The depreciation plan is updated during the useful life of the tangible fixed assets based on the expected useful life or change of the performance plan.

The Company creates provisions mainly for tangible fixed assets, which relate to terminated programs. A provision for impairment is created when the carrying value of an asset is greater than its estimated recoverable amount. The estimated recoverable amount is determined based on expected future cash flows generated by this asset. Repairs and maintenance expenditures for tangible fixed assets are expensed as incurred. Technical improvements of tangible fixed assets are capitalized.

c) Long-term investments

Long-term financial investments are mainly investments in subsidiaries and investments in associates.

Investments in subsidiaries represent shares in enterprises that are controlled by the Company ("the subsidiary").

Investments in associates represent shares in enterprises over which the Company has significant influence, but not control ("the associate").

Investments in subsidiaries and associates are recorded at cost, which includes the acquisition price and direct acquisition-related costs, such as fees and commissions to brokers and exchanges, less a provision for diminution in value.

d) Inventories

Purchased inventories are stated at the lower of cost and net realizable amount. Cost includes all costs related with its acquisition (mainly transport costs, customs duty, etc.). The weighted average cost method is applied for all disposals.

Inventories generated from own production, i.e. work-in-progress and semi-finished goods, are stated at the lower of production cost and estimated net realizable amount. Production cost includes direct material and direct wages.

A provision is created for slow-moving and obsolete inventory based on an analysis of turnover and individual evaluation of inventories.

e) Receivables

Receivables are stated at nominal value less a provision for doubtful amounts. A provision for doubtful amounts is created on the basis of an ageing analysis (100% for overdue receivables over 1 year and 50% overdue for between 0,5 and 1 year) and an individual evaluation of the credit worthiness of the customers. The provision is not created for guarantees and deposits.

f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, stamps and vouchers and cash in banks, including bank overdrafts.

Cash equivalents are short-term highly liquid investments that can be exchanged for a predictable amount of cash and no significant changes of value over time are expected. Cash equivalents are, for example, deposits with a maturity of less than 3 months from the date of acquisition and liquid debt securities traded in public markets. The Company has prepared a Cash-flow statement using the indirect method.

g) Foreign currency translation

Transactions denominated in a foreign currency are translated and recorded at the rate of exchange ruling as at the transaction date.

Cash, receivables and liabilities balances denominated in foreign currencies have been translated at the exchange rate published by the Czech National Bank as at the balance sheet date. All exchange gains and losses on cash, receivables and liabilities balances are recorded in the income statement and presented net.

Investments in subsidiaries and associates and other investments and securities denominated in a foreign currency, which are not accounted for at fair value, are translated at the year-end at exchange rate as published by the Czech National Bank. Any translation difference is recognized in equity.

h) Prepayments and accrued income

Complex prepaid expenses represent aggregate costs that are materially related to one purpose, in particular the serial production of aircraft and military programs. These costs incurred before the start of production / program and are released to the income statement according to realized sales, within 4 years at the latest.

In particular, development costs are not included in complex prepaid expenses.

i) Derivative financial instruments

Derivatives are initially measured at cost. In the accompanying balance sheet, derivatives are reported as part of other current liabilities.

Derivatives are divided into trading derivatives and hedging derivatives.

A hedging derivative is considered to be a derivative that simultaneously meets the following conditions:

a) corresponds to the Company's risk management strategy,
b) at the inception of the hedge, the hedging relationship is formally documented by an accounting record; the documentation contains the identification of the hedged items and hedging instruments, the precise definition of the risk that is the subject of the hedge, the approach to determining and documenting the effectiveness of the hedge,
c) hedging is effective; hedging is effective if at the inception and during the hedging relationship changes in the fair values or cash flows of the hedging instruments are commensurate with the risk being hedged, or total changes in the fair values or cash flows of the hedging instruments range eighty percent to one hundred and twenty-five percent of changes in fair values or cash flows of hedged items corresponding to the hedged risk. The Company determines whether the hedge is effective at the inception of the hedge and at least at the time of preparation of the regular, extraordinary and interim financial statements and at the time of preparation of the statements.

A derivative that does not meet any of the above conditions is considered a trading derivative. Valuation differences of a trading derivative are recognized in the income statement at least when the financial statements are prepared.

Derivatives are re-measured to fair value at the balance sheet date. The fair value of the derivative is determined as the market value (hereinafter the "market price") announced on the date of determination of the fair value. If a derivative is admitted to trading on a regulated market, the market price means the price on that market at which it is traded at the time of valuation. If the regulated market does not operate at the time of valuation, the price valid on the last working day preceding the moment of valuation shall be used. If a market price is not available, the entity uses a qualified estimate to measure the derivative. Determining the market price of a derivative or its components by a qualified estimate may be derived by an entity from a similar derivative or its components for which the market price is known.

For hedging derivatives for which the cash flow hedging method is used, valuation differences related to the hedged risk are reported in the relevant liability item. Gains or losses on the measurement of hedging derivatives are recognized in the income statement in the same periods as the expenses or income associated with the hedged instruments are recognized in the income statement. If, as a result of a hedged expected transaction, a non-financial asset, non-financial liability or firm liability for which fair value is hedged is subsequently recognized, the related gains or losses may be recognized together with the non-financial asset or liability.

For hedging derivatives for which the net investment hedging method with a subsidiary or associate is used, valuation differences that relate to currency risk are reported in the relevant liability item. They are recognized in the income statement in the same period in which the expenses or income associated with the decrease in hedged net investments in foreign currency investments are recognized.

As at 31st of December 2025 the Company had no opened derivative financial instruments.

j) Equity

The share capital of the Company is stated at the amount recorded in the public register maintained in the Municipal Court. Any increase or decrease in the share capital made pursuant to the decision of the General Meeting which was not entered in the Commercial Register as at the balance sheet date is recorded through changes in basic capital. Contributions in excess of share capital are recorded as share premium. Other capital contribution are created based on the Company’s Articles of Association.

In accordance with the Act on Business Corporations and the Articles of Association, the Company is not obliged to create a reserve fund.

k) Liabilities

Long-term and short-term liabilities are reported at nominal values. Other liabilities also include values determined as a result of valuing financial derivatives at fair value.

Long-term and short-term liabilities to credit institutions are reported at nominal value. The part of long-term liabilities to credit institutions that is due within one year from the balance sheet date is also considered as short-term liabilities to credit institutions. Contingent liabilities that are not recognized in the balance sheet due to high uncertainty in determining their amount, title or due date are described in Note 16.

l) Provisions

Provisions are recognized when the Company has a present obligation, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

m) Employee benefits

The Company recognizes a provision relating to untaken holidays.

The Company recognizes a provision relating to rewards and bonuses of employees.

Regular contributions are made to the state to fund the national pension plan. The Company also provides contributions to defined contribution plans operated by independent pension funds.

n) Subsidies

A subsidy is recognized when money is received or an irrevocable right to receive a subsidy exists.

A subsidy received for the settlement of expenses is recorded as operating or financial revenue in the same period when expenses are incurred. A subsidy received for either the acquisition of fixed assets (including technical improvement) or for the settlement of interest charged to cost of fixed assets can either decrease the cost of fixed assets or own work capitalized. The Company records the received subsidies in separate accounts so that it is possible to monitor their drawing and use.

o) Revenue recognition

Revenues from sales of aircrafts of own production

When control of produced goods or rendered services is transferred over time to the customer, the Company recognizes revenue over time (i.e. under the percentage of completion method).

The Company transfers control over time if one of the following criteria is met:
- the customer simultaneously receives and consumes the benefits provided by the Company's performance as the entity performs;
- the Company's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced;
- the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

An asset created by a Company's performance does not have an alternative use to an entity if the Company is either restricted contractually from readily directing the asset for another use during the creation or enhancement of that asset or limited practically from readily directing the asset in its completed state for another use. The assessment of whether an asset has an alternative use to the Company is made at contract inception. After contract inception, a Company shall not update the assessment of the alternative use of an asset unless the parties to the contract approve a contract modification that substantively changes the performance obligation.

A Company shall consider the terms of the contract, as well as any laws that apply to the contract, when evaluating whether it has an enforceable right to payment for performance completed to date. The right to payment for performance completed to date does not need to be for a fixed amount. However, at all times throughout the duration of the contract, the Company must be entitled to an amount that at least compensates the Company for performance completed to date if the contract is terminated by the customer or another party for reasons other than the Company's failure to perform as promised.

For the application of the over time method, the measurement of progress towards complete satisfaction of a performance obligation is based on inputs (i.e. cost incurred).

At the end of each reporting period, a Company shall remeasure its progress towards complete satisfaction of a performance obligation satisfied over time.

Other revenues

Sales are recognized upon the delivery of products and customer acceptance or when goods are released from the stock based on the transfer of risks according to incoterms and are stated net of discounts and value added tax.

Sales are recognized as at the date the services are rendered and are stated net of discounts and value added tax.

p) Related parties

The Company's related parties are considered to be the following:

- parties, which directly or indirectly control the Company, their subsidiaries and associates;
- parties, which have directly or indirectly significant influence on the Company;
- members of the Company's or parent company's statutory and supervisory boards and management and parties close to such members, including entities in which they have a controlling or significant influence; and/or
- subsidiaries and associates and joint-venture companies.

Material transactions and outstanding balances with related parties are disclosed in Notes 19 Related parties transactions and 18 Employees.

q) Leases

The costs of assets held under both finance and operating leases are not capitalized as fixed assets. Lease payments are expensed evenly over the life of the lease. Future lease payments not yet due are disclosed in the notes but not recognized in the balance sheet.

r) Interest expense

Interest expense on borrowings to finance the acquisition of intangible and tangible fixed assets are capitalized during the period of completion and preparation of the asset for its intended use. Other borrowing costs are expensed. Long-term payables are not discounted.

s) Deferred tax

Deferred tax is recognized on all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Deferred tax asset is recognized if it is probable that sufficient future taxable profit will be available against which the asset can be utilized.

t) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses for the period. Management has made these estimates and assumptions based on all relevant information available to it. However, as the nature of the estimate suggests, actual values in the future may differ from these estimates.

u) Mutual settlement

Cash, receivables and liabilities balances denominated in foreign currencies have been translated at the exchange rate published by the Czech National Bank as at the balance sheet date. All exchange gains and losses on cash, receivables and liabilities balances are recorded in the income statement and presented net.

v) Subsequent events

The effects of events, which occurred between the balance sheet date and the date of preparation of the financial statements, are recognized in the financial statements in the case that these events provide further evidence of conditions that existed as at the balance sheet date. Where significant events occur subsequent to the balance sheet date but prior to the preparation of the financial statements, which are indicative of conditions that arose subsequent to the balance sheet date, the effects of these events are quantified and disclosed, but are not themselves recognized in the financial statements.

4. FIXED ASSETS

a) Intangible fixed assets

thousand CZK	31st of December 2024	Additions/ transfers	Disposals	31st of December 2025
Cost				
Development costs	2 272 284	37 039	-108 000	2 201 323
Software	321 766	3 343	-514	324 595
Other royalties	747 068	-	-	747 068
Goodwill	-13 915	-	-	-13 915
Other intangible fixed assets	701	-	-	701
Intangible fixed assets in the course of construction	158 743	196 282	-57 011	298 013
Total	**3 486 647**	**236 664**	**-165 525**	**3 557 785**
Accumulated depreciation				
Development costs	-802 924	-392 621	124 127	-1 071 418
Software	-281 593	-6 524	514	-287 602
Other royalties	-571 058	-36 435	810	-606 683
Goodwill	13 915	-	-	13 915
Other intangible fixed assets	-701	-	-	-701
Total	**-1 642 361**	**-435 580**	**125 451**	**-1 952 489**
Provisions				
Development costs	-96 577	0	96 577	0
Other royalties	-1 635	0	1 635	0
Intangible fixed assets in the course of construction	-4 118	-4 711	8 829	0
Total	**-102 330**	**-4 711**	**107 041**	**0**
Net book value	**1 741 956**			**1 605 296**

thousand CZK	1st of January 2024	Additions/ transfers	Disposals	31st of December 2024
Cost				
Development costs	2 232 247	40 037	-	2 272 284
Software	319 117	2 845	-196	321 766
Other royalties	747 068	-	-	747 068
Goodwill	-13 915	-	-	-13 915
Other intangible fixed assets	701	-	0	701
Intangible fixed assets in the course of construction	118 949	87 788	-47 994	158 743
Total	**3 404 167**	**130 670**	**-48 190**	**3 486 647**
Accumulated depreciation				
Development costs	-456 669	-346 255	-	-802 924
Software	-275 918	-5 871	196	-281 593
Other royalties	-541 244	-29 814	-	-571 058
Goodwill	13 915	-	-	13 915
Other intangible fixed assets	-701	-	-	-701
Total	**-1 260 617**	**-381 940**	**196**	**-1 642 361**
Provisions				
Development costs	-96 577	0	-	-96 577
Other royalties	-3 363	1 728	-	-1 635
Intangible fixed assets in the course of construction	-4 118	-	-	-4 118
Total	**-104 058**	**1 728**	**-**	**-102 330**
Net book value	**2 039 492**			**1 741 956**

In 2016, the Company bought a part of Letiště Vodochody a.s. Goodwill in the negative value of CZK -13 915 thousand arose as a difference between the valuation of a part of the business and the sum of individually revalued components of assets less liabilities assumed. Negative Goodwill was amortized over a period of 60 months.

Additions of intangible fixed assets represent the capitalization of assets developed by own activities within the development of the L-39NG aircraft based on the final confirmation of the aircraft certification.

In 2025, the Company did not receive a subsidy for long-term intangible assets.

Tangible fixed assets

thousand CZK	31st of December 2024	Additions/ transfers	Disposals/ transfers	31st of December 2025
Cost				
Land	17 102	-	-	17 102
Constructions	1 276 498	54 386	0	1 330 884
Equipment	2 454 627	70 110	-96 440	2 428 297
Other tangible fixed assets	20 057	64 276	-65 029	19 304
Advances paid for tangible fixed assets	2 601	73 351	-67 728	8 224
Tangible fixed assets in the course of construction	99 426	159 570	-208 358	50 637
Total	**3 870 311**	**421 693**	**-437 555**	**3 854 448**
Accumulated depreciation				
Constructions	-821 752	-33 486	-	-855 237
Equipment	-1 869 275	-124 956	94 271	- 1 899 971
Other tangible fixed assets	-19 547	-64 420	65 029	-18 938
Total	**-2 710 574**	**-222 862**	**159 300**	**-2 774 146**
Provisions				
Equipment	-45 886	-1 661	18 883	-28 653
Advances paid for tangible fixed assets	0	0	-	0
Tangible fixed assets in the course of construction	-17 193	0	7 657	-9 536
Total	**-63 079**	**-1 661**	**26 540**	**-38 189**
Net book value	**1 096 658**			**1 042 113**

thousand CZK	1 January 2024	Additions/ transfers	Disposals/ transfers	31 December 2024
Cost				
Land	17 102	-	-	17 102
Constructions	1 247 090	29 408	-	1 276 498
Equipment	2 370 435	92 725	-8 533	2 454 627
Other tangible fixed assets	20 380	1	-324	20 057
Advances paid for tangible fixed assets	9 559	76 608	-83 566	2 601
Tangible fixed assets in the course of construction	111 075	179 884	-196 378	99 426
Total	**3 775 641**	**378 626**	**-288 801**	**3 870 311**
Accumulated depreciation				
Constructions	-789 170	-32 582	-	-821 752
Equipment	-1 761 287	-116 520	8 532	-1 869 275
Other tangible fixed assets	-19 316	-553	322	-19 547
Total	**-2 569 773**	**-149 655**	**8 854**	**-2 710 574**
Provisions				
Equipment	-55 122	-9 979	19 215	-45 886
Advances paid for tangible fixed assets	0	0	-	0
Tangible fixed assets in the course of construction	-19 106	0	1 913	-17 193
Total	**-74 228**	**-9 979**	**21 128**	**-63 079**
Net book value	1 131 640			1 096 658

As at 31st of December 2025 and 31st of December 2024, the aggregate amount of low value tangible assets stated in the off-balance sheet amounted at cost to CZK 178 598 thousand and CZK 167 245 thousand.

As at 31st of December 2025, the cost of assets with limited disposal amounted to CZK 814 991 thousand and its net book value amounted to CZK 289 248 thousand. As at 31stof December 2024, the cost of assets with limited disposal amounted to CZK 781 092 thousand and its net book value amounted to 274 427 thousand. This burden is related to the framework agreement on post-warranty support for L-159 and L-39 aircraft (see Note 16) and is not registered in the land register.

As at 31st of December 2025, the cost and net book value of the pledged movable assets in favor of MFB MAGYAR FEJLESZTÉSI BANK ZÁRTKÖRŰEN MŰKÖDŐ RÉSZVÉNYTÁR-SASÁG in connection with the loan from Vodochody Holdings HU Kft amounted to CZK 472 760 thousand and to CZK 198 749 thousand and the cost and net book value of pledged immovable assets amounted to CZK 1 347 737 thousand and CZK 492 514 thousand, resp. as at 31st of December 2024, the cost and net book value of pledged movable assets in favor of received loans amounted to CZK 472 760 thousand and CZK 249 767 thousand and the cost and net book value of pledged immovable assets amounted to CZK 1 293 601 thousand and CZK 471 849 thousand (see Note 13). In 2025 same as in 2024, the Company did not receive a subsidy for long-term tangible assets.

c) Non-current financial assets

Clarex and Clester receivables were capitalised in 2023. These have been transferred to financial fixed assets at nominal value in full (Clarex 061.016 GL, CZK 51.7 million, Clester 061.013 GL, CZK 10.3 million). As the receivables entering into this capitalisation were already considered to be high-risk and were subject to a 100 % valuation allowance, the financial assets arising from this capitalisation were also subject to a 100 % valuation allowance (total of CZK 61,9 million, 096.010 and 096.801 GL). In 2025, no changes or adjustments were made; however, both companies were undergoing liquidation, which was completed in 2026, including their deregistration from the Commercial Register.

On the basis of the Share Purchase Agreement dated 7th March 2024, concluded between AERO Vodochody AEROSPACE a.s. (on the buyer's side) and Haferwende Kft (on the seller's side), 100% of the shares in Technometra Český Brod a.s. were purchased. AERO Vodochody AEROSPACE a.s. thus became the sole shareholder of Technometra Český Brod a.s. on the registration date of 16th May 2024.

5. INVENTORIES

The Company created a provision for inventories as at 31st of December 2025 of CZK 730 841 thousand (as at 31st of December 2024: CZK 829 454 thousand).

6. RECEIVABLES

As at 31st of December 2025, provisions in the total amount of CZK 183 587 thousand were created for outstanding receivables, which are considered doubtful (as at 31st of December 2024: CZK 223 095 thousand).

Unsettled receivables as at 31sstt of December 2025 have not been covered by guarantees and none of them are due after more than 5 years.

The Company has no receivables nor provided any guarantees which are not included in the balance sheet.

As at 31st of December 2025 and 3st of December 2024, receivables overdue by more than 180 days amounted to CZK 174 805 thousand and CZK 217 735 thousand.

Short-term advances paid as at 31st of December 2025 and 31st of December 2024 relate mainly to operating, overhead activities.

Estimated receivables as at 31st of December 2025 and 31st of December 2024 mainly include estimated items of unpaid interest on loans to related parties (see Note 19). For long-term and short-term receivables from related parties see Note 19.

7. SHORT-TERM FINANCIAL INVESTMENTS

The Company does not record any current financial assets as at 31.12.2025.

8. CASH

As at 31st of December 2025 and 31st of December 2024, the Company had the following balances of accounts with limited disposal (in CZK thousand):

		31.12.2025		31.12.2024	
Bank	Currency	Amount in foreign currency thousand	Amount in CZK thousand	Amount in foreign currency thousand	Amount in CZK thousand
Komerční banka, a.s.	EUR	121	2 934	271	6 820
Komerční banka, a.s.	USD	607	12 532	430	10 422
Unicredit Bank CR and SK, a.s.	EUR	23	569	4 927	124 086
ČEB, a.s.	USD	0	0	367	8 897
MFB	EUR	-	-	-	-
Total		**751**	**16 035**	**5 995**	**150 225**

Financial assets deposited in restricted accounts serve as collateral for guarantees provided by banks (see Note 13). As at 31st of December 2025 and 31st of December 2024, the Company had such funds deposited in its accounts in the amount of CZK 16 035 thousand and CZK 150 225 thousand. All bank accounts, with the exception of the above-mentioned restricted bank accounts, are pledged to MFB MAGYAR FEJLESZTÉSI BANK ZÁRTKÖRŰEN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG (see Note 13).

9. PREPAYMENTS AND ACCRUED INCOME

Prepaid expenses as at 31st of December 2025 and 31st of December 2024 mainly include accrued rents, insurance and overheads paid in advance and are charged to the expenses in the period they temporally and materially belong to.

Accrued income as at 31st of December 2025 in the amount of CZK 1 209 094 thousand and 31st of December 2024 in the amount of CZK 652 810 thousand mainly include recognized part of the sales of owned produced aircrafts, for which customer will settle cash in the future.

10. EQUITY

Since 1st of January 2022 the parent company of the Company is Vodochody Holdings HU Kft with its registered office at 1122 Budapešť, Városmajor utca 13. 6. Em, Hungary, which is the sole shareholder of the Company.

The share capital of the Company in the amount of CZK 1 002 000 thousand consists of 5 010 registered ordinary shares in book-entry form with a nominal value of CZK 200 thousand and is repaid in full.

Other capital funds in the amount of CZK 947 927 thousand consists of capitalized received advances from Omnipol relating to the development of the L-39NG aircraft that were assigned to the parent company before the capitalization.

Other reserves from profit are formed by the social fund.

Differences from mergers and demergers as at 31st of December 2025 and 31st of December 2024 represent the revaluation of the share in the subsidiary Clester Trading a.s.

On 30th of June 2025, the shareholder decided that the company's profit of CZK 102 264 thousand for the year 2024 will be transferred to the accumulated losses account of previous years.

Until the date of preparation of these financial statements, the Company has not propose allocation of the profit incurred in 2025.

11. PROVISIONS

Changes in provision accounts (in CZK thousand):

	Balance as at 1. 1. 2024	Netto change	Balance as at 31. 12. 2024	Netto change	Balance as at 31. 12. 2025
Business case Iraq	113 887	-87 034	26 853	-2 243	24 610
Business case AČR (incl. PP16)	53 571	-45 259	8 312	8 304	16 616
Business case Tunis and Algeria	7 660	4 451	12 111	-8 673	3 438
Business case Uzbekistan	2 920	-2 920	-	-	-
Business case EMBRAER	33 756	10 028	43 784	8 175	51 959
Business case CSeries	25 043	62 785	87 828	-51 900	35 928
Business case Sikorsky	-	-	-	-	-
Business case Black Hawk	-	-	-	-	-
Business case CWB	216	-106	110	1 894	2 004
Business case MTA	398	-67	331	-66	265
Business case Latecoere	-	-	-	-	-
Business case T2	-	-	-	-	-
Business case Kazachstan	-	-	-	-	-
Business case Ethiopia	6 990	341	6 649	-6 649	-
Business case Pilot equipment	-	-	-	-	-
Business case DJ	6 962	-	6 962	-6 962	-
Business case STA	11 995	342	12 337	-10 283	2 054
Business case SAFRAN	-	-	-	-	-
Business case L410	-	-	-	-	-
Business case Nigeria GO	10 136	-3 897	6 239	-6 239	-
Business case Ethiopia 2	33 618	-33 618	-	20 504	20 504
Business case Kazachstan 2	4 194	-2 907	1 287	-1 287	-
Business case Kazachstan 3	8 824	-1 467	7 357	-324	7 033
Business case AČR	8 612	-7 468	1 144	-1 144	-

	Balance as at 1. 1. 2024	Netto change	Balance as at 31. 12. 2024	Netto change	Balance as at 31. 12. 2025
Business case Draken Europe R&L	1 256	-1 256	-	-	-
Business case Vietnam	48 578	34 186	82 764	27 902	110 666
Business case engines - 1320024,130025	-	27 200	27 200	16 743	43 943
Business case NG Hungary	-	31 007	31 007	92 618	123 625
Business case NG LOM	-	18 701	18 701	-9 121	9 580
Business case - warranty works Bulgaria	-	3 070	3 070	-3 070	-
Business case NG Armenia	-	-	-	16 310	16 310
Business case MAP aftersales	-	-	-	57 556	57 556
Business case LOM II	-	-	-	12 161	12 161
Employee bonuses and rewards	75 475	130 854	206 329	-77 476	128 853
Untaken holiday	37 325	-4 907	32 418	-5 337	27 081
Employee benefits	-	-	-	-	-
Emission allowances	-	-	-	-	-
Total	**491 417**	**131 376**	**622 793**	**71 393**	**694 186**

12. PAYABLES

Liabilities have not been secured against any assets of the Company and liabilities to VOHOHU are due in 2036. The loan is repaid in quarterly payements according to the repayment schedule and the quarterly payment amounts to CZK 3 082 thousand. The part of this loan, due in 2026, in the amount of 12 329 thousand EUR (CZK 298,911 thousand) was recognised as a current liability in the financial statements.

Estimated payables as at 31st of December 2025 and 31st of December 2024 mainly include uninvoiced deliveries of materials and services. They are charged to the period they temporally and materially and belong to.

Advances received as at 31st of December 2025 and 31st of December 2024 mainly include advances related to operating, overhead activities.

As at 31st of December 2025, the Company does not record overdue liabilities for social security nor health insurance.

For payables to related parties see Note 19.

13. PAYABLES TO BANKS

As at 31st of December 2025, the following guarantees were provided to the Company by banks (in CZK thousand):

Bank	Type of guarantee	Valid till	Amount
Komerční banka, a.s.	performance bond, 1705473029	24.10.2027	436
	counter-guarantee, 2000240029	10.3.2030	485
	guarantee, 2406773029	15.2.2028	3 611
	guarantee, 2100361029	31.12.2026	727
	guarantee, 2200309029	31.12.2026	546
	guarantee, 2206579029	31.12.2026	364
	guarantee, 2200057029	31.12.2026	3 611
	guarantee, 2503020029	31.12.2027	50
	counter-guarantee, 1906396029	10.3.2030	1 651
	counter-guarantee, 2303412029	30.9.2026	3 611
	guarantee, 2302245029	31.3.2026	706
UniCredit Bank	performance bond	30.9.2026	1 138
ČEB, a.s.	performance bond	30.7.2026	2 738
	performance bond	31.1.2027	685
Total			**20 359**

As at 31st of December 2024, the following guarantees were provided to the Company by banks (in CZK thousand):

Bank	Type of guarantee	Valid till	Amount
Komerční banka, a.s.	performance bond, 1705473029	24.10.2027	453
	counter-guarantee, 2000240029	10.3.2030	504
	guarantee, 2100361029	31.12.2025	756
	guarantee, 2200309029	31.12.2025	567
	guarantee, 2206579029	30.7.2025	378
	guarantee, 2200057029	31.3.2025	4 241
	counter-guarantee, 1906396029	10.3.2030	1 939
	counter-guarantee, 2303412029	30.9.2026	4 241
	performance bond, 2206752029	30.9.2026	11 441
	advance payment guarantee, 2205569029	30.6.2026	501 793
	guarantee, 2302245029	31.3.2026	733
UniCredit Bank	performance bond	30.9.2026	11 818
	advance payment guarantee	30.9.2025	236 355
ČEB, a.s.	performance bond	31.7.2025	3 217
	performance bond	31.10.2025	5 681
Celkem			**784 117**

As at 31st of December 2025 and 31st of December 2024, the Company guaranteed for issued bank guarantees by restricted cash in bank accounts in the amount of CZK 16 035 thousand and CZK 150 225 thousand (see Note 8).

14. ACCRUALS AND DEFERRED INCOME

Accrued expenses mainly include interest on loans received and are charged to the expenses in the period they temporally and materially belong to.

Deferred income as at 31st of December 2025 and 31st of December 2024 mainly represents accrued revenues from sales of self-produced aircrafts.

15. LEASES

The Company has leased non-current assets that are accounted in the off-balance sheet (see Note 3q).

Assets leased by the Company in the form of operating leases as at 31st of December 2025 (in CZK thousand):

Description	Terms	The amount of lease in 2025
Computers	by 2029 - 2030	4 379
Personal cars	by 2025 – 2030	7 736
VZV	by 2026 - 2032	1 661

Assets leased by the Company in the form of financial leasing (i.e. the lessee will repurchase the assets after the end of the lease period) as at 31st of December 2025 (in CZK thousand):

Description	Terms	Currency	The sum of the ease payments for the entire period of the expected lease	Actually paid lease payments from financial lease as at 31st of December 2025	Breakdown of the amount of future lease payments by actual maturity as at 31st of December 2025	
					Due within one year	Due after one year
Machinery	by 2030	EUR	71 565	9 365	14 313	47 887
Machinery	by 2029	EUR	56 504	15 068	11 301	30 135
Utility veh.	by 2030	CZK	1 235	21	247	967

16. ASSETS AND LIABILITIES IN THE OFF-BALANCE SHEET

The Company normally uses agent services on a contractual basis. In the case of concluding a business relationship with the customer, these contracts result in the obligation to pay the agent the amount of realized income. This amount cannot be determined until the contract is concluded.

On 8th of December 2005, AERO Vodochody a.s. entered into a framework agreement with the Ministry of Defense of the Czech Republic on post-warranty support for L-159 and L-39 aircrafts, in which it undertook to cooperate in repairs, maintenance and modernization of aircrafts. The contract was concluded for a definite period until January 2029. As part of the spin-off project, the contract was transferred to AERO Vodochody AEROSPACE a.s. In case of breach of contractual relations, as well as in case of withdrawal from the contract, the Ministry of Defense may claim contractual penalties and further claim any damages in excess of the amount of this penalty. Under this agreement, the Company undertook to limited disposal of a significant part of its tangible fixed assets (see Note 4b).

The main production orders of the Company are solved within the framework of long-term contractual relations with suppliers. The value of future liabilities under concluded contracts as at 31st of December 2025 amounts to CZK 2 158 893 thousand. The highest value of orders is for WILLIAMS INTERNATIONAL CO., LLC,, MARTIN-BAKER AIRCRAFT CO LTD, Honeywell-ITEC and První brněnská strojírna company. These contracts usually include a provision on the amount of compensation that the Company is obliged to pay in the event of non-compliance with contractual obligations or withdraw from the contract. Suppliers also do not take responsibility for any consequential damage caused by an accident.

The main production orders of the Company are solved within the framework of long-term contractual relations with suppliers. The value of future liabilities under concluded contracts as at 31st of December 2024 amounts to CZK 2 397 553 thousand. The highest value of orders is for WILLIAMS INTERNATIONAL CO., LLC, MARTIN-BAKER AIRCRAFT CO LTD a Honeywell-ITEC These contracts usually include a provision on the amount of compensation that the Company is obliged to pay in the event of non-compliance with contractual obligations or withdraw from the contract. Suppliers also do not take responsibility for any consequential

Company has arranged comprehensive liability insurance arising from its aviation activities, including hull insurance. The coverage includes, inter alia, liability from the operation of aircraft, hangars, the airport and the control tower, as well as product liability (including aircraft grounding), and covers the most significant risks associated with the Company's aviation operations. Specifically, for product liability insurance, an aggregate limit of USD 250,000 thousand is in place with worldwide coverage.

17. REVENUE ANALYSIS

Breakdown of the Company's revenues from ordinary activities (in CZK thousand):

	Domestic	2025 Foreign
Aircraft production	1 780 559	4 634 543
Non-aircraft prouction	72 132	-
Total revenues	**1 852 691**	**4 634 543**

	Domestic	2024 Foreign
Aircraft production	1 884 888	4 086 644
Non-aircraft prouction	35 791	-
Total revenues	**1 920 679**	**4 086 644**

18. EMPLOYEES

Breakdown of staff costs (in CZK thousand):

	2025		2024	
	Total number of empoyees	Members of the Statutory Body and Supervisory Board	Total number of empoyees	Members of the Statutory Body and Supervisory Board
Average number of employees	1 555	3	1 548	3
Wages and salaries	1 275 761		1 120 338	
Social security, health insurance and other costs	408 174		363 392	
Other costs	67 590		50 363	
Total staff costs	**1 751 525**		**1 534 093**	

In accordance with §39b, par. 6d) of the Decree 500/2002, the Company does not disclose the emoluments of bodies separately.

19. RELATED PARTY TRANSACTIONS

In 2025, no loans, credits, deposits, advances were provided to Statutory Representatives nor Supervisory Board members and they did not own any shares in the Company.

The Company normally sells products and provides loans and services to related parties. In 2025, revenues from these activities, including interest income, reached CZK 42 040 thousand (of which interest income amounted to CZK 2 282 thousand). In 2024, income from these activities, including interest income, reached CZK 11 577 thousand (of which interest income amounted to CZK 3 376 thousand).

Loans provided to related parties (in CZK thousand):

Related party	Maturity	Interest rate	31.12.2025	31.12.2024
Vodochody Nemovitostní s.r.o. - in CZK	30.6.2030	5,52 %	4 514	3 724
Clarex Investments a.s. - in EUR - bill of echange	31.12.2023		0	17 786
Total			**4 514**	**21 510**

On 23rd of December 2023, an agreement was concluded on the settlement of mutual claims between the company AERO Vodochody AEROSPACE a.s. and Clarex Investments a.s. On 23rd of December 2023, the sole shareholder of AERO Vodochody AEROSPACE a.s. declared that it was assuming its obligation to repay the contribution in the amount of CZK 52 228 thousand (EUR 2 112 thousand) to the equity capital of Clarex Investments a.s. On 23rd of December 2023, the sole shareholder of AERO Vodochody AEROSPACE a.s. decided on a deposit in the amount of CZK 52 228 thousand (EUR 2 112 thousand) to the equity capital of Clarex Investments a.s.

The provision for receivables from related parties as at 31 December 2024 amounts to 17 786 thousand CZK. Due to their low creditworthiness, it was created at 100% of the receivable value. At the same time as the write-off of the uncollectible receivable, the related allowance was fully reversed (100%) in 2025.

On 29th of November 2021, a framework loan agreement was concluded between Vodochody Nemovitostní s.r.o. and AERO Vodochody AEROSPACE a.s. up to CZK 5 000 thousand with a by amendment no. 5 of 31.12.2025 the maturity was extended until 30th of June 2030. The interest rate is set at 5,52%. The balance of this loan as at 31st of December 2025 and 31st of December 2024 amounts to CZK 4 514 thousand and CZK 3 724 thousand.

In 2015, Clarex Investments a.s. issued bills of exchange in the total amount of EUR 428 thousand and in 2019 bills of exchange for interest 2016 - 2019 in the total amount of EUR 209 thousand. The Company reports these bills of exchange as at 31st of December 2024 in the amount of CZK 17 786 thousand on the row "Receivables - subsidiaries and controlling party". An allowance was created for the full (100%) value of the bill of exchange. The bill of exchange and the related allowance were written off as an uncollectible receivable as at 9 December 2025, and the allowance was reversed.

Short-term receivables, incl. estimated items and accruals for related parties (in CZK thousand):

Related party		31.12.2025	31.12.2024
Letiště Vodochody a.s.	– trade receivables in CZK	5 654	56
Vodochody Nemovitostní a.s.	– interest in CZK (estimated receivable)	559	354
LV-Solar Vodochody a.s.	– trade receivables in CZK	-	-
Technometra Český Brod a.s.	– trade receivables in CZK, estimated revenues	2 945	5 545
HSC Aerojet	- depozit HSC / MFB	110 265	112 423
Total		**119 423**	**118 378**

The Company purchases products, material, receives loans and uses the services of related parties in the ordinary course of business. In 2025, these purchases, including interest expense, amounted to CZK 233 743 thousand (of which interest expense amounted to CZK 190 271 thousand). In 2024, these purchases, including cost interest, amounted to CZK 276 622 thousand CZK (of which cost interest amounted to CZK 207 386 thousand).

Loans received from related parties (in CZK thousand):

Related party		Maturity	Interest rate	31.12.2025	31.12.2024
Vodochody Holdings HU Kft.	- EUR	15.8.2036	5,30 %	3 188 384	3 622 500
Vodochody Holdings HU Kft.	- CZK	30.6.2030	5,52 %	97 514	97 514
Total				**3 285 898**	**3 720 014**

Related party		Maturity	Interest rate	31.12.2024	1.1.2024
Vodochody Holdings HU Kft.	- in EUR	15.8.2036	5,30 %	3 622 500	3 652 010
Vodochody Holdings HU Kft.	- in CZK	31.12.2025	7,85 %	97 514	97 514
Total				**3 720 014**	**3 749 524**

On 23rd of September 2021, a loan agreement was concluded between Vodochody Holdings HU Kft. and AERO Vodochody AEROSPACE a.s. in the amount of EUR 150 000 thousand with maturity on 15th of August 2036. The interest rate is set at 5,30%.

The loan is repaid according to a repayment schedule. The quarterly repayments are set at EUR 3 082 thousand. The loan will be repaid in this way until 2036.

As at 31st of December 2025, the following pledges were established in favor of MFB MAGYAR FEJLESZTÉSI BANK ZÁRTKÖRŰEN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG in connection with a loan from Vodochody Holdings HU Kft.:

- pledge of bank accounts (see Note 8)
- pledge of shares of AERO Vodochody AEROSPACE a.s. on the basis of an agreement with the parent company Vodochody Holdings HU Kft.
- pledge of the business of the company AERO Vodochody AEROSPACE a.s.
- pledge of immovable assets (see Note 4b)
- pledge of movable assets (see Note 4b)
- pledge of potential receivables from insurance fulfillment

— pledge of potential receivables from rental contracts
— pledge of trademarks, industrial designs and rights of AERO Vodochody AEROSPACE a.s.
— pledge of shares of the subsidiaries Clarext Investments a.s. and Clester Trading a.s.

Short-term liabilities, incl. estimated items and accruals to related parties (in CZK thousand):

Related party	31.12.2025	31.12.2024
Vodochody Holdings HU Kft. (interests)	42 666	43 792
LV-Solar Vodochody a.s. – trade payables in CZK	-	1 693
Letiště Vodochody a.s. – trade payables in CZK	200	20 366
Total	**42 866**	**65 851**

20. INCOME TAX

The income tax was calculated as follows:

CZK thousands	2025	2024
Loss / Profit before taxation	512 092	102 264
Items increasing tax base	7 617	76 187
Tax non-deductible expenses	1 137 795	1 272 121
Difference between accounting and tax depreciation	177 149	152 154
Items decreasing tax base	-1 189 822	-914 535
Tax base	644 831	688 191
Tax loss utilization	-641 699	0
Tax base	3 132	688 191
Gifts deduction	-344	0
Tax base	2 788	688 191
Tota income tax expense	585	402
Tax deductions	-585	-402
Final tax liability	0	0

The Company calculated deferred tax as follows (in CZK thousand):

	31. 12. 2025		31. 12. 2024	
Deferred tax items	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Difference between accounting and tax net book value of fixed assets	177 289	-	142 753	-
Tax loss carried forward	124 423	-	232 476	-
Tax loss of current period	-	-	-	-
Other temporary differences:				
Provision to receivables and advances to inventories	41 511	-	55 376	-
Provision to inventories	150 519	-	165 660	-
Provision to fixed assets	8 020	-	34 733	-
Provision for long-term investments	13 016	-	13 016	-
Other provisions	145 779	-	130 786	-
Total	**660 557**	**-**	**774 800**	**-**
Net	660 557		774 800	-

As at 31st of December 2025 and 31st of December 2024, the Company did not book a deferred tax asset in the amount of CZK 660 557 thousand and CZK 774 800 thousand due to uncertainty about its realization.

21. EXTRAORDINARY INCOME AND EXPENSES IN TERMS OF ITS SIZE OR ORIGIN

Other operating income in 2025 consists mainly of the amortisation of liabilities, as well as income from subsidies received, inventory surpluses and reimbursement of costs for claims, in total amount of CZK 27 393 thousand. CZK. Other operating expenses in 2025 consist mainly of shortages, damages and insurance same as in 2024. Other financial expenses in 2025 consist mainly of foreign exchange losses and guarantee fees same as in 2024.

Remuneration to the statutory auditor for verification services in 2025 amounted to CZK 1 264 thousand, in 2024 it amounted to CZK 1 227 thousand.

22. CONTINUATION OF COMPANY WITH UNLIMITED DURATION

In 2025, the company reports a profit of CZK 512 092 thousand and positive equity as of 31st of December 2025 in the amount of CZK 1 209 864 thousand. The company is confident that it will be able to continue as a going concern and will be able to realize its assets and meet its external obligations in the ordinary course of business.

This argument is based mainly on the successful sale of the L-39NG aircrafts, which will ensure significant revenues in the near and medium-term future. Further contracts are expected to be concluded.

In performing its going concern assessment, management evaluated the Company's liquidity position and identified certain short-term liquidity constrains. Management assessed the Company's ability to meet its obligations as they fall due by considering existing resources, planned management actions to improve cash flows to address the liquidity position and discussed other available options with its shareholders. Based on this, management concluded that the financial statements are to be prepared on a going concern basis.

The financial statements as of 31st of December 2025 were prepared on the assumption that the company will continue to operate as an enterprise with an unlimited duration. The attached financial statements therefore do not contain any adjustments that could result from this uncertainty.

23. CASH FLOW

The cash flow statement was prepared using the indirect method.

Cash equivalents represent short-term liquid assets that can be easily and readily converted into a known amount of cash in advance.

Cash and cash equivalents can be analysed as follows (in thousands CZK):

	31.12.2025	31.12.2024
Cash	2 400	4 926
Bank accounts	458 615	1 304 143
Total cash and cash equivalents	**461 015**	**1 309 069**

Cash flows from operating, investing or financing activities are presented in the cash flow statement on an uncompensated basis.

24. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

The Company's management is aware of unfavorable economic effects that have direct impact to the Company (e.g. growth of interest rates leading to rising in price of purchased items, volatility of foreign exchange rates) and adjusts the strategy accordingly. Therefore, the current economic situation has no material impact to the operation of the Company in the following period.

29th of May 2026

Compiled by:	Signature of the statutory body of the entity	Signature of the statutory body of the entity
Markéta Pinkasová	**Ing. Viktor Sotona, MBA**	**Tibor Bial**


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