

XER TECH HOLDING AB INTERIM REPORT JANUARY – JUNE 2026

Group Financial Overview for the Period January–June 2026

- Cash and cash equivalents as of 30 June 2026 amounted to SEK 28.3 (1.1) million.
- Net revenue for the period amounted to SEK 6.0 (SEK 1.8) million
- Operating costs amounted to SEK –47.0 (SEK –20.2) million.
- Net result for the period amounted to SEK -37.8 (-8.9) million.
- Earnings per share amounted to SEK -1.32 (SEK –89).

Significant Events During the Period

- In January the Company completed a reverse acquisition of Xer Tech AB and changed its name from Renewable Ventures Nordic AB to Xer Tech Holding AB.
- In May, the Company held its Annual General Meeting in Stockholm.

Significant Events After the Balance Sheet Date

- The Company called to an Extra General Meeting in September to vote for a change to the Articles of Association.

Dear Shareholders,

The second quarter of 2026 marked Xer Technologies AG's first full quarter as a publicly listed company. During the quarter, we continued on our growth path by strengthening our customer base, building a strong sales pipeline—particularly in the defence sector—and further developing our Intelligence, Surveillance and Reconnaissance (ISR) capabilities. We worked closely with several customers to bring the X8 system into operations and enhance their operational capabilities.

In parallel, the European defence market continues to expand rapidly, creating a favourable environment for Xer. EU Member States' defence expenditure reached EUR 418 billion in 2025, up 20% from 2024, and is projected to reach EUR 454 billion in 2026. Particularly relevant for Xer, spending on defence equipment increased by 26% to EUR 115 billion in 2025, while drones, counter-drone systems, electronic warfare and AI have been identified as priority capabilities by the EU.

Within this favorable market environment, Xer released the new X8 Pro platform and continued to integrate aircraft, sensors, communications and software into comprehensive airborne solutions. Our focus is increasingly on delivering actionable intelligence to customers and external Command and Control (C2) systems, positioning Xer to benefit from the growing demand for unmanned ISR and electronic warfare solutions.

Customer and Market Development

Awareness of the security challenges facing Europe has continued to increase. We are now seeing a growing number of European armed forces and navies move from requirements assessment towards technology evaluation and procurement activities. In the commercial security sector, there is a significant increase in demand for advanced security solutions protecting critical infrastructure and regular commercial sites.

Defence Activities

Significant progress was achieved in the delivery of a customer project for an integrated Electronic Warfare (EW) and ISR solution combining direction-finding, IMSI and EO/IR capabilities, designed for deployment in conflict-zone environments in Europe. We expect to train customer personnel at secure sites in Scandinavia and ship the system during Q3, ahead of deployment.

Our defence customer and partner ecosystem continued to expand. We further developed partnerships with three major system integrators and Electronic Warfare (EW) and Signals Intelligence (SIGINT) technology providers.

During the quarter, we added one of Europe's largest defence integrators as a key partner to our portfolio. The collaboration is expected to commence with a series of projects supporting airborne early-warning and target-designation solutions.

We also continued to provide paid services through smaller projects for several defence companies and armed forces.

Xer participated in AOC, regarded as one of Europe's most relevant electronic warfare exhibitions. We presented our new booth design and the new X8 Pro. One of our clients and a large German integration partner displayed additionally displayed the X8 Pro, including an integrated mothership concept with releasable small drones manufactured by Xer and a direction-finding antenna. Our participation supported the continued expansion of our sales pipeline and relationships within the EW market.

In addition, we participated in several smaller defence conferences and exhibitions, including Alpex Log, DroneVation Defence and STA. These activities further strengthened our network of potential customers and partners, particularly in German-speaking European markets.

Xer has commenced preparations for its participation at REPMUS, a major four-week NATO naval exercise that will be, hosted by the Portuguese Navy with the participation of around 15 NATO nations held in September 2026. The exercise is designed to test combat situations under real-world conditions. We have received confirmation to be sponsored by four NATO nations, and Xer engineers have started participating in working groups with naval delegations to prepare four missions, including mine detection, anti-submarine warfare and harbour protection. In addition, the X8 Pro will be tested during a side event by a European navy as part of a validation process for an ongoing tender in which we are participating.

Commercial Activities

During Q2, Xer Technologies gained significant visibility through a number of industry activities and operational demonstrations.

One of the key customer-related activities was the successful execution of commercial transport and power-line surveillance missions in Switzerland. The demonstrations attracted interest from electricity grid providers, politicians and around 100 other interested people, as well as coverage from several television and news outlets. This provided strong external validation of the X8 platform's ability to perform demanding commercial missions in challenging environments to a broad audience.

Perspectum Drones, one of our customers in the oil and gas sector in Canada, increasingly deployed its previously purchased X8 for gas-leak detection applications, demonstrating the value of our platform for long-range infrastructure and environmental monitoring.

Xer supported its client Copperbelt Energy in obtaining the necessary approvals to conduct Beyond Visual Line of Sight (BVLOS) operations. This included a series of missions conducted for the aviation authority in Zambia, resulting in full BVLOS approval across the country. The customer has since commenced inspections covering distances of up to 50 km in challenging environments and has been delivered during Q1 as part of an order totalling USD 478,000.

We also participated in the XPONENTIAL 2026 drone exhibition, generating new leads and strengthening existing opportunities in the energy and defence sectors.

Technical Development

A key milestone during the quarter was the launch of the X8 Pro, replacing the X8.

Xer has more than doubled the payload capacity, increasing it from 3 kg on the previous X8 to 7 kg on the X8 Pro while maintaining an endurance of 2.5 hours. Maximum endurance has increased from 2.5 hours to 3.5 hours, while maximum payload has increased from 7 kg to 10 kg, both representing significant improvements.

To prepare for increasing customer and project demand, the company commenced procurement of components for the production of ten additional X8 Pro unit.

Sensor, AI and Radar Integration

The airborne sensing capabilities of the X8 Pro were further expanded through successful flight testing of the UMAG V2 MAG and F1 MAG sensors. These highly sensitive magnetometers are designed for applications including mine detection and anti-submarine warfare.

In parallel, Xer prepared the integration of AI-based target detection and tracking solutions from Tensor, Teleplan and Walaris. These capabilities represent an important element of our EW/ISR development strategy, enabling sensor information to be processed and converted into actionable target information.

Connectivity, C2 and Software

Beyond individual sensor integrations, our development activities are increasingly focused on connecting multiple sensors and transforming their outputs into actionable information.

During Q2, Xer progressed the development of STANAG-NATO interfaces for forwarding sensor and target information to external Command and Control (C2) systems. In parallel, software development continued on AI-supported sensor-fusion capabilities designed to combine and overlay information from multiple onboard sensors and provide actionable data to external C2 environments.

Connectivity options were also expanded through the integration of Gatonomi and Starlink, which can now be ordered to provide resilient beyond-line-of-sight communications and data transmission for future mission configurations.

Together, these developments support our strategy of moving beyond the provision of an airborne platform towards delivering integrated systems combining aircraft, sensors, connectivity, AI-enabled processing and C2 integration.

X12 Development

Development of the X12, that is designed to carry 20Kg payload for an endurance of 3 hours, continued during the quarter. The X12 is being developed for missions requiring greater payload capacity and integration flexibility, particularly in defence, airborne radar, cargo and multi-sensor applications.

As part of this programme, testing of a European-made dual-use engine was initiated.

Sales and Business Development

The defence market continued to represent an important source of opportunities during Q2.

A significant development during the quarter was the receipt of an order from a major European defence company to participate in a project that will develop an airborne defence system. The solution combines X8 Pro, and an airborne radar with an EO/IR camera and is intended to contribute to the protection of critical infrastructure, including an air-defence system.

The project is intended to demonstrate the X8 platform's ability to support radar-based surveillance and detection missions and represents another important step in the development of integrated defence applications.

In addition, Xer received an order for an integration and deployment project involving a transport module for an X8 drone previously purchased by a European army. As part of the project, Xer carried out various system optimisations, trained additional armed-forces personnel and provided support for real-world combat transport scenarios involving critical items weighing up to 10 kg. The order has been delivered in Q3.

We also responded to Requests for Information (RFIs) from several naval customers in Europe and the Pacific region. Engagement with naval customers represents an important step

towards the evaluation of Xer's solutions for potential future procurement. These opportunities remain subject to customer evaluation, and we are awaiting the respective outcomes.

More broadly, the sales pipeline continued to develop across defence, EW, energy, infrastructure inspection and cargo applications. The increasing number of discussions involving integrated sensor and software configurations is particularly encouraging and aligns with our strategy of expanding the value delivered per aircraft and mission.

Corporate Development

We continued to strengthen the organisation during Q2 to support the increasing number and complexity of customer projects.

The team was expanded with additional capabilities across engineering, customer project management, marketing, business development and aircraft operations. New hires included a Customer Projects Lead, project engineers, a Marketing Manager, a Business Development Intern and an Aircraft Technician.

We also appointed a Chief Commercial Officer during on April 1. However, following an initial period of collaboration, we concluded that there was insufficient alignment on the commercial strategy and therefore mutually discontinued the engagement after a short period during Q3.

Outlook

The progress achieved during Q2 reinforces our strategic direction for the X8 Pro and X12 platform family and their respective target applications.

At the same time, the security challenges facing Europe extend beyond the protection of military sites to include critical commercial infrastructure such as power plants, rail yards, airports, harbours and other strategic assets. Xer has identified growing demand for the protection of such infrastructure using technologies similar to those deployed by armed forces. We are therefore evaluating opportunities to apply our expertise in defence drones and Electronic Warfare capabilities to the commercial security market.

Our objective is to position Xer Technologies not only as a manufacturer of long-endurance unmanned aircraft, but increasingly as a provider of integrated airborne intelligence and mission solutions.

The combination of the X8 Pro platform with radar, EO/IR, EW/SIGINT sensors, AI-based target detection, resilient communications and C2 integration significantly expands the range of missions and customer requirements we can address. At the same time, the continued development of the X12 will extend this approach to applications requiring higher payload capacity and more complex multi-sensor configurations.

Our priorities remain clear: convert the growing sales pipeline as outlined in our press release as of August 3 into customer programmes, successfully execute existing projects, expand our defence and commercial partnerships, industrialise our platforms, and continue building the technical and organisational capabilities required to support sustainable growth.

We thank our shareholders, customers, partners and employees for their continued support and look forward to building on the progress achieved during the second quarter.

Erik Herlyn

CEO

Xer Technologies AG

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For further information, please contact:

Erik Herlyn, CEO Xer Tech Holding AB

+41 76 566 05 60

investors@xer-tech.com

About Xer Tech

Xer Tech is a Swiss-based manufacturer of heavy-duty, long-range hybrid-electric unmanned aerial systems designed for industrial and governmental applications. Xer Tech's platforms support mission-critical dual-use operations including powerline inspections, mapping, surveillance, gas leak detection, emergency response and defense applications such as Intelligence, Surveillance, Reconnaissance and mine detection. Learn more at www.xer-tech.com.