

Innovaero (ASX: INN)

Q1 FY27 Quarterly Activities Report & Appendix 4C

ASX Announcement
23 October 2026

About Innovaero (ASX: INN)

Innovaero is an Australian aerospace and defence OEM based in Australia. For 20 years, the Company has designed, certified, manufactured and supported complex aeronautical systems and solutions, with capabilities spanning engineering and prototyping through to production, certification and in-service support.

First Quarterly Activities Report & 4C since ASX Listing

Innovaero Technologies Limited (ASX: INN) listed on 22 September 2026 and is pleased to release its first Quarterly Activities Report and Appendix 4C Cash Flow Report for the quarter ended 30 September 2026.

This announcement has been authorised for release by the Board of Directors.



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PAST PERFORMANCE

Statements about past performance are not necessarily indicative of future performance.

1. Q1 FY27 results tracking to prospectus

Consolidated Appendix 4C Key Metrics

Revenue*	Cash Balance	Net operating outflows^
A\$3.6m*	A\$42.9m	A\$6.7m
		

- Revenue on track to meet prospectus forecasts 1HFY27 \$14.4M
- Misson Talon Strike (OWL-B program) delivered A\$3m revenue, with a further A\$13m revenues to be received by 31 March 2027
- Q1 operating cash outflows included one-off IPO expenses of approx. \$1m (pro-forma operating outflows \$5.7m)

*Revenue (AASB15) exceeds cash receipts for the quarter due to timing differences
 ^ Q1 cash outflows includes one off, non-recurring IPO expenses

Divisional Revenue Breakdown

Uncrewed Systems

A\$3.0m



- Key customer ***Misson Talon Strike*** (medium-range precision loitering munition capability for the ADF)
- Certification due Q1, 2027
 - Scaling production capability to meet future ADF requirements
 - Anticipate order subject to successful certification

Crewed Aircraft

A\$0.6m



- Key customers ***Eagleview, Qantas, Virgin, Alliance***
- Eagleview aerial camera remaining production/delivery on target (\$2.1M Dec 26)
 - 2 new client wins, FY27 revenues on target
 - Composite repair training facility established, first revenues due Q3, FY27.

2.1 Q1 FY27 Business Update

PRODUCTION (UNCREWED)

- Misson Talon Strike (OWL-B* certification for ADF) on track for March 2027
 - Successful kinetic flight test campaign at Woomera Test Range
 - Over 200 flights and 150 flight hours now completed, with no mission failures
 - Subject to successful certification, anticipate customer order shortly thereafter
- OWL-X* turbine-powered counter-UAS interceptor/strike munition development on track
 - Was showcased at multiple defence exhibitions Q1 FY27 (UK, Australia)
 - Highly preliminary discussions commenced with UK and Australian allied (non-Five Eyes) partner
- Canister launch (next generation launch systems for OWL family) design commenced Q1, FY27
 - Highly preliminary discussions commenced with UK and US based partners
- OWL-C* long range, strategic land/maritime strike munition design commences Q2, FY27



*OWL family silhouettes shown approximately to scale

2.1 Q1 FY27 Business Update (contd.)

PARTNERSHIPS

- ▶ Shield AI
 - ▶ MOU (previously announced) extended for AI-enabled mission autonomy for the OWL family
 - ▶ The UAS partnership will enhance capabilities of the OWL family of products
 - ▶ Successful integration will deliver OWL-B and OWL-X sales prospects for US / International markets
- ▶ Leidos
 - ▶ Commenced next phase of discussions on integrating uncrewed surface vessels (USV) with OWL products
 - ▶ Integration by Leidos of OWL family members into their USV platforms delivers new use cases
 - ▶ Should discussions progress, new OWL-B and OWL-X sales opportunities open in the US / Five Eyes



OPERATIONS

- ▶ Successful completion of AS9100 / ISO9001 surveillance audit

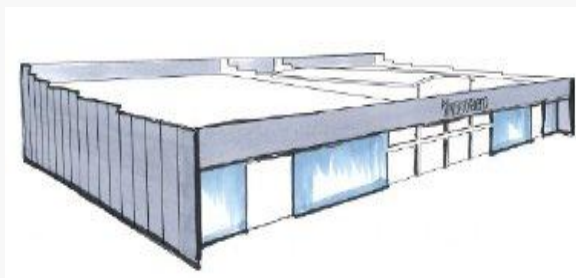
AVIATION COMPOSITES (Crewed)

- ▶ Eagleview aerial camera remaining contract deliveries remain on target (Q2 FY27 \$2.1M)
- ▶ Preliminary discussions on next generation aerial camera designs underway
- ▶ MRO division expanded customer base (up two) including marquee client Pilatus
- ▶ Composites repair training commences Q3, FY27

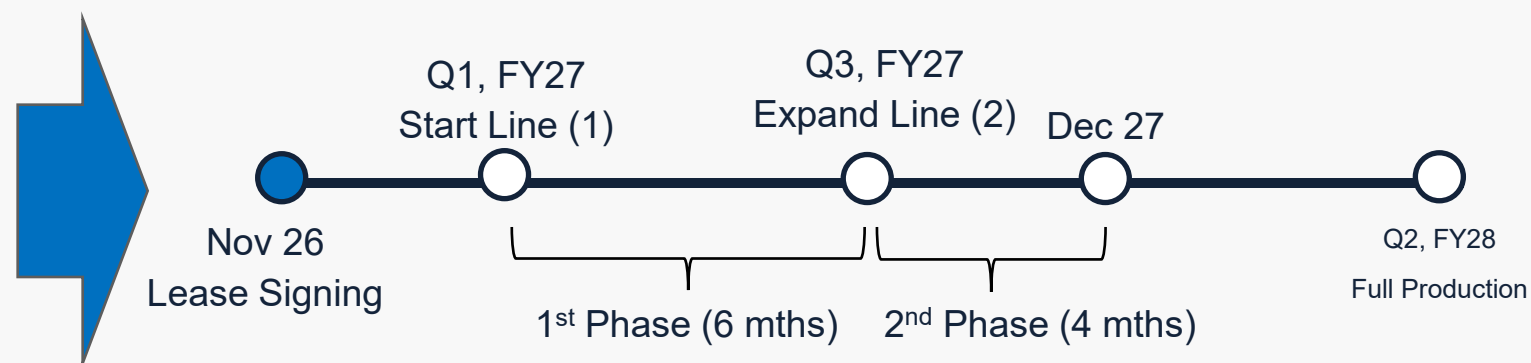


2.2 Q1 FY27 Business Update (HQ & Production)

HQ, R&D & Low Rate Production Facility (~250 units pa single shift)



High Rate Production Facility (~2,500 units pa, double shift)



* State grant funding of A\$3.7m (being 50% of the total grant) is available for drawdown to support the HQ development

3.0 Q1 FY27 Operational Highlights



**Woomera, Australia
August**

Successful kinetic testing completion with OWL-B certification with ADF on track for March 2027



**LandForces, Perth
Australia
6-8 October**

Hon Pat Conroy (Minister for Defence) reviews OWL-X with Innovaero CEO Greg Tunny at LandForces

**Farnborough, UK
20-24 July**

His Excellency, King of Jordan visits Innovaero to view and discuss future OWL-X delivery options



**Sydney / Perth, Australia
22 September**

Innovaero successfully lists
ASX Code: INN



Appendix



A1. ASX listing and capital position

Listing detail	
ASX admission date	22 September 2026
IPO issue price	A\$0.50 per share
IPO funds raised (gross)	A\$40m, before costs
IPO proceeds (net of costs)	A\$38.3m
Shares on issue	316,565,519
Options	9,816,794
Performance rights	1,000,000
Cash balance	A\$42.9m

Context for new investors

ASX listing

Innovaero welcomes new shareholders following its ASX admission on 22 September 2026. The A\$40m IPO provides capital for the investment program set out in the Prospectus.

Capital deployment

The largest planned allocations are product and platform development (A\$23.3m) and facilities and production infrastructure (A\$9.5m). These are planned uses of funds, rather than expenditure already incurred.

Reading this quarterly update

Only 22 - 30 September falls after admission in this reporting quarter. The use-of-funds table tracks Prospectus allocations, while Appendix 4C explains cash movements.

A2. Use of funds and related parties

Use of funds since admission (per Prospectus)

Item	Prospectus \$A'000	Actual to 30 Sep \$A'000
Product and Platform Development	23,301	-
Facilities and Production Infrastructure	9,500	10
Sales and Market Development	3,000	-
Strategic Growth Initiatives	1,448	-
Costs of the Capital Raising Offer	2,751	1,725
Total	40,000	1,735

The Company listed on the ASX on 22 September 2026. Actual expenditure covers only 22-30 September 2026 and should be read in the context of this short period since admission, rather than as a full-quarter measure of progress against the Prospectus allocations. The table compares use of funds and does not reconcile movements in total cash.

Related parties (4C 6.1/6.2)

Payment	\$A'000
Executive director salaries	87
Non-executive director fees	200
Other – services provided by a related party	5
Total (as per 6.1)	292

Non-executive director fees include a back-payment of A\$89,000, on a pro-forma basis will total approx. \$110K per quarter .

A3. Investor information @ IPO

Ordinary shares on issue

316,565,519

Ordinary-share holders

888

Top 5 holdings

49.77%

Escrowed ordinary shares

50.96%

161.34m of 316.57m ordinary shares

Top 5 holdings

Name / entity	Shares	%
1. Miquerida Pty Ltd	87,320,144	27.58%
2. Malkara Investments Pty Ltd	31,781,040	10.04%
3. Firetrail Absolute Return Fund	15,649,586	4.94%
4. Citicorp Nominees Pty Limited	13,591,482	4.29%
5. Simon Grosser Nominees Pty Ltd	9,225,197	2.91%

Holdings distribution

Shares per holder	Holders	Shares	%
100,001+	217	292,387,466	92.36%
10,001–100,000	493	23,125,633	7.31%
5,001–10,000	74	618,005	0.20%
1,001–5,000	104	434,415	0.14%
0–1,000	0	0	0.00%
Total	888	316,565,519	100%

Excludes options and performance rights.

Contact

For further information, please contact:

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Chief Executive Officer

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Yana Planinic

Investor Relations

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About Innovaero (ASX: INN)

Innovaero is an Australian aerospace and defence original equipment manufacturer based in Perth, Western Australia. For 20 years, the Company has designed, certified, manufactured and supported complex aeronautical systems and solutions, with capabilities spanning engineering and prototyping through to production, certification and in-service support.

www.innov.aero

linkedin.com/company/innov-aero

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Innovaero Technologies Limited

ABN

98 638 938 897

Quarter ended ("current quarter")

30 September 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (03 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,015	1,015
1.2 Payments for		
(a) research and development	(133)	(133)
(b) product manufacturing and operating costs	(2,882)	(2,882)
(c) advertising and marketing	(59)	(59)
(d) leased assets	(76)	(76)
(e) staff costs	(1,389)	(1,389)
(f) administration and corporate costs	(2,322)	(2,322)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	54	54
1.5 Interest and other costs of finance paid	(4)	(4)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – professional fees related to listing on the ASX	(982)	(982)
1.9 Net cash from / (used in) operating activities	(6,779)	(6,779)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(168)	(168)
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (03 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(168)	(168)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	40,000	40,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1,725)	(1,725)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(76)	(76)
3.10	Net cash from / (used in) financing activities	38,199	38,199

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	11,627	11,627
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(6,779)	(6,779)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(168)	(168)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (03 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	38,199	38,199
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	42,879	42,879

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	42,325	42,325
5.2	Call deposits	554	554
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	42,879	42,879

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	292
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(6,779)
8.2	Cash and cash equivalents at quarter end (item 4.6)	42,879
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	42,879
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	6.3
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 23 October 2026
.....

Authorised by: Board of Directors
.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.