

February 23, 2026

IPO Details

Company Name	Swarmer, Inc.
Listing Exchange	Nasdaq
Proposed Ticker	SWMR
Sector	Defense Tech
S/O (12/31/25, Pre-IPO)	4.97Mn
Cash (12/31/25)	\$9.3Mn
S1 Filing Date	2/2/26

Source: Company Filings

FUNDAMENTALS

Revenue (2024)	\$0.33 Mn
Revenue (2025)	\$0.31 Mn
Revenue (2026E)	\$20 Mn

Source: Company Filings, 2026 Estimate based on management expectation/pipeline conversion.

Management Team

Non-Executive Chairman

Erik Prince

CEO (Global)

Serhii Kupriienko

CEO U.S. & President

Alexander Fink

CFO

Brooks Ensign

Source: Company Filings

CONTACT

Exec Edge Research
research@executives-edge.com

Please refer to the Disclaimer at the end of this report.

Swarmer, Inc. (proposed ticker: SWMR)

Combat-Validated Defense Autonomy Software at a Commercial Inflection

- **Swarmer, Inc. is building a software-defined autonomy and coordination layer for scaled unmanned operations.** The platform is designed to enable multi-drone missions with fewer operators, with emphasis on GPS-denied and high-electronic-warfare environments where resilient navigation and command-and-control are procurement-critical. The company is preparing for a Nasdaq listing under proposed ticker SWMR.
- **The defense cycle is shifting toward attributable systems and modular architectures, expanding the value pool for autonomy software.** As conflict tempo and rearmament sustain demand for quickly deployable, replenishable platforms, mission outcomes increasingly depend on sensing, autonomy, and resilient coordination rather than marginal airframe performance. We expect incremental value creation to accrue disproportionately to software layers that can be fielded, updated, and scaled across heterogeneous fleets.
- **Swarmer's right-to-win is anchored in deployment-driven iteration that compounds software advantage over time.** Operational use generates telemetry and edge-case data from real-world missions, accelerating validation cycles relative to traditional lab-based testing. This compresses the observe-build-deploy loop and enables faster adaptation to electronic warfare conditions and mission complexity. Sustained operational feedback can strengthen autonomy robustness, reduce OEM integration friction, and reinforce procurement credibility with buyers prioritizing field-tested performance.
- **The business model is designed for OEM-scale leverage via vendor-neutral interoperability and per-unit licensing, with 2026 representing a projected commercial inflection.** Swarmer's stack normalizes heterogeneous drones into a consistent operating layer, lowering integration and training friction across fleets. Monetization is primarily per-drone licensing to OEMs and integrators, creating operating leverage as partner shipments scale. Management's expectation of approximately ~\$20 million in 2026 revenue recognition (subject to customer acceptance milestones, delivery schedules, and funding availability) marks a transition from integration-led deployments toward scalable licensing economics.
- **Leadership combines product execution, capital markets readiness, and defense-market connectivity.** The dual-CEO structure aligns U.S.-centric commercialization with global operating delivery. Erik Prince, as Non-Executive Chairman and Chief Strategic Advisor, provides board-level strategic oversight that may support partnerships and procurement navigation as Swarmer scales adoption.
- **While we do not provide a recommendation or price target on Swarmer's IPO,** the listing may provide investors exposure to a software-defined platform at an early commercialization stage within the expanding autonomy and drone deployment cycle. Peer benchmarking and emerging autonomy IPO comparables imply a revenue multiple range of approximately ~10-15x, translating to an illustrative enterprise value of roughly ~\$200-300 million. Realization of this framework depends on pipeline conversion and execution of the company's licensing-led model as commercialization scales.

Table of Contents

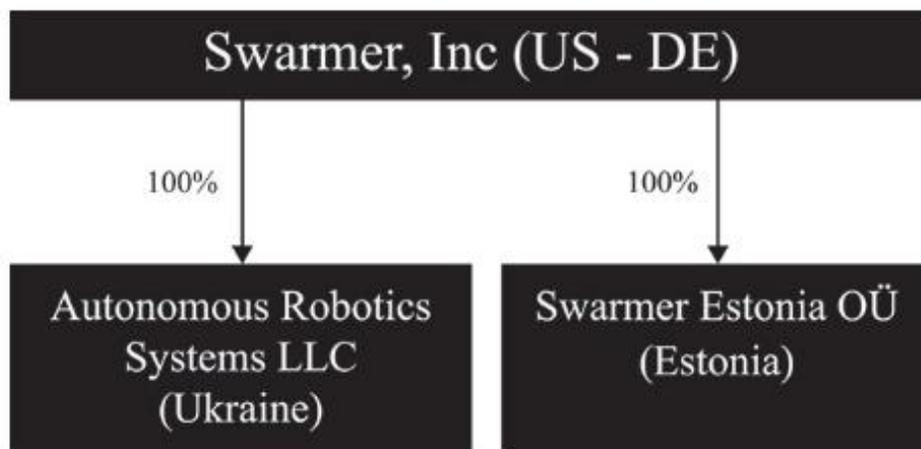
Company Overview	3
Swarmer – A Software-First Defense Autonomy Platform Positioned for Public Scale	3
Capital Structure and IPO Transition.....	6
Right-to-Win	7
Combat-Validated Iteration, Vendor Neutrality, and Licensing Leverage Define Moat.....	7
Industry Trends and Company Positioning	11
Modular Stack Architecture Revalues Software Layer in Unmanned Systems Economics.....	11
Combat Data Asymmetry Redefines Competitive Moats in Swarm Autonomy Software	13
Growth Strategy	15
Accelerate Iteration, Scale Swarms, And Institutionalize Procurement Access	15
Management Team	17
Experienced Leadership Bridging Autonomy Execution and Public-Market Readiness.....	17
Fundamentals & Valuation	18
Positioned for Revenue Inflection as Investment Scales Operations.....	18
Commercial Inflection and Sector Tailwinds Support Valuation Re-Rating	20
Risks	22
Disclaimer	23

Company Overview

Swarmer – A Software-First Defense Autonomy Platform Positioned for Public Scale

- **Swarmer, Inc (proposed ticker: SWMR) is a software-first defense autonomy company building the coordination and control layer for multi-drone operations, positioning for an IPO to scale deployment, integration, and procurement access.** SWMR is a Delaware corporation incorporated on May 15, 2023 and headquartered Austin, Texas, and has filed to conduct an underwritten initial public offering of its common stock and has applied to list on The Nasdaq Capital Market under the symbol “SWMR.” We refer to the company as Swarmer or by its proposed ticker SWMR throughout this report. SWMR qualifies as an emerging growth company, a smaller reporting company, and a non-accelerated filer, and indicates it may elect the reduced reporting and governance requirements available to these categories, which can provide organizational flexibility while it builds operating scale and broadens customer adoption. Alexander Fink is the CEO (U.S.) and President, Serhii Kupriienko is the global CEO, and the board is chaired by Erik Prince in a non-executive capacity, adding senior-level oversight as SWMR transitions toward public-company readiness.
- **SWMR operates through a U.S.-based holding structure with wholly owned subsidiaries in Ukraine and Estonia, aligning field deployment, engineering, and regional contracting within a flexible international framework.** As shown in the chart below, Swarmer, Inc. (US - Delaware) is the parent holding company, owning 100% of two operating subsidiaries: Autonomous Robotics Systems LLC (Ukraine) and Swarmer Estonia OÜ (Estonia). This structure implies SWMR conducts certain on-the-ground operating activities through local legal entities in Ukraine (typically aligned with field deployment, customer support, and rapid iteration in-theater) while maintaining a separate European subsidiary in Estonia, often used for EU-region operations such as engineering, contracting, vendor relationships, hiring, and administrative functions.

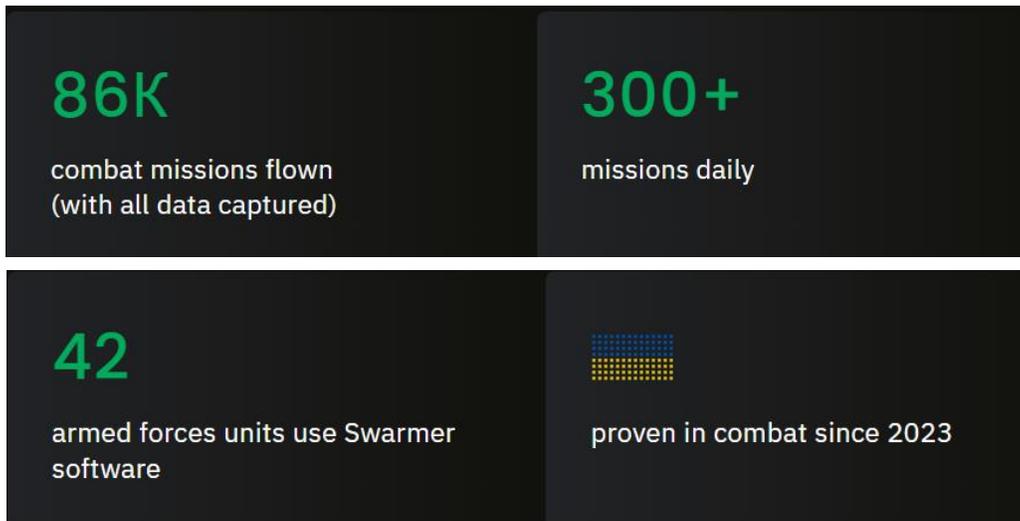
Chart 1: Swarmer Inc. – Corporate Structure



Source: Exec Edge Research, Company Filings

- **SWMR is a software-first defense autonomy company focused on enabling coordinated, large-scale unmanned operations.** The company’s operating model centers on providing an autonomy and control layer that helps military users plan and execute multi-drone missions with materially fewer operators, targeting environments where navigation degradation and electronic warfare are persistent constraints. The company’s software stack spans AI-enabled command-and-control, collaboration autonomy across heterogeneous swarms, and an embedded operating system layer intended to standardize connectivity, security, video streaming, and hardware integration across multiple drone platforms. Commercially, SWMR is oriented toward a vendor-agnostic go-to-market model, primarily licensing software to drone OEMs and defense system integrators with military forces as the ultimate end-users. The company also highlights active operational utilization since 2023 and markets its platform around scalable autonomy and mission-template-driven workflows, while signaling longer-term applicability beyond aerial systems into broader unmanned domains.

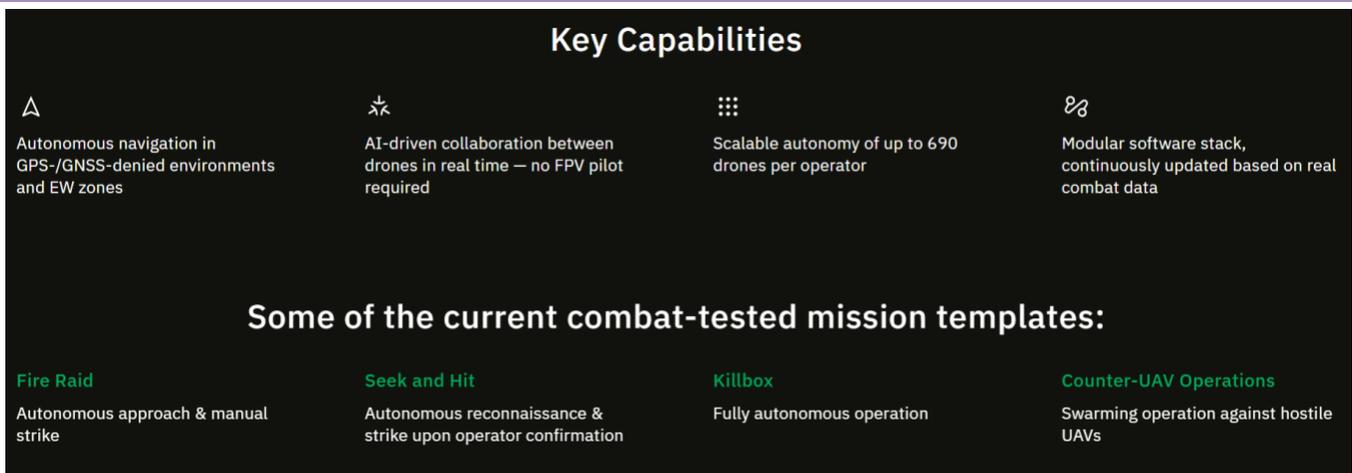
Chart 2: SWMR – Early Deployment Footprint and Platform Utilization



Source: Exec Edge Research, Company Website

- **Its differentiation is applying AI to autonomy and coordination so operators can scale missions under contested conditions.** SWMR positions its AI as the decision-layer that enables real-time collaboration between drones and reduces reliance on continuous manual piloting, particularly for FPV-style control loops. The company’s published capability set emphasizes three operational realities that increasingly define drone warfare:
 - Navigation and mission execution in **GPS/GNSS-denied** environments and electronic-warfare zones.
 - **AI-driven coordination** between drones in real time to reduce operator workload.
 - Scalability to **hundreds of drones per operator** (the website cites “up to 690”).
- **SWMR software is modular and continuously updated based on field learnings, implying a development process that prioritizes rapid incorporation of observed failure modes and edge cases.** The company’s mission templates are presented as standardized workflows spanning strike, reconnaissance-to-strike, fully autonomous operations, and counter-UAV swarming, which is analytically important because templated workflows can make autonomy repeatable and easier to train, certify, and integrate across fleets. Taken together, SWMR’s AI narrative is less about a single model and more about a software architecture that combines autonomy behaviors, coordination logic, and operator-facing mission workflows to deliver measurable operator leverage in environments where communications and navigation are degraded.

Chart 3: SWMR – Key Capabilities and Mission Templates

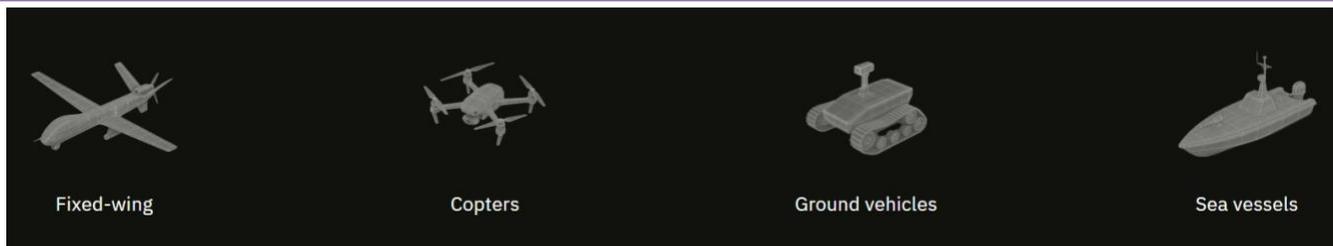


Source: Exec Edge Research, Company Website

Company Overview

- **Core commercial model is structured around B2B2G software licensing, where Swarmer's STYX, MINAS, and TRIDENT stack is embedded into drone platforms produced by OEM partners and ultimately deployed by government end-users.**
 - **STYX is SWMR's command-and-control layer designed to plan, task, and supervise multi-drone missions.** STYX sits at the operator interface and is positioned to translate mission intent into coordinated tasking across multiple drones, while providing situational awareness and control constructs that scale beyond one-to-one piloting. In SWMR's framing, STYX supports mission execution through repeatable templates and workflows (e.g., strike, recon-to-strike, counter-UAV operations), which can reduce cognitive load and standardize how units run missions across platforms. For procurement and deployment, a C2 layer like STYX typically matters because it becomes the operational system of record for tasking, telemetry, and after-action learning, and it can also be the integration point for broader battlefield networks and partner payloads.
 - **MINAS is SWMR's collaboration autonomy layer focused on multi-agent coordination and swarm behavior.** MINAS is positioned as the AI layer that enables drones to collaborate in real time, supporting coordinated behaviors such as deconfliction, shared situational awareness, adaptive routing, and mission execution with reduced dependence on continuous operator input. Conceptually, this is the layer that turns many drones into a coherent unit by allocating roles, maintaining formation logic, and responding to changing conditions, including intermittent communications. MINAS also underpins SWMR's claim that operators need not be the bottleneck for scaling missions, because higher autonomy levels are required to manage swarm complexity without linear increases in personnel.
 - **TRIDENT is SWMR's embedded drone operating layer intended to standardize integration and enable contested-environment operation.** TRIDENT is presented as an onboard software layer that provides core services needed for deployment at scale, including secure networking/communications, encryption, video streaming, and a hardware abstraction capability that can reduce platform-to-platform integration friction. This layer is central to SWMR's vendor-agnostic posture because it is designed to normalize heterogeneous drones into a consistent software environment on which higher-level autonomy and C2 functions can run. TRIDENT's role is also directly relevant to EW and GPS/GNSS-denied requirements, where reliable onboard behaviors and resilient communications stacks become gating factors for mission success.
- **The company is also expanding beyond aerial platforms into multi-domain unmanned operations.** Swarmer has systematically expanded from unmanned aerial vehicles to include unmanned ground vehicles and unmanned surface vessels, with planned integration into additional weapon systems such as missiles and guidance kits. SWMR further notes its development roadmap progressing toward coordinating hundreds of heterogeneous systems across air, ground, and maritime environments, with a 2026 roadmap targeting larger-scale coordination.

Chart 4: SWMR – Expanding Beyond Air



Source: Exec Edge Research, Company Website

- **Business model centers on monetizing a vendor-neutral autonomy stack through per-unit software licensing, complemented by integrated solutions and selective direct sales.** The primary revenue stream is licensing to drone OEMs and system integrators on a per-drone basis, with disclosed pricing of \$250 to \$6,000 per unit depending on platform type, capability requirements, integration complexity, and volume commitments, aligning SWMR's revenue trajectory with partner shipment volumes while preserving a capital-light scaling profile versus hardware-centric models. For customers requiring turnkey delivery, SWMR offers white-label integrated solutions that bundle hardware sourcing, software integration, and system validation, with disclosed pricing of \$750 to \$30,000 per unit; management indicates the long-term mix is expected to shift toward higher software licensing contribution as integrations become more standardized. A secondary channel includes select direct government sales (including integrated drone sets and command-and-control systems) and time-and-materials engineering services, which can

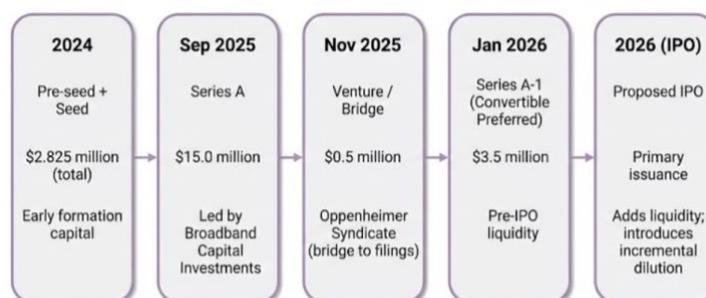
Company Overview

support urgent requirements but are not positioned as the primary scaling engine. Structurally, the model is designed to benefit from hardware commoditization by capturing value in autonomy and coordination software, with potential switching costs once embedded into OEM integrations and operator workflows.

Capital Structure and IPO Transition

- **SWMR has transitioned from seed-stage funding to institutional backing, culminating in a Series A and subsequent bridge financing ahead of its public listing.** The initial pre-seed and seed rounds raised a total of \$2.825 million by 2024. This was followed by the landmark \$15 million Series A in September 2025, led by Broadband Capital Investments. A subsequent \$500,000 venture round in November 2025, provided by the Oppenheimer Syndicate, served as bridge financing as the company prepared its SEC filings for the Nasdaq listing. More recently, the company raised \$3.5 million in Series A-1 convertible preferred stock issuance in January 2026. The proposed IPO would further strengthen liquidity and support growth initiatives.

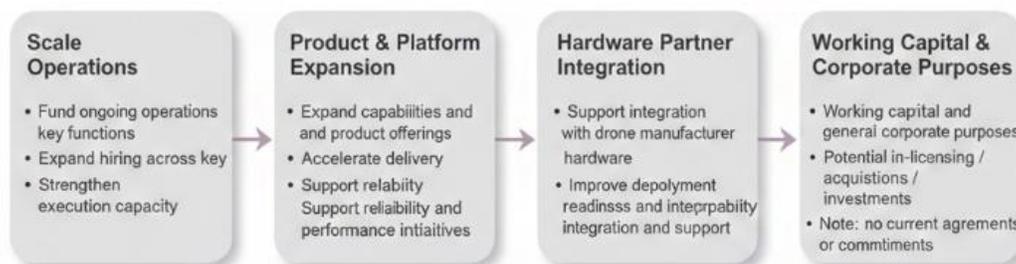
Chart 5: SWMR – Funding Timeline and Capital Structure Evolution



Source: Exec Edge Research, Company Filings, United24Media

- **The proposed IPO is structured as a primary issuance designed to simplify the capital structure and fund operating scale, product expansion, and channel growth.** The offering contemplates the sale of common stock (share count and price range not yet finalized in the prospectus excerpt) and includes an underwriter overallotment option exercisable for a specified number of days (and up to a specified number of additional shares) to cover overallotments. SWMR reports 4,969,199 common shares outstanding as of December 31, 2025 (including 265,625 unvested restricted shares), and the disclosure assumes (i) issuance of 558,116 shares of Series A-1 convertible preferred in January 2026 and (ii) a stock split followed by conversion of all convertible preferred into 4,219,199 common shares immediately prior to the offering closing. Post-offering share count will increase by the new issuance (and further if the overallotment is exercised).
- **IPO proceeds are intended to fund operating scale, product expansion, and integration across drone hardware partners.** SWMR expects to use net proceeds, alongside existing cash resources, to fund ongoing operations, including expanding capabilities and product offerings, hiring employees, and supporting integration with drone manufacturers' hardware. Proceeds may also be used for working capital and other general corporate purposes, and could be allocated toward in-licensing, acquisitions, or investments in products, technologies, or businesses, although no current agreements or commitments are in place. The offering is also intended to increase financial flexibility and create a public market.

Chart 6: Intended Use of IPO Proceeds



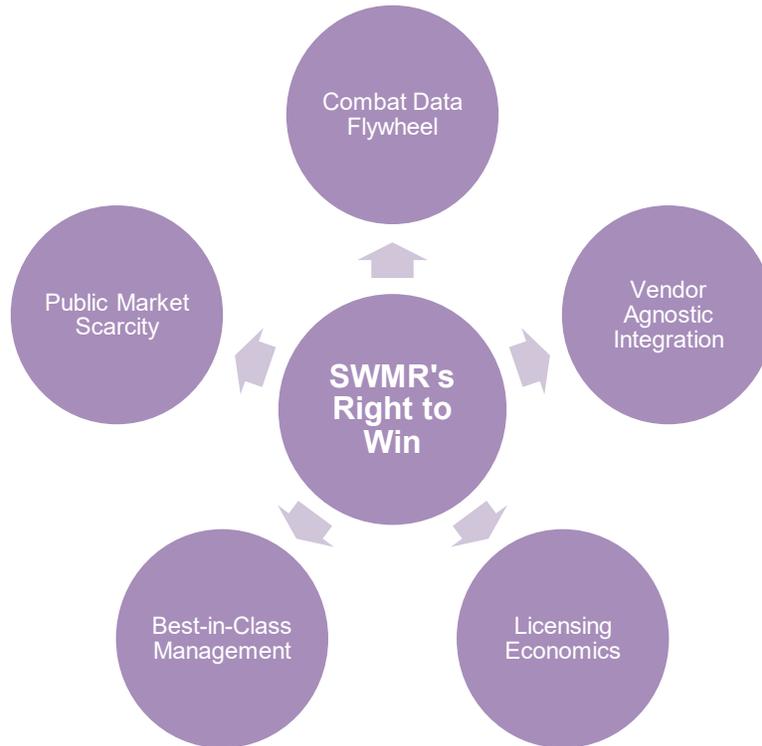
Source: Exec Edge Research, Company Filings

Right-to-Win

Combat-Validated Iteration, Vendor Neutrality, and Licensing Leverage Define Moat

- We believe SWMR’s right-to-win rests on three reinforcing pillars: **combat-validated autonomy development, vendor-neutral interoperability across mixed fleets, and a per-unit licensing model designed to scale with OEM shipment volume.** First, SWMR’s field-led development approach seeks to compound a combat-derived dataset into faster learning cycles and higher autonomy robustness, creating a feedback loop that is difficult to replicate without sustained operational access. Second, the company’s vendor-agnostic architecture positions SWMR as an interoperability layer across mixed fleets, benefiting end-users through standardized workflows and reducing friction for OEMs/integrators seeking differentiation without building full autonomy stacks in-house. Third, SWMR’s per-unit licensing construct aligns monetization with OEM shipment volumes and supports operating leverage as deployments scale, which is structurally attractive in a market where hardware margins are under pressure. Beyond product and model, SWMR’s governance and strategic oversight is designed for defense-market access, and the contemplated IPO could create public-market scarcity as one of the few liquid vehicles for software-first swarm autonomy exposure. We discuss these moat elements in detail below.

Chart 7: Multi-Pronged Moat Defines SWMR’s Right to Win



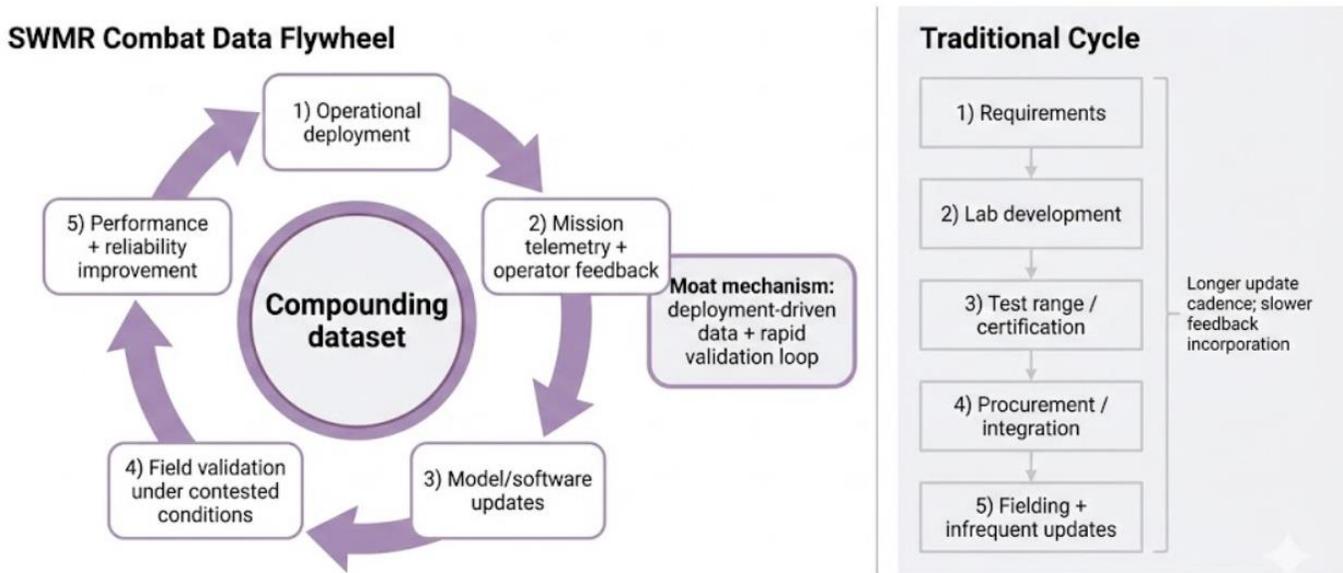
Source: Exec Edge Research

- **SWMR’s moat begins with a combat-linked data flywheel that converts real-world deployments into faster autonomy learning cycles and increasing robustness over time.** SWMR’s advantage is a field-led autonomy development model that converts operational missions into faster software learning cycles. By deploying at scale and capturing mission telemetry, SWMR can identify performance gaps from operator feedback, ship software updates quickly, and re-validate under real mission constraints, building a compounding dataset that improves autonomy robustness over time. This contrasts with traditional defense development approaches that typically rely on longer acquisition, test, and certification pathways, where capability delivery and software update cadence can extend from months to years and weapon-system fielding timelines can stretch into the decade range. In contrast, GAO’s annual assessments show major defense acquisition programs often plan 10+ years to deliver initial

capability, with recent averages approaching ~12 years from program start, while even programs reporting iterative delivery commonly describe user-facing software deliveries at ~6-month intervals rather than continuous release.

- **The moat here is the reinforcing loop: more deployments generate more high-value data; more data improves performance and reliability; improved performance supports broader adoption; and broader adoption further expands the dataset.** This flywheel is difficult to replicate without sustained operational access and integration at scale, making it a durable differentiation mechanism rather than a one-time proof point. Against autonomy-focused peers such as Auterion, Anduril (Lattice), Shield AI (Hivemind), and Helsing, SWMR differentiates on sustained combat-linked data capture and validation cadence rather than platform-specific hardware advantage.

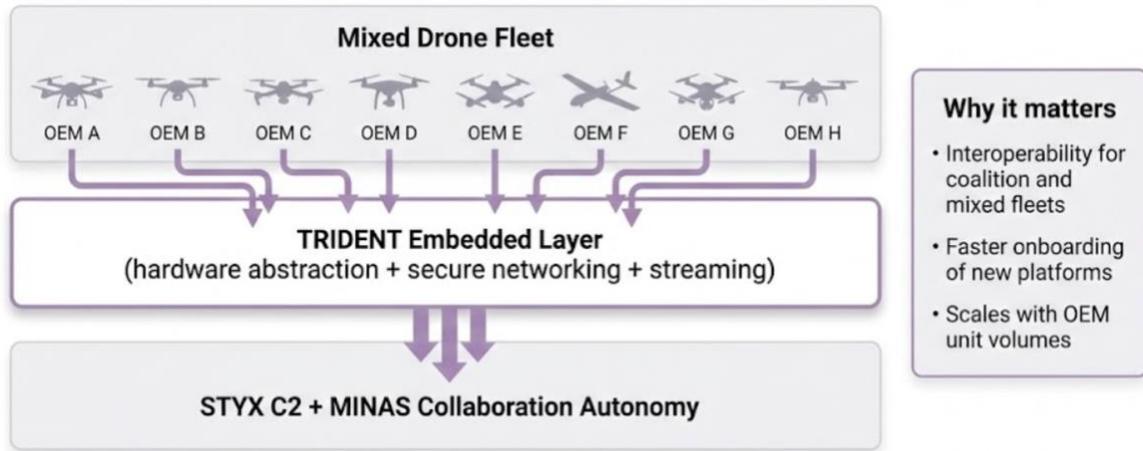
Chart 8: Combat Data Flywheel (SWMR) vs. Traditional Development Cycle



Source: Exec Edge Research, Company Filings, Government Accountability Office

- **SWMR positions itself as the interoperability layer across heterogeneous drone fleets, reducing friction for end-users while preserving OEM economics.** SWMR is architected to integrate with drones from multiple manufacturers, with TRIDENT providing an embedded layer (secure networking, encryption, video streaming, and a hardware abstraction capability) intended to normalize heterogeneous hardware into a common software environment, and STYX/MINAS providing command-and-control and collaboration autonomy above that layer.
 - **Why this matters for end-users:** defense customers increasingly operate mixed fleets across vendors and mission sets, and interoperability is often a gating requirement for scaling deployment beyond pilots. A vendor-agnostic layer reduces operational friction by standardizing operator workflows, mission planning, telemetry formats, and C2 integration across platforms, which can lower training burden, simplify sustainment, and support faster fleet refresh cycles as hardware evolves or supply chains shift.
 - **Why this matters for OEMs/integrators:** SWMR’s model can function as software leverage for manufacturers facing hardware commoditization; embedding a proven autonomy/C2 layer can accelerate time-to-market, reduce internal R&D burden, and strengthen procurement competitiveness without forcing OEMs into a costly proprietary autonomy build. It also mitigates channel conflict versus vertically integrated autonomy providers, preserving OEM economics while enabling differentiation on mission outcomes rather than bill-of-materials.
 - **While multiple competitors are pursuing autonomy software and C2 layers, SWMR’s differentiation is its explicit emphasis on neutrality across manufacturers and its intent to make integration repeatable at scale,** which can translate into switching costs once customers standardize doctrine, training, and integrations around the SWMR layer.

Chart 9: SWMR as the Integration Layer

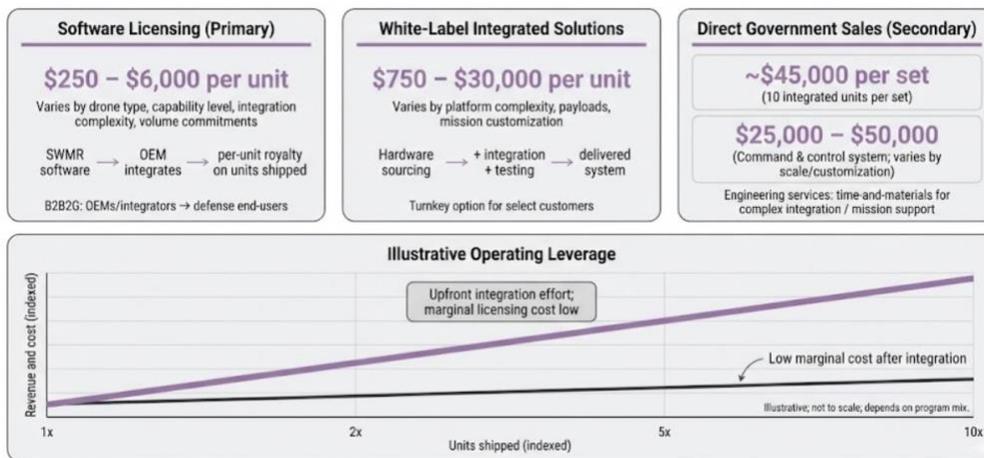


Source: Exec Edge Research, Company Filings

- SWMR’s per-unit licensing model aligns revenue with drone production growth, creating structural operating leverage as deployments scale.** The company’s primary revenue engine is a per-drone royalty on its software stack (STYX, MINAS, TRIDENT), with disclosed per-unit pricing that varies by platform type, capability level, integration complexity, and volume commitments. This structure aligns SWMR’s economics with OEM shipment growth and creates a cleaner scaling path than models that depend on manufacturing capacity or labor-intensive services. Relative to traditional defense approaches that often monetize via platform sales, fixed-price programs, or integration-heavy services, a per-unit licensing construct can compound faster if OEM partners ramp production, while incremental delivery costs remain low once integrations and support processes are established.

 - The model is also positioned to benefit from an industry dynamic where hardware competition can compress margins and reduce differentiation, increasing the value of autonomy and coordination software as an OEM attach that can help win procurements.
 - For end-users, the economic logic is tied to outcomes:** software that improves operator leverage and mission execution can justify recurring attach rates across fleets, while keeping hardware sourcing flexible. For SWMR, the moat resides in operating leverage and stickiness: once embedded in OEM designs and operator workflows, the licensing stream can broaden across programs and geographies without requiring a proportional increase in cost base, supporting margin expansion as mix shifts toward software versus integrated solutions.

Chart 10: Revenue Model, Pricing and Operating Leverage



Source: Exec Edge Research, Company Filings

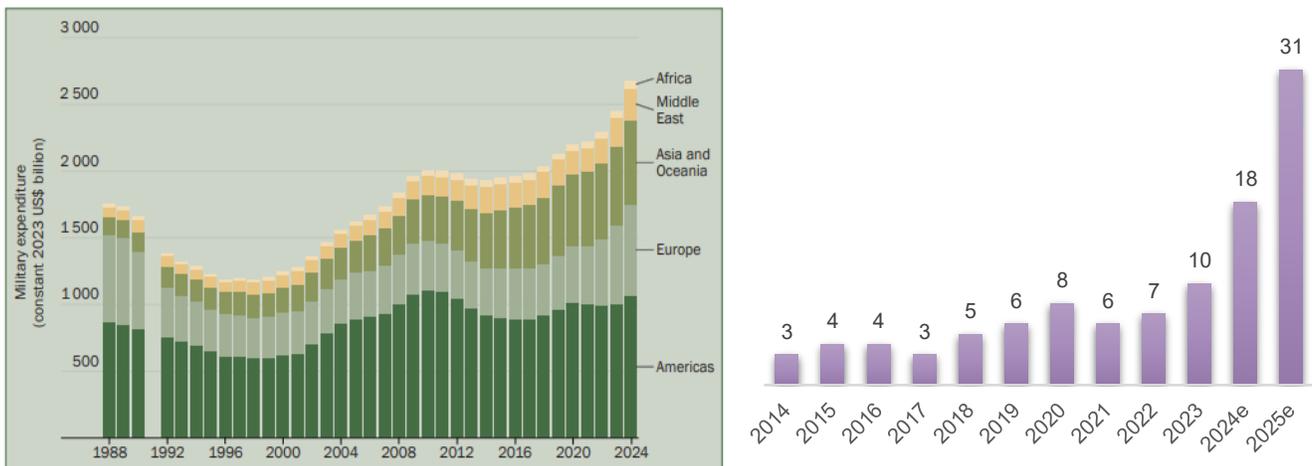
- **SWMR's governance structure is designed to support defense-market access and public-company scaling, pairing technical execution with institutional procurement credibility.** The company discloses a U.S.-based CEO structure alongside a globally oriented operating leadership footprint, which is relevant given SWMR's international operating subsidiaries and deployment posture.
 - **Alexander Fink** (CEO U.S./President) provides continuity from formation through commercialization. He has served in multiple executive capacities at SWMR since inception, and his prior operating background includes founding Otherweb and Panopteo alongside experience at Ambarella and Videostitch, which is relevant for a business translating autonomy software into repeatable OEM integrations and scalable partner distribution.
 - **Serhii Kupriienko** (CEO Global) complements this with an AI/computer-vision operating profile and leadership roles at Ring and Squad Ukraine, aligning with SWMR's emphasis on real-world deployment feedback loops and rapid iteration in high-intensity operating environments. The two-CEO construct also creates a practical split between U.S.-centric market access and public-company execution versus globally distributed operating delivery, consistent with SWMR's international subsidiary footprint.
 - On capital formation and reporting readiness, **Brooks Ensign** (CFO/Treasurer) adds a finance bench oriented toward scaling issuers. His prior roles include senior finance leadership at Silvaco (including Acting CFO), Aptose Biosciences, and Nervana Systems (acquired by Intel), supported by experience as a former U.S. Navy officer and an MBA from Harvard Business School.
 - At the board level, **Erik Prince** (Non-Executive Chairman and Chief Strategic Advisor) provides strategic oversight that may assist in navigating cross-border defense relationships and procurement pathways, while maintaining separation from day-to-day operational control. In combination, this leadership architecture supports a growth narrative centered on scaling integrations, broadening channel partnerships, and building institutional readiness for defense buyers and public investors.
- **As one of the few pure-play public vehicles focused on swarm autonomy software, SWMR could benefit from category scarcity and improved procurement visibility post-listing,** which is notable given that several high-profile autonomy/C2 peers remain privately held. For investors, public listing can create scarcity value by offering a liquid vehicle to underwrite a distinct segment of defense software that is otherwise accessed primarily through private rounds, secondary markets, or diversified defense primes. The strategic advantage stems from improved visibility with procurement stakeholders, increased ability to use equity for recruiting and partnerships, and a clearer valuation benchmark for a category where private comparables can be opaque. SWMR's ability to convert this positioning into a moat depends on execution, but as a structural factor it can broaden the investor and counterpart base relative to private peers and potentially accelerate institutional adoption if procurement counterparts prefer vendors with public-company governance and disclosure discipline.

Industry Trends and Company Positioning

Modular Stack Architecture Revalues Software Layer in Unmanned Systems Economics

- Elevated geopolitical instability and accelerating defense budgets are fundamentally reshaping procurement priorities toward attritable platforms and software-upgradeable autonomy, structurally elevating the value of modular autonomy layers over hardware-centric differentiation.** Conflict intensity reached a generational high in 2024, with UCDP data documenting 61 active state-based conflicts spanning 36 countries – a historical peak that underscores sustained demand for rapidly deployable, loss-tolerant systems optimized for high-tempo operational environments. According to SIPRI Factsheet (April 2025), global military expenditure reached \$2.7 trillion in 2024, growing 9.4% y/y, which is the steepest rise since 1988, when SIPRI started recording this data. Regional budget trajectories reinforce the structural shift as EU member state defense outlays totaled €343 billion in 2024 (1.9% of GDP) and are projected to reach €381 billion in 2025 (~2.1% of GDP) per the European Council, while the U.S. FY26 budget proposed a 13% increase in defense spending to \$1.01 trillion. In June 2025, NATO allies committed to an ambitious goal: increasing defense spending to 5% of GDP by 2035, which should act as a major tailwind for the defense sector over the next decade. In our view, this funding backdrop strongly favors procurement architectures that prioritize modularity, rapid replenishment cycles, and continuous capability upgrades via software, which are dynamics that disproportionately benefit unmanned systems and the enabling autonomy software layer.

Chart 11: World Military Expenditure by Region (1988-2024) and # of NATO Allies meeting 2% Target



Source: Exec Edge Research, SIPRI Factsheet, NATO

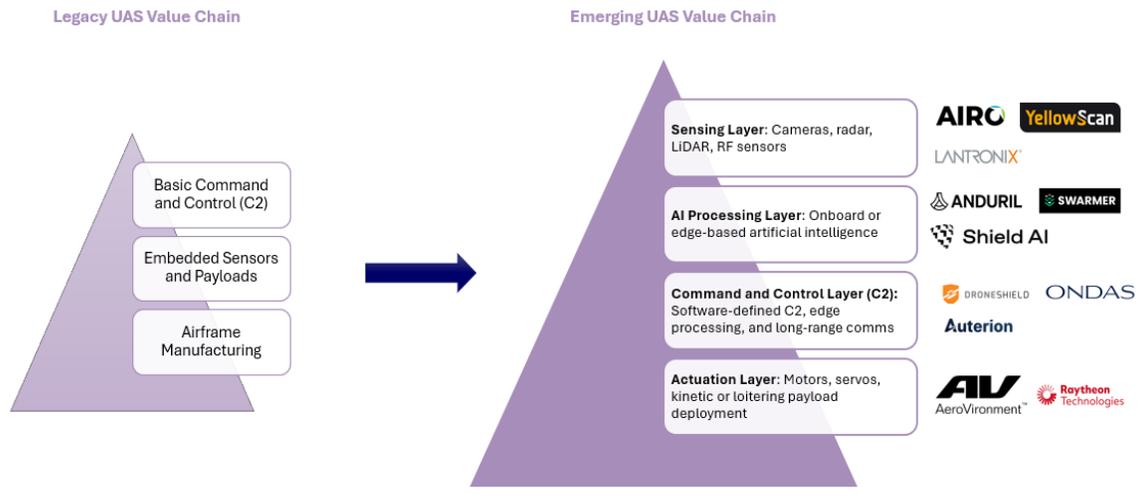
- Defense procurement is migrating from vertically integrated platforms toward modular stack architectures, fundamentally revaluing software-defined capabilities relative to traditional airframe economics.** Commoditization of drone hardware and proliferation of component suppliers are eroding airframe-based differentiation and accelerating the shift toward software-centric competitive advantage. Widespread availability of commercial off-the-shelf components, compressed manufacturing learning curves, and adoption of modular payload configurations have materially lowered barriers to entry, expanding the addressable OEM landscape and fragmenting the supplier base. As a result, sustainable differentiation predicated solely on airframe performance becomes increasingly untenable, with procurement decisions gravitating toward integrated systems that deliver mission effects through advanced sensing, onboard processing, networked operations, and intelligent command logic.
 - This architectural shift increasingly rewards modular autonomy providers over vertically integrated hardware incumbents.** McKinsey research highlights that modern warfare necessitates moving away from vertically integrated platforms toward modular systems within the defense technology stack, enabling hardware and software to evolve independently and allowing capability refresh at "software speed" rather than traditional procurement timelines. Under this framework, the technology stack decomposes into separable layers – sensing, AI/processing, command-and-control, transport/networking, and actuation – with standardized interfaces that

Industry Trends and Company Positioning

facilitate cross-platform interoperability and continuous performance enhancement independent of platform redesign.

- We view this stack-based construct as structurally advantageous for militaries pursuing affordable mass and accelerated upgrade cycles, while materially elevating the strategic importance of autonomy software providers capable of delivering modular, hardware-agnostic solutions that can be deployed and iterated across heterogeneous unmanned systems fleets.

Chart 12: Evolution of Unmanned Aerial Systems (UAS) Value Chain from Hardware to Software



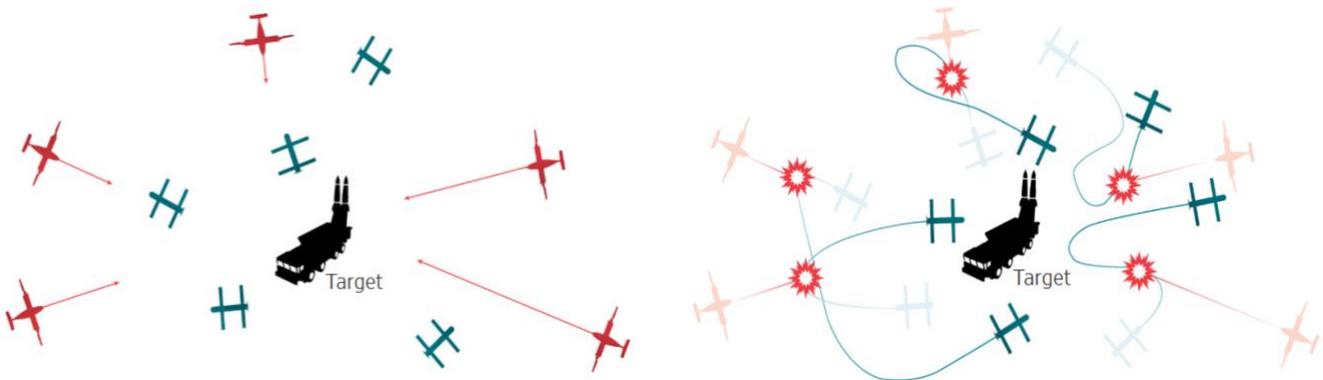
Source: Exec Edge Research

- **We believe SWMR is positioned for the procurement and architecture shift outlined above, as its model is designed to capture value as unmanned unit volumes scale and as platforms modularize.** Rather than competing in an increasingly price-competitive airframe layer, SWMR is building a software-first autonomy stack (STYX, MINAS, TRIDENT) intended to integrate across multiple OEM platforms, aligning with stack-based procurement that favors reusable, upgradeable software layers over monolithic systems. Importantly, SWMR's primary monetization construct is per-unit software licensing to manufacturers, which ties revenue directly to rising drone shipments and supports operating leverage as incremental software distribution costs remain low after integration. SWMR discloses licensing pricing of \$250 to \$6,000 per unit, with complementary revenue streams in integrated solutions and selective direct sales but expects licensing to represent an increasing share as the market scales. As attributable mass expands and hardware suppliers proliferate, this structure positions SWMR to participate in the broader value migration from drone manufacturing economics toward autonomy, networking, and coordination software as the enduring differentiator.
- Read our full report titled "[From Airframes to Algorithms: Investing in the Drone Defense Supercycle](#)" that covers the Drone Defense Supercycle Opportunity and Winners in detail [here](#).

Combat Data Asymmetry Redefines Competitive Moats in Swarm Autonomy Software

- **Swarm autonomy is transitioning from laboratory research to operational priority, with combat-derived data emerging as the decisive differentiator between theoretical capability and deployable advantage.** China's operational demonstrations of bio-inspired swarm autonomy underscore an industry-wide inflection from theoretical research to empirically validated military capability. Beihang University engineers, operating within China's *Seven Sons of Defense* military-academic complex developed hawk-versus-dove combat simulations achieving 5.3-second engagement completion and secured patents in April 2024, according to The Wall Street Journal. This bio-mimetic approach reflects broader People's Liberation Army doctrine articulated by Chinese military theorists in October 2024, who characterized emerging warfighting as "driven by algorithms, with unmanned systems as the main fighting force and swarm operations as the primary mode of combat."
 - **Patent filing velocity illustrates competitive intensity:** Chinese defense contractors and military institutes published at least 930 swarm intelligence patents since early 2022 versus approximately 60 U.S. filings over the same period, per The Wall Street Journal. This reflects China's strategic focus on its 80% global production share in small unmanned systems, which is a structural advantage enabling rapid iteration between algorithmic development and hardware deployment at scale.
 - **This asymmetry is elevating procurement urgency among Western defense establishments** for operationally validated autonomy solutions, particularly those demonstrating GPS-denied navigation and electronic warfare resilience informed by Ukraine battlefield observations that The Wall Street Journal reporting indicates influenced PLA doctrinal evolution.

Chart 13: Depiction of Attacking and Defending AI-controlled Drones Mimicking Animal Behavior



Source: Exec Edge Research, The Wall Street Journal, Beihang University School of Automation Research and Electrical Engineering

- **We expect operator leverage and networked coordination to emerge as core competitive differentiators as defense buyers prioritize mission throughput and fleet-level efficiency over standalone platform performance.** Future battlefield advantage increasingly hinges on achieving superior hive mind capability, networked autonomous systems coordinating and adapting faster than human operators can manage, according to U.S. Army War College analysis. AI integration has already demonstrated material operational impact, boosting FPV drone strike accuracy from 30-50% baseline to approximately 80%, as reported in Ukraine theater data. Valerii Boroyyk, commander of Ukraine's White Eagle drone unit, envisions fully coordinated swarm operations executing missions autonomously with minimal human intervention.
 - **This construct fundamentally redefines force multiplication economics by decoupling lethality from operator headcount constraints.** However, the Army War College research emphasizes that human oversight remains structurally indispensable for logistics, maintenance, and terminal engagement authority, reflecting doctrinal recognition that autonomous systems augment rather than replace human decision-making in life-or-death scenarios. This hybrid model that involves algorithmic coordination at tactical speed combined with human strategic control, suggests procurement advantage will accrue to platforms demonstrating validated man-machine teaming rather than pure autonomy, with scale and real-time coordination velocity emerging as decisive capability requirements for next-generation swarm architectures.

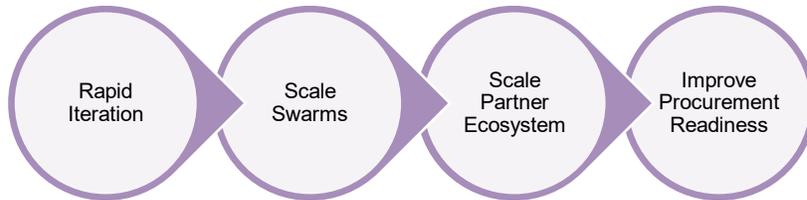
- **Increasing electronic warfare intensity is elevating GPS-denied autonomy from feature to procurement prerequisite.** Electronic warfare escalation in Ukraine theater is also redefining technical requirements for swarm autonomy, with communications resilience emerging as the decisive capability gap separating laboratory demonstrations from operationally viable systems. The Wall Street Journal reports that signal jamming observations from Ukraine battlefields have exposed current systems that rely heavily on radio communication between drones creates a structural vulnerability that degrades perception, coordination, and targeting effectiveness. The tactical adaptation cycle reflects this challenge: Ukrainian forces deployed fiber-optic tethered drones to bypass jamming, prompting development of countermeasures against that specific solution, according to Army War College analysis. This iterative contest is driving the next phase toward AI-enabled targeting systems capable of identifying and engaging targets with minimal human intervention in heavily degraded electromagnetic environments. Advanced AI mitigates jamming vulnerability by enabling autonomous target tracking and obstacle avoidance independent of continuous communications, though integrating self-learning models with legacy flight control systems presents integration complexity that current Western platforms have yet to demonstrate at Ukraine-validated operational scale.
- **SWMR's 100,000+ combat missions since April 2024 provide Ukraine-scale operational validation in GPS-denied, high-electronic-warfare environments, a level of real-world deployment uncommon among Western autonomy vendors.** SWMR's opportunity sits at the intersection of two procurement imperatives that are moving from nice-to-have to must have: scaling unmanned mass without scaling operator headcount and sustaining mission effectiveness under heavy electronic warfare. SWMR positions itself as software-first and platform-agnostic and highlights operational deployment in Ukraine with 100,000+ real-world missions, explicitly citing exposure to high-intensity EW/jamming as a daily test environment. If autonomy and coordination increasingly define combat effectiveness for low-cost FPV and broader unmanned fleets, the value pool will expand toward vendors like Swarmer that can continuously harden behaviors through real operational feedback and then standardize those capabilities across partner platforms.

Growth Strategy

Accelerate Iteration, Scale Swarms, And Institutionalize Procurement Access

- SWMR’s growth strategy centers on converting operational deployments into repeatable OEM licensing programs while expanding mission scope and procurement eligibility across Western defense markets.** The company is prioritizing a faster iterate-and-validate cycle anchored in operational deployments, which can improve responsiveness as tactics and countermeasures evolve. In parallel, SWMR aims to expand mission scope by scaling swarm complexity while compressing integration timelines to support repeatable OEM adoption. Commercialization is structured to scale primarily through OEM and integrator partners, with selective direct sales as a secondary lever. Finally, SWMR is productizing toward Western procurement standards to broaden addressable customers and participate in more standardized acquisition pathways.

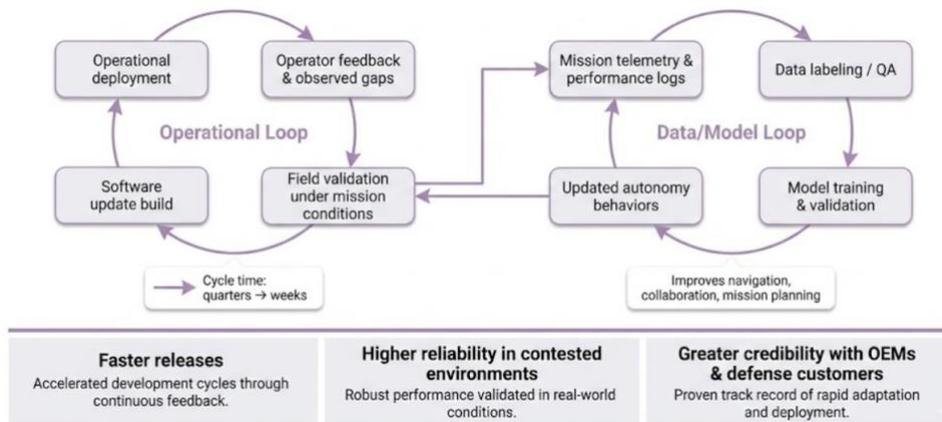
Chart 14: Multi-Pronged Growth Strategy



Source: Exec Edge Research, Company Filings

- Near-term growth path relies on shortening the autonomy development loop through operational deployments.** The company is organized to identify capability gaps via direct operator feedback, translate those gaps into software updates, and validate improvements under real mission conditions rather than relying solely on lab or test-range cycles. The objective is to reduce the time between field observation and product release from quarters to weeks, which can matter in autonomy software where threats, tactics, and countermeasures evolve quickly. This operating cadence also supports a growing corpus of mission telemetry and performance data that can be used to train and validate models across navigation, collaboration, and mission planning tasks. Over time, a faster iterate-and-validate loop can improve win rates with OEM and defense customers by demonstrating that SWMR can keep pace with changing operational requirements while maintaining reliability in contested environments.

Chart 15: Rapid Iteration via Operational Deployments

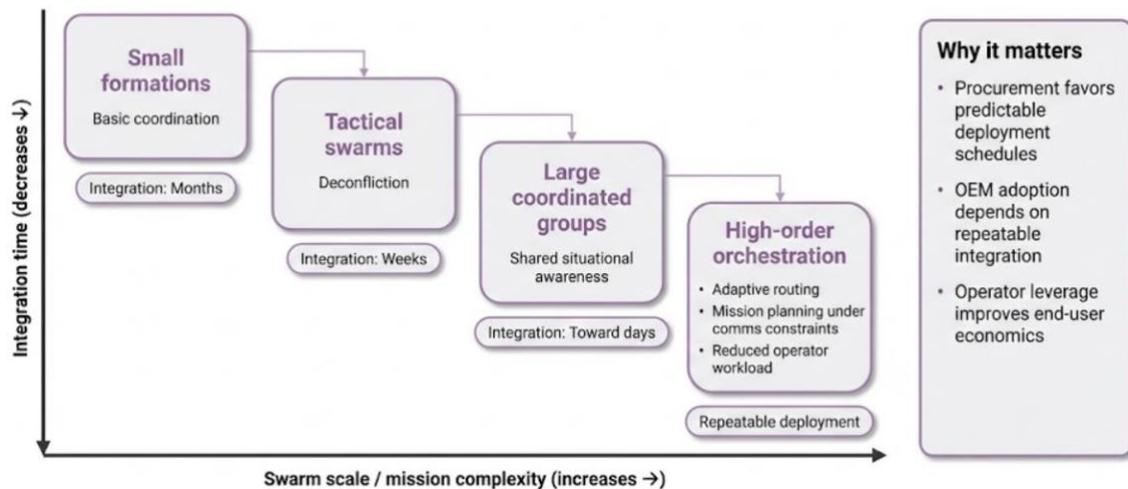


Source: Exec Edge Research, Company Filings

Growth Strategy

- SWMR’s roadmap prioritizes increasing swarm scale and reducing integration timelines to enable standardized, repeatable OEM adoption.** The company’s growth roadmap is framed around moving from smaller formations to larger coordinated groups, with a parallel objective of reducing integration timelines from months to weeks and, longer term, toward days. This is important because procurement pathways and OEM adoption often hinge on repeatable integration and predictable deployment schedules, not only raw performance claims. As swarm size increases, the product requirement set expands from basic coordination to higher-order orchestration: deconfliction, shared situational awareness, adaptive routing, and mission planning under communications constraints. SWMR’s strategy suggests prioritizing capabilities that reduce operator workload as scale increases, which can improve the operational economics for end-users and strengthen the value proposition for OEM partners integrating SWMR as a software layer across their fleets.

Chart 16: Scaling Swarm Complexity While Compressing Integration Time



Source: Exec Edge Research, Company Filings

- SWMR intends to scale primarily through OEM and integrator partnerships, leveraging existing procurement channels rather than building a direct-sales-heavy model.** The company frames its model as leveraging manufacturers’ established government relationships, contract vehicles, and procurement expertise, which can shorten time-to-market and reduce the internal build required to navigate defense acquisition pathways. This structure also supports a distribution approach where OEMs and integrators embed SWMR’s software into their platforms and deliver complete systems to end-users, while SWMR focuses on software performance, integration tooling, and support. Direct government sales are positioned as a secondary path for select strategic or urgent requirements, which can provide near-term access but may not be the primary scaling mechanism. For investors, the central question is execution: how quickly SWMR can expand the partner base and standardize integrations to move from bespoke deployments to a repeatable channel-led model.
- Aligning with Western procurement and cybersecurity standards is a prerequisite to unlocking larger, recurring defense programs beyond urgent deployments.** Beyond urgent or abbreviated procurement environments, the company is working to meet key cybersecurity and defense contracting requirements, including NIST-aligned frameworks, DFARS requirements, and CMMC standards, which can function as gating items for broader adoption in Western democratic markets. The strategy is to translate operational deployments into a procurement-ready product baseline: documentation, security posture, repeatable integration processes, and compliance controls that reduce friction for OEM partners and end-users during evaluation. This effort also supports longer-duration programs where buyers prioritize vendor risk management and assurance alongside performance. For investors, the linkage is straightforward: compliance and accreditation are typically prerequisites for scaling into larger budgets and more standardized acquisition pathways, even when underlying technical performance is compelling.
- Overall, we believe that key inflection for investors to monitor is the transition from integration-led revenue toward recurring per-unit license penetration across OEM fleets.**

Management Team

Experienced Leadership Bridging Autonomy Execution and Public-Market Readiness

- Led by Serhii Kupriienko and Alexander Fink, SWMR’s leadership blends autonomy execution with public-company buildout across finance and legal as the company prepares for a Nasdaq listing.** The team combines U.S.-based leadership with a global operating footprint aligned to SWMR’s international subsidiaries and deployment posture. The board – led by Erik Prince – adds capital markets, technology, and national security expertise, with a Non-Executive Chair focused on partnerships, procurement navigation, and institutional adoption.

Chart 17: SWMR – Management Team

	<p>Serhii Kupriienko, Chief Executive Officer (Global) and Director</p> <p>Serhii has served as SWMR’s CEO (Global) since September 2025 and has been a director since December 2023. He previously held leadership roles at Squad Ukraine and Ring, focused on AI and computer vision initiatives. Serhii holds an MBA from Stanford Graduate School of Business and an MS in Computer Science, supporting SWMR’s technical and operating orientation.</p>
	<p>Alexander Fink, Chief Executive Officer (U.S.), President and Director</p> <p>Alexander has served as SWMR’s CEO (U.S.) since September 2025 and has been President and a director since May 2023. He previously served as CEO during SWMR’s early formation and also held CFO/Treasurer and Secretary roles. His prior experience includes founding Otherweb and Panopteo and working at Ambarella and Videostitch, spanning software and video infrastructure.</p>
	<p>Brooks Ensign, Chief Financial Officer and Treasurer</p> <p>Brooks has served as SWMR’s CFO and Treasurer since January 2026. He brings public-company finance and capital markets experience, including senior roles at Silvaco (including Acting CFO), Aptose Biosciences, and Nervana Systems (acquired by Intel). Brooks is a former U.S. Navy officer and holds an MBA from Harvard Business School, aligning with SWMR’s public-company buildout.</p>
	<p>Jennifer DeTrani, Chief Legal Officer, General Counsel and Secretary</p> <p>Jennifer has served as SWMR’s Chief Legal Officer, General Counsel, Vice President, and Secretary since January 2026. She previously led legal and corporate affairs at Nisos and co-founded Wickr, serving as General Counsel and Chief Privacy Officer. Earlier in her career, Jennifer served as an Assistant U.S. Attorney, bringing regulatory, security, and governance expertise relevant to defense-adjacent operations.</p>

Chart 18: SWMR – Board of Directors (in addition to Serhii Kupriienko and Alexander Fink)

	<p>Erik Prince, Chairman (Non-Executive)</p> <p>Erik has served as SWMR’s Non-Executive Chairman since December 2025. He founded Frontier Resource Group and previously founded Blackwater USA (CEO). He also served as Executive Director and Deputy Chairman of Frontier Services Group.</p>		<p>Derek Reisfield, Director</p> <p>Derek has served as a director since January 2026. He is Co-Founder and CEO of Edisource International and a Senior Advisor at G2 Capital Advisors. He co-founded MarketWatch and held senior roles at CBS New Media and McKinsey.</p>
	<p>Edward N. Antoian, Director</p> <p>Edward has served as a director since January 2026. He is Principal and Senior Strategic Advisor at Sequoia Financial Group and founded Zeke Capital Advisors. He is a CFA and CPA and is identified as an audit committee financial expert.</p>		<p>Philip Wagenheim, Director</p> <p>Philip has served as a director since September 2025. He has been a director of Immunome since 2017 and previously served as interim CEO. He was a Managing Member at Broadband Capital Partners with leadership roles across affiliated investment entities .</p>
	<p>Amir Frenkel, Director</p> <p>Amir has served as a director since January 2026. He is VP, GenAI at Meta, with prior senior engineering leadership at Alphabet (Google), Amazon, Texas Instruments, and Palm/HP.</p>		<p>Justin Zeefe, Director</p> <p>Justin has served as a director since October 2025. He is founder and General Partner of Green Flag Ventures and previously co-founded Nisos (CEO/director). He also served for a decade as a U.S. government intelligence officer.</p>

Source: Exec Edge Research, LinkedIn, Company Websites

Fundamentals & Valuation

Positioned for Revenue Inflection as Investment Scales Operations

- **2026 is set to be the inflection year for Swarmer with an expected topline of ~\$20 million, supported by contracted backlog and anticipated conversion of integration programs into recognized revenue. We believe this improves near-term revenue visibility and supports execution toward scaled commercialization over 2026-27.**
 - **Swarmer’s historical financial profile is consistent with pre-scale product adoption dynamics.** SWMR recorded \$0.31 million in revenue for 2025 compared to \$0.33 million in the prior year. Cost of revenue compressed modestly to \$0.18 million from \$0.19 million, while gross profit came in at \$0.13 million vs. \$0.14 million a year ago. We view the revenue profile as reflective of concentrated early customer relationships and discrete program cadence. The company remained in a foundational period of transitioning from initial pilot engagements to scalable OEM and integrator partnerships.
 - **The company reports \$16.3 million of firm commitments from executed contracts covering software licenses, hardware integration services, and system deliveries, alongside an additional \$16.8 million of anticipated revenue under memoranda of understanding, for an aggregate \$33.1 million over the next 12-24 months.** Management expects approximately 60% (or ~\$20 million) of this total to be recognized in 2026, with the balance extending into 2027 and early 2028, subject to customer acceptance milestones, delivery schedules, and funding availability. While this disclosure improves forward visibility relative to historical revenue levels, valuation durability will depend on the pace of conversion from integration-heavy deployments to recurring per-unit licensing streams.
- **Operating expenses expanded in 2025 as SWMR frontloaded R&D and public-company readiness investment ahead of anticipated commercialization.** Total operating expenses expanded to \$5.24 million in 2025 from \$1.38 million in 2024, pushing operating loss to \$(5.12) million versus \$(1.24) million in the prior period. SG&A increased substantially to \$2.67 million from \$0.37 million, driven by corporate capability buildout, external advisory spend, and public-company readiness initiatives consistent with IPO preparation. R&D rose to \$2.58 million from \$1.01 million, reflecting intensified platform development and integration activity as SWMR positions for scaled adoption. In our view, the expense trajectory is consistent with a software-centric defense technology player transitioning from incubation to growth phase and reflects the company’s focus on successful channel execution and per-unit licensing mix shift to demonstrate a credible path to profitability.

Chart 19: SWMR – Income Statement

Income Statement (\$)	2024	2025
Revenue	329,410	309,920
Cost of revenue	187,848	182,163
Gross margin	141,562	127,757
Operating expenses:		
Selling, general and administrative	368,795	2,665,004
Research and development	1,011,498	2,578,860
Total operating expenses	1,380,293	5,243,864
Loss from operations	(1,238,731)	(5,116,107)
Other income (expense):		
Change in fair value of SAFE liability	(829,700)	(3,493,431)
Other income	524	80,275
Loss before income taxes	(2,067,907)	(8,529,263)
Income tax expense	(1,735)	-
Net loss	(2,069,642)	(8,529,263)
Net loss per share of common stock, basic and diluted	(5)	(11)
Weighted-average shares of common stock outstanding, basic and diluted	410,542	777,487
Comprehensive loss:		
Foreign currency translation adjustments	(609)	(4,291)
Total comprehensive loss	(2,070,251)	(8,533,554)

Source: Exec Edge Research, Company Filings

Fundamentals & Valuation

- **Non-cash SAFE liability remeasurement materially increased reported net losses, introducing accounting volatility that is not reflective of core operating performance or cash burn.** SWMR recognized \$(3.49) million of expense related to the change in fair value of SAFE liabilities in 2025 versus \$(0.83) million in 2024, driving loss before taxes to \$(8.53) million from \$(2.07) million. Net loss totaled \$(8.53) million in 2025 compared to \$(2.07) million in 2024. Although this fair value adjustment is non-cash, it reflects the mark-to-market impact of evolving valuation assumptions and conversion mechanics embedded in historical financing agreements as the company approached public markets.
- **SWMR ended 2025 with \$9.3 million in cash and cash equivalents, reflecting a materially stronger liquidity position versus year-end 2024 (\$2.1 million), primarily supported by financing activity.** The balance sheet remains characteristic of an early-stage issuer: limited operating assets, accumulated deficits, and a capital structure shaped by venture-style instruments (including SAFEs and convertible preferred) that are expected to simplify through a stock split and preferred conversion immediately prior to IPO close. Operating cash flow was \$(4.6) million in 2025, reflecting elevated R&D investment and public-company readiness expenses ahead of anticipated commercialization.
 - Subsequent to year-end, SWMR raised an additional \$3.5 million through a Series A-1 convertible preferred issuance in January 2026, providing incremental liquidity heading into the IPO process.
 - While current capital resources alone are not expected to fund twelve months of operations absent additional financing, the planned IPO and recent capital raise are intended to extend runway through the anticipated commercialization ramp.

Chart 20: SWMR – Balance Sheet and Cash Flow

Balance Sheet (\$)	2024	2025
Assets		
Current assets:		
Cash and cash equivalents	2,081,086	9,283,566
Unbilled revenue	11,939	-
Prepaid expenses and other current assets	49,477	115,473
Total current assets	2,142,502	9,399,039
Property and equipment, net	5,401	227,908
Operating lease right-of-use asset	-	131,184
Deferred offering costs	-	471,719
Other assets	-	106,830
Total assets	2,147,903	10,336,680
Liabilities, convertible preferred stock and shareholders' deficit		
Current liabilities:		
Accounts payable	974	223,236
Accrued expenses and other current liabilities	203,605	680,782
Grant advance	47,540	189,200
Deferred revenue	-	23,272
Operating lease liability – current	-	70,703
Total current liabilities	252,119	1,187,193
Operating lease liability – non-current	-	76,273
SAFE liability, fair value	3,965,000	-
Total liabilities	4,217,119	1,263,466
Convertible preferred stock		
Series A preferred stock	-	19,013,673
Commitments and contingencies		
Shareholders' deficit		
Common stock	3	5
Additional paid-in capital	1,210	663,519
Accumulated other comprehensive loss	(609)	(4,900)
Accumulated deficit	(2,069,820)	(10,599,083)
Total shareholders' deficit	(2,069,216)	(9,940,459)
Total liabilities, convertible preferred stock and shareholders' deficit	2,147,903	10,336,680
Cash Flow (\$)	2024	2025
Net loss	(2,069,642)	(8,529,263)
Net cash used in operating activities	(1,046,126)	(4,622,351)
Cash used in investing activities	(8,956)	(246,993)
Cash provided by financing activities	3,011,513	12,078,091
Net increase in cash and cash equivalents	1,956,264	7,202,480
Cash and cash equivalents at the beginning of the period	124,822	2,081,086
Cash and cash equivalents at the end of the period	2,081,086	9,283,566

Source: Exec Edge Research, Company Filings

Commercial Inflection and Sector Tailwinds Support Valuation Re-Rating

- **The following valuation analysis is presented for illustrative purposes only and does not constitute a recommendation, investment advice, solicitation, or a price target with respect to Swarmer, Inc. (proposed ticker: SWMR) or its contemplated initial public offering.** The analysis is based on publicly available information and company disclosures and reflects a valuation framework rather than a definitive assessment of fair value. Any implied upside or downside referenced herein is not intended as a prediction of future share price performance or IPO pricing outcomes.
- **IPO timing appears constructive from both sector and company lenses.** We view SWMR's IPO timing as supported by both macro-sector dynamics and company-specific inflection.
 - **On the sector side**, defense equities have materially outperformed broader markets, reflecting a structural re-rating of defense technology assets. The iShares U.S. Aerospace & Defense ETF has returned ~137% over the past five years and ~52% over the past year (as of 2/13/26), underscoring sustained capital market appetite for defense-exposed growth vehicles. As defense procurement shifts toward modular, upgradeable architectures, we expect incremental value creation to accrue disproportionately to autonomy and software coordination platforms rather than hardware-centric systems. In this context, SWMR offers public-market exposure to what many view as the next-generation drone and swarm autonomy supercycle, with leverage to expanding unmanned fleet volumes rather than single-platform hardware cycles. For investors seeking differentiated exposure to autonomy software rather than hardware manufacturing, the IPO may provide exposure to a structurally expanding segment.
 - **On the company side**, SWMR is approaching its first meaningful revenue inflection. The company discloses ~\$33.1 million of aggregate pipeline across executed contracts and memoranda of understanding, with management expecting approximately ~60% (~\$20 million) to be recognized in 2026, subject to customer acceptance milestones, delivery schedules, and funding availability. This transition from sub-\$1 million historical revenue to projected eight-figure topline materially alters the valuation framework and moves the company from proof-of-concept toward early commercialization.
 - The combination of sector momentum and company-level revenue inflection suggests a constructive public-market backdrop relative to earlier-stage venture financing conditions.
- **Peer benchmarking supports valuation re-rating potential.** Given SWMR's early-stage profile and absence of steady-state earnings, traditional profitability-based valuation frameworks are not applicable. Accordingly, we frame valuation using forward EV/Sales multiples anchored to 2026 revenue, the earliest period where commercial scale may become visible.
 - **Applying a peer-group average 2026 EV/Sales multiple of 10.1x to the company's ~\$20 million projected 2026 revenue implies an enterprise value of approximately ~\$202 million.** This framework is directionally supported by: 1) the structural migration of value from hardware to autonomy and control software, 2) SWMR's asset light business model, 3) a licensing-led revenue model capable of scaling with OEM shipment growth, 4) combat-linked operational validation that may differentiate SWMR within the autonomy segment, and 5) relative scarcity as one of the limited public vehicles offering relatively pure-play exposure to swarm autonomy software. We note that within the peer group, Ondas (ONDS) trades at a 21.2x sales multiple, reflecting investor appetite for high-growth autonomy platforms with differentiated positioning.
 - **Emerging autonomy IPO candidates point to an even higher valuation range.** Recent developments within the autonomy and drone ecosystem also provide quantitative context for valuation frameworks applied to scalable autonomy platforms approaching public markets. For example, Quantum Systems – which has reportedly engaged advisors in preparation for a potential 2027 IPO, per a February 2026 news report by DroneXL – has been referenced at valuations exceeding €3 billion alongside revenue expectations in the approximate €200-300 million range, implying an indicative revenue multiple range of roughly ~10-15x. **Applying this range illustratively to Swarmer's projected ~\$20 million 2026 revenue would suggest a potential enterprise value band of approximately ~\$200-300 million.** Swarmer's projected revenue inflection and licensing-led model introduce growth and operating leverage characteristics consistent with autonomy software platforms benefiting from scalable deployment dynamics, positioning the company within this broader valuation range as pipeline conversion and recurring license penetration expand.

Fundamentals & Valuation

- **For context, third-party estimates from October 2025 referenced SWMR’s private valuation in the ~\$35-70 million range.** While private round valuations are not directly comparable to public market multiples, this comparison suggests scope for valuation re-assessment as the company transitions from venture-backed development stage to publicly benchmarked revenue scaling.
- **More broadly, valuation dispersion within defense technology markets often reflects stage risk:** established operators with recurring revenue visibility trade at higher multiples, while early-commercial platforms trade at discounts reflecting execution uncertainty. As companies progress toward scaled deployment and recurring licensing penetration, multiples tend to converge toward software-oriented benchmarks.
- **Short-term and long-term value creation drivers.**
 - **Near-term value realization depends primarily on pipeline conversion and milestone execution.** If revenue is recognized broadly in line with disclosed expectations, improved visibility and growth acceleration may help support multiple stability.
 - **Long-term value creation hinges on the durability of the licensing model.** If SWMR transitions from integration-heavy deployments to recurring per-unit licensing across expanding unmanned fleets, incremental revenue could scale with unit volumes while operating leverage improves. In this framework, the current valuation reflects commercialization-stage risk, with upside tied to sustained software penetration within a structurally growing autonomy market.
 - **Management execution remains a key lever.** Leadership alignment across U.S. procurement access, global operating delivery, and public-company readiness – supported by board-level strategic oversight – may help mitigate scaling risk as the company transitions to public markets.
 - **We view the central swing factor** as the pace of recurring license attach across fleets rather than initial integrated solution revenue.

Chart 21: Peer Valuation – Publicly Listed Drone Companies

Company	Ticker	Price	Market Cap (\$Mn)	Enterprise Value (\$Mn)	Revenue (\$Mn)		EV / Sales (x)	
					2026	2027	2026	2027
AeroVironment, Inc.	AVAV	\$ 243.87	12,121.4	12,358.9	1,989.2	2,335.1	6.2	5.3
Draganfly Inc.	DPRO	\$ 6.91	160.7	108.9	21.3	44.4	5.1	2.5
Ehang Holdings	EH	\$ 11.58	832.9	744.5	129.6	213.9	5.7	3.5
Ondas Inc.	ONDS	\$ 9.31	4,185.4	3,753.0	176.9	290.3	21.2	12.9
Red Cat Holdings, Inc.	RCAT	\$ 11.37	1,357.3	1,173.2	142.7	180.9	8.2	6.5
Unusual Machines, Inc.	UMAC	\$ 11.92	439.6	359.7	25.1	46.6	14.4	7.7
Average			3,182.9	3,083.0	414.1	518.5	10.1	6.4

Source: Exec Edge Research, TIKR. Data as of 2/13 close.

Risks

- **Customer concentration:** SWMR has reported high customer concentration during its early commercialization phase, with one customer accounting for substantially all revenue in both 2024 and 2025. The company also states it is no longer conducting material business with that customer, increasing uncertainty around near-term revenue continuity and backlog conversion. This dynamic elevates execution risk across business development, integration ramp, and program conversion, particularly if new customers require longer evaluation cycles, procurement approvals, or platform-specific engineering. Concentration also increases working capital volatility if billing milestones slip or acceptance criteria change.
- **Market and adoption risk:** SWMR's growth assumptions depend on continued expansion of the broader unmanned systems market and increasing demand for multi-platform autonomy software. If industry adoption slows, procurement budgets shift, or OEMs and end-users do not broadly integrate SWMR's software across fleets, projected revenue scaling may not materialize. Delays in ecosystem standardization or preference for alternative autonomy architectures could further constrain addressable market expansion and limit long-term growth.
- **Going concern and capital sufficiency:** SWMR has incurred significant net losses and negative cash flows since inception. If current capital and expected financing are insufficient to sustain operations through its anticipated commercialization ramp, the company may face going concern uncertainties, which could materially affect its ability to continue operating, pursue growth initiatives, or execute its strategy.
- **Ukraine exposure:** SWMR discloses significant operations, employees, and contractors in Ukraine, and states that the Russia-Ukraine conflict could adversely affect its ability to operate there, including through infrastructure disruption, safety risks to personnel, telecommunications and banking interruptions, and potential relocation of team members. Because SWMR indicates a substantial portion of developers are located in Ukraine, sustained disruption could impair software delivery timelines, integration support, and customer responsiveness, raising execution risk. The conflict also creates compliance and logistical complexity for cross-border contracting, payments, and supply chain continuity.
- **Export controls:** SWMR operates in a domain subject to export control and sanctions regimes, including the U.S. Export Administration Regulations, U.S. Customs rules, and U.S. economic and trade sanctions, with similar controls in EU jurisdictions. Compliance failures can lead to penalties, fines, denial of export privileges, and reputational damage, while restrictions may limit addressable markets, delay deliveries, or require additional licensing infrastructure. These regimes can materially affect contracting velocity, partner eligibility, and program profitability across jurisdictions.
- **Regulatory shifts:** SWMR and its customers operate in a highly regulated environment, and changes in regulation could impose costs or make products less economical. In particular, regulation of small UAS for commercial use in the U.S. is described as undergoing substantial change with uncertain ultimate treatment, and defense-technology regulatory frameworks can evolve rapidly in response to geopolitical conditions. Regulatory shifts can affect operational deployment permissions, data handling requirements, cybersecurity obligations, and procurement rules that determine which vendors can participate. For SWMR, evolving regulation can also influence product design choices (e.g., security architecture, auditability, and integration interfaces), potentially increasing development cost or elongating sales cycles.
- **Cybersecurity risk:** SWMR discloses exposure to cybersecurity threats, including unauthorized access, denial of service, and attempts to hold data or systems for ransom, and notes that vulnerabilities can arise from internal control failures or third-party access points. A successful breach could impair SWMR's ability to deliver software, compromise sensitive customer or mission-related data, and trigger contractual liability, regulatory scrutiny, or loss of customer trust, especially given the defense end-market's security expectations. Even absent a major incident, SWMR may need to increase spending on security controls, monitoring, and incident response capabilities, which can pressure margins and divert resources from product development.

Disclaimer

By using Exec Edge, Exec Edge Research, Executives-Edge.com or any subdomain or premium service offered by Capital Markets Media LLC (collectively, "Exec Edge"), hereafter referred to as "Services", you acknowledge that (i) any and all Services provided are for informational purposes only and do not constitute a recommendation for any particular stock, company, investment, commodity, security, transaction, or any other method of trading featured in any place on Exec Edge (ii) Exec Edge does not guarantee the accuracy, completeness, or timeliness of the Services provided (iii) views offered by any Services, outside contributors, columnists, partners and employees are not specifically endorsed by Exec Edge, nor does Exec Edge hold any responsibility or liability for any actions, negative or otherwise, taken by you either directly or indirectly as a result of participating in any Services offered.

Exec Edge, its employees, partners, and any other representatives will not, either directly or indirectly, be held liable, accountable, or responsible, in any capacity, to you or to any other person for any (i) errors, inaccuracies, or omissions from the Services including, but not limited to, quotes, rumors, chatter, financial data, and reports; (ii) interruptions, delays, or errors in delivery or transmission of the Services, (iii) damages or losses arising there from or occasioned because of, or by any reason of nonperformance.

Exec Edge makes its best efforts to carefully research and compile all information available. In doing so, the published content may include mentions of rumors, chatter, or unconfirmed information, which may or may not be provided to Exec Edge for the purpose of being included on the Site. Nothing include on the Site, including statements on returns, share price gains, capital gains, or other forecast(s) shall be read as financial advice nor shall any of the foregoing be relied upon in making financial or investment decisions. Readers should beware that while unconfirmed information may be correlated with increased volatility in securities, price movements based on unofficial information may change quickly based on increased speculation, clarification, or release of official news. Any information on the Site may be outdated at the time of posting or of your review of same.

Please be advised that foreign currency, stock, and option trading involves substantial risk of monetary loss. Neither Exec Edge nor its staff recommends that you buy, sell, or hold any security and nothing on the Site shall be considered to be investment advice. Exec Edge does not offer investment advice, personalized or otherwise. All information contained on this website is provided as general commentary for informative and entertainment purposes, and does not constitute investment advice. No guarantee can be given for the accuracy, completeness, or timeliness of any information available on the Site.

Liability

Exec Edge reserves the right, at any time, and without notice to You, to change (i) any terms and services listed under Exec Edge's Terms of Service (ii) any portions of the Services, including but not limited to the discontinuation or elimination of any feature of the Services, including but not limited to the addition or removal of any Partner or employee content (iii) any fees or conditions established for usage of any of the Services provided by Exec Edge. Any changes to Exec Edge's Terms of Service or Services will be effective immediately following the posting of any modification to our Services and Terms of Service.

Exec Edge will not accept liability for any loss or damage, including without limitation to, any loss of profit, which may arise directly or indirectly from use of or reliance on this information, whether specifically stated in the above Terms of Service or otherwise. Exec Edge recommends that you conduct your own due diligence and consult a certified financial professional for personalized advice about your financial situation. Exec Edge, its data providers, the financial exchanges and each of their affiliates (i) expressly disclaim the accuracy, adequacy, or completeness of any data on the Site; and (ii) shall not be liable for any errors, omissions or other defects in, delays or interruptions in such data; or (iii) for any actions taken in reliance thereon. Neither Exec Edge nor any of its information providers will be liable for any damages relating to your use of the information provided herein, including but not limited to financial loss.

Material from Exec Edge may not be published in its entirety or redistributed without the approval of Exec Edge.

Exec Edge does and seeks to do business with companies covered in research notes, including but not limited to conference sponsorships and other in-person and/or video events. Exec Edge may also earn a fee from selling data, including information pertaining to persons accessing the site or research on specific companies. Such endeavors may

Disclaimer

lead to additional revenue sources available to Exec Edge, including, but not limited to publications available on the Site as a result of paid-for research.

Analyst Certification

All of the views expressed in this report accurately reflect the personal views of the responsible analyst(s) about any and all of the subject securities or issuers. No part of the compensation of the responsible analyst(s) is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the responsible analyst(s) in any report.

Data

Exec Edge, its data providers, the financial exchanges and each of their affiliates (A) expressly disclaim the accuracy, adequacy, or completeness of any data and (B) shall not be liable for any errors, omissions or other defects in, delays or interruptions in such data, or for any actions taken in reliance thereon. Neither Exec Edge nor any of its information providers will be liable for any damages relating to your use of the information provided herein. Either Exec Edge or its third party data or content providers have exclusive proprietary rights in the Site, the data generated by the Site, and information provided by You through your access and use of the Site. By using the Site, You agree that your information may be provided and/or sold to third parties. You agree not to copy, modify, reformat, download, store, reproduce, reprocess, transmit or redistribute any data or information found herein or use any such data or information in a commercial enterprise without obtaining prior written consent. All data and information is provided as is.