

# The State of Defence Tech 2025

29th September 2025

Image Credit: Orqa FPV | [www.orqafpv.com](http://www.orqafpv.com)



# Definitions

## Defence, Security, and Resilience (DSR)

Companies that enhance military capability, protect critical infrastructure, and strengthen societies to withstand and recover from crises. Developed together with NATO Innovation Fund (NIF).



## Defence First

Core company focus are technologies applied for military use.



## Defence Applications

Companies working on different segments, one of the main one being defence.



# 1 Defense Tech in 2025

2 Investor ecosystem

3 Talent analysis

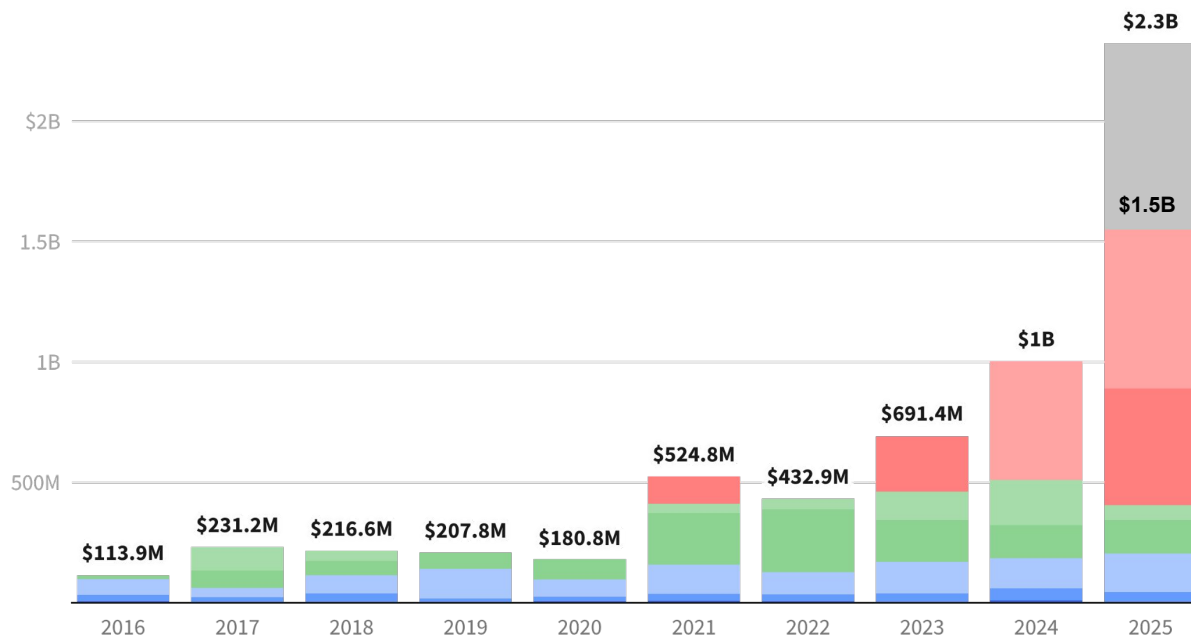
## Defence VC funding in Europe has already reached \$1.5B in 2025, the most active year ever

Mega rounds, including the \$600M funding by Helsing, made up over three quarters of the funding this year

### Venture Capital investment in European defence and defence application tech startups

[» view online](#)

■ \$0–1m (pre-seed) ■ \$1–4m (seed) ■ \$4–15m (series A) ■ \$15–40m (series B) ■ \$40–100m (series C) ■ \$100–250m (mega rounds) ■ \$250+ (mega+) ■ Projected



Source: Dealroom.co.

\*Projected value by year end for VC based on VC investment up until Sep 2025

RESILIENCE  
MEDIA

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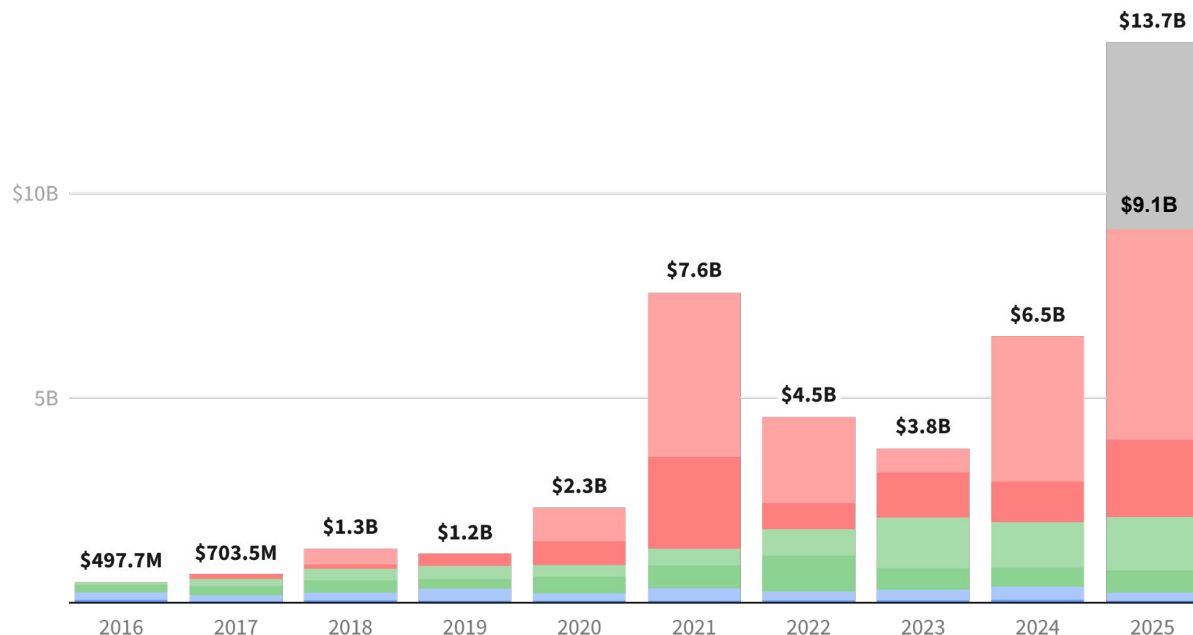
**NATO has seen huge growth with \$9.1B in VC funding raised in 2025 so far, already 1.4x more than in all of 2024**

Fuelled by large rounds by [Anduril](#), [Saronic](#) and [Applied Intuition](#)

Venture Capital investment in NATO defence and defence application tech startups

[» view online](#)

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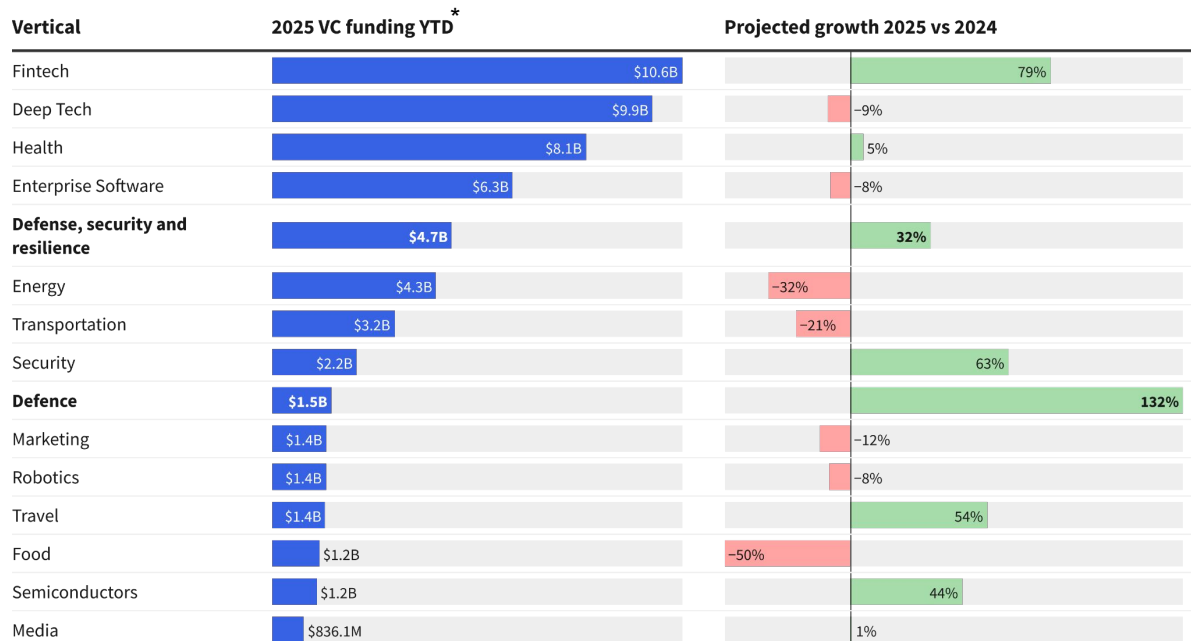
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## Defence is growing much faster than any other VC sector in Europe

It is projected to be the fastest growing segment in terms of European VC funding in the last year

Comparison of VC funding by selected sectors in Europe

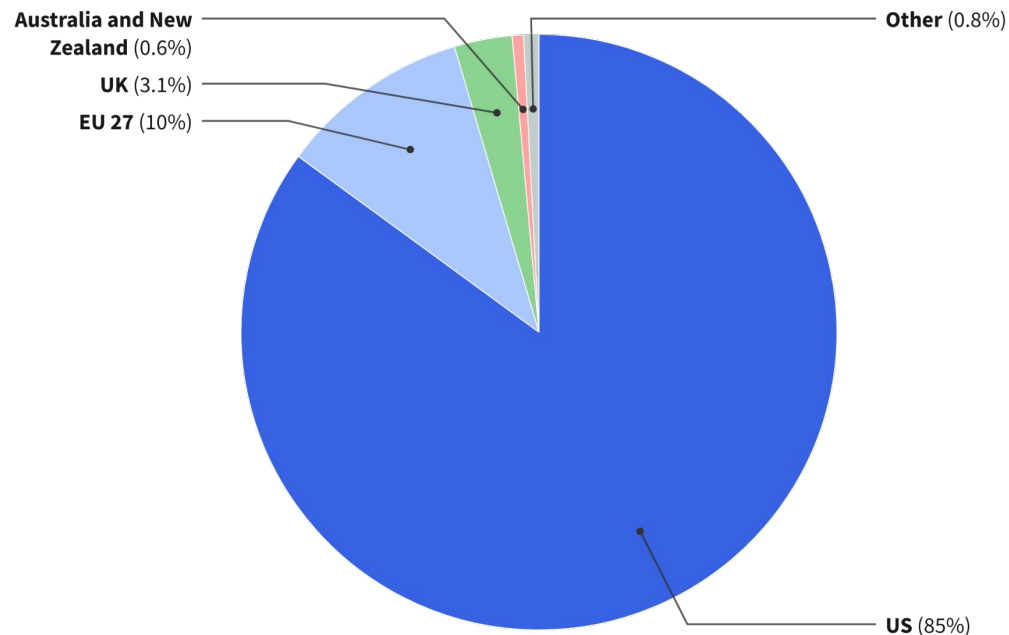


Source: Dealroom.co

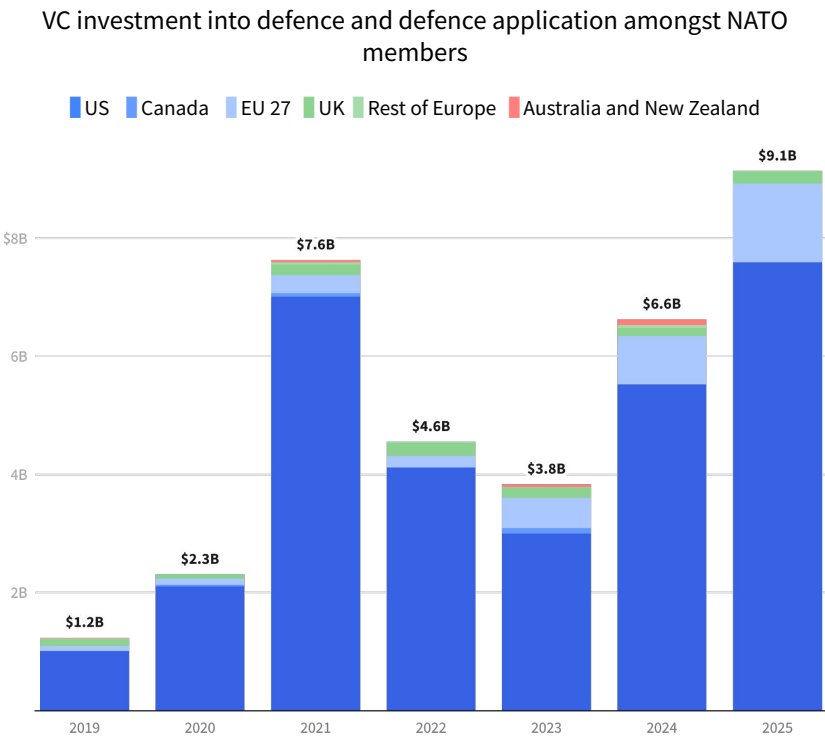
\*YTD: Start of 2025 up until data cut off point of Sep 2025. Growth rates are based on the sector projected values for the end of 2025 based on the VC numbers as of Sep 2025

**The US makes up 85% of defence tech VC funding among NATO allies since 2019, followed by EU27 with 10%**

VC funding amongst NATO countries in defence and defence application startups since 2019



# The US is still dominating defence funding in 2025, but EU 27 has grown notably in the last three years



Top defence and defence application rounds amongst NATO members in 2025 » [View online](#)

| Company                                                                                               | Amount | Round    | Date     | Country       |
|-------------------------------------------------------------------------------------------------------|--------|----------|----------|---------------|
|  ANDURIL           | \$2.5B | Series G | Jun 2025 | United States |
|  Helsing           | \$600m | Series D | Jun 2025 | Germany       |
|  Applied Intuition | \$600m | Series C | Feb 2025 | United States |
|  CHAOS             | \$600m | Series F | Jun 2025 | United States |
|  HADRIAN           | \$275m | Series C | Apr 2025 | United States |
|  EPIRUS            | \$260m | Series C | Jul 2025 | United States |

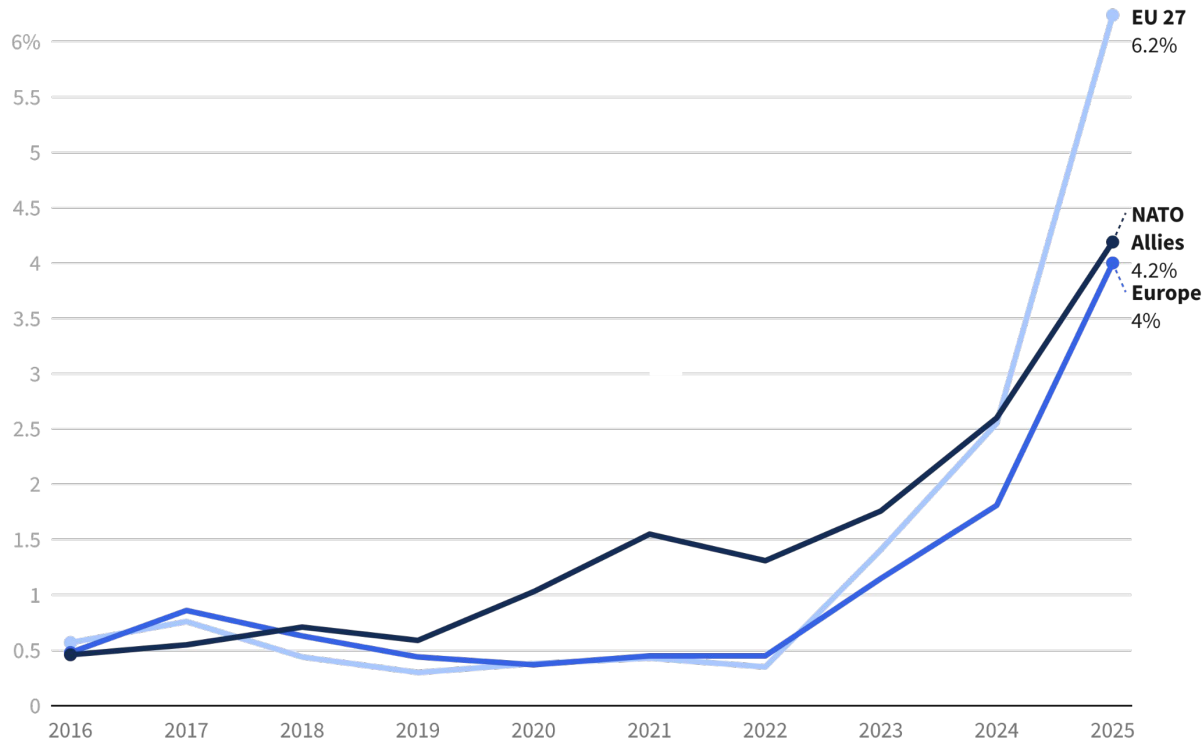
## Defence Tech has grown to attract 4% of total European VC funding, up from 0.5-1% till 2020

Among all NATO allied countries Defence Tech is now making up 4.2% of all VC funding.

EU 27 reached an even higher 6.2% in 2025.

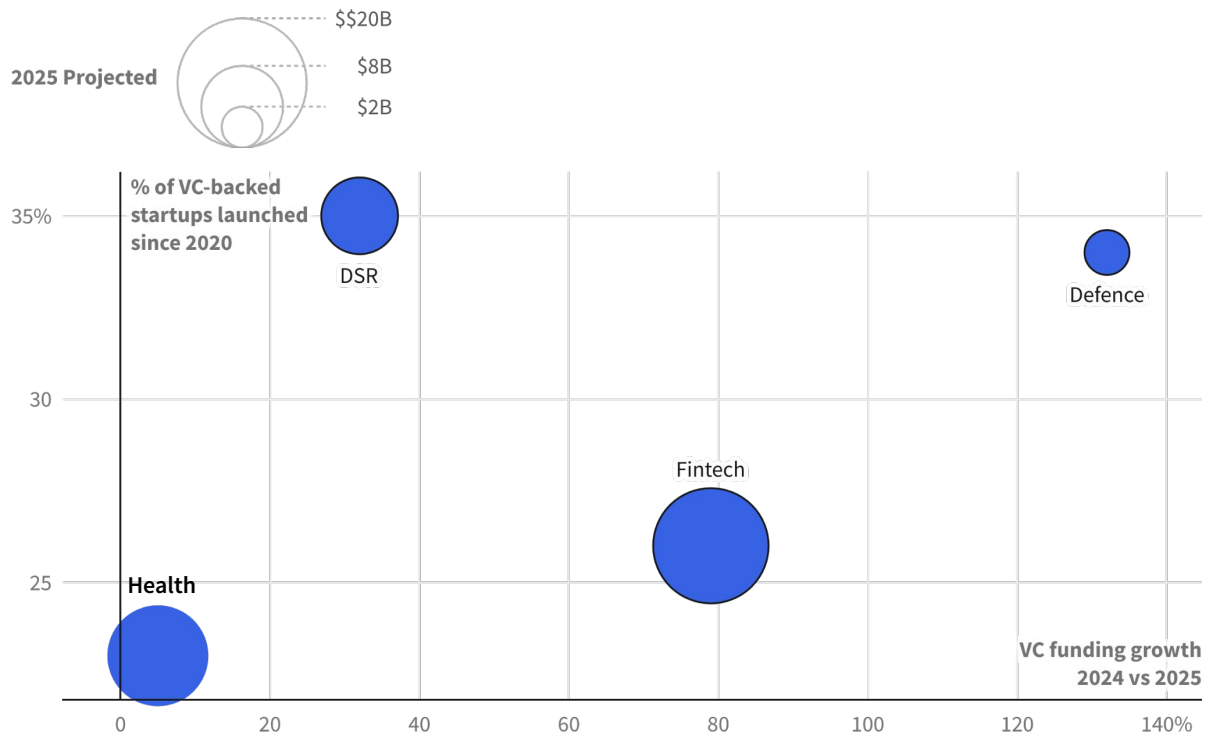
Defence expenditure in the EU is expected 2.1% of the GDP in 2025 according to EDA, crossing for the first time the historical 2% NATO target but still falling short of the new revised 3.5% target.\*

Share of European and NATO Allies VC funding going to Defence tech



**Defence Tech is still a relatively new sector in venture capital, with an emerging cohort of companies experiencing strong VC funding growth**

Distribution of VC funding in Defence, Security, and Resilience segments in Europe



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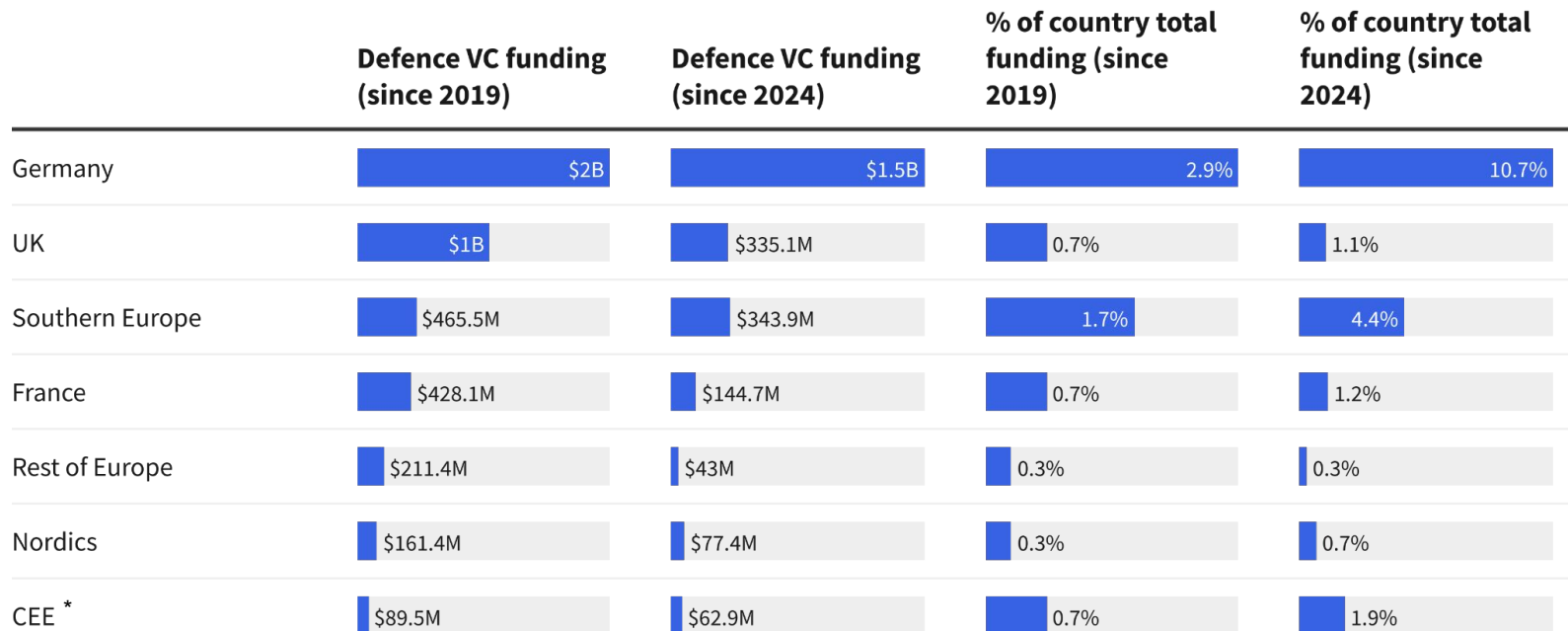
Source: Defence, Security, and Resilience (DSR) refer to deep tech solutions that enhance military capability, protect critical infrastructure, and strengthen societies to withstand and recover from crises. Developed together with NIF

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# Germany is dominating defence tech funding, both in absolute terms and as a % of overall VC funding

Defence VC funding in Europe by region



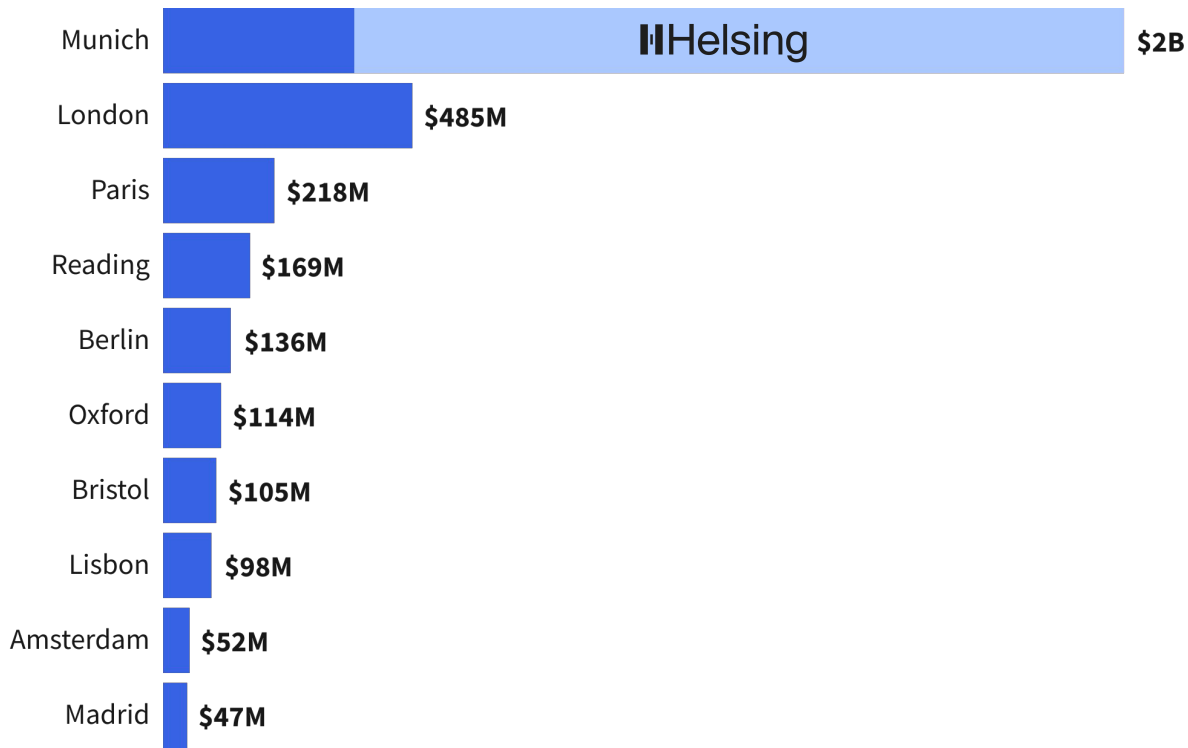
# Munich has attracted the most VC funding in defence startups in Europe driven by Helsing

London and Paris follow.

Four of the top ten hubs are in the UK showing a distributed Defence Tech scene in the country.

Southern Europe hubs like Lisbon (e.g. Tekever) and Madrid make it in the top 10.

Top European cities for VC investment in Defence since 2019 » [view online](#)



**AI x Defence is the most funded segment in European defence, driven by Helsing**

**Robotics & autonomous systems attracted by far the largest number of rounds, with many smaller players and consolidation coming.**

Key Defence Tech segments in Europe\*

| Broader segment                                   | Amount 2025 | Amount since 2019 | # rounds 2025 | # rounds since 2019 |
|---------------------------------------------------|-------------|-------------------|---------------|---------------------|
| AI x defence                                      | \$929M      | \$2.1B            | 12            | 84                  |
| Robotics & autonomous systems                     | \$344M      | \$766.2M          | 30            | 138                 |
| Weapons/defence systems                           | \$107M      | \$109.8M          | 3             | 7                   |
| Command and control - C4ISR                       | \$49M       | \$427.1M          | 12            | 89                  |
| Training and Simulation                           | \$33M       | \$55.1M           | 7             | 16                  |
| Advanced Sensing Technology                       | \$26M       | \$98.3M           | 7             | 36                  |
| Cybersecurity and critical digital infrastructure | \$12M       | \$169.8M          | 5             | 45                  |
| Hypersonic                                        | \$12M       | \$72.6M           | 2             | 12                  |

Dealroom.co

Source

\* Selected segments. Some segments in manufacturing and space are not shown. Tekever (UAVs maker) raised an undisclosed funding rounds "in the tens of millions of USD from existing investors" in 2025. The exact round amount was not disclosed and it's not included here.

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## UAVs have dominated investment activity in robotics & autonomous systems

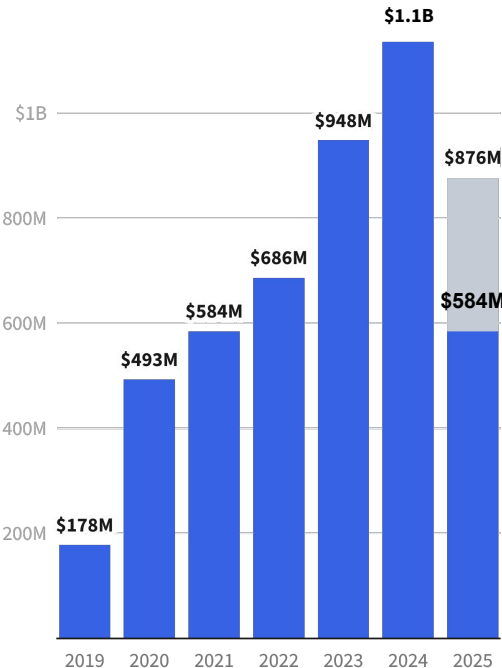
Key Robotics & autonomous systems segments in European defence tech

| Autonomy segment                | Amount 2025 | Amount since 2019 | # rounds 2025 | # rounds since 2019 |
|---------------------------------|-------------|-------------------|---------------|---------------------|
| UAVs *                          | \$267M      | \$603.7M          | 20            | 96                  |
| UGVs                            | \$64M       | \$93.4M           | 6             | 15                  |
| Naval and Maritime Technologies | \$19M       | \$64.6M           | 2             | 19                  |
| Anti-drone                      | \$13M       | \$30.2M           | 4             | 14                  |

# Key dual-use sectors like Space, Quantum and Semiconductors have also seen investment ramp up recently in Europe

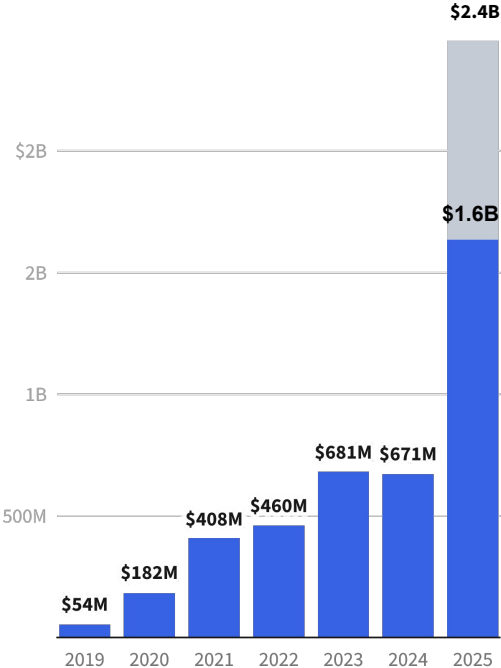
## Space\*

VC investment (■ '25 projected)



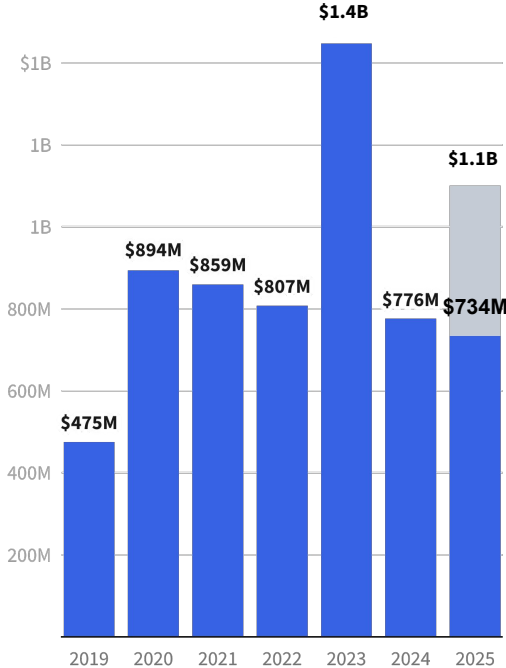
## Quantum

VC investment (■ '25 projected)



## Semiconductors

VC investment (■ '25 projected)





# The European Quantum scene has grown massively with over 160 VC-backed startups and funding activity already surpassing \$1.6B in 2025

**160+ VC-backed Quantum startups** HQ-ed in Europe in segments such as quantum computers & processor, quantum computing software, quantum cryptography and communications, and quantum sensing.

## Selected companies



Planq



IQM



Alice & Bob



Quandela



Sparrow Quantum

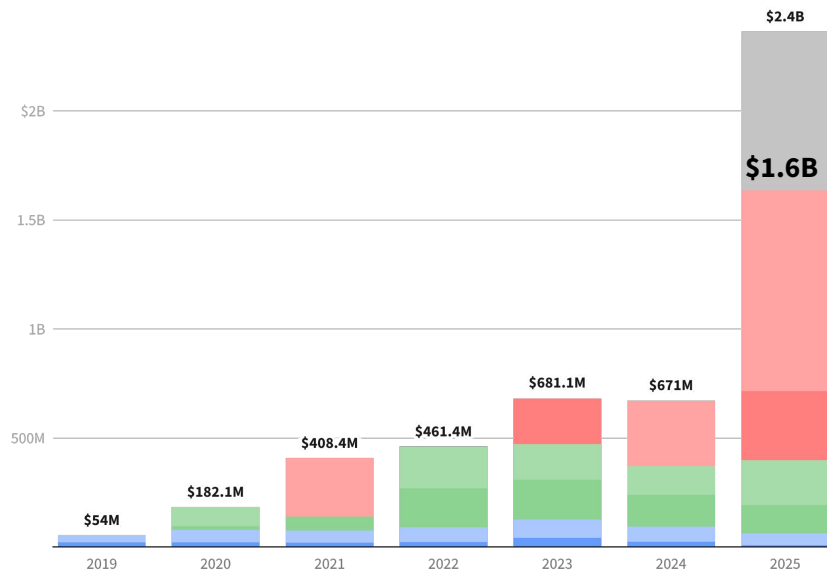


Quantinuum

VC investment and number of rounds in Europe's Quantum startups

[» view online](#)

■ \$0-1m (pre-seed) ■ \$1-4m (seed) ■ \$4-15m (series A) ■ \$15-40m (series B) ■ \$40-100m (series C) ■ \$100-250m (mega rounds) ■ \$250m+ (mega+) ■ Projection



Source: Dealroom.co; Selection criteria: top funded, raised since 2019, founded after 2016, not closed or acquired.

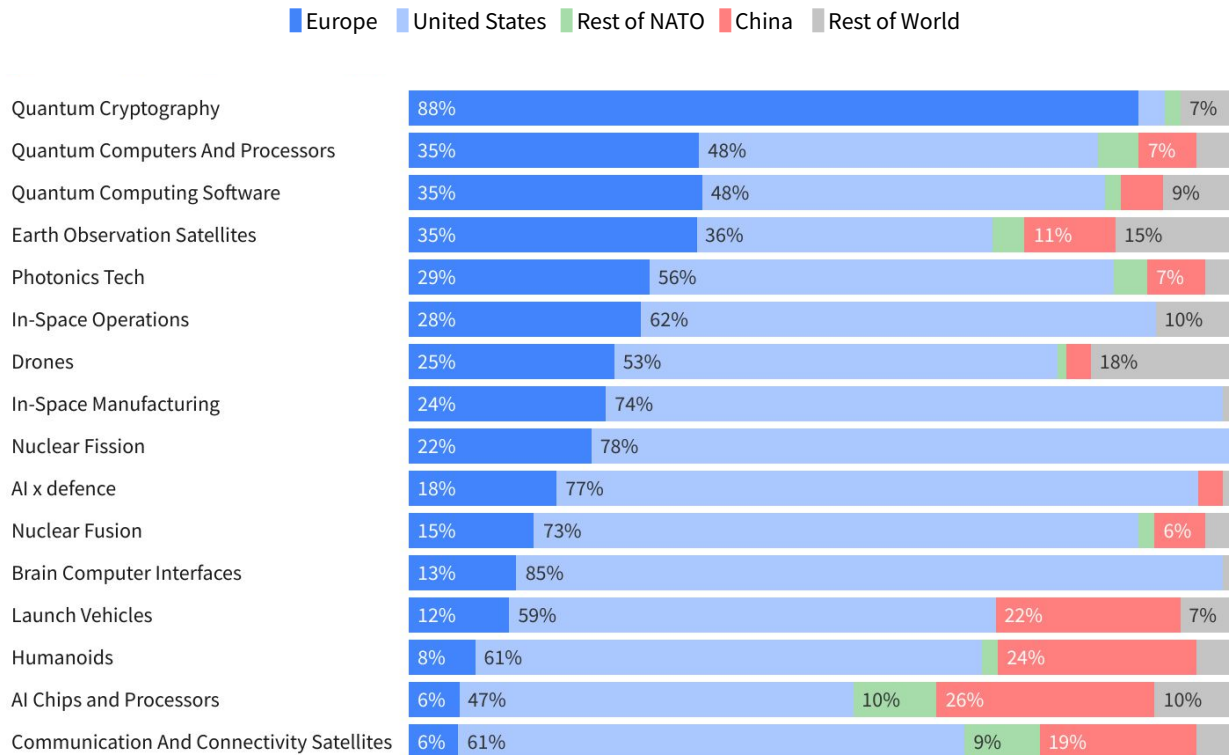
\*Number of unique investors is average between 2024 and 2025. VC investment and number of rounds projected as of September 2025.

# Europe is very strong in Quantum cryptography and computing

It also fares well in Photonics, Space (EO satellites, In-Space operations & Manufacturing), and drones.

Simultaneously, the region trails far behind global leaders in AI chips and processors, Launch vehicles, Humanoids and Communication and connectivity satellites.

VC funding by destination in key Defence, Security, and Resilience segments (2022-2025)



Source: Dealroom.co  
2025 data as of 1st Sept 2025

**Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance - C4ISR**  
Combined funding \$ 308M

- SensusQ, Adarga, Inex Mic...
- Revobe..., AVOptics, SECQAI
- QuadSAT, Siren, Living O...
- Disrupti..., Matrix.org, Labrys
- Element, Silicon..., SCALINX
- Himera, Watch B..., KNL Net...
- Rcam, RFence, Focal P...
- Evitado..., Ajax Sys..., Deniable

**Weapons/Defence Systems**  
Combined funding \$ 42M

- Milrem..., MyDefe..., Aktyus...
- Gwagenn, MirSense, SINTER...
- Anybod..., Zvook, Ysab D...
- Operati..., Accurision, FT Franken...

**UAVs and UGVs**  
Combined funding \$ 541M

- Delian..., Quantu..., ARX Ro...
- Elistair, Alpine E..., Arktis R...
- KodWo..., Unswa..., Zapher...
- DroneTag, TEKEVER, Shark R...
- CSMA, Unswa..., Unswa...

**Supersonic/ hypersonic planes and propulsion systems**  
Combined funding \$ 81M

- Destinus, AERALIS, Hypers...
- Axter, Magdrive, SYLPHA...

**Quantum computing, cryptography and sensing**  
Combined funding \$ 436M

- Terra Q..., Quandela, Nu Qua...
- KETS Q..., QuSide, Quantu...
- Crypto..., Qubitrium, levelQu...
- g2-Zero, Ephos, AegIQ
- Q-Bird, IQM, eleQtron
- Qubalt, Quantu...

**Cybersecurity and critical digital infrastructure**  
Combined funding \$ 198M

- Counter..., Goldilock, Anzen
- 42Crunch, EclectIQ, ByaGen
- Lab 1, Arqit, 3PK
- Januus, Runecast, CyNation
- DataFlo..., Delivius, Osaval
- Modrium, Sensity

**Strategic semiconductors**

**Defence and Dual-use  
tech startups in  
Europe**

**Freedom of operations and mobility (Defence)**  
Combined funding \$ 1.5B

- STARK, ARX Ro..., Origin
- Nordic..., KrattWo..., Openw...
- Shark R..., Unman..., Buntar...
- Destinus, Polaris..., Hypers...
- Dark, Pulsar F..., Rmachine
- AERALIS, Accurision, Airvolve
- Isar Aer..., The Exp..., D-Orbit
- Orbex S..., Latitude, Kurs Or...
- Granta..., PLD Sp..., Rocket...
- Skyrora, Milrem..., Lodesta...
- ATMOS..., ClearSp..., Harmat...
- FT Franken...

**Awareness, understanding and decision making (Defence)**  
Combined funding \$ 2.7B

- Quantu..., TEKEVER, Preligens
- Aquark..., Helsing, DIODON
- Skydwe..., Marble..., Delair
- WARD..., CAFA Tech, Elistair
- RFence, Vant, Xplora Srl
- Beam, Substron, Hydron...
- Blue ML, Mares, Defeye

**Protection of critical infrastructure (Security)**  
Combined funding \$ 2.2B

- Himera, Arqit, Crypta...
- Crypto..., Knowle..., KETS Q...
- Crypto..., Terra Q..., Nu Qua...
- Microa..., Bifrost..., QphoX
- Qubitrium, Blecon, VSORA
- SandGr..., Optalysys, Opuscura
- OQ Tec..., Oxford..., SWISS...
- Qualinx, Leaf Sp..., IQM
- Oxford..., Pasqal, Alice & ...
- Kvantify, Qnami, Multive...
- Riverlane, Cambri..., QDI-Sys...
- QLM Te..., Caillabs, Ubitium
- Oriole N..., Fractile, Black S...
- Axelera AI, Vaire Co..., SiPearl
- Synthar..., Upem, QuSide
- Wsense, Kairay, Quantu...
- Quandela, C12, Quobly
- Quantu..., Qblox

**Supply chain resilience (Resilience)**  
Combined funding \$ 1.3B

- Space F..., iCOMAT, Creastr
- Space F..., iCOMAT, Creastr
- Space F..., iCOMAT, Creastr

**300+ promising Deep  
Tech DSR startups in  
Europe**

1 State of the Defence in Europe

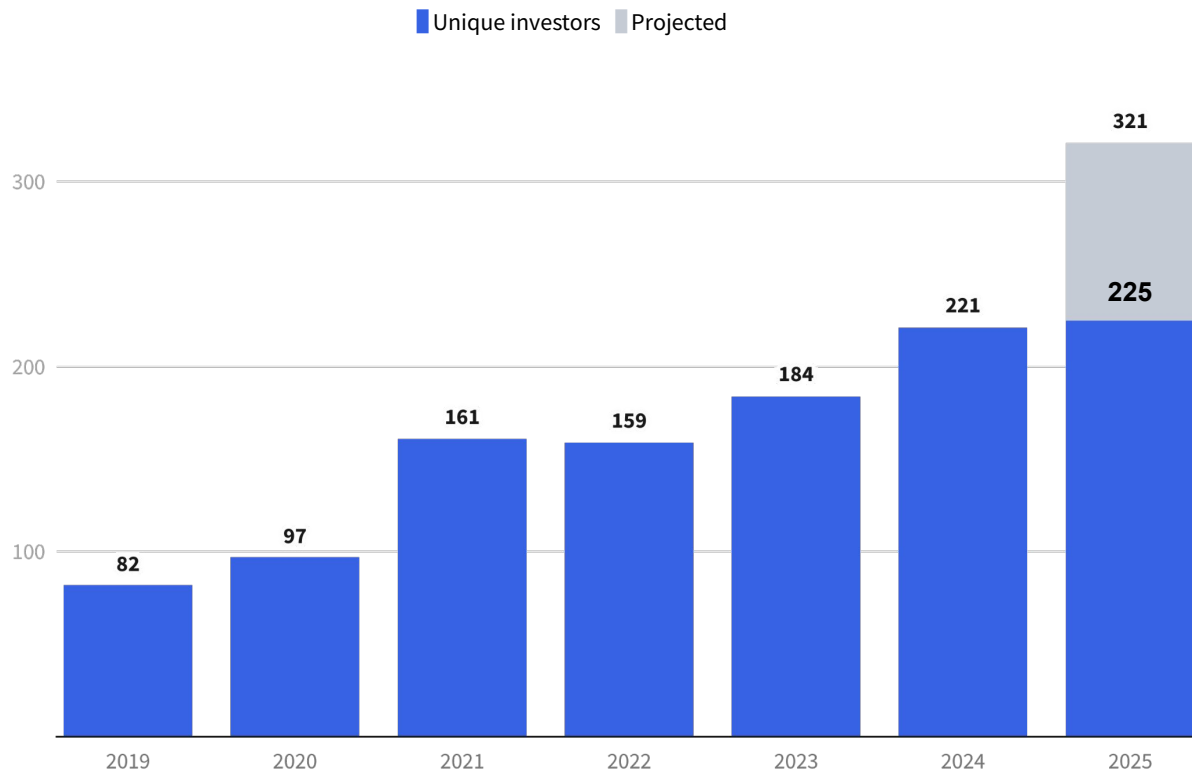
## **2 Investor ecosystem**

3 Talent analysis

## More and more investors are becoming involved in European Defence

The number of investors active in at least one defence deal is projected to increase 3.9x since 2019

Number of unique investors in European Defence by year



# Notable European Defence investors

## Defence Focused



## Space Investors



## Deep Tech investors with interest in Defence



## Generalists with interest in Defence

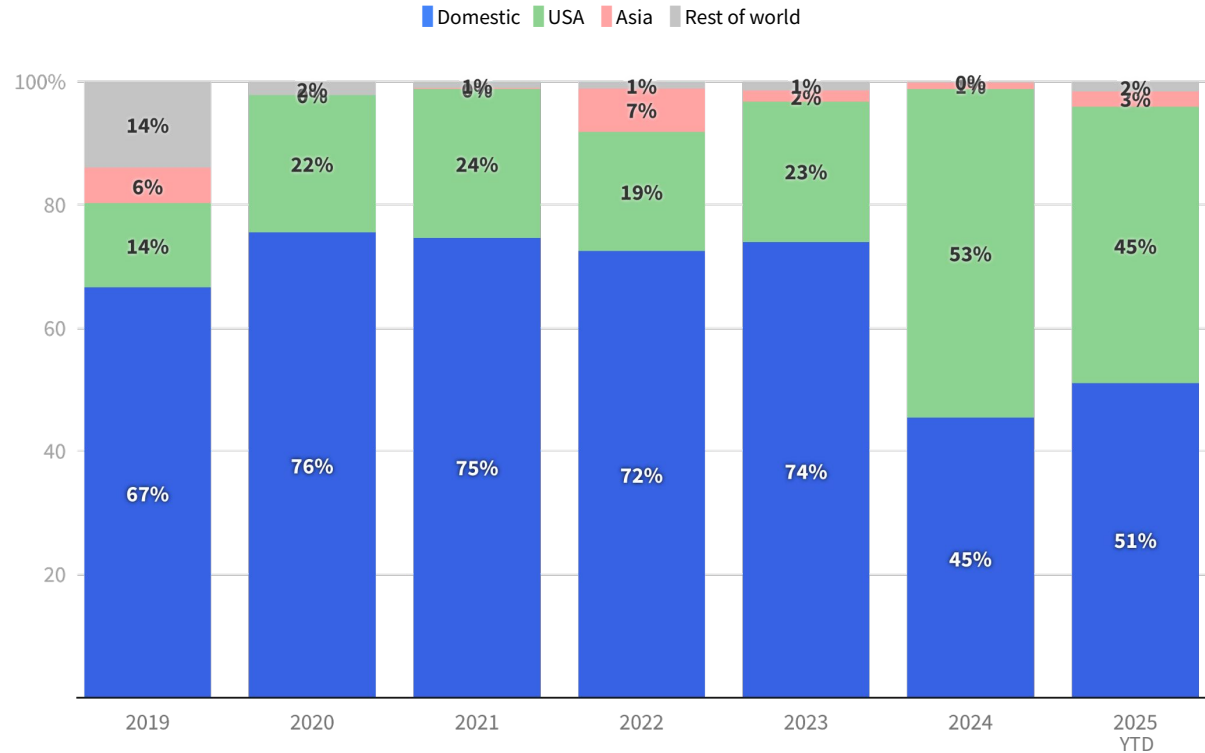


## International Investors



**US investors are driving the growing share of funding in European defence tech, now 40-50%, since the maturing sector is attracting larger rounds from overseas**

European defence tech VC funding by investor HQ » [view online](#)



# The top investors in Defence in Europe in recent years are Defence and Security focused funds

In years prior it was generalists with interest in defence who invested more in the industry

Top Investors in Europe Defence and Defence application startups since 2024

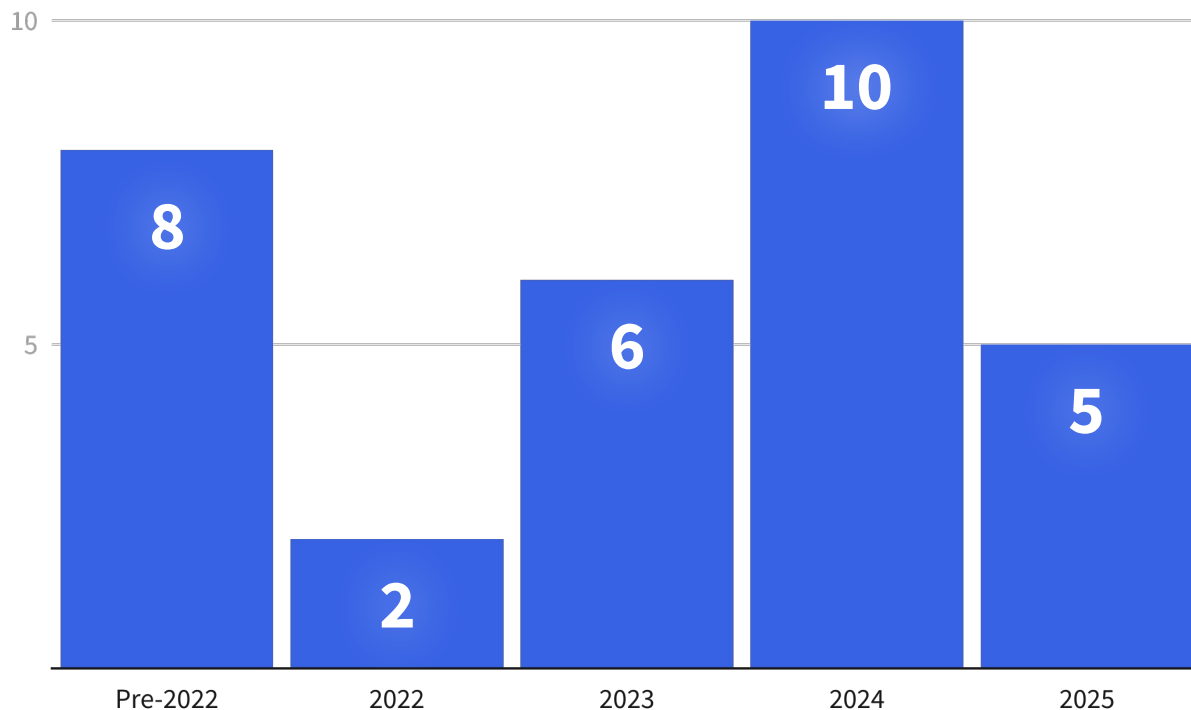
| Investor                                                                                                       | Preferred Round | Rounds since 2024 | Rounds since 2019 |
|----------------------------------------------------------------------------------------------------------------|-----------------|-------------------|-------------------|
|  NATO Innovation Fund - NIF * | SERIES A        | 9                 | 9                 |
|  Project A                    | SEED            | 8                 | 12                |
|  Expeditions Fund             | SEED            | 7                 | 8                 |
|  ScaleWolf                    | SEED            | 7                 | 7                 |
|  Omnes Capital                | SERIES A        | 4                 | 8                 |
|  HV Capital                   | SERIES A        | 4                 | 5                 |
|  Notion Capital               | SERIES A        | 4                 | 5                 |
|  Frst Capital                 | SEED            | 3                 | 5                 |
|  MD ONE Ventures              | SEED            | 3                 | 5                 |
|  Coinvest capital             | SEED            | 3                 | 4                 |

Specialists

## The last three years have seen many new dedicated Defence funds being launched

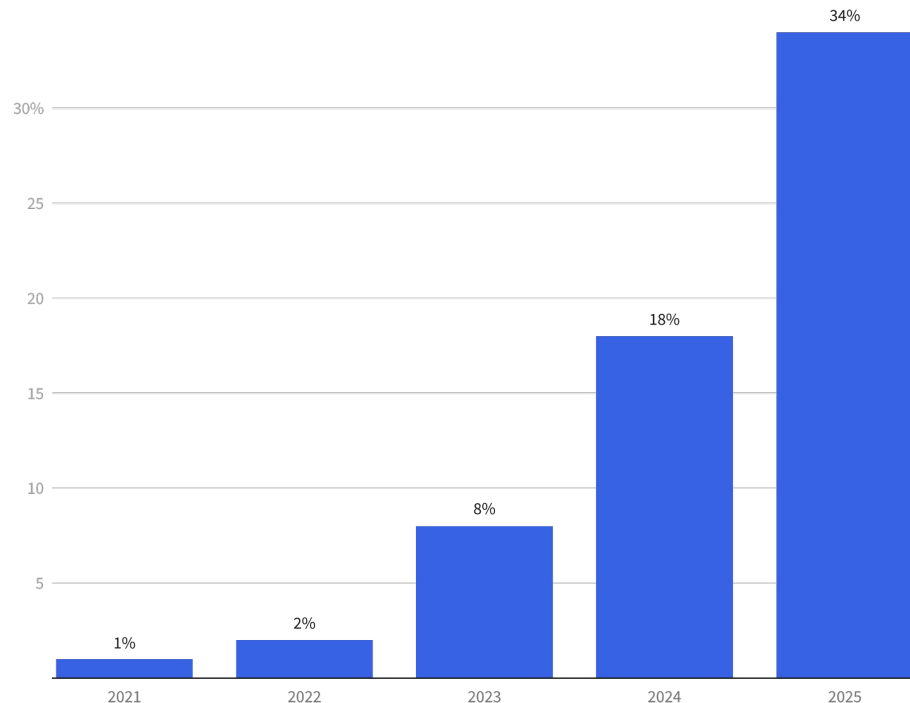
Such as ScaleWolf, Hyperion, D3 Venture, Darkstar, Green Flag Ventures, Keen Venture Partners, Double Tap investments, Pointman, Sec Fund, Defence Invest, FNX Ventures, Paralos, Archangel VC, Final Frontier...

New dedicated Defence funds by launch year in Europe



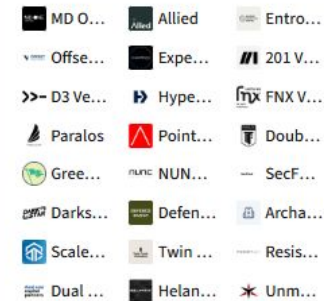
# Defence specialist funds have been part of over one third of all defence rounds in Europe in 2025, nearly double last year's share and up from nearly nothing before 2022

% of defence rounds in Europe with participation from 1 or more defence specialist investor

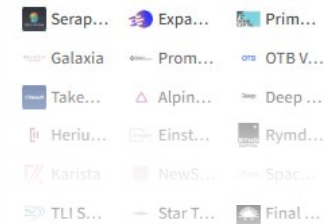


Europe defence investors list » [view online](#)

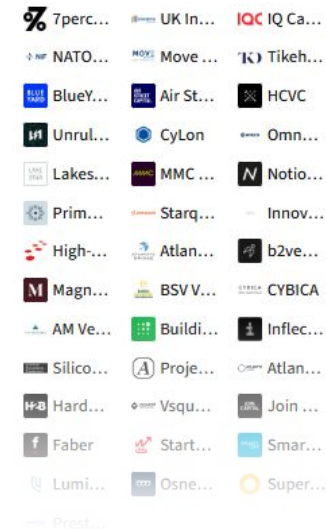
## Defence focused investors



## Space investors



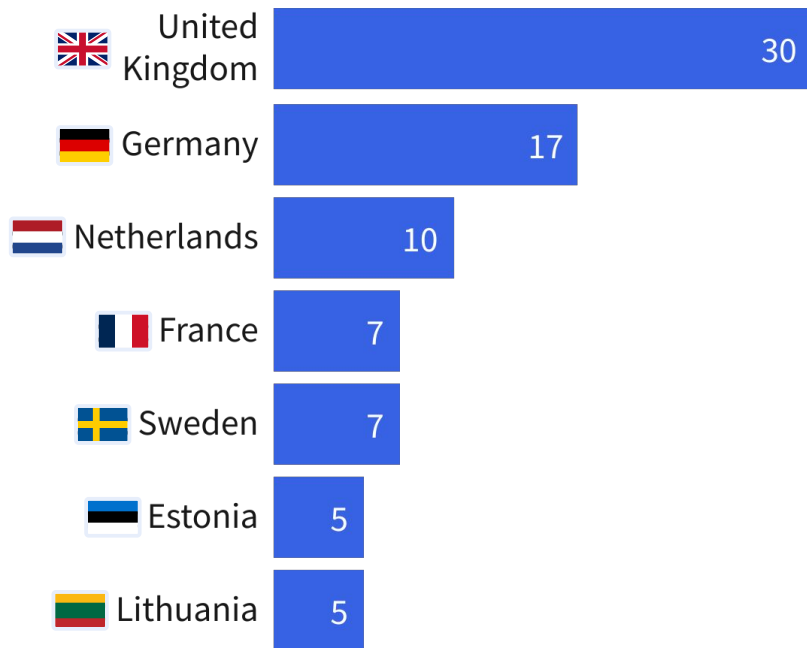
## Deep tech, B2B industrial and Cyber investors with interest/activity in defence



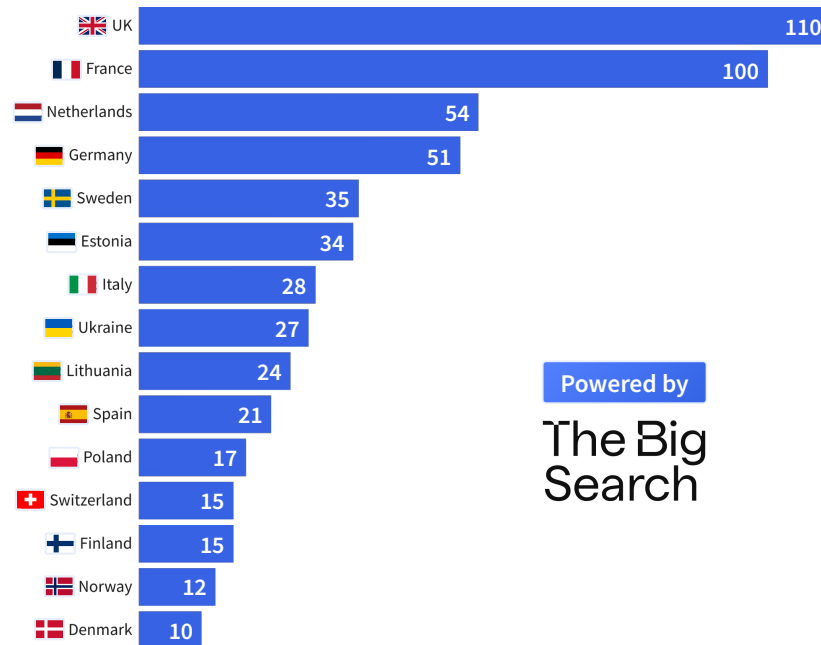
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# 14% of Defence Tech founders have military or MoD experience, mostly from the UK, Germany and NL. 22% of the founders are of Eastern European nationality

The most represented military and MoDs amongst European Defence Tech startups founders



Nationality of European Defence Tech startup founders

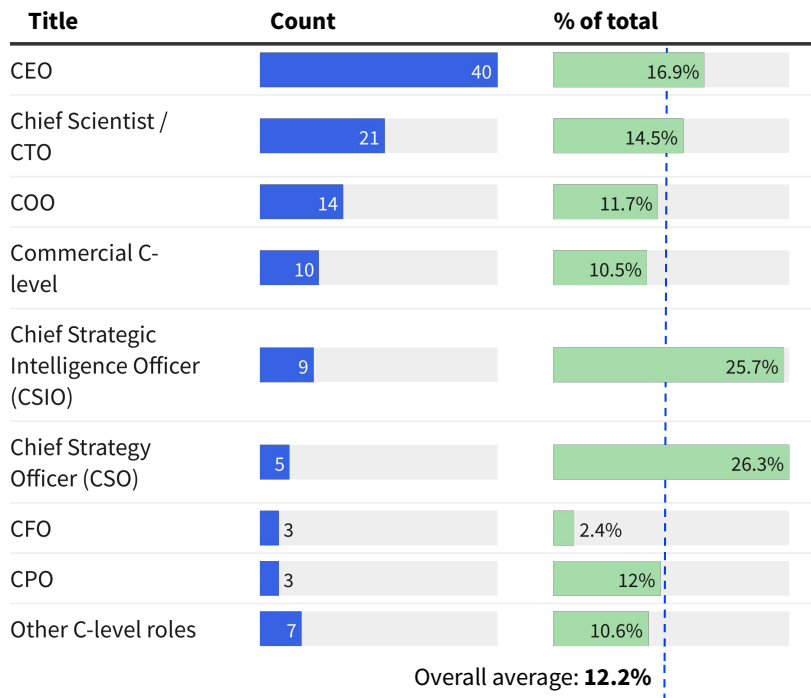


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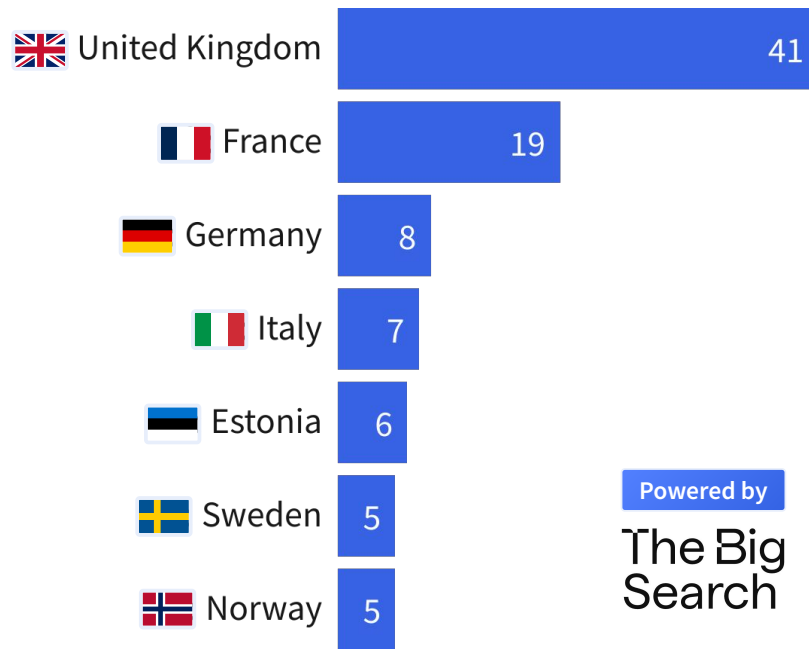
The Big Search

# Over 12% of C-level leaders in European Defence Tech startups have military or MoD backgrounds, most commonly in CSIO and CSO roles

Number and % of C-level leaders of European Defence Tech startups with a military or Ministry of Defence (MoD) background



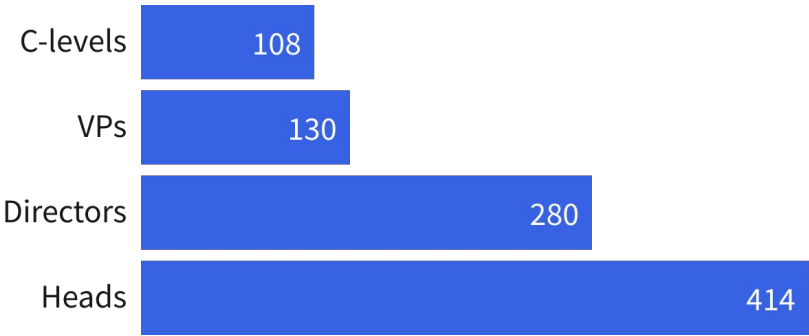
The most represented military or ministries of defence's nationalities amongst C-level leaders of European Defence tech startups



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**The Big Search**

One-third of the analyzed defence tech startups have at least one commercial leader. Nearly half of these have at least one C-level commercial leader and several directors and heads. Sales, Commercial, and Business Development is by far the leading function.

Commercial leaders of defence tech startups by role

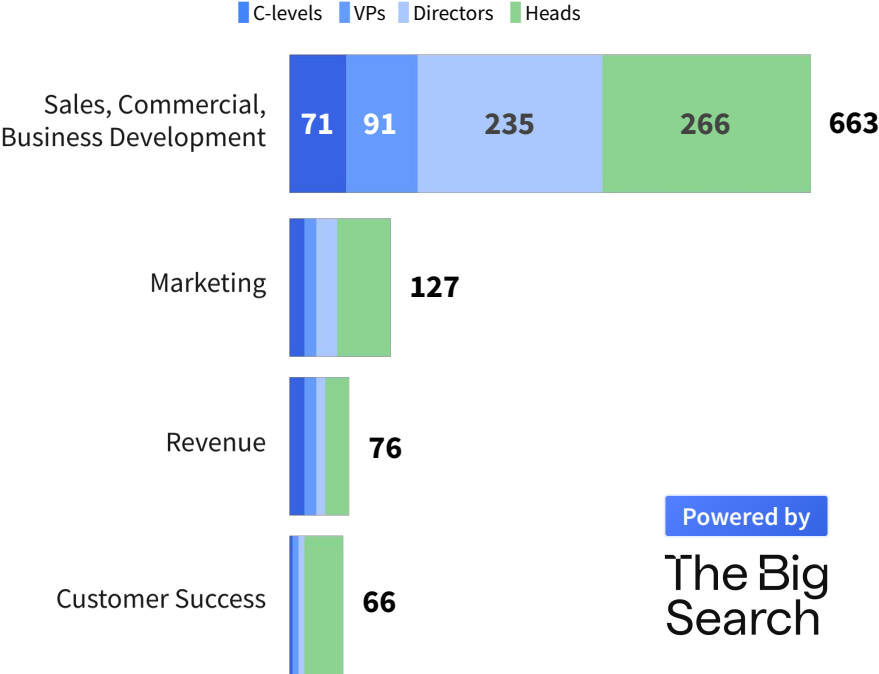


13.9%

of the commercial leaders have a **Defence/MoD** background

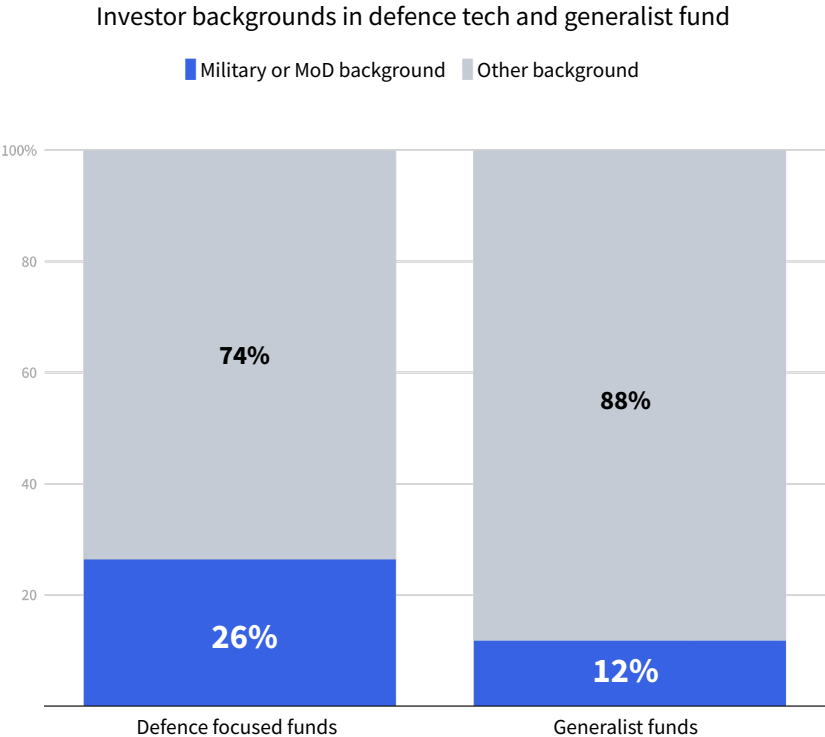
The most represented armies' and MoD's nationalities: UK (45), Germany (27), Sweden (17), Italy (12), France (9), Denmark (4), Netherlands (4), and Norway (4).

Commercial leaders of defence tech startups by function



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**The Big Search**

# Defence tech specialist funds draw heavily on military expertise, with 26% of investors having military or defence ministry experience, compared to 12% in generalist funds



Powered by The Big Search

The most represented funds are:



The most represented military or MoD's nationalities are:



# Methodology

## What is a startup?

Companies designed to grow fast. Generally, such companies are VC-investable businesses. Sometimes they can become very big (e.g. \$1B+ valuation). When startups are successful, they develop into scaleups (>50 people), grownups (>500 people) and result in big companies. Only companies founded since 1990 are included in this report.

## What is a startup?

## What is a unicorn?

Unicorns are (former) startups that reached US\$ 1B valuation or exit at one point in time.

## What is a Unicorn?

## Underlying Data

Dealroom's proprietary database and software aggregate data from multiple sources: harvesting public information, user-submitted data verified by Dealroom, data engineering. All data is verified and curated with an extensive manual process.

The data on which this report builds is available via [app.dealroom.co](https://app.dealroom.co). For more info please visit [dealroom.co](https://dealroom.co) or contact [support@dealroom.co](mailto:support@dealroom.co). Data for this report was completed by the 7th of September 2025.

## Venture Capital, Investors

Investment are referred to by their round labels such as Seed, Series A, B, C, ... late stage, and growth equity. VC investments exclude debt, non-equity funding, lending capital and grants.

## Geographical scope

This report focuses primarily on Europe-based startups and company statistics are assigned based on their main HQ location. Comparison with rest of (NATO) are also included.

## Defence definitions and scope

This report focuses primarily on companies focused exclusively or strongly on defence, while most dual-use is excluded from the statistics, unless clearly stated.

### Defence

Core company focus are technologies applied for military use.

### Defence Application

Companies working on different segments and one important application is defence.

### Defence, Security, Resilience (DSR)

Defence, Security, and Resilience refer to deep tech solutions that enhance military capability, protect critical infrastructure, and strengthen societies to withstand and recover from crises. Developed together with Nato Innovation Fund (NIF). E.g Quantum computing, AI chips and processors and photonics, nuclear energy, energy storage, grid technology, space launch vehicles, in-space manufacturing, communication infrastructure.

Discover more in the [Defence, Security, and Resilience report](#).

