Defence, Security and Resilience in Europe

The state of startups and venture capital - 2026

February 2026

NIF

Leading €1B+ fund investing in Deep Tech for Defence, Security, Resilience.

A standalone venture capital fund backed by 24 NATO allies deploying €1+ billion in deep tech. The NATO Innovation Fund empowers founders to address challenges in **Defence, Security, and Resilience**, and secure the future of the Alliance's citizens. It focuses both on direct investments in startups and fund investments.

Key focus areas

The NATO Innovation Fund invests in emerging disruptive technology areas including artificial intelligence (AI), autonomy, quantum, biotechnology, hypersonic systems, space, novel materials and manufacturing, energy and propulsion, and next-generation communications.

Direct investments

Funds supported

dealroom.co

Global startup & venture capital intelligence platform.

Dealroom.co is a global intelligence platform for discovering and tracking the most promising companies, technologies and ecosystems. Clients include many of the world's foremost organizations such as Sequoia, Accel, Index Ventures, NATO Innovation Fund, NATO Diana, European Defence Fund, ESA, McKinsey, BCG, Deloitte, Google, AWS, Microsoft, Stripe.

Dealroom partners closely with local tech ecosystem development agencies and enablers, to create a comprehensive multi-dimensional blueprint of the tech ecosystem, including capital, talent, innovation, entrepreneurship and overall economic dynamism.

Key Takeaways

Overall market trends

- **Venture Capital (VC) funding in European Deep Tech Defence, Security and Resilience (DSR) is at an all time high** reaching $8.7B in 2025.
- **Funding is up 55% from last year**, nearly 4 times higher than 5 years ago.
- **43% of all European Deep Tech VC funding went into DSR in 2025**. This represented 13% of all VC funding, up 3x in the last 3 years.
- **Late-stage mega-funding is driving this growth** by tripling from last year to $4.7B driven by mega rounds in AI & Autonomy, Quantum, Computing, and Space.
- **AI dominated the sector**, underpinning 44% of all DSR funding.
- **Early and breakout stages show mixed signals,** overall a small decline from last year's all-time-high, but strongly dependent on the challenge area.

Regional trends

- **The UK and Germany lead in DSR investing with Finland, Spain, Norway and Bulgaria on the rise.**
- **The UK attracted the most VC funding** in 2025 with $2.9B. Germany is closing the gap with $2.1B.
- **Finland notably ranked 4th by DSR funding in 2025** and lead among the Nordics with $636M raised.
- **Germany and the Netherlands have the highest share of VC funding going to DSR** in 2025 at over 15% each.
- **Central and Eastern Europe showed the fastest growth in deal velocity**, with a 2.7x increase since 2020 led by Bulgaria's EnduroSat space technology company.
- **Munich, London and Paris are the top hubs in Europe for VC funding** in DSR since 2020 with **Helsinki rising to 4th hub** for VC funding in DSR in 2025. **Sofia and Oslo both rose in prominence**, making it into the top European cities for VC investment in five years.

Revenue, exits and collaborations

- Data shows early signs that startups are accessing capital, generating revenue and fostering partnerships as the **sector's growth cements Europe's technological sovereignty**
- Increasing evidence DSR startups are building **strategic and financial partnerships with defence primes** whilst also winning public tenders
- While VC financing is predominant source of income for startups, **debt and grants are increasing.** Grant funding trends suggest they could match or exceed VC funding in the following years.
- **Mergers and acquisitions are up 4x than four years ago**, despite no public listings in 2025.

Thematic trends

- **Security of critical technologies saw strongest growth across all stages** while defence challenge areas also grew strongly at early and late stage.
- **Energy security and resilience saw negative growth across all stages**
- **AI** underpinned 44% of DSR funding in 2025, the highest share in the last 6 years.
- VC funding in the sub-area of **Awareness, Understanding and Decision Making** reached a record $1.7B in 2025, up 60% from last year fuelled by interest in drones and UAVs and satellite imaging.
- **Quantum and AI chips pushed funding in Security of critical technologies startups to reach $2.4B in 2025, more than doubling from last year.**

The European Deep Tech Defence, Security and Resilience landscape in a snapshot

$8.7B

In VC funding raised by European Defence, Security and Resilience startups in 2025.

+55%

Growth in VC funding year-over-year

…while the overall VC market grew by only 16%.
4x growth for DSR in the last five years.

13%

Share of total VC in Europe going to Defence, Security and Resilience startups in 2025.

43%

Of all European Deep Tech funding in 2025 went to Defence, Security and Resilience startups.

UK

Attracted the most funding towards the sector since 2020.

Germany and France complete the podium.

Munich

Top hub in Europe with $1.7B in VC funding in 2025.

43% was raised by Helsing. London and Cambridge follow with a combined $2.4B.

940+

Investors were active in at least one DSR deal in Europe in 2025.
Of this sample we also curated 100+ particularly notable DSR investors.

7.4x

Growth since 2020 in VC funding towards Awareness, Understanding and Decision Making with a record $1.8B in 2025.

$2.4B

VC funding in Security of critical technologies startups in 2025, driven by Quantum and AI chips.

Source Dealroom.co

This report focuses on Deep Tech for Defence, Security and Resilience, addressing six major challenges for Allied nations

Defence

Awareness, understanding and decision making

E.g. novel solutions to operating in complex environments, land and air situational awareness and threat detection

Freedom of operations and mobility

E.g. novel and autonomous capabilities on the battlefield, space sovereignty infrastructure, novel maritime autonomy.

Security

Energy security and climate change

E.g. energy storage solutions, nuclear energy, and water management.

Security of critical technologies

E.g. quantum technologies, AI and compute hardware infrastructure

Resilience

Supply chain resilience

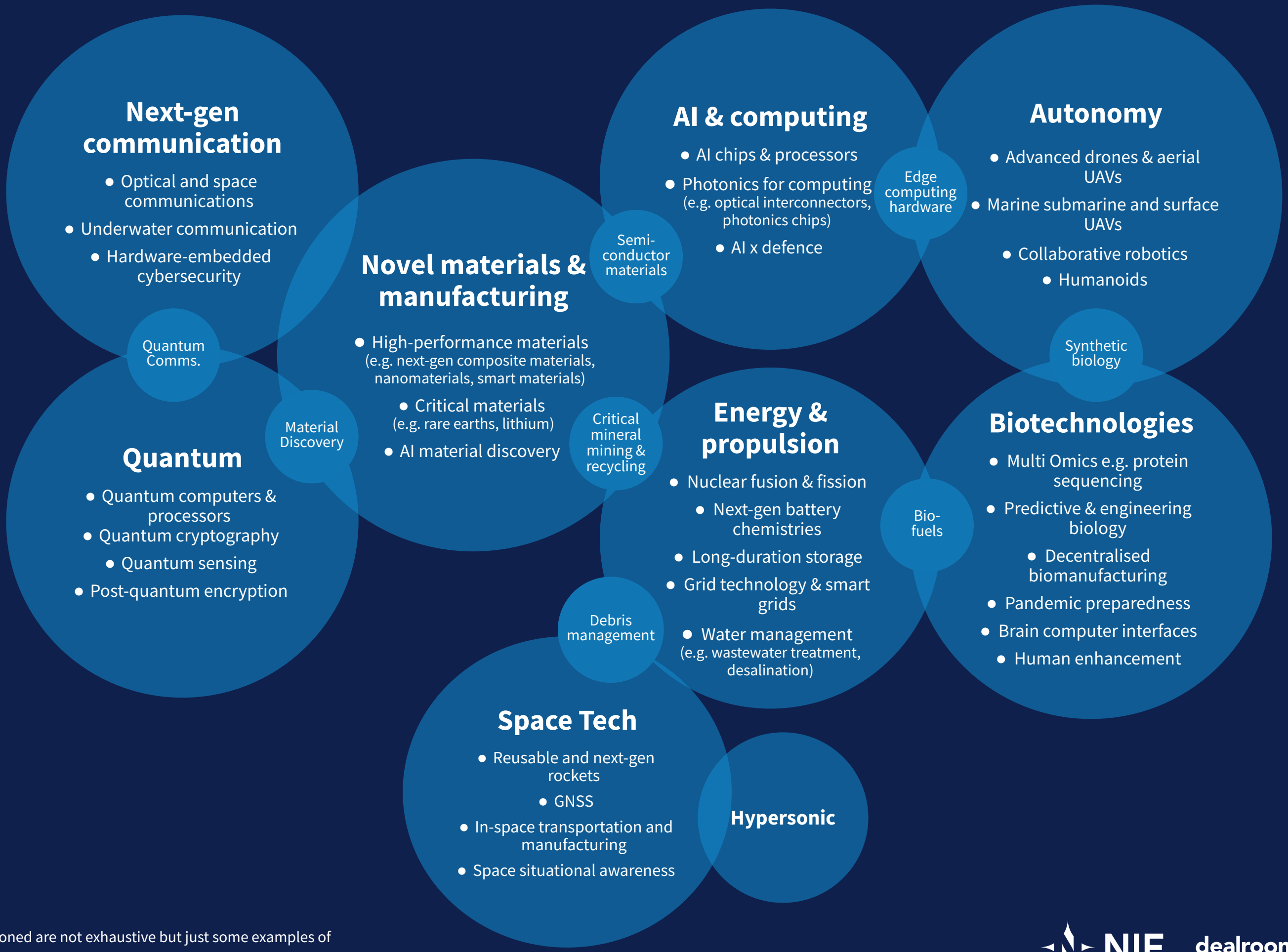
E.g. novel manufacturing, high-quality semiconductor materials, critical material supply

Crisis preparedness

E.g. biotechnologies, water access and food supply

Source: NIF, Dealroom.co Subsegments mentioned are not exhaustive but just some examples of a broader set of relevant areas in the sector

This report focuses on nine key technology areas within Defence, Security and Resilience



Source: NIF, Dealroom.co Subsegments mentioned are not exhaustive but just some examples of a broader set of relevant areas in the sector

Notable examples of Defence, Security and Resilience startups across the six challenge areas*

Awareness, understanding and decision making

TEKEVER
AI-enabled UAVs for military and civilian intelligence-as-a-service

ICEYE
SAR satellite constellation providing all-weather Earth observation for defence and commercial intelligence

KELLUU
Hydrogen-powered airships for long-endurance intelligence

Freedom of operations and mobility

ARX
UGV for mass deployment in defence and commercial applications

isar aerospace
Next generation space rockets for small and medium satellites

Destinus
Hydrogen-powered hypersonic aircraft and autonomous systems

Energy security and climate change

ORE ENERGY
Iron-air batteries for multi-day renewable energy storage and grid reliability

Proxima Fusion
Next generation stellarator fusion reactor

LAKI POWER
Line-powered grid monitoring solution for real-time monitoring and drone charging

Security of critical technologies

AXELERA ARTIFICIAL INTELLIGENCE
AI accelerator chips for edge inference in vision, robotics and embedded systems

QUANTINUUM
Full-stack quantum computing systems and software

FRACTILE
In-memory computing for AI inference

Supply chain resilience

SPACE FORGE
In-space manufacturing of advanced semiconductor materials

Isembard
Software-driven precision manufacturing

Uplift360
Chemical recycling of advanced composites to recover critical materials

Crisis preparedness

Portal
Full-length protein sequencing

inbiome.
Rapid molecular bacterial diagnostics using AI-driven profiling

INGENIX
Foundation model for simulating clinical trials

Source: Dealroom.co *This slide represents examples of the broader defence, security and resilience ecosystem taxonomy - not the NATO Innovation Fund's portfolio companies."

“Across Europe, DSR continues to scale rapidly, with business growth evident across markets and substantial venture capital deployed through large rounds.

With proven revenue streams and clear trajectories for continued growth, the opportunity is now for the remainder of capital providers - from banks to private equity - to step in and support the next phase of funding for late-stage DSR companies.

Sander Verbrugge
Partner

NIF

300+ selected Deep Tech Defence, Security and Resilience startups in Europe

» Explore the landscape

Freedom of operations and mobility (Defence)

Combined funding $ 2.2B

- STARK
- ARX Robotics
- Origin
- Nordic Air …
- KrattWorks
- Openworks
- Shark Rob…
- Unmanned…
- Buntar Aer…
- Destinus
- Polaris Spa…
- Hypersonica
- Dark
- Pulsar Fusion
- Rmachine
- AERALIS
- Accurision
- Isar Aerosp…
- The Explor…
- D-Orbit
- Orbex Space
- Latitude
- Kurs Orbital
- Granta Aut…
- PLD Space
- Rocket Fac…
- Skyrora
- Milrem Ro…
- Lodestar S…
- ATMOS Spa…
- ClearSpace
- Harmattan AI
- Frankenbu…
- Athlon Avia
- Huless
- Lobster Ro…
- SEABER
- Hecto Drone
- Skarv Tech…
- SensoFusion
- ElevonX
- Ukrspecsys…
- Eelume
- Forssea Ro…
- Tuco Yacht …

Awareness, understanding and decision making (Defence)

Combined funding $ 4B

- Quantum S…
- TEKEVER
- Preligens
- Aquark Tec…
- Helsing
- Diodon Dr…
- Skydweller
- Marble Aer…
- Delair
- WARGdrones
- CAFA Tech
- Elistair
- RFence
- Vaarst
- Xplora Srl
- Beam
- Subdron
- Hydromea
- Blue Atlas …
- Blueye
- Tethys Rob…
- Robot Avia…
- LiveEO
- Unseenlabs
- ICEYE
- SwissDrones
- Open Cos…
- SatRev
- SatVu
- XOCEAN
- Blackshark.ai
- Look Up
- Vyoma
- Kuva Space
- EnduroSat
- Aldoria
- OKAPI:Orbits
- Ecosmic
- Aiko
- Emxys
- Unibap
- Reflex Aero…
- Operation…
- Orqa
- Dispelix
- Skycorp Te…
- Startiun
- Zaitra
- Invert Rob…
- Eye2Drive
- Deep Safety
- Opteran
- Sensrad
- Focal Point…
- Living Optics
- ElFys
- Osavul
- Blickfeld
- XRF
- Intelic
- Broswarm
- Stanhope AI
- Delair Marine
- Delfox
- Advanced …
- Delian Allia…
- Spaceknow
- Kraken Tec…
- DroneTector
- Arcani Syst…
- Spectra De…
- Zero Indus…
- Hive Robot…
- ISS Aerosp…
- AERIX SYST…
- zelim
- Elwave
- Nordic Un…
- Flygildi (Silen
- H3 Dynamics
- Sky-Watch
- Evolve Dyn…
- Infrahex
- Kelluu

Energy security and climate change (Security)

Combined funding $ 3.7B

- Newcleo
- Blue Capsu…
- Altris
- Tiamat En…
- Proxima Fu…
- Jimmy
- Energy Dome
- Thorizon
- Focused E…
- Enerpoly
- Blykalla
- Steady Ene…
- Transmutex
- Modvion
- CorPower …
- First Light …
- Elestor
- Marvel Fus…
- Ore Energy
- OroraTech
- Mitiga Solu…
- WATERMARQ
- Airpelago
- Nuventura
- Nyobolt
- Basquevolt
- Addionics
- Skeleton T…
- LionVolt
- Echion Tec…
- Nexeon
- E-magy
- NAWAH
- Blixt Tech
- HyperHeat
- Hightek
- Reverion
- constellr
- Puraffinity
- Boreal Light
- Ocean Oasis
- SolarDew
- Desolenator
- Kumulus
- OSMOSUN…
- Watergate AI
- Acwa Robo…
- Finapp
- Renaissanc…
- Novatron F…
- Sweetch E…
- Battolyser …
- Tokamak E…
- Exergy3
- Evove (for…
- Molyon
- Synaptec
- Hydrosat
- Zelestium …
- Astral Syst…
- Naarea
- Nordic Bat…
- Chimera E…
- Novac
- DynoRotor
- Laki Power

Security of critical technologies (Security)

Combined funding $ 3B

- Himera
- Arqit
- Crypta Labs
- Crypto Qu…
- Knowledge…
- KETS Quan…
- CryptoNex…
- Terra Quan…
- Nu Quantum
- Microamp …
- Bifrost Co…
- QphoX
- Qubitrium
- Blecon
- VSORA
- SandGrain
- Optalysys
- Opscura
- OQ Techno…
- Oxford Spa…
- SWISSto12
- Qualinx
- Leaf Space
- IQM
- Oxford Qu…
- Pasqal
- Alice & Bob
- Kvantify
- Qnami
- Multiverse …
- Riverlane
- Cambridge…
- QDI-Systems
- QLM Techn…
- Cailabs
- Ubitium
- Oriole Net…
- Fractile
- Black Semi…
- Axelera AI
- Vaire Com…
- SiPearl
- Synthara T…
- Upmem
- QuSide
- Wsense
- Kalray
- QuantumD…
- Quandela
- C12
- Quobly
- Quantum …
- Qblox
- VISS
- Rotonium
- Goldilock
- MirSense
- g2-Zero
- Ethicronics

Supply chain resilience (Resilience)

Combined funding $ 2B

- Space Forge
- ICOMAT
- Cevotec
- tozero
- MagREEso…
- NexWafe
- Norsk Tita…
- Airborne
- OCSiAl Group
- Mecaware
- Cornish Lit…
- Adionics
- Circular Ma…
- Avantium
- Lace Litho…
- AMSIMCEL
- AlixLabs
- 1X Technol…
- Paragraf
- ValCUN
- SMART Ph…
- Photonicsens
- Lightium
- Swegan
- Materials N…
- ATLANT 3D
- ExoMatter
- Entalpic
- Altrove
- FibreCoat
- cylib
- NANOTerial
- Monumental
- DIAMFAB
- Chiral Nano
- Orbital Mat…
- Descycle
- Circular Sil…
- TETMET
- Soluterials
- Blackleaf
- Isembard
- AdapTronics
- Fieldmade
- High Temp…
- Uplift360
- CuspAI

Crisis preparedness (Resilience)

Combined funding $ 2B

- Delox
- Chemify
- Relation T…
- Reshape Bi…
- Solar Foods
- Fabentech
- Aqsens He…
- Bioptimus
- Touchlight …
- Cellply
- BioOrbit
- Farmless
- Aphea.Bio
- Meatable
- Orbem
- Gourmey
- Verley
- Mekitec
- Amatera
- Micropep T…
- INBRAIN N…
- Zander Labs
- Plato
- Cradle
- Basecamp …
- Nucleome …
- Aqemia
- Antiverse
- Iktos
- Owkin
- Constructi…
- Agrobiomics
- Unicorn Bi…
- MintNeuro
- CereGate
- Neuroelect…

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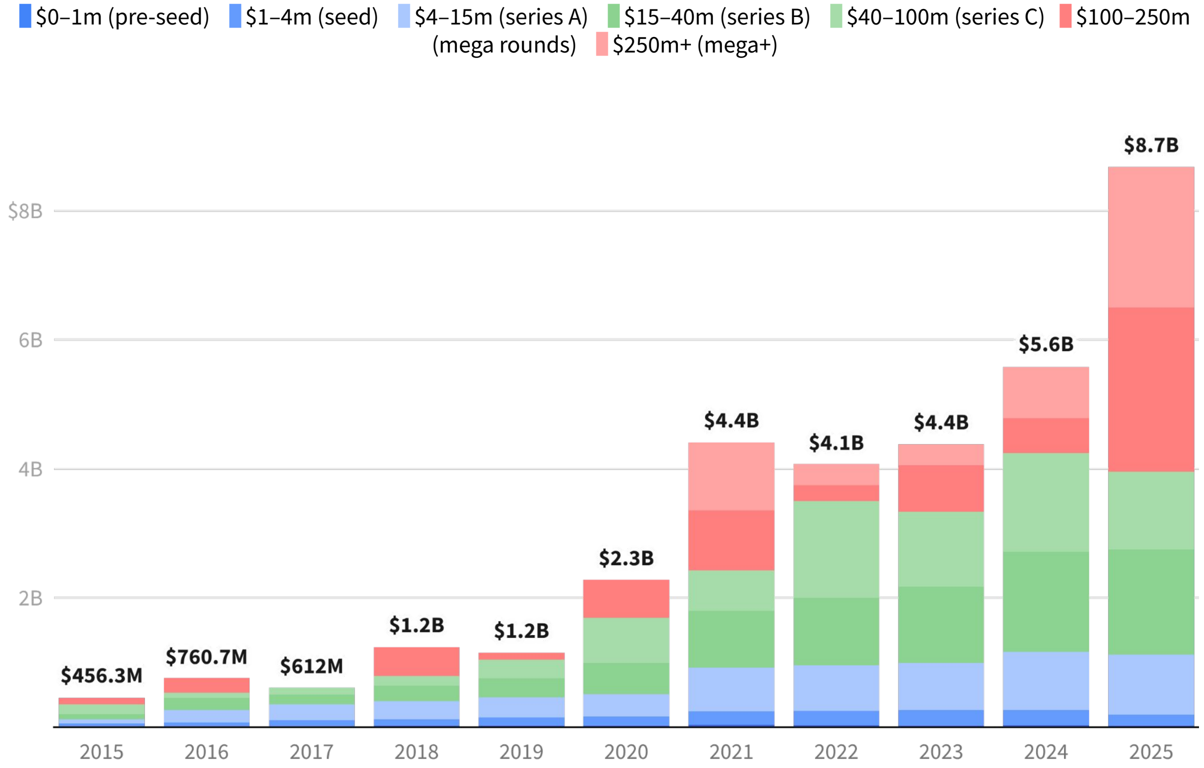
VC funding in European Deep Tech Defence, Security and Resilience is at an all time high, reaching $8.7B in 2025

Funding is up 55% since last year and went up nearly 4x over the last five years.

Venture Capital investment in European Deep Tech Defence, Security and Resilience startups » **view online**



Source: Dealroom.co *excluding OneWeb.

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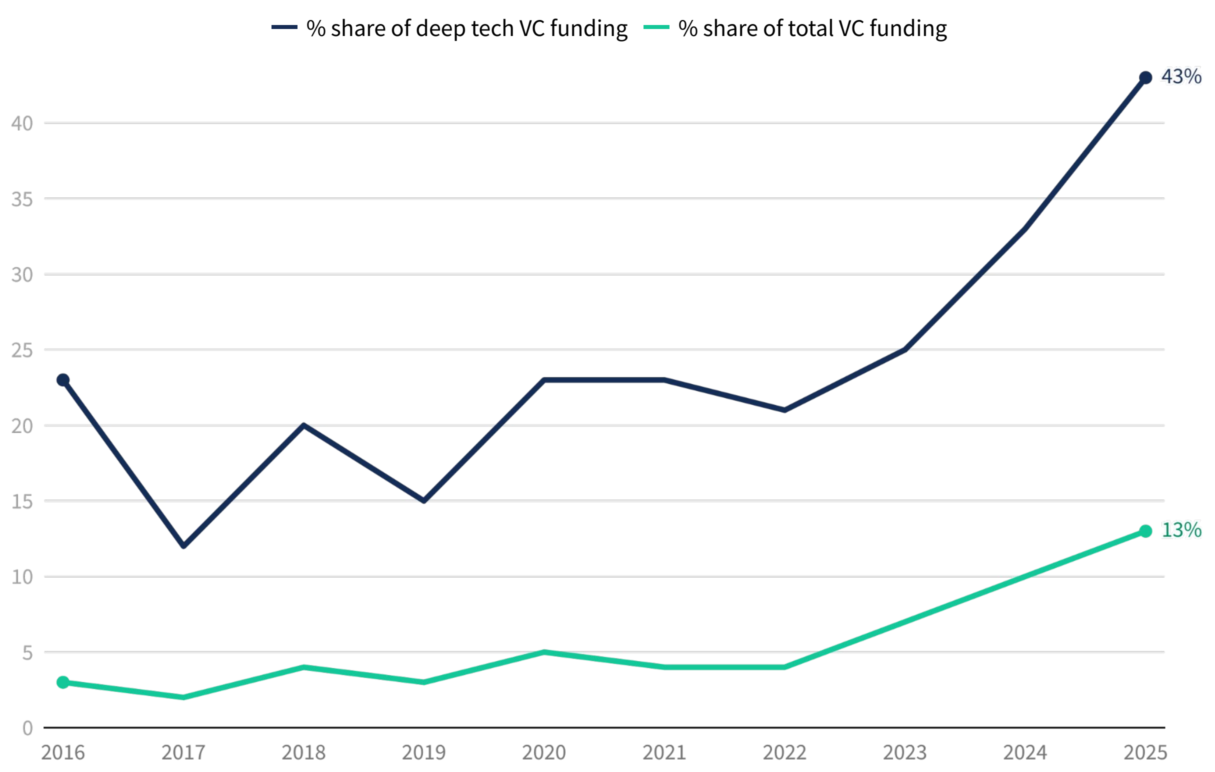
A record 13% of all VC funding in Europe went to **Defence, Security and Resilience** in 2025, up 3x from three years back

DSR also accounted for 43% of Deep Tech funding, up from 20% in 2022.

Share of European VC funding and Deep tech VC funding going to Defence, Security and Resilience startups



Source: Dealroom.co

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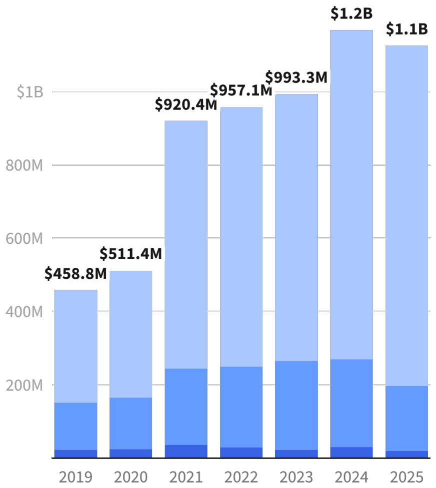
Late stage has driven most of the growth, tripling from last year and showing a maturing startup scene. Early and breakout stage shows marginal decline last year

Early

$1.1B funded, a -10% decline compared to 2024.

$0–1m (pre-seed) $1–4m (seed) $4–15m (series A)

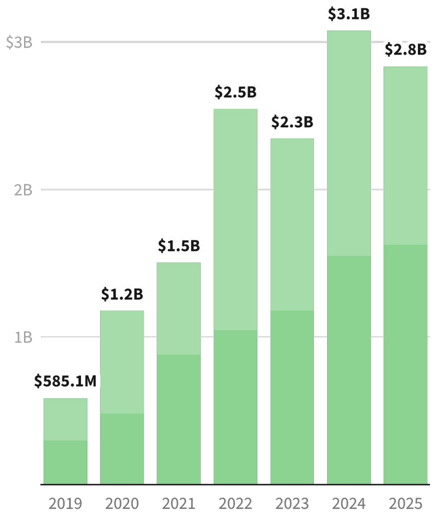


ALPINE EAGLE Kongsberg Ferrotech Frankenburg Technologies Isembard SWARM BIOTACTICS

Breakout

$2.8B funded, a -13% decline compared to 2024.

$15–40m (series B) $40–100m (series C)

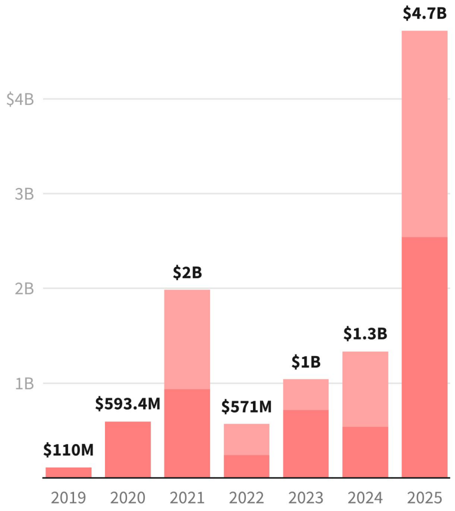


FMC VSORA STARK REFLEX AEROSPACE Steady Energy

Late

$4.7B funded, a 154% growth compared to 2024.

$100–250m (mega rounds) $250m+ (mega+)



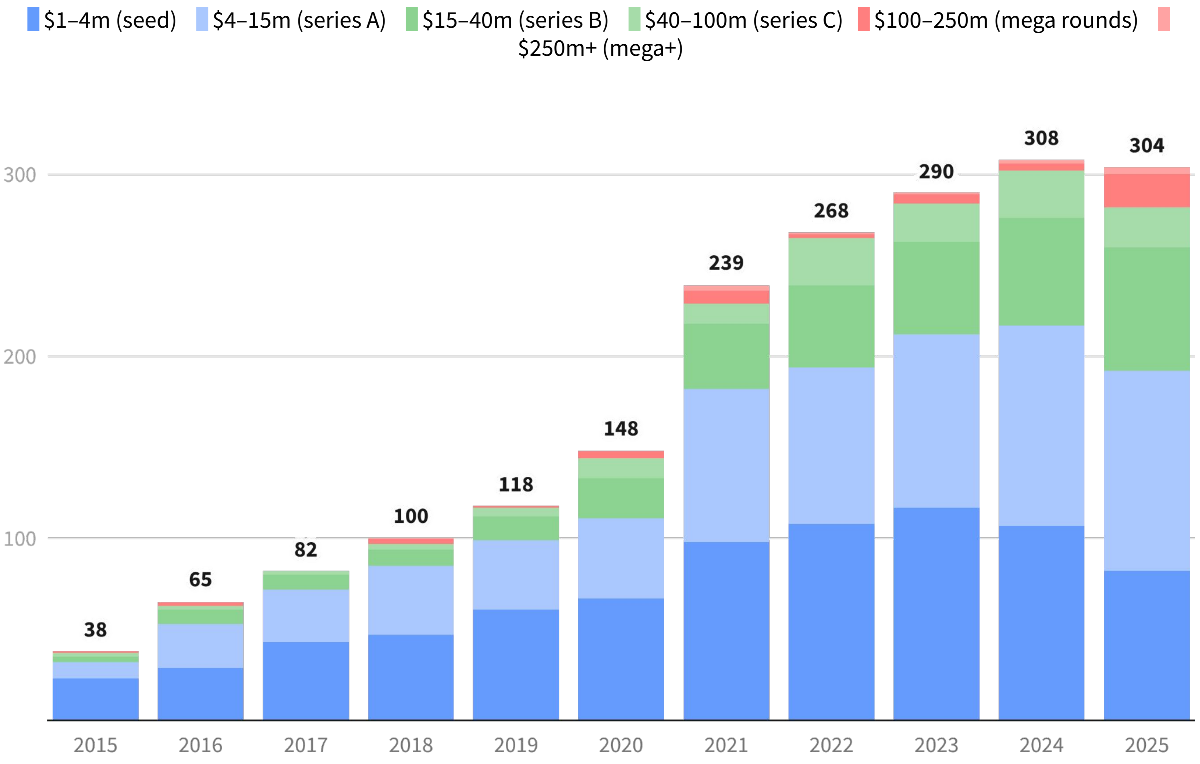
Helsing QUANTINUUM IQM Proxima Fusion XOCEAN Ocean data, delivered.

Source: Dealroom.co

The number of VC rounds (≥ $1M) in European Deep Tech Defence, Security and Resilience remained stable, with late stage rounds ($100M+) reaching an all time high

Number of deals went up more than 2x in the last five years

Number of VC rounds (≥$1M) in European Deep Tech Defence, Security and Resilience startups* » view online



Source: Dealroom.co *Excluding rounds <$1M due to reporting lag in disclosure of some angel and pre-seed rounds in the last 6-12 months.

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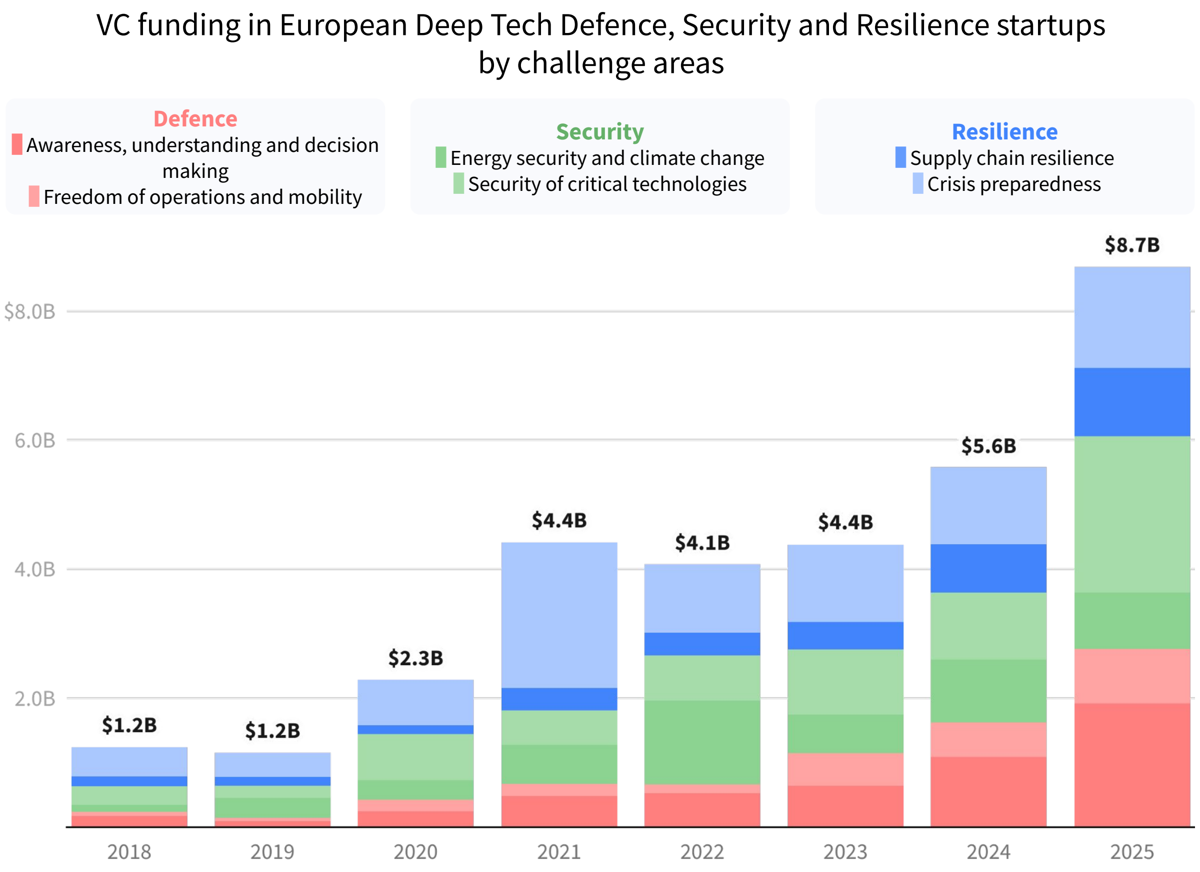
Most of the growth has come from startups focusing on Defence challenges, and Security of critical technologies



Source: Dealroom.co

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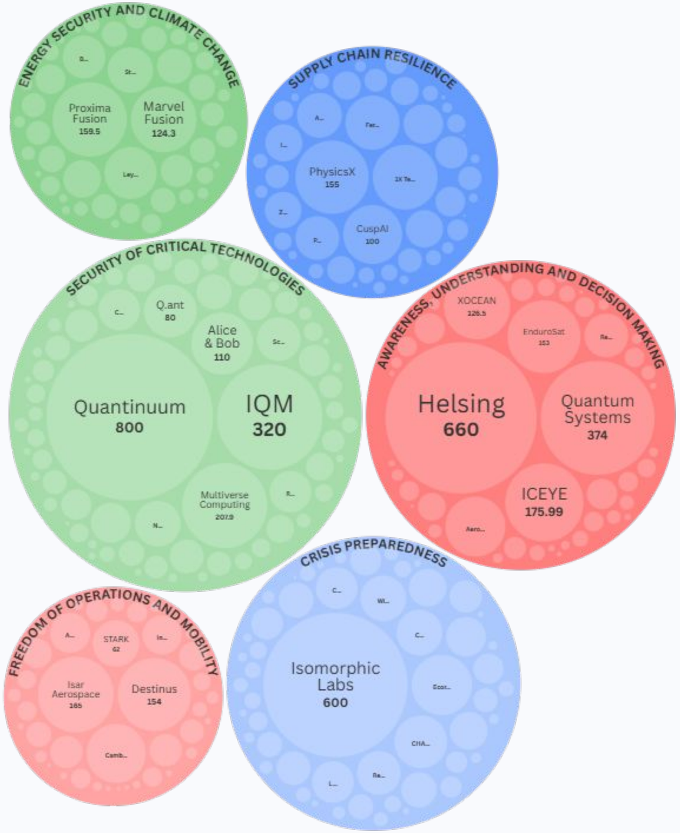
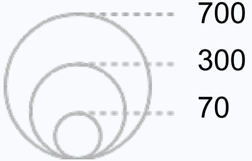
VC investment in European **Defence, Security and Resilience** startups in 2025, by challenges

See rounds »

Defence, Security and Resilience VC rounds in 2025 by challenge areas
(bubble size = round amount in USD M)



Round amount (USD M)



Source: Dealroom.co

The largest Deep Tech Defence, Security and Resilience VC rounds in 2025

With a focus on Quantum computing, AI, Drones, and Space.

See rounds »

Security of critical technologies **Quantum computing** Cambridge, UK QUANTINUUM $800M Late VC - Sept & Nov 2025	**Awareness and decision making** **AI for defence** Munich, Germany Helsing €600M Series D - Jun 2025	**AI-drug discovery** London, UK Isomorphic Laboratories $600M Late VC - Mar 2025
Awareness and decision making **ISR drones** Gilching, Germany QUANTUM SYSTEMS €340M Series C & Late VC - May & Nov 2025	**Security of critical technologies** **Quantum computing** Espoo, Finland IQM $320M Series B - Sep 2025	**Security of critical technologies** **Quantum computing** San Sebastián, Spain MULTIVERSE COMPUTING €189M Series B - Jun 2025
Freedom of operations and mobility **Launchers for small satellites** Ottobrunn, Germany isar aerospace €150M Convertible - Jun 2025	**Awareness and decision making** **Earth Observation satellites** Espoo, Finland ICEYE €150M Series E - Dec 2025	**Freedom of operations and mobility** **Hypersonic aircraft** Valkenburg, NL Destinus €140M Convertible - Sep 2025

Source: Dealroom.co

Defence challenge areas and Security of critical technologies are showing growth also at the early-stage

VC funding growth by challenge area and stage

	2025 vs 2024	Early	Breakout	Late
	DSR	−6%	−9%	254%
Defence	Freedom of operations and mobility	31%	6%	154%
Defence	Awaraness and decision making	13%	−63%	210%
Security	Energy security and resilience	−36%	−4%	−2%
Security	Security of critical technologies	53%	28%	379%
Security	Supply chain resilience	−30%	24%	256%
Security	Crisis preparedness	−34%	−27%	-%

- Overall, DSR saw **significant growth at late stage (+254%)** since 2024
- **Security of critical technologies** saw the strongest growth across all stages while **defence** challenge areas also grew strongly at early and late stage
- **Energy security and resilience** saw negative growth across all stages

Source: Dealroom.co

Defence, Security and Resilience has experienced significant growth, in line with the wider trend in Europe

It was the 2nd fastest growing segment in terms of European VC funding just behind Security when excluding DSR from all other segments.

Comparison of VC funding by selected sectors in Europe*

Vertical	% growth last 12 months ▼	% growth since 2021	2025	2024	2023	2022	2021	2020
Total VC	16%	56%	**$64B**	**$56B**	**$60B**	**$97B**	**$116B**	**$48B**
Security	77%	77%	$2B	$1B	$2B	$3B	$3B	$1B
Defense, security and resilience	55%	194%	**$9B**	**$6B**	**$4B**	**$4B**	**$4B**	**$2B**
Enterprise Software	54%	91%	$15B	$10B	$7B	$19B	$16B	$7B
Media	32%	61%	$2B	$1B	$2B	$2B	$3B	$1B
Education	30%	40%	$966M	$742M	$867M	$2B	$2B	$940M
Fintech	29%	40%	$11B	$9B	$8B	$24B	$29B	$11B
Health	16%	79%	$13B	$11B	$9B	$11B	$16B	$9B
Semiconductors	8%	70%	$462M	$428M	$1B	$447M	$661M	$377M
Rest Of Deep Tech*	3%	79%	$12B	$11B	$13B	$16B	$15B	$7B
Real Estate	−1%	49%	$1B	$1B	$3B	$4B	$3B	$2B
Gaming	−12%	30%	$951M	$1B	$880M	$2B	$3B	$880M
Travel	−14%	90%	$1B	$1B	$798M	$2B	$1B	$944M
Marketing	−15%	28%	$2B	$2B	$2B	$6B	$7B	$3B
Energy	−23%	66%	$6B	$8B	$15B	$12B	$10B	$3B

Source: Dealroom.co Data of 7/01/2026 *This means Deep Tech not considered as part of Defence, Security and Resilience. Defence, Security and Resilience has been excluded from all segments.

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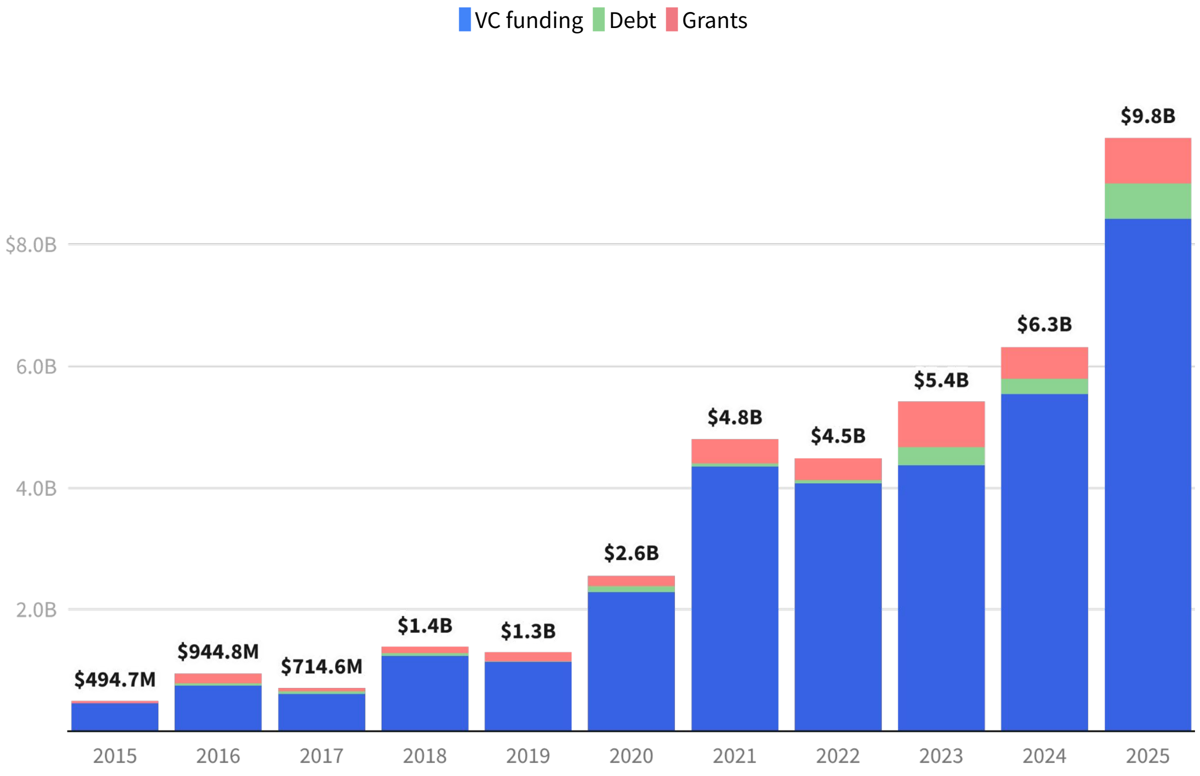
VC is still the main source of funding for DSR startups, represent 80%+, but Debt and Grants are also increasing

Debt funding to DSR startups multiplied by 26x over the last 5 years, reaching $1.4B in 2025.

Despite growth in debt financing, there is an opportunity for debt providers, generated by later-stage companies whose financing hit a record-high this year.

VC funding and non-dilutive funding for European Defence, Security and Resilience startups since 2015



Source: Dealroom.co

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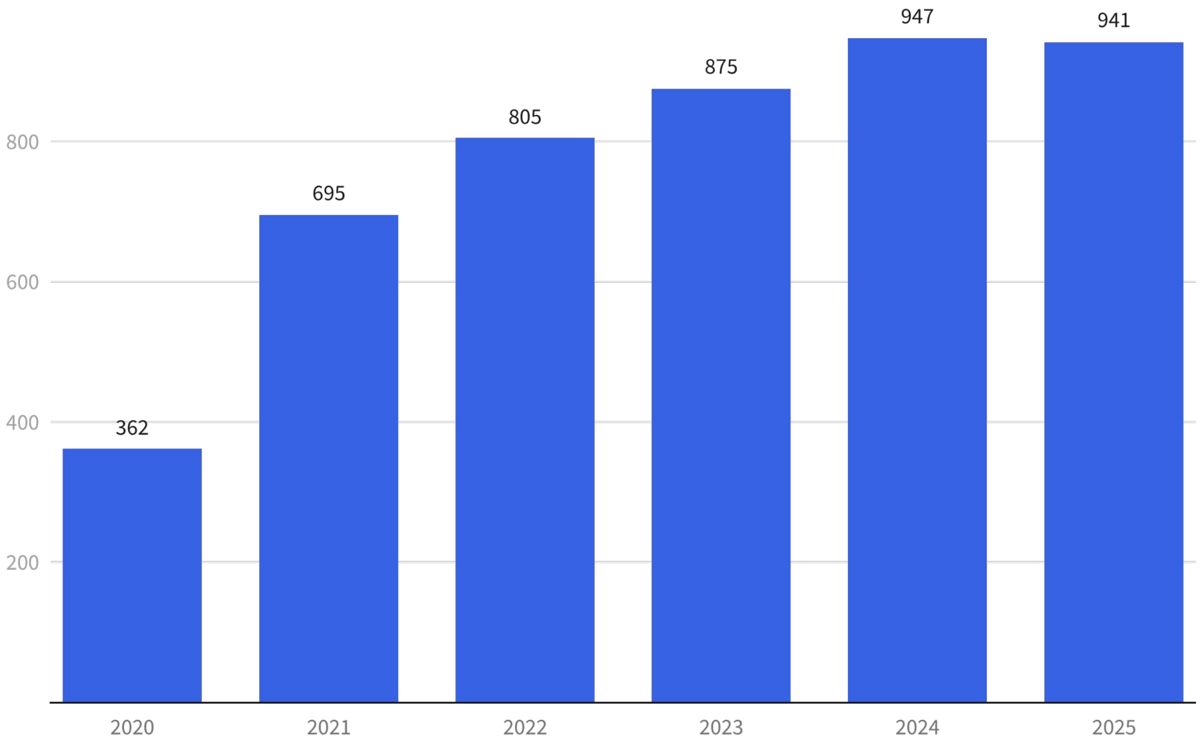
Investors have become increasingly involved in the **Defence, Security and Resilience** sector

The number of investors doing at least one deal has increased 2.6x in the last five years.

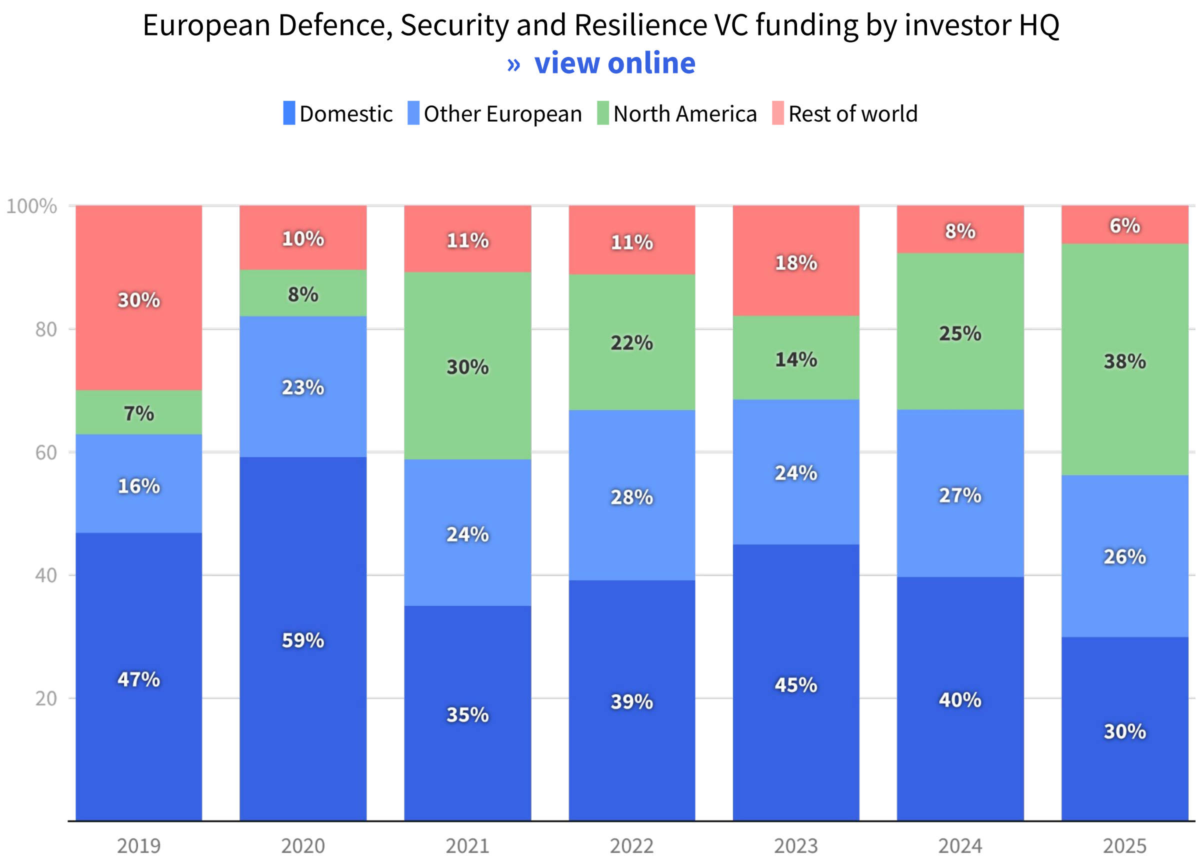
Number of unique investors in European Defence, Security and Resilience by year



Source: Dealroom.co. *2025 numbers to showcase a reporting lag. Includes all investors participating in at least one round in each respective year. Investors counted only once within the year, regardless of the frequency of their investments.

Slightly more than half of VC funding in European **Defence, Security and Resilience** comes from European investors

An increasing share of funds has come from North American investors over the last three years as the sector matures and attracts larger rounds.



Source: Dealroom.co

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Most active investors in Defence, Security and Resilience in Europe in 2025

(Pre) Seed

Investor name	Preferred round	Rounds (2025)	Rounds (2020-2025)
EIC Fund	SEED	19	73
Bpifrance	SEED	12	74
CDP Venture Capital	SEED	11	32
Expansion Ventures	SEED	8	14
HTGF	SEED	7	44
Bayern Kapital	SEED	7	31
Export and Investment Fund of Denmark	SEED	7	13
FORWARD.one	SEED	6	15
Project A	SEED	6	14
Founderful	SEED	6	14

Series A+

Investor name	Preferred round	Rounds (2025)	Rounds (2020-2025)
Invest-NL	SERIES B	10	31
NATO Innovation Fund - NIF	SERIES A	9	17
Supernova Invest	SERIES A	7	25
DeepTech & Climate Fonds	SERIES A	5	14
HV Capital	SERIES A	5	13
Omnes Capital	SERIES A	4	19
Lakestar	SERIES A	4	17
Earlybird Venture Capital	SERIES A	4	15
Maven Capital Partners	GROWTH EQUITY VC	4	13
General Catalyst	SERIES A	4	8

Source Dealroom.co

Notable European **Defence, Security and Resilience** investors

» view online

	Deep Tech funds	Other funds	Corporate investors**	International investors
(Pre) Seed*	ScaleWolf BSV Ventures EIC Fund Future Planet C Quantonation Primo Capital InnoEnergy IQ Capital HTGF 201 Ventures Defence Innovat Possible Ventur Oxford Science HCVC EIT RawMaterial UK Innovation & Atlantic Promus Ventures Elaia Partners Expeditions Fun Unruly Capital Takeoff Acceler Deeptech Labs Voima Ventures APEX Ventures Join Capital Seraphim Space Project A Twin Track Vent Double Tap Inve	CDTI Innvierte Maki.vc 7percent Ventur Bayern Kapital 360 Capital Earlybird Ventu SmartCap Export and Inve SFC Capital CDP Venture Cap Verve Ventures Speedinvest Final Frontier Archangel VC Plural Kindred Capital Cherry Ventures Scottish Enterp Bpifrance* Faber	MBDA	E2MC Ventures Happiness Capit SOSV Big Idea Ventur In-Q-Tel Lowercarbon Cap Plug and Play AgFunder
Series A	NATO Innovation Fund (NIF) Alpine Space Ve OTB Ventures Sofinnova Partn Omnes Capital SecFund DeepTech & Clim imec.xpand Runa Capital Cambridge Enter Amadeus Capital FORWARD.one World Fund Vsquared Ventur Parkwalk Adviso Supernova Inves NUNC Capital Global Resilien	Astanor Venture UVC Partners Lakestar Tesi Demeter Partner HV Capital Octopus Venture Eurazeo Keen Venture Pa	Lockheed Martin Porsche Venture Wa'ed Ventures GV SES Satellites M Ventures	Walden Catalyst Decisive Point DCVC Accel S2G Investments General Catalys Lux Capital
Series B	National Securi Innovation Indu	European Circul EQT Ventures Molten Ventures Invest-NL Baillie Gifford Cathay Innovati Innovacom	Applied Venture NGP Capital Marubeni Airbus Ventures Saab Bosch Ventures Cisco Investmen Nvidia Swisscom Ventur	Bessemer Ventur

Source Dealroom.co Funds selected based on number of rounds and amount invested in 2024, number and amount invested since 2019, % of their total activity allocated to rounds in Defence, Security and Resilience. Investors are shown only at the most common entry stage point. Global investors investing in European based Defence, Security and Resilience. *Including accelerators **Only looking at direct investment activity, not LP activity in funds

European countries are launching dedicated Defence, Security and Resilience funds

Selected national public funds focused on Defence, Security and Resilience

Country	Fund name	Fund size	Selected portfolio companies
United Kingdom	National Security Strategic Investment Fund	£330M	ICEYE, Photonic, TEKEVER
France	Definvest	€100M	Unseenlabs, U-Space, Cailabs
Netherlands	SecFund	€100M	LiveDrop, Touchwaves, Tective Robotics
Estonia	Defence Fund	€100M	No startup investments disclosed yet

Source: Dealroom.co. In addition to direct investments in defence startups, the Estonian Defence Fund also operates a fund-of-funds programme, investing in VC and private equity funds.

The UK leads VC funding since 2020 and in 2025; Germany and the Netherlands have the highest share of funding going to the sector. Finland leads the Nordics in 2025 thanks to IQM $320m Series B

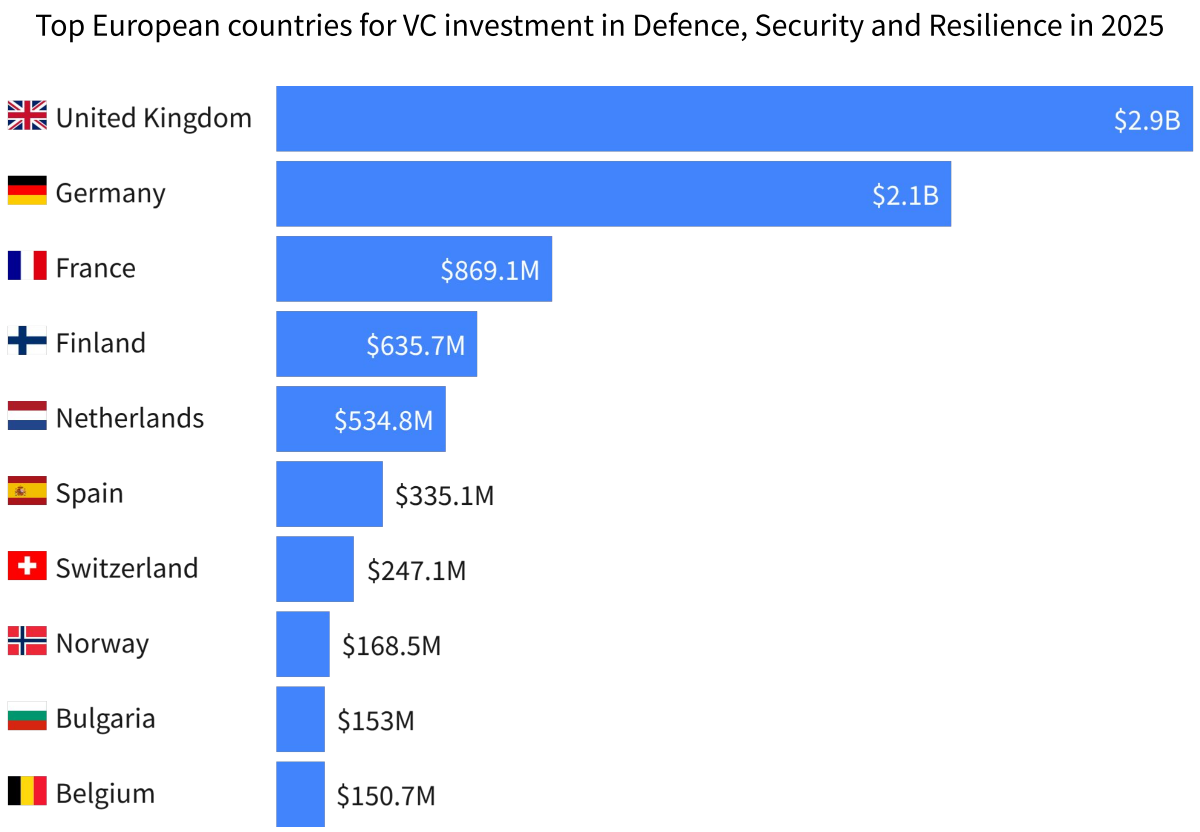
Defence, security and resilience (DSR) VC funding in Europe by region

Country	DSR VC funding (2020-2025) ▼	DSR VC Funding 2025	% of total funding (2020-2025)	% of total funding 2025	Per capita (DSR VC funding 2020-2025/1M population)
United Kingdom	$9.9B	$2.9B	6.9%	12.2%	$143
Germany	$5.4B	$2.1B	8.4%	26.0%	$65
France	$4.1B	$856.1M	6.9%	10.8%	$62
Nordics	$2.9B	$1.0B	5.2%	13.3%	$104
Netherlands	$1.9B	$534.8M	9.4%	16.4%	$105
Southern Europe	$1.6B	$462.2M	5.9%	8.1%	$13
Switzerland	$1.6B	$247.1M	7.6%	6.8%	$175
Rest of Europe	$973.1M	$272.4M	3.3%	8.5%	$34
Rest of CEE	$361.0M	$193.3M	4.3%	14.1%	$2
Baltics	$274.8M	$31.6M	5.2%	7.2%	$45

Source: Dealroom.co

UK, Germany and France lead by VC investment in 2025, Finland does not trail far behind in 4th

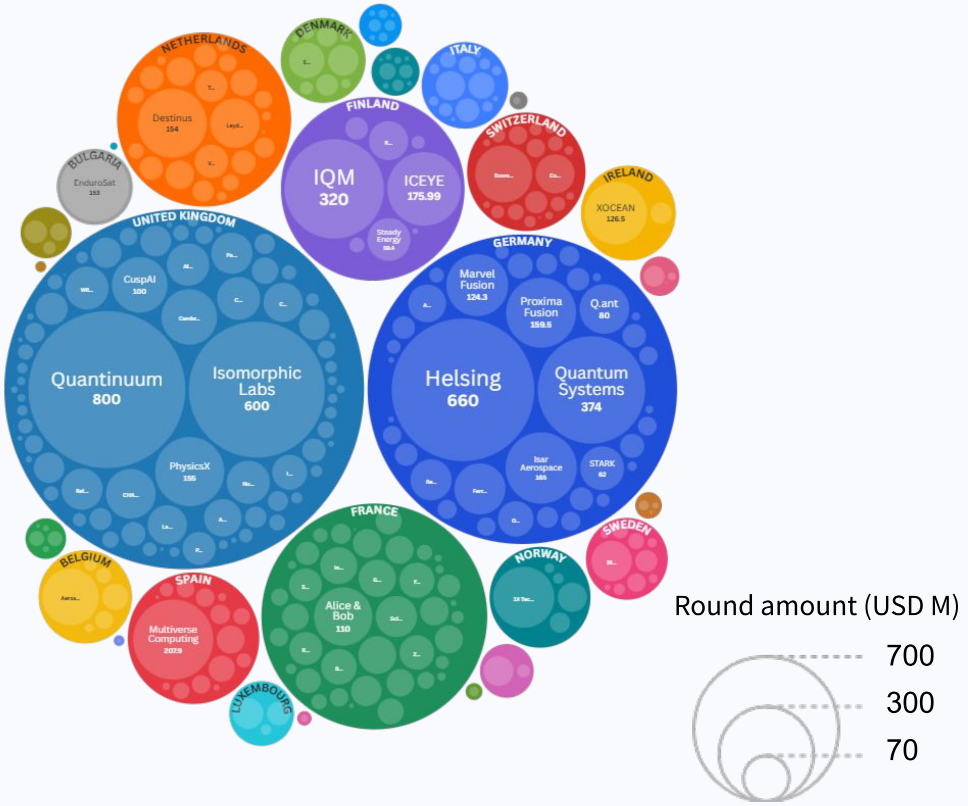
Bulgaria in 9th place leading CEE driven by Endurosat



VC investment in European **Defence, Security and Resilience** startups in 2025, by countries

See rounds »

Defence, Security and Resilience VC rounds in 2025 by country
(bubble size = round amount in USD M)

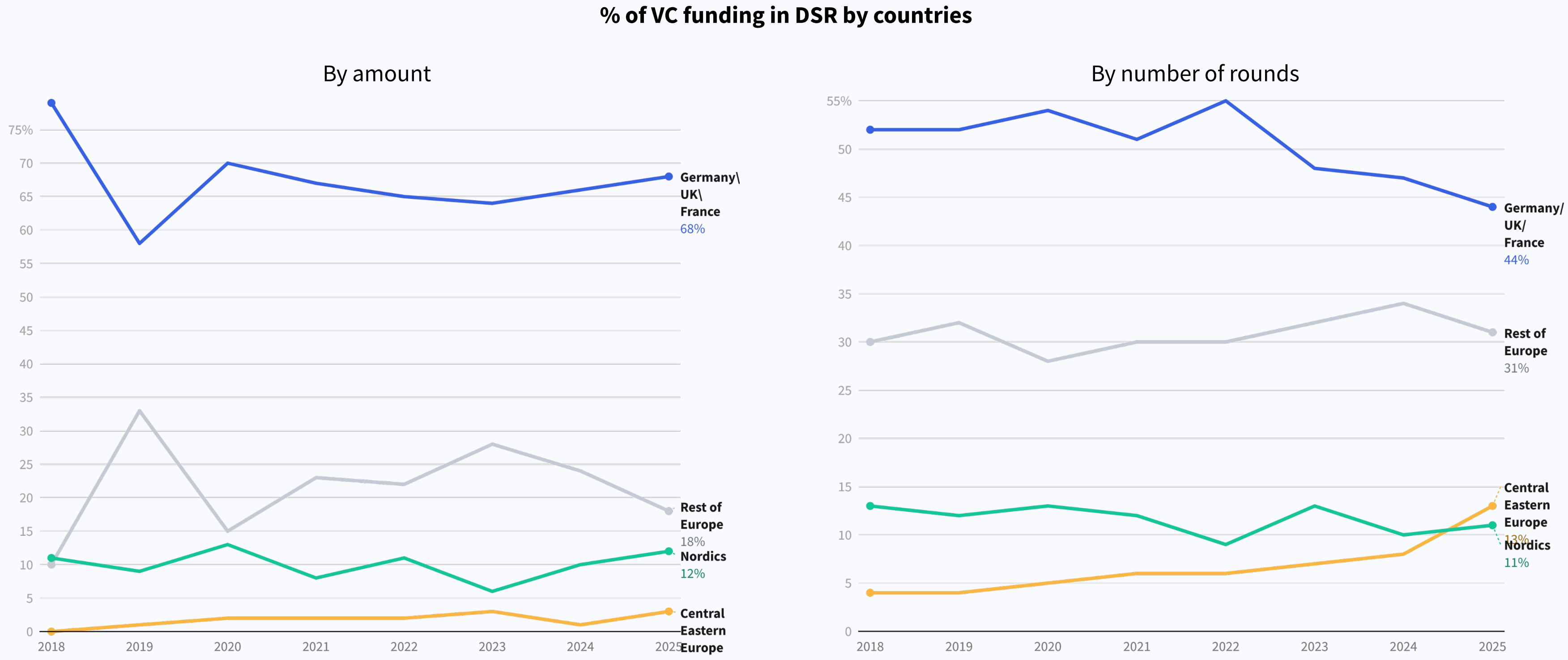


Source: Dealroom.co

NIF dealroom.co

Germany, UK and France dominate funding volume, but CEE is on the rise

Whilst the Germany, UK and France represent 68% of the total amount raised in 2025 (with no strong change over the past few years), they only represent 44% of the number of rounds. CEE is the main geography rising up in the number of rounds, even if for now still not reflecting strongly in large amounts.



Source: Dealroom.co

NIF dealroom.co

Munich is the top hub for VC funding in Defence, Security, and Resilience since 2020. The UK has four hubs in the top ten, while Germany and France have two

Top European cities for VC investment in Defence, Security and Resilience, **2025**

Hub	VC investment in 2025
Munich*	$1.7B
London	$1.2B
Cambridge	$1.2B
Helsinki	$575.9M
Paris	$453.1M
Berlin	$241.7M
Oxford	$214.6M
Grenoble	$156.8M
Sofia	$153M
Oslo	$151.6M
Toulouse	$118.4M
Copenhagen	$110.3M
Rotterdam	$94.7M
Stuttgart	$80M
Leiden	$78.6M

Top European cities for VC investment in Defence, Security and Resilience, **2020-2025**

Hub	VC investment since 2020
Munich	$3.9B
London	$2.8B
Paris	$2.6B
Oxford	$2.5B
Cambridge	$2.4B
Helsinki	$1.5B
Berlin	$699.5M
Eindhoven	$558.2M
Bristol	$497.8M
Grenoble	$393.1M
Oslo	$343.8M
Zurich	$338M
Reading	$323.1M
Barcelona	$300.5M
Glasgow	$299.8M

Source: Dealroom.co *43% of funding in Munich in 2025 was raised by Helsing.

Munich has imposed itself as the leading Defence, Security and Resilience hub in Europe

Key stats for Deep Tech **Defence, Security and resilience** in Munich

42 VC-backed startups	**$1.7B** VC funding in 2025	**18x** In VC funding since 2020.
$22.7B Combined enterprise value	**1st** Hub in Europe by VC funding in 2025	**53%** Of all VC funding in 2025 in Munich went to the sector.

Successes

Helsing	Quantum Systems	Isar Aerospace
Proxima Fusion	The Exploration	RobCo
Marvel Fusion	Reverion	Orbem
planqc		

Rising Stars

ARX Robotics	OroraTech	tozero	Omnisent
Alpine Eagle	QuantumDiamonds	Hades Mining	AIRMO
Rocket Factory	Vyoma	DCUBED	Hive Robotics
Kiutra	ExoMatter	Starflight Dyna	Fernride

"Munich's leadership is shaped by its strong industrial base, diverse international talent, and a vibrant deep tech ecosystem—all of which are driving future growth.

This ecosystem is enabling next-generation space and defence companies to scale faster and move from innovation to deployment."

Daniel Metzler
Co-Founder & CEO,
at Isar Aerospace

Source Dealroom.co

NIF dealroom.co

Defence, Security and Resilience startups are increasingly winning public tenders, particularly in the drone industry

Selected European Defence, Security and Resilience startups which won public tenders

Drone-related

Company	Challenge	Description	Buyer countries and institutions in Europe
Milrem Robotics	Freedom of operations and mobility	UGVs for cargo, combat, engineering and ISR	
Quantum Systems	Awareness, understanding and decision making	UAVs and sensors for ISR	
IQM	Protection of critical infrastructure	Quantum computers	
TEKEVER	Awareness, understanding and decision making	AI-enabled UAVs for military and civilian intelligence-as-a-service	
Brolis Defence	Awareness, understanding and decision making	Optics, thermal and laser systems	
Pangea Aerospace	Freedom of operations and mobility	Chemical propulsion systems for spacecraft	
Helsing	Awareness, understanding and decision making	Defence AI for sea, land, and air autonomy & decision making	
Harmattan AI	Freedom of operations and mobility	Autonomous AI-powered defense and drone systems	

Source: Dealroom.co. Based on disclosed European public procurement contracts since 2020 (incl. defence ministries and public agencies).

Several Defence, Security and Resilience startups have scaled revenues substantially

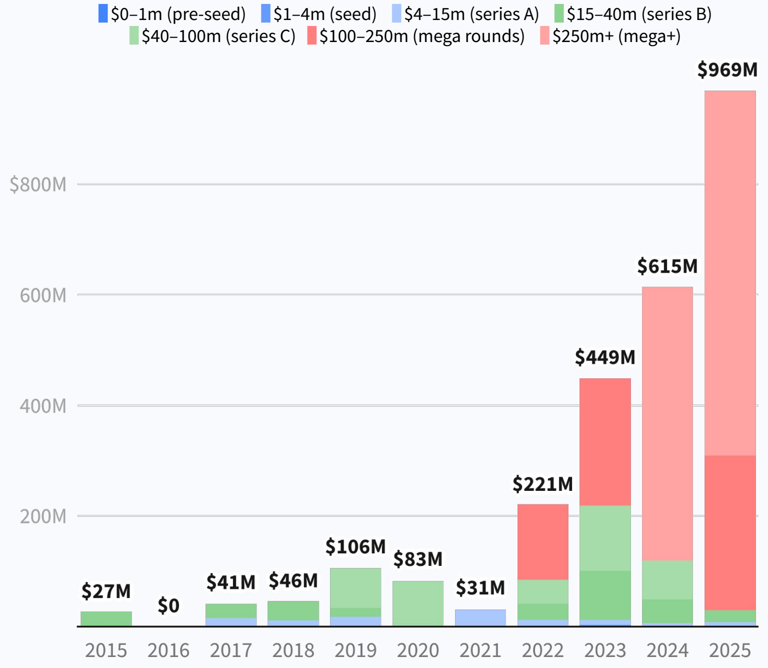
Selected revenues from European Defence, Security and Resilience startups

Company	Last know revenues	YoY growth
Quantum Systems	€300m	173%
ICEYE	€250m	143%
Robin Radar Systems	€91m	82%
Destinus	€70m	289%
TEKEVER	€62m	90%
DELAIR	€50m	78%

Source: Dealroom.co.

Defence primes are increasingly investing and establishing strategic development partnership with DSR startups

Defence primes investment in European Deep Tech Defence, Security and Resilience startups » **view online**



Selected partnerships between Defence Primes and European Defence, Security and Resilience startups

Prime Partner	Startup	Core Capability	Status (2025-2026)
Dassault Aviation	Harmattan AI	Autonomous Combat Air	Strategic Equity Partnership
Airbus Saab	Helsing	AI Electronic Warfare	Contracted for Eurofighter EK
General Dynamics	TEKEVER	Submarine Hunting (ASW)	Operational Trials (REPMUS)
Babcock	Frankenburg Tech	Containerized Counter-Drone	Active Development
Leonardo Thales	Optics11	Undersea Infrastructure	Strategic Monitoring Partnership
NVL	Kraken Technology	Autonomous Surface Vessels	Production Partnership

Source: Dealroom.co

NIF dealroom.co

Consolidation with new "defence primes" acquiring DSR startups to expand their offering or expand geographically

— Acquisitions

QUANTUM SYSTEMS – UAVs and sensors for ISR

- FERNRIDE – Ground autonomy
- NORDIC UNMANNED – Drone-as-a-service*
- SPLEENLAB (safe machine learning solutions) – AI for robotics
- EFT MOBILITY – Electric powertrain systems
- AIRROBOT – ISR copter UAVs

Destinus – Strike and air defence systems

- DAEDALEAN (APPLIED INTELLIGENCE) – Aviation AI solutions
- AERIALTRONICS (REMOTELY PILOTED AIRCRAFT SYSTEMS) – Multicopter UAVs

Helsing – Defence AI for sea, land and air autonomy

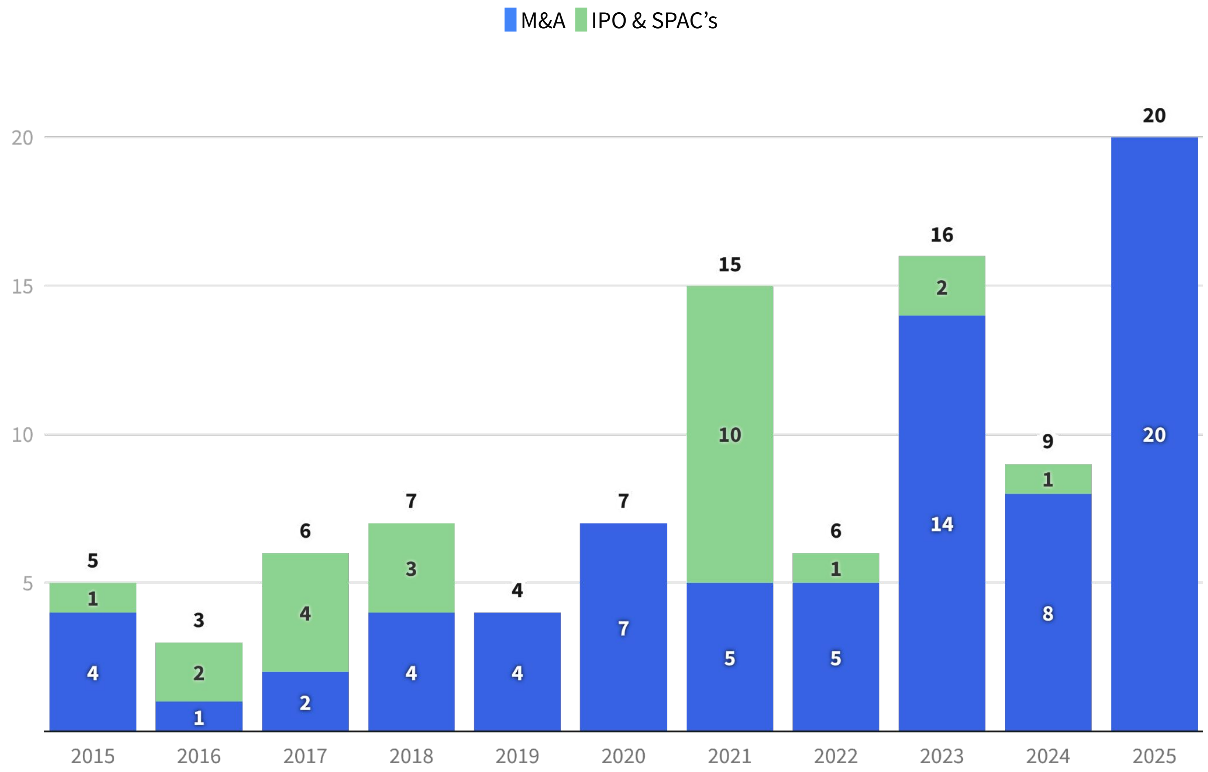
- Keybotic – Autonomous Robot Dogs
- BlueOcean (MARINE TECH SYSTEMS) – AUVS
- H3GROBAIRCRAFT – Composite aircrafts

Source: Dealroom.co *Quantum Systems acquired only Nordic Unmanned UK

M&A activity is at an all time high in 2025, 4x more than four years ago

Whilst 2021 had seen a flurry of public listings, none took place in 2025

Number of VC-backed exits of European Defence, Security and Resilience startups
» view online



Source: Dealroom.co

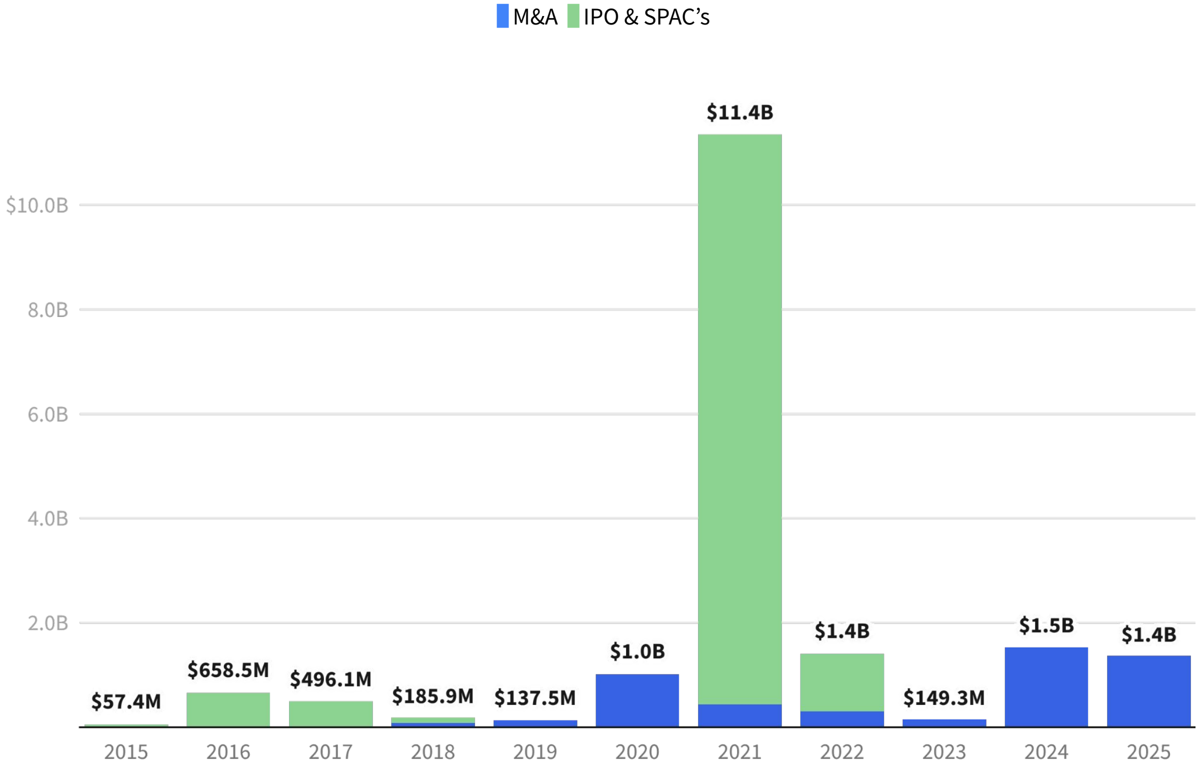
NIF dealroom.co

The value of VC-backed exits of European DSR startups peaked in 2021

2024-2025 saw M&A value start to pick up

Value of VC-backed exits of European Defence, Security and Resilience startups

» view online



Source: Dealroom.co.

NIF dealroom.co

Notable VC-backed Defence, Security and Resilience exits in 2024-2025

Selected VC-backed European Defence, Security and Resilience exits since 2024

oxford ionics

Acquisition - €1.1B
Jun. 2025
By
IONQ

DAEDALEAN
APPLIED INTELLIGENCE

Acquisition - $225m
Aug. 2025
By
Destinus

PRELIGENS *

Acquisition - €220M
Jun. 2024
By
SAFRAN

MALLOY AERONAUTICS

Acquisition - Und.
Feb. 2024
By
BAE SYSTEMS

Source Dealroom.co *Previously listed through IPO in Oct. 2021 at a $2.9B valuation

John Ridge
Chief Adoption Officer

NIF

"While capital continues to flow into a sector that has never been more strategically important, investment alone doesn't automatically translate into stronger European defence capabilities.

What matters is how effectively DSR startups and scaleups are turning funding into real technologies, real contracts, and real operational impact. European ministries of defence have a critical role to play by making it easier for startups and scaleups to compete for acquisition contracts and by reshaping the relationships between new entrants and established defence primes."

AI & Computing have attracted the most funding as a technological area in **Defence, Security and Resilience**

Quantum had a standout year

VC funding in European Defence, Security and Resilience startups by technology area

	2025 ▼	2019-2025
AI & computing	$3.9B	$11.7B
Quantum	$1.8B	$4.4B
Biotech & human enhancement	$1.3B	$7.5B
Energy & propulsion	$1.2B	$6.2B
Space	$1.2B	$4.8B

Source: Dealroom.co

AI underpinned 44% of DSR funding in 2025, the highest share in the last 6 years

% of AI in DSR funding in Europe

Awareness, understanding and decision making <

Freedom of operations and mobility

Energy security and climate change

Security of critical technologies

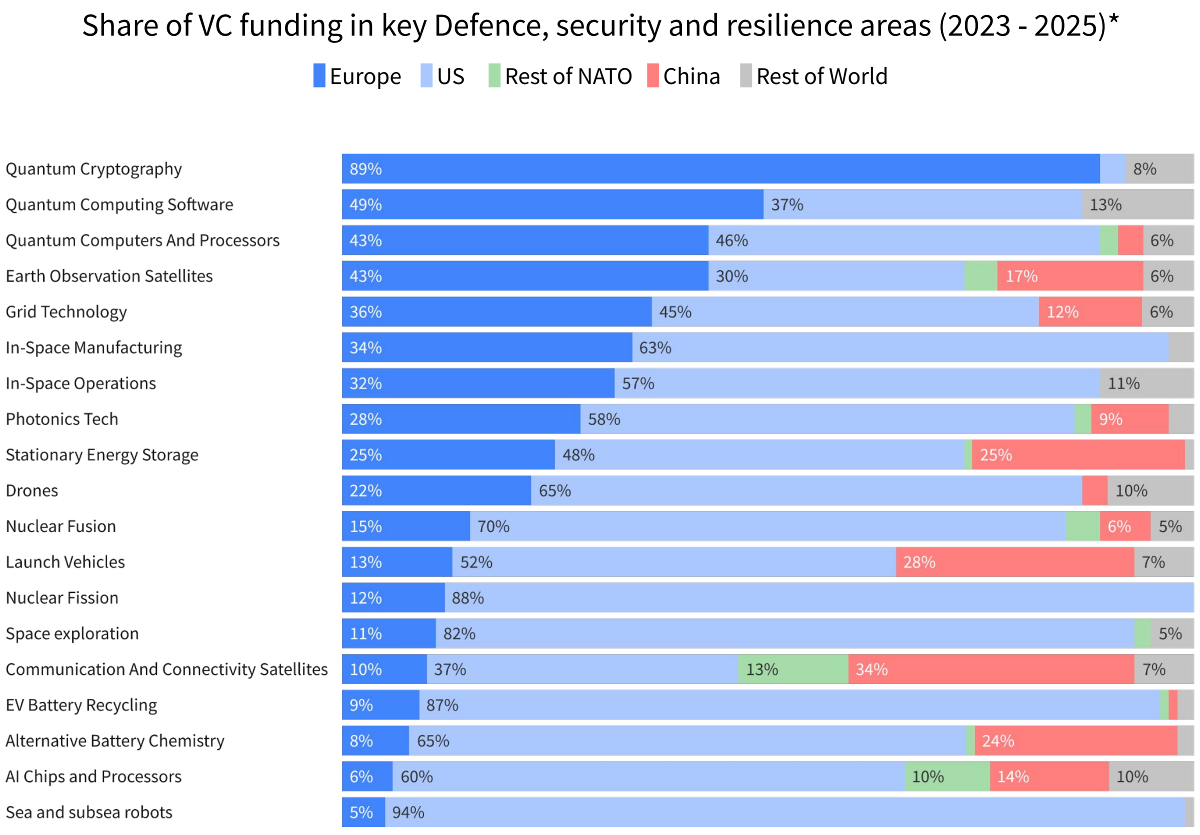
Supply chain resilience

Crisis preparedness

Source: Dealroom.co

Europe leads in Quantum and Earth Observation and show strength in Grid Technology, In-space manufacturing and operations, and Photonics

Simultaneously, the region trails behind in AI chips and processors, launch vehicles, nuclear, and space exploration.

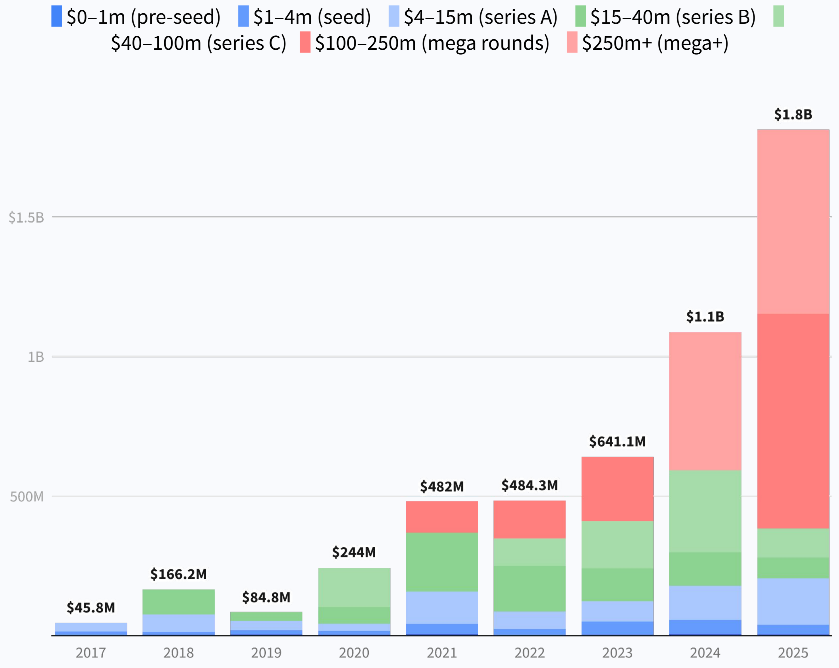


Source: Dealroom.co Some startups might be included in more than one category
*China is a leader in some of these segments but not in the lens of VC funding, such as Quantum and Batteries.

NIF dealroom.co

Awareness, understanding and decision making - VC funding in Europe rose by 60% in 2025, fuelled by interest in drones and UAVs, satellite imaging, AI and defence

VC investment in European Awareness, understanding and decision making Deep Tech startups » **view online**



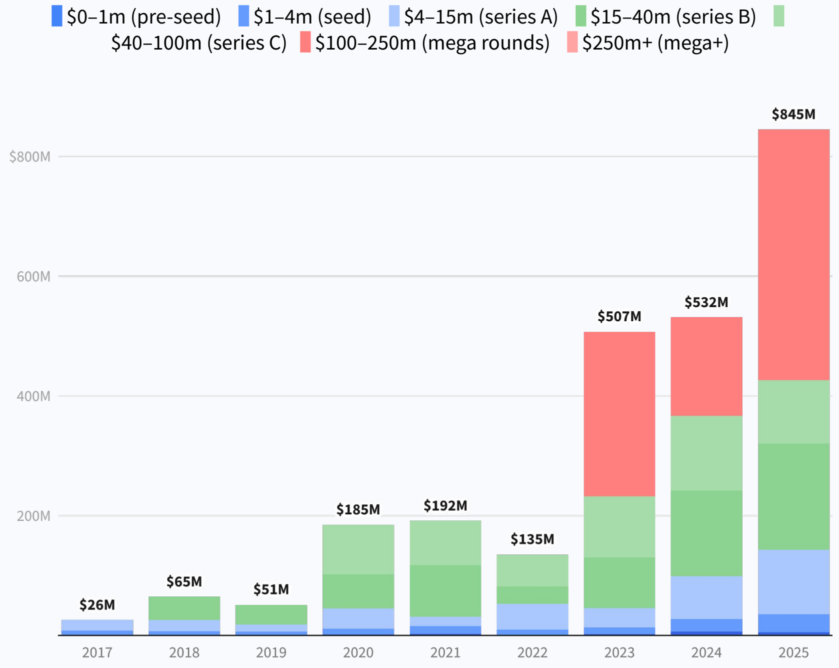
Insights and Context

- Advancements in **Drones** for surveillance of critical infrastructure, **Earth Observation Satellites** and **Space Situational Awareness**, among others, are changing the game for Awareness, understanding and decision making.
- **VC funding reached $1.8B in 2025**, up 7.4x since 2020 and nearly 1.6x from last year.
- The use of drones for defence has increased exponentially. Ukraine produced approximately **4 million drones in 2025** and has set a target of 7 million for 2026 compared to around one million globally in 2023. Most use-cases are for AI-driven surveillance, intelligence gathering, and strikes.
- **Space Situational Awareness (SSA)** is on the rise to mitigate space-based threats, like the **40,000 tracked objects** larger than 10 cm in Earth's orbit (as of 2025) or hostile interference.

Source: Dealroom.co

Freedom of operations and mobility - Startups raised a record amount in 2025 driven by space sovereignty infrastructure, like launch vehicles, and autonomous capabilities for the battlefield

VC investment in European Freedom of operations and mobility Deep tech startups » view online



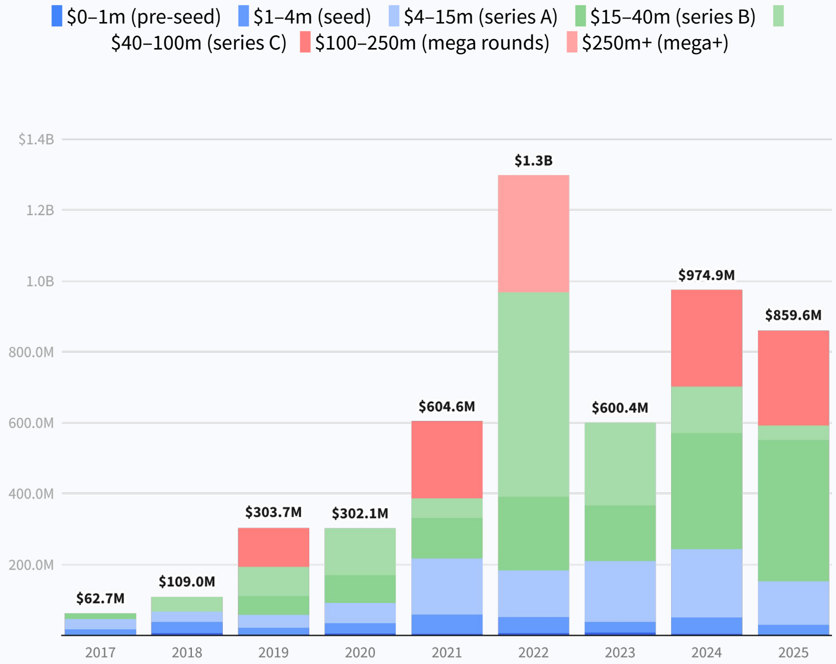
Insights and Context

- The nature of warfare is rapidly changing, with small-scale, modular, low-cost, and often autonomous tech taking a major role, from **drones and UAVs, to UGVs and AUVs**. **Space** is also increasingly becoming a fourth major domain of confrontation.
- VC funding reached $845M in 2025, **up 1.6x year on year**, with notable growth both at early and late stage.
- Most of the funding went into **space sovereignty**, especially **launch vehicles**, **missiles strike capabilities and defence** including hypersonic, as well as **autonomous capabilities for the battlefield**.
- **Counter-UAS** has emerged as a critical investment theme, spanning detection, electronic warfare, kinetic interceptors and AI-driven threat identification, as drone proliferation reshapes force protection.

Source: Dealroom.co

Energy security and climate change - VC funding in Europe reached $860M in 2025, the third most-active year ever, driven mostly by nuclear fission and fusion

VC investment in European Energy security and climate change Deep Tech startups » view online



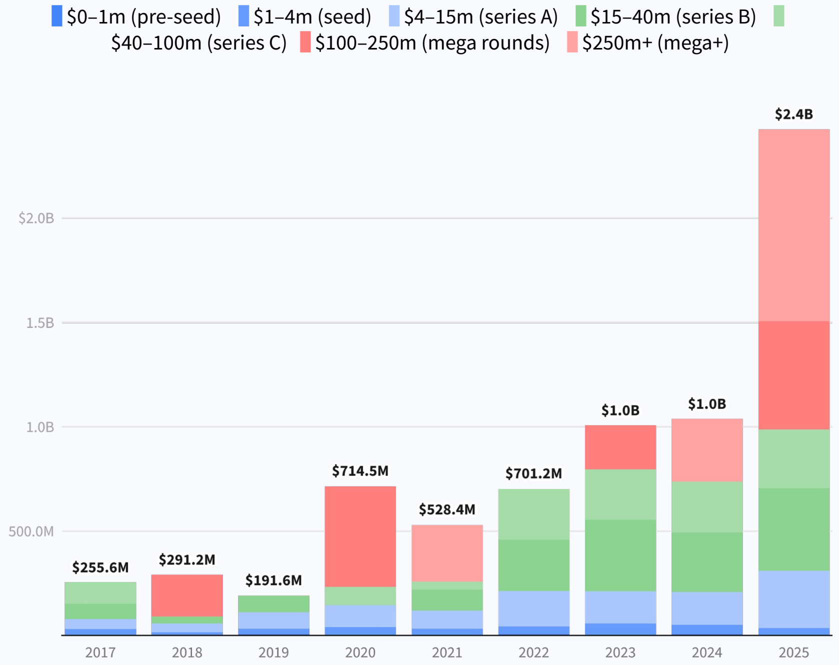
Insights and Context

- **Clean and reliable energy generation** is a strategic imperative for Europe's energy security. Europe is dependent on costly (€400 billion/year) and insecure fossil fuels imports and its energy transition importance has intensified due to a volatile new geopolitical trade dynamic.
- **VC funding fell slightly** in 2025, just below $860M. Still the 3rd highest year for VC and over 2.8x more than 2020.
- Most of the funding went into **nuclear fission and fusion, that attracted seven of the top ten deals in 2025.** New battery chemistries and earth observation from climate change also attracted significant funding.
- **Climate-change** driven disasters, such as catastrophic wildfires and systemic droughts, are increasingly treated as national security threats, forcing a strategic convergence of climate adaptation and defense spending.
- **Water scarcity** is a key cause of instability. In 2024 over 420 new conflicts were associated with water resources and systems. 17% of Europe's people are at risk to face high to extreme water scarcity risks by 2050. The EU adopted in June the **European Water Resilience Strategy** positioning water not just as an environmental issue, but as a security and competitiveness issue.

Source: Dealroom.co

Security of critical technologies - Startups in Europe raised 2.4x more in 2025 than in 2024, a record high, driven mostly by quantum computing and AI chips

VC investment in Security of critical technologies Deep Tech startups*
» view online



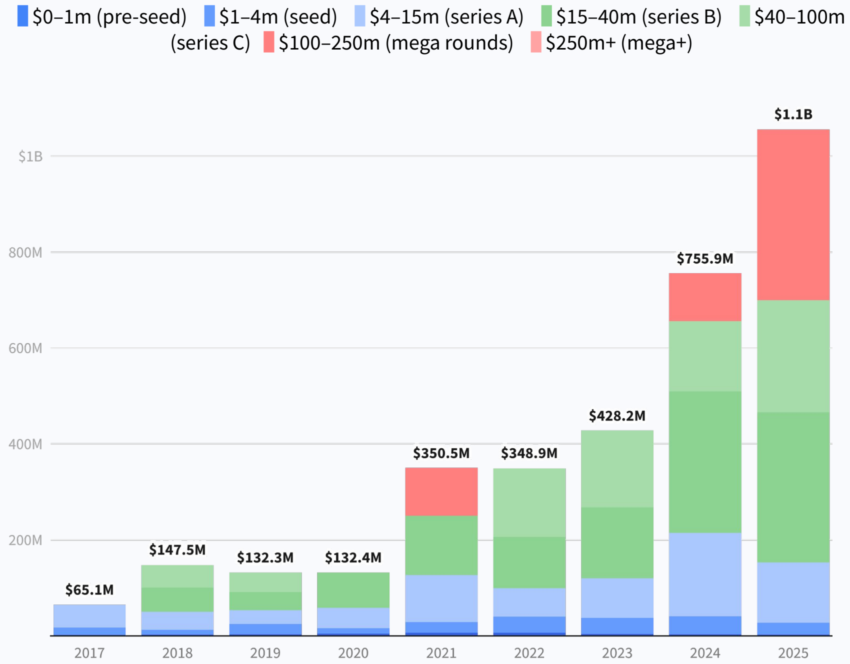
Insights and Context

- VC funding reached **$2.4B in 2025**, driven by **late stage**. This is a **2.4x increase** compared to 2024.
- **Secure communications** are becoming a reality through quantum cryptography deployed via satellite and urban optical networks, **addressing critical national security and data privacy needs.** At the same time, photonic processors and AI-specialized chips are enabling energy-efficient, high-performance computing, **bridging classical and quantum technologies**.
- **NATO** has recently released its first-ever **quantum strategy** to ensure the Alliance is ''quantum-ready''. Quantum can be applied to defence and security in areas such as sensing, imaging, precise positioning, navigation and timing. It can also improve the detection of submarines, and secure data communications via quantum resistant cryptography.
- Computing hardware, like **AI specialized chips**, is increasingly seen as a matter of national security and subject to export restrictions and geopolitical tension. Funding and support is on the rise to build domestic sovereignty in this area.

Source: Dealroom.co *Excluding OneWeb

Supply chain resilience - Funding is at all-time-high in Europe, with record activity at the breakout and late stages, surpassing $1B

VC investment in European Supply Chain Resilience Deep Tech startups
» view online



Insights and Context

- A **resilient industrial base** is now a core pillar of European defence and security. Ensuring uninterrupted access to critical materials, components, and manufacturing capacity is essential for defence readiness, crisis response, and long-term strategic autonomy.

- VC funding reached a **new all-time high of $1.1B**, led by breakout and late-stage round, reflecting **growing confidence in scaling supply-chain-resilience technologies** from pilot to industrial deployment, with increasing relevance for defence and security supply chains.

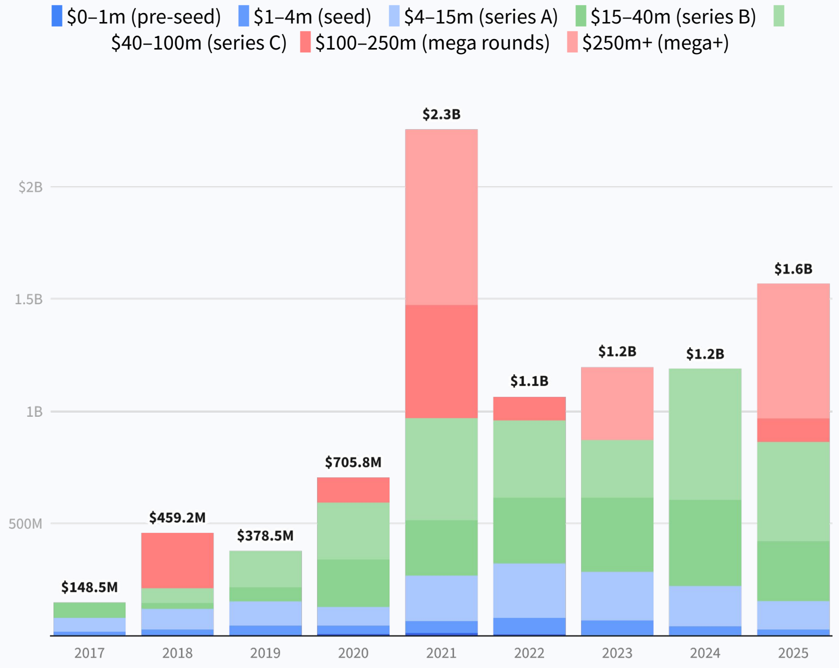
- Funding **spans multiple strategically important segments.** Capital is distributed across advanced materials, critical-mineral recycling, semiconductors, composites, biomanufacturing, and in-space manufacturing being key enablers of resilient defence supply chains.

- Europe's dependence on critical materials **remains a structural vulnerability.** Limited access to rare earths, battery minerals, and high-purity inputs heightens risk, increasing the importance of recycling, substitution, and alternative sourcing to secure long-term supply.

Source: Dealroom.co

Crisis preparedness - VC funding in Europe is the second highest ever, but far below peak 2021

VC investment in European Crisis preparedness Deep Tech startups
» view online



Insights and Context

- VC funding continues to rebound after the 2021 peak, with a **strong performance at mega rounds**.
- **Breakthroughs in proteomics, de novo sequencing, and programmable biology** are enhancing bio-defence capabilities and **enabling faster responses to emerging health threats.** At the same time, synthetic biology and precision bio-manufacturing are being leveraged to ensure reliable production of critical health compounds, reduce supply chain dependencies, and support sustainable agriculture.
- In parallel, innovations in non-invasive medical monitoring, precision fermentation, and sustainable crop engineering are **expanding the frontiers of healthcare and food systems**, highlighting the strategic role of biotechnology as both a national security priority and a driver of economic and societal resilience.

Source: Dealroom.co

A few words on our 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.

Blog post: [What is a Startup?]

Industries, Segments

Dealroom's Intelligence Unit has developed a proprietary technology taxonomy that acts as a foundation and helps navigate existing and emerging technologies. We welcome suggestions and feedback at support@dealroom.co.

Blog post: [Tech taxonomy]

Defence, Security, and Resilience

In this report we define Defence, Security and Resilience according to the **NATO Innovation Fund challenge areas**, as explained in **slides 7-8 of the report**. We considered only Deep Tech startups focusing on these challenges to secure the future whether by protecting infrastructure from subsea to space, enabling the climate and energy transition, or ensuring resilient supply chains across all sectors.
For more on how Deep Tech is defined see the **European Deep Tech report**.

Underlying Data

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

The data on which this report builds is available via **app.dealroom.co**. For more info please visit dealroom.co or contact **support@dealroom.co**.

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 excludes debt or other non-equity funding, lending capital, grants and ICOs.

Buyouts, M&A, secondary rounds, and IPOs are treated as exits: excluded from funding data, but included in exit data.

Source: Dealroom.co

dealroom.co

NIF