

FOR IMMEDIATE RELEASE

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London, UK

Defence Holdings PLC

("Defence" or "the Company")

Assessment:

Key Themes from the UK Strategic Defence Review 2025

Defence Holdings PLC (ALRT) today publishes our assessment of the UK Strategic Defence Review 2025, compiled by proposed Senior Non-Executive Director Andy McCartney. Our analysis identifies what we believe to be five core strategic themes that will fundamentally reshape the UK defence landscape and create significant opportunities for sovereign technology companies over the next decade.

Context: The Generational Shift

The SDR 2025 represents what we believe to be a profound transformation driven by a significantly deteriorated and more complex global security landscape. The Review establishes what the government terms a "new era of threat," requiring a fundamental step-change in British defence, away from counter-insurgency operations towards peer-state deterrence and high-intensity conflict preparedness.

Analysis: Themes and Market Implications

A. New Era of Threat

The SDR identifies state-on-state competition, particularly from Russia and China, as driving an urgent need for advanced technological solutions. In our view, this creates sustained demand for defensive technologies over the planning horizon to 2035-2040.

B. Technology-Centric Military Power

Traditional platform-centric warfare is giving way to network-enabled, data-driven operations. The Review prioritises AI, autonomy, cyber capabilities, space assets, and digital transformation - which we see as directly aligning with Defence Holdings' strategic focus areas.

C. Radical Procurement Reform

The introduction of segmented procurement pathways, including a "Rapid Commercial Exploitation" stream targeting 3-month contracting cycles, we believe fundamentally improves market access for innovative technology companies. Our understanding is that at least 10% of equipment procurement budget will be dedicated to novel technologies through this accelerated route.

D. Defence as Economic Engine

We interpret the concept of a "defence dividend" as explicitly linking national security investment with economic prosperity, which we see as signalling sustained government commitment to prioritising UK-based technology businesses, particularly in "deep tech" sectors.

Andy McCartney, the proposed Senior Non-Executive Director of Defence Holdings PLC, commented:

"The Strategic Defence Review 2025 represents the most significant reorientation of UK defence priorities since the end of the Cold War. Having analysed defence transformation initiatives across multiple jurisdictions, we believe the UK government's commitment to technology-led capabilities, coupled with their £400 million UK Defence Innovation budget and radical procurement reforms, creates what we see as an unprecedented opportunity landscape for sovereign technology companies. In our assessment, the explicit prioritisation of UK-based businesses in critical technology areas directly validates our strategic positioning across drone warfare, AI agents, information warfare, and critical infrastructure defence."

Immediate Opportunities (2025-2027):

- UK Defence Innovation (UKDI) £400m annual budget for commercial and dual-use technologies
- Rapid Commercial Exploitation procurement stream with 3-month contracting targets
- Digital transformation initiatives including "common digital foundation" and "Secret Cloud"
- New CyberEM Command establishment **which we believe will drive** demand for cyber and electromagnetic warfare solutions

Medium-Term Growth Drivers (2027-2030):

- "Digital targeting web" which we assess will require advanced AI and data analytics platforms

- Uncrewed systems dominance across land, sea, air, and space domains
- Space-based capabilities including satellite communications and ISR services
- Critical infrastructure protection with AI-driven anomaly detection

Brian Stockbridge, Board Member of Defence Holdings PLC, added:

"The Strategic Defence Review 2025 reinforces our conviction that Defence Holdings is strategically positioned at the intersection of what we believe to be the UK government's most critical technology priorities. We see the SDR's emphasis on rapid innovation cycles, sovereign capability development, and export-orientated solutions as directly aligning with our product-studio and buy-and-build model. We expect to see significant acceleration in our market engagement opportunities, particularly through the new UKDI pathways and reformed procurement processes."

Our Assessment of Strategic Positioning for Growth

Our analysis identifies what we believe to be three critical success factors for technology companies seeking to capitalise on the SDR opportunities:

1. **Sovereign Credentials:** Demonstrable UK-based R&D, domestic IP ownership, and commitment to UK workforce development
2. **Rapid Innovation Capability:** Ability to operate within accelerated development and procurement timelines
3. **Interoperability Focus:** Solutions designed for integration within NATO frameworks and the UK's "Integrated Force" concept

About Defence Holdings PLC

Headquartered in London, Defence Holdings PLC is a publicly listed company trading under the stock ticker (ALRT) dedicated to delivering high-performance defence and security solutions for the UK and European markets. The Company's strategic focus on drone warfare & aggregation, AI agents for defence operations, information & influence warfare, and critical infrastructure defence we believe directly aligns with the UK government's identified technology priorities.

Website: www.defencetechnologies.com

Strategic Analysis Report Availability

The complete Strategic Analysis Report, compiled by the proposed Senior Non-Executive Director Andy McCartney, provides a detailed examination of what we believe the SDR 2025's implications for sovereign technology companies and will be available from 2 pm today at www.defencetechnologies.com/investors.

For regular updates on Defence Holdings' strategic positioning and market developments, follow <https://www.x.com/wearedefence>.

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