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FOR IMMEDIATE RELEASE

20 October 2025

London, UK

Defence Holdings PLC

(the "Company" or the "Company")

Operational Update: Defence Holdings Strengthens Position at the Centre of Allied Defence Innovation

Defence Holdings PLC (LSE: ALRT), the UK-listed defence technology group, today issues a business update highlighting material progress across product development and partner collaboration, marking rapid delivery against its five-year plan and strong alignment with the priorities of the UK's Strategic Defence Review (SDR25).

In under twelve months since publishing its roadmap, Defence Holdings has advanced from strategy to execution, converting intent into deployable capability. Multiple sovereign-AI products are in development and soon to be in deployment, with collaboration deepening across both government and industry. The Company is now engaged with leading global technology providers and allied defence stakeholders to co-develop critical systems that strengthen national resilience and decision advantage across domains.

This growing momentum reflects not only Defence Holdings' ability to deliver at pace, but also the increasing inbound engagement from technology, defence, and national-security communities seeking the Company's expertise to help address complex, real-world capability challenges.

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Highlights

Defence Holdings has built a world-class delivery team and an expanding portfolio of sovereign-AI capabilities. The Company is now being engaged directly by the most senior UK defence leaders and NATO-aligned programmes to address some of the most complex challenges in information dominance, interoperability, and decision support.

Project Ixian is progressing toward commercialisation following validation with UK defence stakeholders, while the Company's second sovereign-AI product is in active co-development with a new hyperscale partner. The software-led, AI-enabled capability extends the value of existing hardware by performing time-critical inference at the edge, fusing multi-sensor data to improve identification confidence, accelerate response cycles, and reduce operational risk.

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Defence Holdings is now collaborating at the highest echelons of the UK defence and national-security community, as well as within NATO frameworks, including representation in the Coalition of the Willing. The Company has been formally recognised by senior defence leadership as a "Tier 1 asset" within the UK's innovation ecosystem, underscoring its growing role as a trusted partner in the delivery of sovereign capability.

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With momentum building across multiple programmes, Defence Holdings is significantly expanding its senior leadership team to support rapid growth and delivery at scale. Recruitment is under way for key executive roles, including Chief Operating Officer, to strengthen operational oversight and programme execution as the Company enters its next phase of institutional maturity. The expansion builds on the foundation established under the Chairmanship of General Lord Houghton of Richmond GCB CBE DL.

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The Company continues to execute its strategy with financial discipline, maintaining a robust balance sheet and significant headroom to support ongoing delivery. Capital deployment remains tightly aligned to programme milestones, ensuring growth is driven by validated demand rather than speculative expansion.

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Executing at Pace

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Defence Holdings was founded to build sovereign software for defence and national security, rapidly, responsibly, and at scale.

The Company's strategy is now translating into operational capability across multiple domains. Since launching its first product, Project Ixian, at DSEI 2025, Defence Holdings has progressed from initial validation to a portfolio of sovereign-AI programmes designed to enhance information resilience and decision advantage at the edge.

Each programme is advancing through active collaboration with the UK Ministry of Defence, allied governments, and global

technology partners. Development of a second sovereign-AI product is now under way, focused on AI-enabled decision-making at the edge and built in partnership with a major global hyperscale provider.

This engagement is expected to expand into a broader collaboration, further strengthening Defence Holdings's role as a bridge between sovereign software innovation and the world's most advanced technology infrastructure. Further updates on this expanded relationship are expected in the coming weeks.

Together, these products form the foundation of a scalable, interoperable software suite aligned with the UK's Strategic Defence Review (SDR25). Additional sovereign-AI programmes are already in progress, extending from frontline decision-support to national resilience systems and force-enablement technologies, ensuring capability is delivered where people and missions depend on it most.

Partnerships & Positioning:

The Company's collaboration model is proving highly effective. Defence Holdings is now actively engaged across multiple sovereign-AI programmes, participating in integration workshops and technical sprints alongside global technology companies, UK Government stakeholders, and allied institutions.

This marks a decisive shift, from partnership in principle to collaboration in delivery, and reflects a broader dynamic: Defence Holdings being actively pulled into the centre of the UK defence and technology community.

Google Cloud: Hyperscale Foundation for Sovereign Software

In October, Google Cloud was confirmed as the hyperscale provider for Project Ixian, Defence Holdings's inaugural sovereign-AI product focused on information integrity, resilience, and decision advantage.

Built on Google Distributed Cloud Air-Gapped, Ixian meets the highest standards of security and data residency, combining sovereign control with hyperscale performance.

This collaboration anchors Defence Holdings's model: sovereign software, powered by allied hyperscale infrastructure, delivered at speed. Project Ixian is moving through the final stages with a clear pathway to operational deployment.

NVIDIA: Accelerating Edge AI Performance

Defence Holdings and Whitespace participated in technical briefings at NVIDIA's Las Vegas showcase, previewing the new DGX Spark platform, one of only 50 systems distributed under NVIDIA's seed programme for its strategic partners in defence and national security.

Defence Holdings will gain access to its own DGX Spark system to benchmark and optimise sovereign-AI workloads for edge environments and autonomous platforms.

Other early recipients include NASA, Lockheed Martin, and leading AI research institutions, positioning Defence Technologies among a select group testing next-generation AI compute for mission-critical use.

Oracle: Showcasing Collaborative Capabilities at Oracle AI World

At the invitation of Oracle, Defence Technologies attended Oracle AI World 2025 in Las Vegas for a series of closed-door sessions with Oracle's UK and global defence and national-security leadership.

These discussions form part of a growing collaboration exploring how Defence Technologies's sovereign-AI software can operate natively on Oracle's hyperscale infrastructure to deliver secure, deployable capability across allied missions.

Leadership & Organisational Growth

Defence Holdings is expanding its leadership, engineering, and delivery teams as the Company moves into its next phase of execution. Recruitment is under way for key senior roles, including a Chief Operating Officer, to ensure the Company can scale operations in line with growing customer engagement and programme delivery.

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This strengthened structure reflects the transition from product development to operational deployment, embedding Defence Holdings's technologies directly within end-user environments and ensuring that delivery keeps pace with demand.

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Summary

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Defence Holdings now enters a new phase of execution and expansion. The foundation is built. sovereign-AI products validated, partnerships with global technology leaders established, and credibility within defence and national-security institutions secured. The next phase is about scale: embedding capability across programmes, accelerating delivery with allied partners, and realising the full commercial and strategic value of the platform the Company has created.

Defence Holdings remains one of the few listed companies positioned to capture this generational opportunity, combining

sovereign design, hyperscale integration, and commercial agility.

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Andrew McCartney, Chief Technology Officer of Defence Holdings, commented:

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“In under a year, we’ve moved from concept to capability. Defence Holdings is now delivering sovereign software that addresses real operational needs. Software that’s deployable, scalable, and aligned with allied infrastructure. The most considerable change in recent months is the level of engagement. We’re no longer presenting ideas from the outside; we’re being brought into the core of defence transformation, working directly with those shaping the UK’s and NATO’s digital operating model. That shift reflects disciplined execution, credible delivery, and the calibre of the team driving it.

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Our focus now is on scale - expanding our engineering capacity, deepening collaboration with hyperscalers, and embedding our technology into live defence environments to strengthen national resilience and operational advantage for the United Kingdom and its allies.”

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Exercise of Warrants

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The Company has received notices from warrant holders to exercise warrants over a total of 96,399,279 ordinary shares of £0.001 each in the Company (“Ordinary Shares”). Accordingly, the Company will issue 96,399,279 new Ordinary Shares to warrant holders. Of these, 62,153,126 Ordinary Shares will be issued to a single warrant holder and 34,246,153 Ordinary Shares to another, pursuant to the exercise of their warrants.

Admission and Total Voting Rights

Application will be made for the 96,399,279 new Ordinary Shares, which will rank pari passu with the existing Ordinary Shares in issue, to be admitted to trading on the London Stock Exchange Main Market (“Admission”). Dealings are expected to commence on or around 23 October 2025.

Following Admission, the Company’s total issued and voting share capital will consist of 2,381,792,946 Ordinary Shares. The Company does not hold any ordinary shares in treasury. Therefore, the above figure may be used by shareholders in the Company as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA’s Disclosure Guidance and Transparency Rules.

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About Defence Holdings PLC

Defence Holdings PLC (LSE: ALRT) is a leading listed software-led defence company, focused on developing sovereign defence capabilities for the digital age. The Company’s five-year strategic plan, announced in June 2025, positions it to become a leading force in software-first defence solutions.

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