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Danske Growth

Nordic defence tech report 2025

November 2025

Introduction

Heightened geopolitical tensions and rapid technological shifts continue to shape Europe's and the Nordics' defence priorities. The region's proximity to strategic flashpoints has reinforced the need for stronger cooperation, innovation, and self-reliance.

The EU and Nordic countries are sharpening their defence and dual-use technology strategies, aligning industrial policy, innovation funding, and security goals. While the focus here is firmly on Defence and dual-use technologies, broader Resilience and Infrastructure (DSR) aspects are not included unless stated otherwise.

This narrower scope means a smaller sample of companies, yet the insights remain valuable in tracking emerging trends, capabilities, and investment patterns shaping the future of Nordic defence innovation.

Special thanks to Niels Vejrup Carlsen and Christian Winther (Final Frontier), Magnus Bergman (Luminar Ventures), Thomas Falck (Polarion), Jesper Hart-Hansen (T|Y|R.vc), Jan-Erik Saarinen (Double Tap), Magnus Hambleton (byFounders/DataCrunch), and Claus Thorup Albjerg (EIFO) for their valuable input.

Key Figures

\$1.7B

VC investment in
Defence & Dual-use
Tech since 2019

\$5.4B

Enterprise Value of
Defence & Dual-use
startups

80%

Share of Defence &
Dual Tech VC funding
going to Space and
Quantum since 2019

150+

Defence & Dual-use
startups
in the Nordics

EU Defence & Security Priorities and the Nordic's Investment Targets



Nordic Defence Investment Targets



The Nordic Implementation Overview



AMMUNITION



Build stockpiles and boost defence industry capacity



DENMARK
Partnering with Nammo to revive domestic production.



SWEDEN
Expanding rearmament via Nammo Sweden & Norma Precision.



NORWAY
Expanding artillery ammo output (Nammo Norway).



FINLAND
New TNT factory; investing in Patria, Mectalent.



DRONES AND ANTI-DRONES SYSTEM



Develop multi-layered, integrated systems



DENMARK Investing in Arctic-capable drones; supporting MyDefence, Weibel.



SWEDEN
Developing swarm drones (Loke) and mobile air defence (SAAB).



NORWAY
Upgrading NASAMS; enhancing national air defence (Kongsberg).



FINLAND
Adding F-35s, David's Sling; strengthening GBAD & counter-drone layers..



MILITARY MOBILITY



Build dual-use transport and logistics networks



DENMARK
Upgrading Esbjerg port, boosting NATO interoperability.



SWEDEN
Modernising transport for NATO integration.



FINLAND
Expanding northern logistics and rail for dual-use access.



AI, QUANTUM, CYBER AND ELECTRONIC WARFARE



Advance innovation in emerging defence tech



DENMARK
DKK 1B in quantum tech; EU secure comms projects.



SWEDEN
Creating Cybercampus Sweden; strengthening national cyber R&D.



FINLAND
Enhancing cybersecurity, NATO-linked digital infrastructure, and RDI capacity.



STRATEGIC ENABLERS, INFRASTRUCTURE PROTECTION



Focus on airlift, refuelling, maritime, and space assets



DENMARK
New naval vessels for mine-laying, surveillance, and rescue.



NORWAY
New frigates, submarines, and secure undersea comms network.



ARTILLERY SYSTEM



Expand precision, long-range capabilities



SWEDEN
BAE Systems Bofors self-propelled howitzers.



NORWAY
GPS-guided self-propelled artillery expansion.

Defence

Tech overview

- Defence tech
- Defence adjacent



Defence terminology

Dual-use tech

Any startups developing technologies, products or services with disclosed or *clear potential* application in the defence sector.

Examples:
quantum technologies,
space tech, etc.

Examples of Nordic startups:



Reorbit

IQM

Defence

Core company focus are technologies applied for military use

Examples of Nordic startups:



BLINK TROLL and DROPLA

Defence applications

Companies working on different segments and one application is defence.

Examples of Nordic startups:

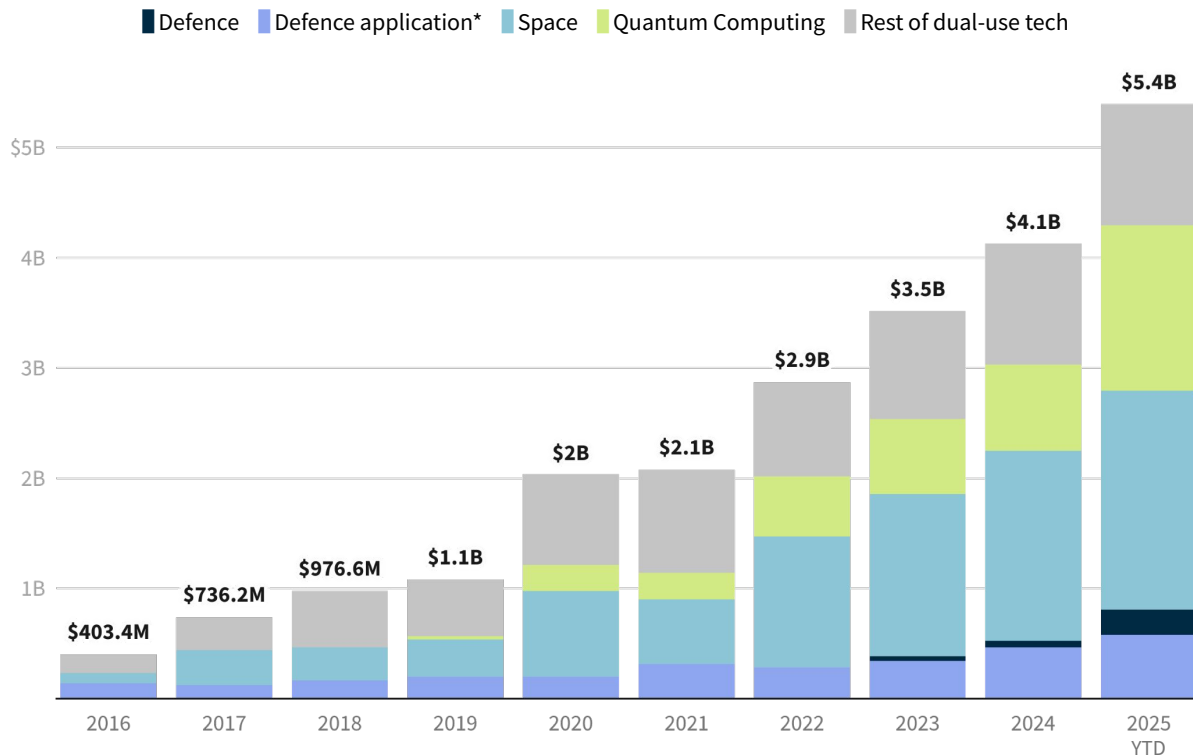


1 The state of defence and dual use tech

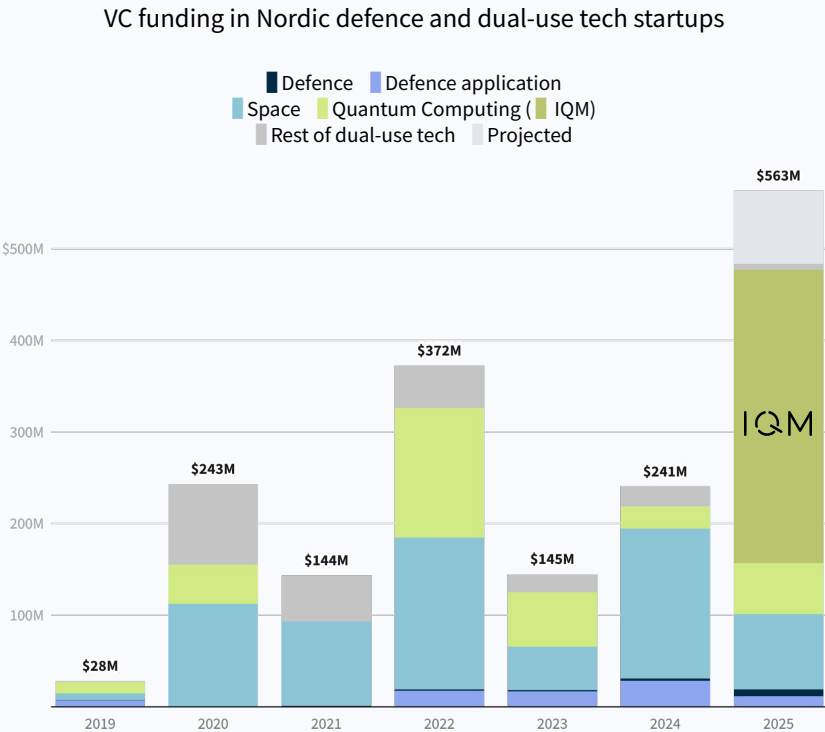
2 Ecosystem update

The defence and dual-use tech ecosystem in the Nordics is now worth \$5.4B, up 4.9x since 2019

Combined enterprise value in Nordic defence and dual-use tech startups



VC investment in the Nordic defence and dual-use tech ecosystem has increased 2.3x since 2024, driven by Finnish IQM



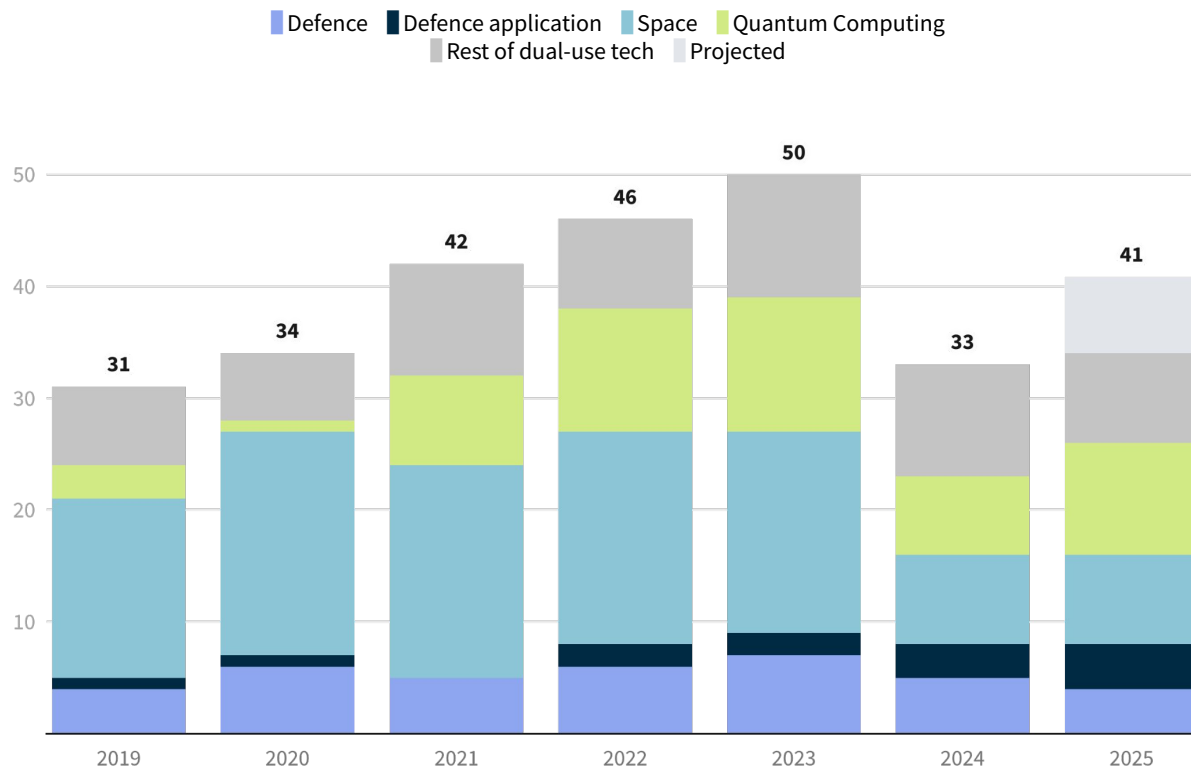
Selected Defence and Defence application rounds* » [View online](#)

Company	Amount	Round	Date	Category
embedl	\$6.5m	Seed	Jun 2025	AI x Defence
QUADSAT	\$5.5m	Series A	Jul 2025	C4ISR - Surveillance
scaleout	\$3.8m	Early VC	Feb 2015	AI x Defence
NAD	\$2.7m	Seed	Jul 2025	Counter UAV
DROPLA	\$2.6m	Seed	Aug 2025	AI x Defence - Demining
BLINK TROLL	\$1.6m	Seed	Jun 2025	Training, Simulation, Testing

The number of Defence and Dual-use tech rounds has been gradually rising since 2019

Despite consistent growth over time, performance in the last two years has reverted to pre-peak levels.

Number of VC rounds in Nordic defence and dual-use tech startups



Quantum computing is the fastest growing sector in the Nordics this year

Defence tech VC investment volume fell 49% YoY, despite the global rise in focus on defence technology.

Comparison of VC funding by selected sectors in the Nordics

Vertical	2025 VC funding YTD	Projected growth 2025 vs 2024
Health	\$1.6B	61%
Energy	\$961.6M	-29%
Defense, Security And Resilience	\$792.5M	73%
Enterprise Software	\$733.7M	31%
Fintech	\$549.4M	13%
Transportation	\$521.9M	30%
Semiconductors	\$444.7M	497%
Food	\$395.3M	4%
Quantum Computing	\$375.9M	1703%
Legal	\$316.1M	344%
Marketing	\$217.0M	126%
Robotics	\$204.4M	17%
Space	\$82.1M	-42%
Defence & Defence Application	\$24.4M	-49%

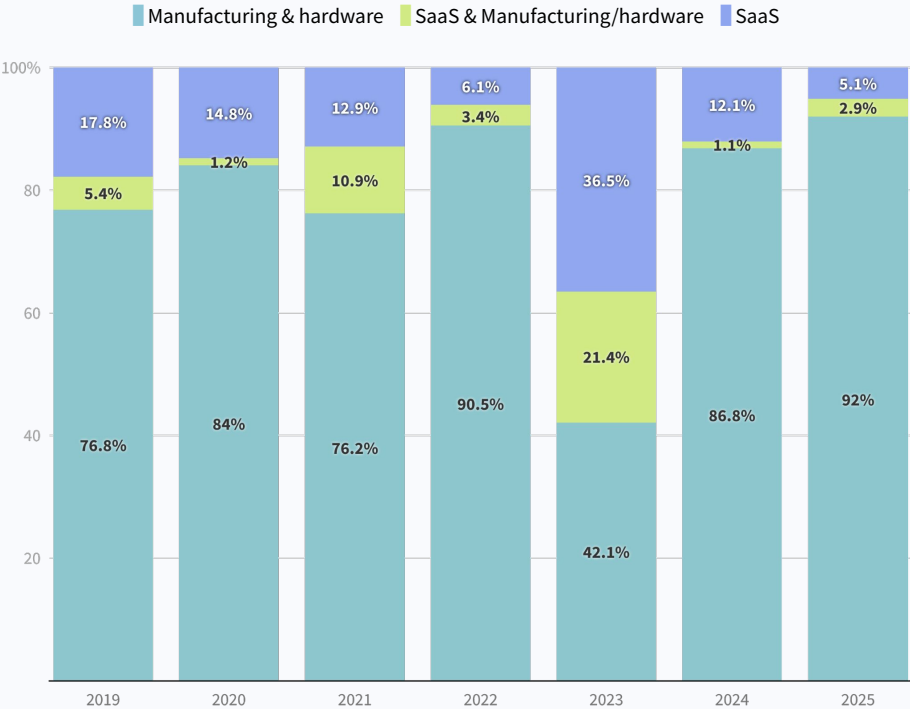
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Source

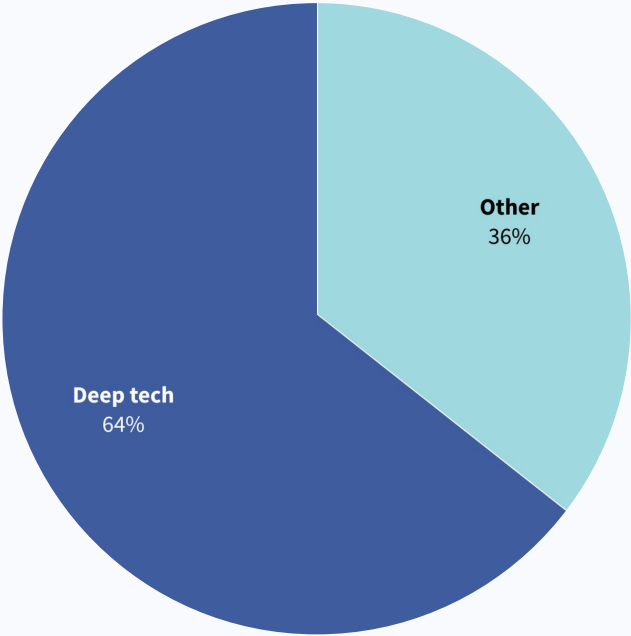
*Companies that enhance military capability, protect critical infrastructure, and strengthen societies to withstand and recover from crises. Developed together with NATO Innovation Fund (NIF).

VC investments have largely favoured manufacturing & hardware, with 64% of Nordic startups remaining in deep tech, indicating a focus on long-term innovation over short-term deployment

VC funding by business model

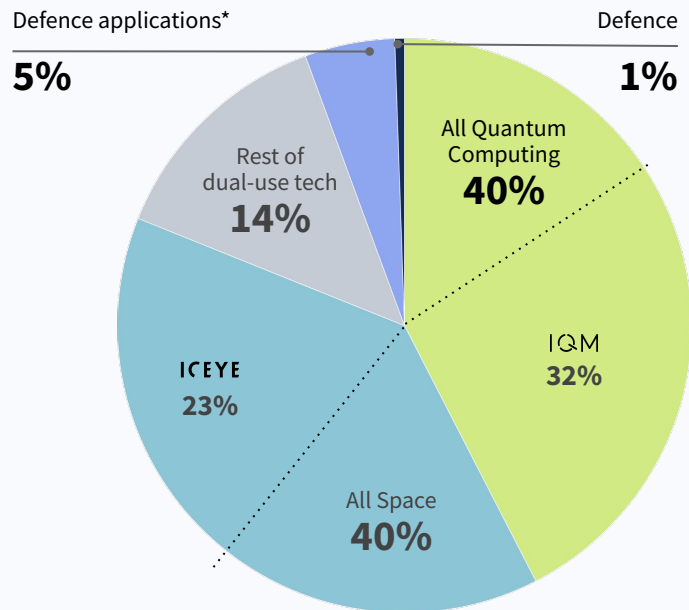


Share of Deep tech startups amongst Dual-use tech

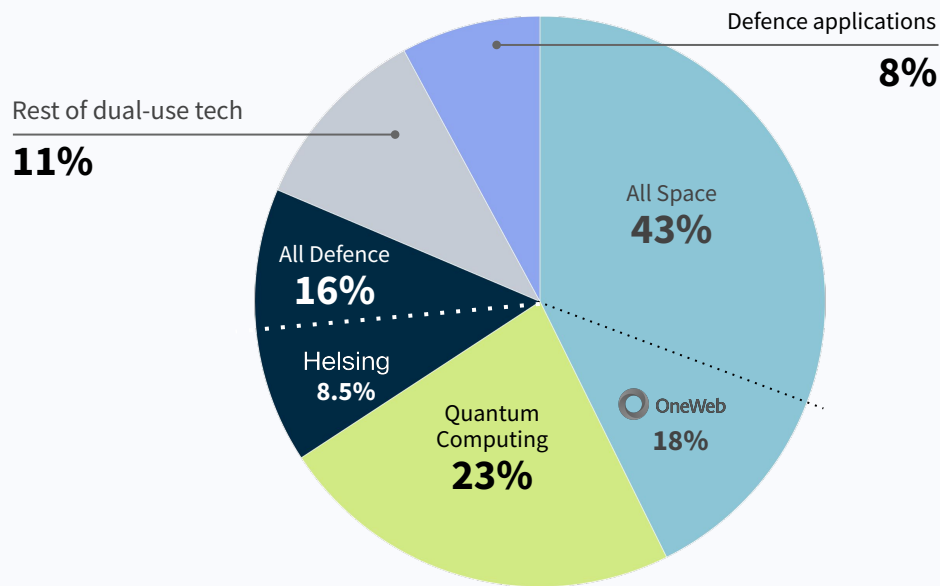


Most VC investment in the Nordics has gone towards space and quantum, while the Nordics lag behind European average when it comes to core defence tech

Nordic VC investment by Dual-use segment (2019 - 2025 YTD)

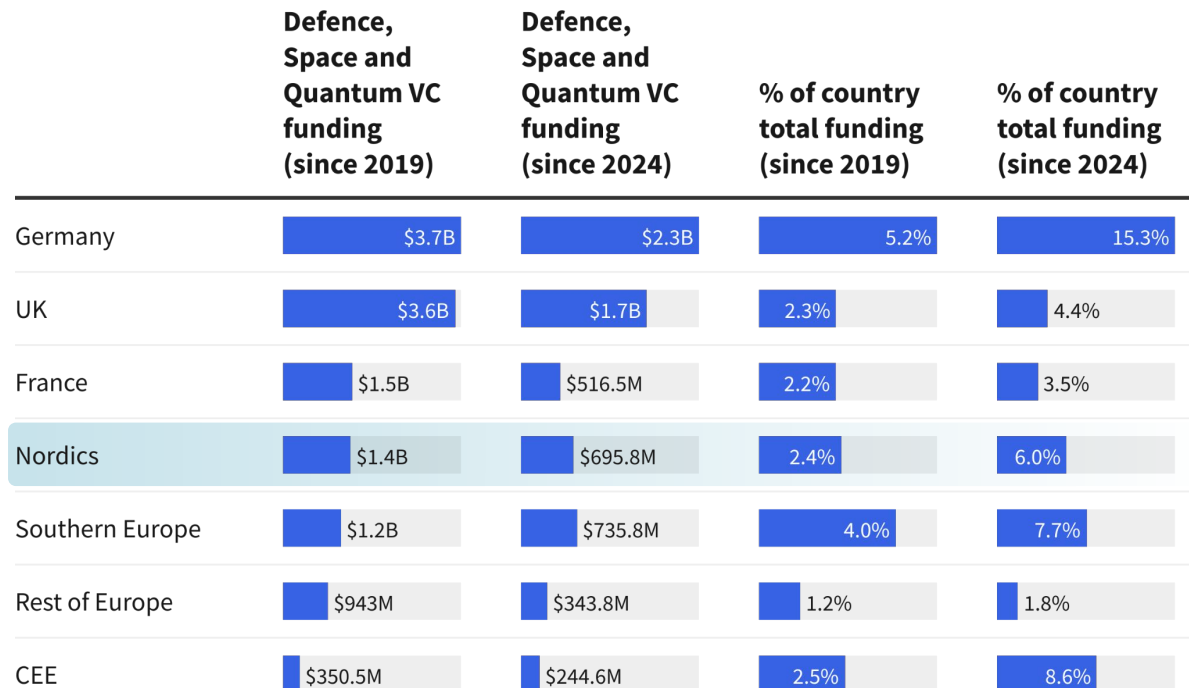


Europe VC investment by Dual-use segment (2019 - 2025 YTD)



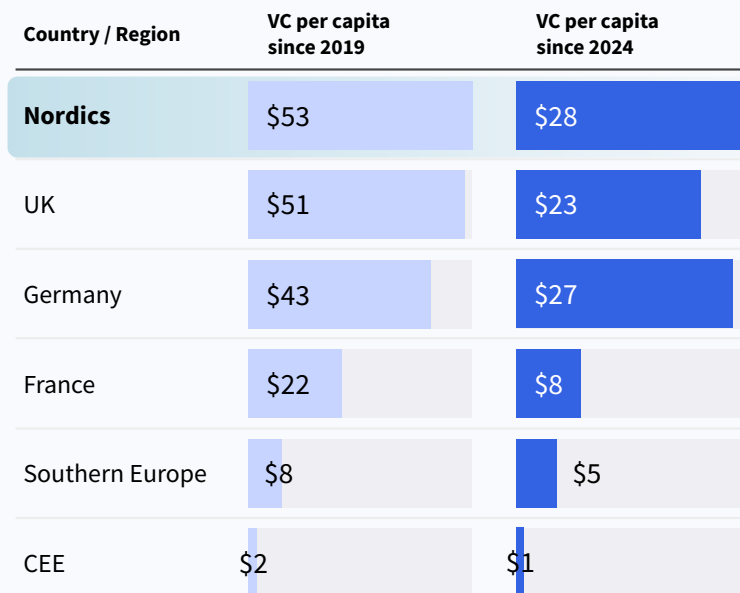
The Nordics are among the leading European ecosystems for dual-use VC funding, yet maintain a relatively modest % of total VC allocation

VC funding in Defence and Defence application, Space, and Quantum in Europe

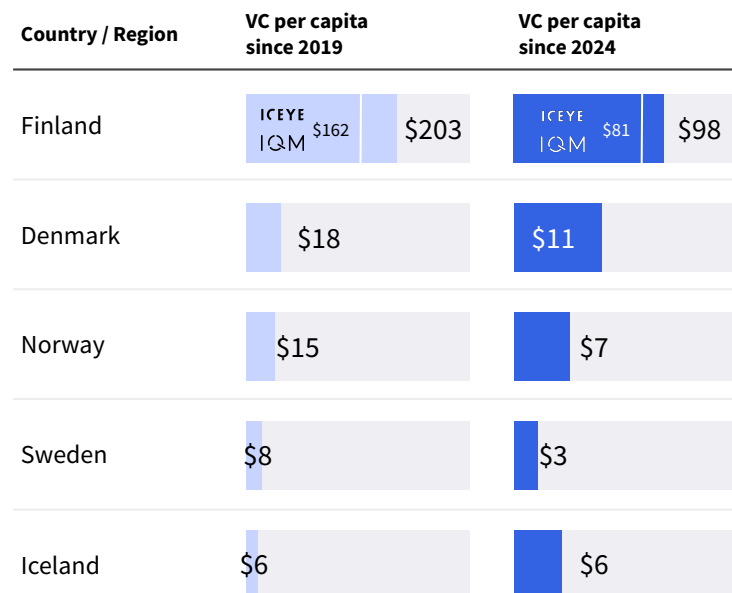


Nordics lead Europe in per capita defence and dual-use VC investment. Finland leads the Nordics per capita

VC investment in Defence and Dual use per capita in Europe



VC investment in Defence and Dual use per capita in the Nordics



150+ Nordics Defence Tech & Dual-use startups

Explore the landscape »

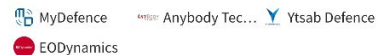
Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance - C4ISR

Combined funding \$ 44M



Weapons/Defence Systems

Combined funding \$ 1.5M



UAVs

Combined funding \$ 13M



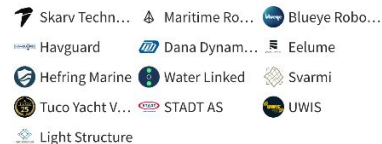
Ground UAVs & robotics

Combined funding \$ 90.9K



Naval and Maritime Technologies

Combined funding \$ 18M



AI x defence

Combined funding \$ 5M



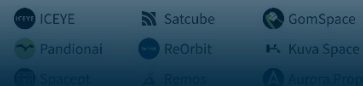
Training, Simulation and Testing

Combined funding \$ 122M



Satellites (imaging and connectivity)

Combined funding \$ 412M

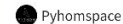


Rest of Space

Combined funding \$ 91M

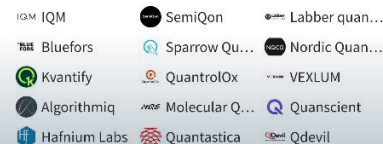


Supersonic/ hypersonic planes and propulsion systems



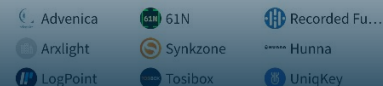
Quantum computing, cryptography and sensing

Combined funding \$ 271M



Cybersecurity

Combined funding \$ 115M



Advanced sensing technology

Combined funding \$ 18M



Energy (e.g. energy storage)

Combined funding \$ 9.2M



Biodefence

Combined funding \$ 2M



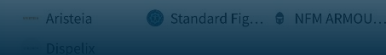
Advanced materials & manufacturing

Combined funding \$ 119M



Wearables for military

Combined funding \$ 50M

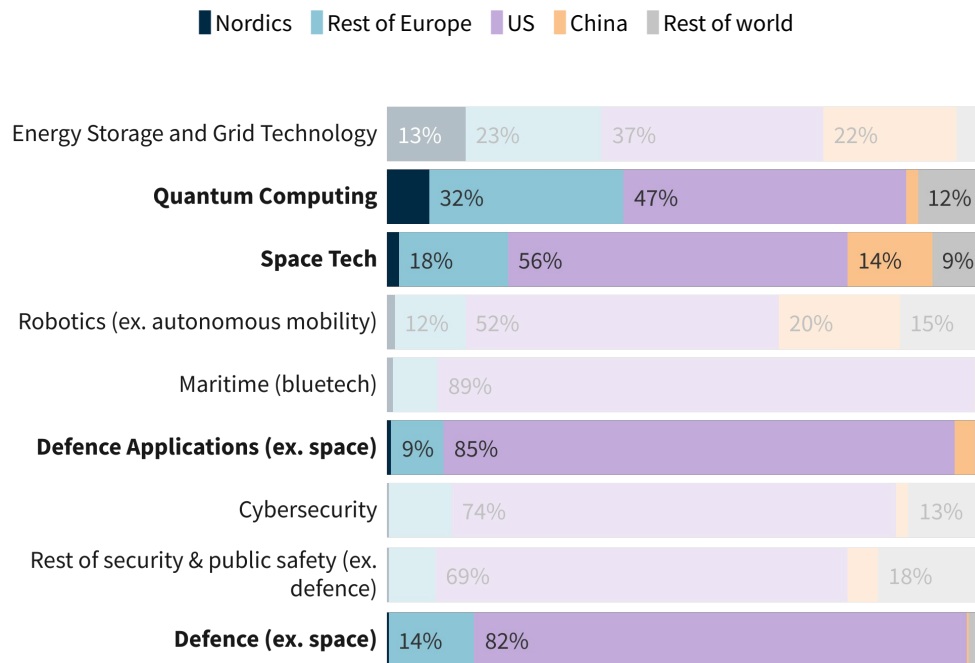


1 The state of defence and dual use tech

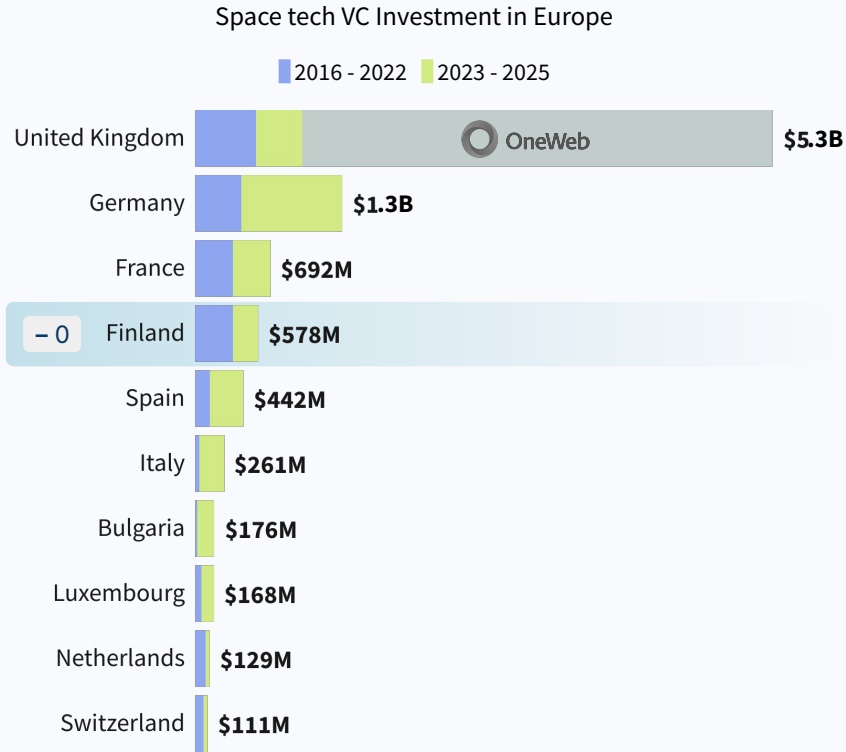
2 **Ecosystem update**

Leading dual-use tech sectors in the Nordics include quantum computing and space tech

Share of VC funding in key Dual use tech segments (2021-2025)



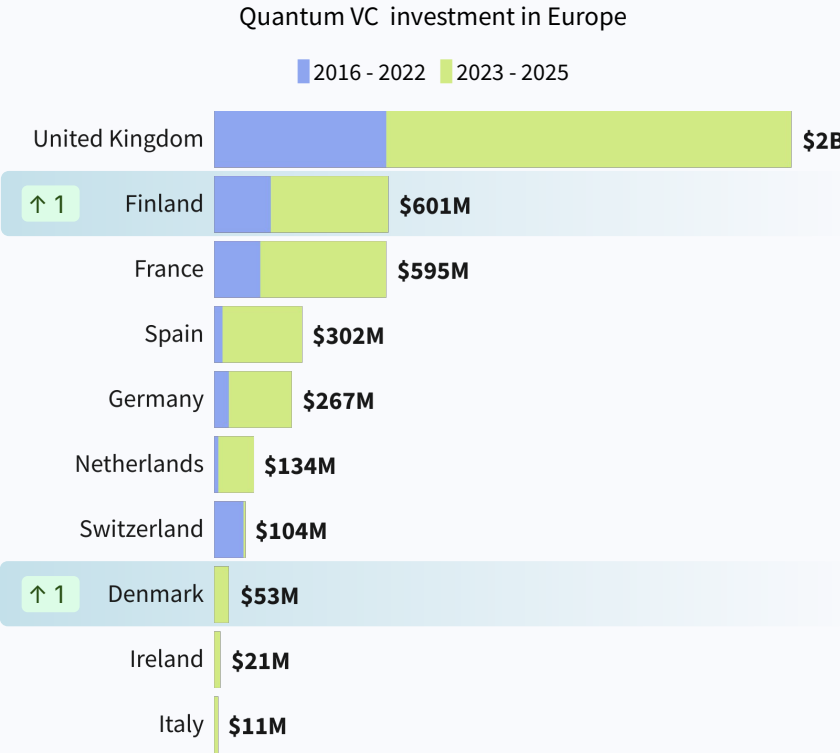
Finland has emerged as a Space Tech forerunner in the Nordics and Europe



Select top rounds by Space Tech startups in the Nordics since 2024

NAME	LAST ROUND	DATE
 ICEYE High-resolution radar imagery for re...	\$93.0m SERIES E	Apr 2024
 ReOrbit Bringing technology together to sha...	€45.0m SERIES A	Sep 2025
 ICEYE High-resolution radar imagery for re...	\$32.5m SERIES E	Dec 2024
 Norsk Titanium Develops manufacturing technology...	\$25.0m PRIVATE PLACEMENT VC	May 2024
 ATLANT 3D Atomic-scale manufacturing platfor...	\$15.0m SERIES A	Mar 2025

Finland and Denmark are leaders for Quantum investment in Europe with a large increase in funding since 2024



Select top rounds by Quantum startups in the Nordics since 2024

NAME	LAST ROUND	DATE
 IQM European leader in superconducting...	\$320m SERIES B	Sep 2025
 Sparrow Quantum Sparrow Quantum: World Leaders in...	€21.5m SERIES A	Apr 2025
 SemiQon Building silicon-based quantum pro...	€15.0m EARLY VC	Feb 2025
 Kvantify Solving difficult computational chall...	€10.0m SEED	Jul 2024
 QuantrolOx Pioneers Quantum EDGE software f...	€6.5m EARLY VC	Sep 2025

Where are Nordic defence startups based?

Helsinki, Stockholm, Copenhagen, Aalborg, Trondheim and Oslo host most defence tech, space and quantum startups.

Finland shows a very strong centralization in Helsinki, while Denmark, Sweden and Norway have multiple hubs.

In **Denmark**, Aalborg and Copenhagen emerge as key hubs. Aalborg hosts notable activity thanks to the Aalborg University (AAU), and the presence of mature defence industry players and army outposts. Odense also shows up with its robotics hub.

In **Sweden**, Stockholm is the main hub, followed by Uppsala, Gothenburg, Luleå and Malmö & Lund.

In **Norway**, Trondheim follows Oslo to host notable activity in maritime technologies coming from offshore expertise.

Iceland is concentrated in Reykjavík.



Nordic defence partnerships driving sector innovation



Partnership: **VOLVO**

In 2025, Nordic Air Defence partnered with Volvo Defense to integrate advanced anti-drone systems into Volvo's VIPRO vehicle-protection platform. The collaboration combines Volvo's heavy-vehicle engineering with Nordic Air Defence's AI-guided Kreuger 100XR interceptor, creating a new generation of mobile counter-UAS solutions designed for mass production and European defense autonomy.

CLAVISTER



Partnership:  **SAAB**

In 2025, Swedish cybersecurity firm Clavister partnered with Saab to enhance cyber resilience in Saab's defense platforms. The collaboration integrates Clavister's AI-driven security technology to strengthen secure communications and mission-critical systems, advancing Sweden's push for sovereign, cyber-secure defense capabilities.



Partnership:  **Palantir**

In 2025, Danish drone maker Sky-Watch partnered with Palantir Technologies to integrate real-time data from its RQ-35 Heidrun reconnaissance UAVs into Palantir's analytics platforms. The collaboration aims to fuse front-line sensor feeds with tactical data systems, streamlining ISR and mission-planning workflows for defence customers across Europe.

ICEYE

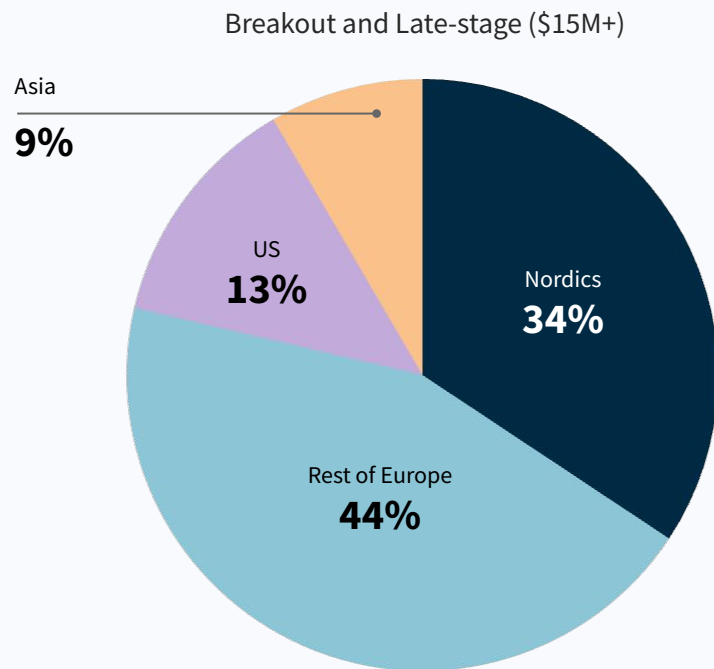
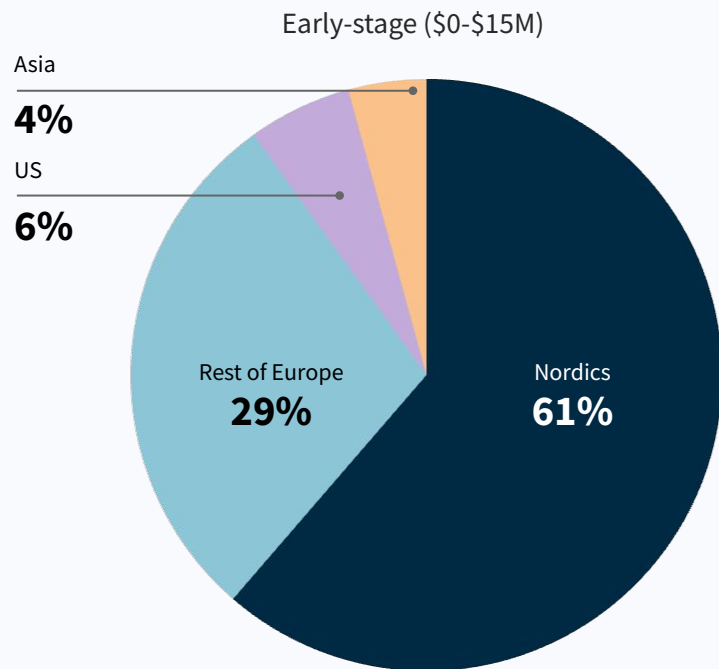


Partnership: **LOCKHEED MARTIN** 

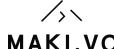
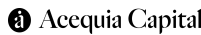
In 2024, Finnish radar-imaging startup ICEYE joined forces with Lockheed Martin as part of Finland's F-35 industrial-participation programme. The partnership leverages ICEYE's spaceborne synthetic-aperture radar constellation to enhance ISR and battle-space awareness, while anchoring new space-sector manufacturing and analytics capabilities within Finland's defence ecosystem.

Nordic investors provide over 60% of early-stage VC funding, but their share drops to a third at late stage as Europe and US investors expand

VC funding since 2019 by investor location in Nordic defence and dual-use tech startups



The Nordics defence and dual-use investor landscape.

	Significant defence or dual-use portfolio	Some defence or dual-use investments		
Nordics-based VCs				
Rest of Europe VCs				
Rest of the world VCs				
CVCs		Institutional investors National / Local mandate 	Institutional investors Cross-border mandate 	Institutional investors Foreign investors 

Top investors in Defence and Dual-use tech in the Nordics are namely local investors, state and EU affiliated funds

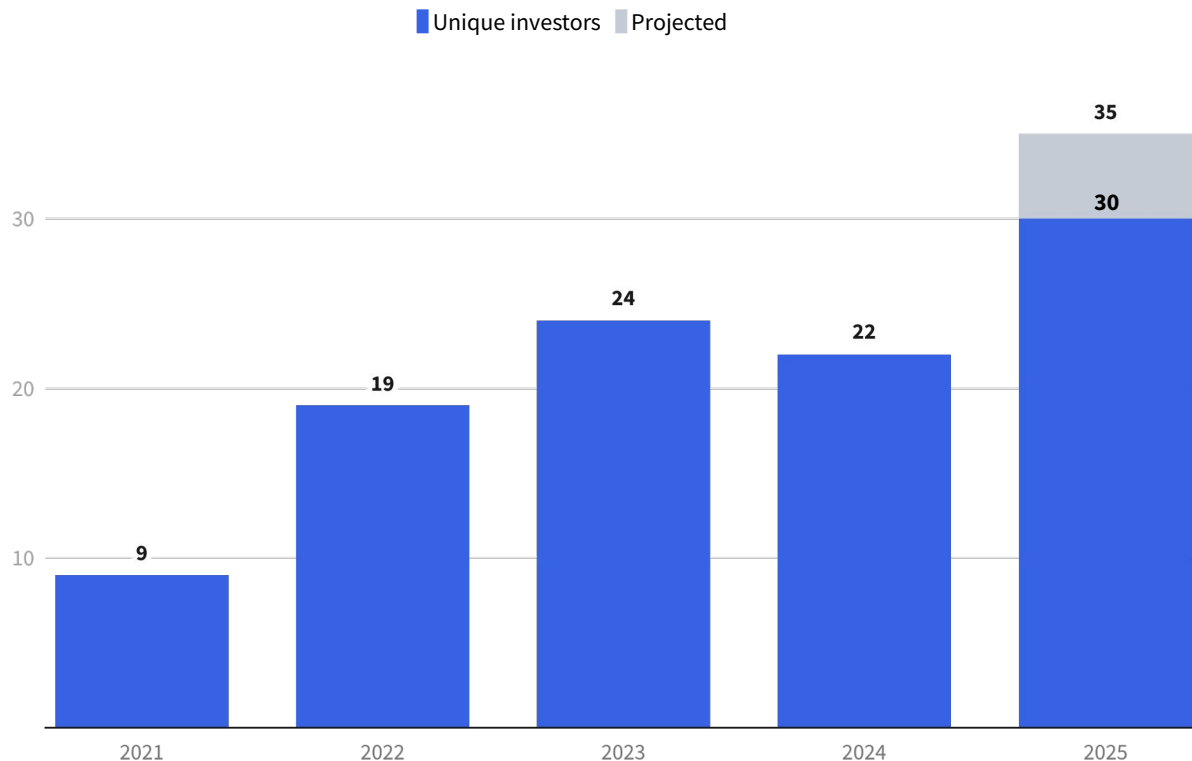
Top investors in Defence and Dual-use technologies in the Nordics since 2019

Investor	Investor type	Preferred round	Defence and Dual-use rounds since 2019
 Seraphim Space	Venture capital	SEED	10
 Almi Invest	Venture capital	SEED	7
 EIC Fund	Venture capital	SEED	7
 Export and Investment Fund of Denmark	Venture capital	SEED	6
 Lifeline Ventures	Venture capital	SEED	6
 Maki.vc	Venture capital	SEED	6
 2xN	Venture capital	SEED	6
 Tesi	Venture capital	SERIES A	5
 Chalmers Ventures	venture_capital	SEED	4
 Navigare Ventures	Venture capital	SEED	4
 Fazer	corporate	ACQUISITION	4
 STOAF	venture_capital	SEED	3
 Icebreaker VC	Venture capital	SEED	3
 Voima Ventures	Venture capital	SEED	3

More and more investors are becoming involved in Nordic Defence

The number of unique investors in Nordic defence tech has steadily increased, projecting 3.9x growth since 2021, indicating growing interest and diversification of the investor base.

Number of unique investors in Nordic Defence by year



Dedicated Nordic defence VCs are emerging

 DENMARK



Founded: 2024

Fund Size: Fund I: €4.5M; raising Fund II (target €100M)

Investment Thesis: Invests in Defence, Space & Cyber tech startups with working prototypes (TRL6+), focused on the Nordics and Baltics.

Sector Focus: Autonomous systems (air, sea, land), Counter-drone, Intelligence / Situational awareness, Satellite systems, Critical infrastructure cybersecurity,

Portfolio Highlight: BlinkTroll, Dropla, P-Secure, Stormborn (UK), Farsight Vision (EE)

 FINLAND



Founded: 2023

Fund Size: Not disclosed

Investment Thesis: Focuses on pure defence tech, primarily Ukrainian startups solving frontline military challenges.

Sector Focus: Unmanned systems (air, river), Cybersecurity, Open-source intelligence

Portfolio Highlight: 4th Law (US), Black Forest (UA), Griselda (UA), Hard Cat (UA)

 DENMARK



Founded: 2025

Fund Size: Co-investing with UK family foundation; raising €30M (hard cap €80M)

Investment Thesis: Backs Northern European dual-use (defence) tech at TRL5+, with strong IP protection.

Sector Focus: NATO priority tech areas: autonomous systems, quantum, biotech/human enhancement, space, novel materials, energy & propulsion, next-gen communications

Portfolio Highlight: Sonair AS

 SWEDEN



Founded: 2025

Fund Size: Currently raising

Investment Thesis: Invests in early-stage defense tech startups. Leverages operational military insight and industry networks.

Sector Focus: Tactical autonomy, robotics, cyber/AI warfare, intelligence (ISR/OSINT), quantum, sensors, communications, space

Portfolio Highlight: No public investments yet.

 NORWAY

Polarion

Founded: 2025

Fund Size: Raising €100M

Investment Thesis: Invests in Nordic defence tech with armed forces contracts. Uses scenario-based foresight to identify future conflict technologies, including hybrid warfare, and supports international scaling.

Sector Focus: Counter-drone, Sensors, Cybersecurity, Advanced materials, Arctic & maritime tech

Portfolio Highlight: No public investments yet.

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](#)

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.

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.

Dual-use tech definition

Dual-use technology startups include companies that develop products and services that can be used in both civilian and military sectors. These startups contribute with their core technologies toward enhancing national security and defence (defence applications) or advancing civilian industries like healthcare, infrastructure, and energy (civilian applications).

Data for this report was completed as of November 2025



Global startup & venture capital intelligence platform.

Dealroom.co is the foremost data provider on startup, early-stage and growth company ecosystems in Europe and around the globe.

Founded in Amsterdam in 2013, we now work with many of the world's most prominent investors, entrepreneurs and government organizations to provide transparency, analysis and insights on venture capital activity.

Danske Growth

About Danske Bank Growth

Danske Bank is a leading Nordic bank with a global presence. Danske Bank Growth is part of Danske Bank and the one-stop bank for growth companies.

Understanding the unique challenges of scaling a company, Danske Bank Growth provides tailored advisory services, financial solutions, and strategic insights to help businesses on a venture journey realize their ambitions. Catering to fast-growing companies across various sectors, it offers essential setup services initially, followed by specialized guidance and scalable solutions as businesses progress through their growth phases.

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