REGISTERED NUMBER: 12316056 (England and Wales)

Strategic Report, Directors' Report and

Audited Financial Statements for the Year Ended 31 December 2025

for

Anduril Industries UK LTD.

Contents of the Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2025

Company Information
FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS:	M M Grimm R D Drake M D Shenk
REGISTERED OFFICE:	2 New Street Square London EC4A 3BZ
REGISTERED NUMBER:	12316056 (England and Wales)
AUDITORS:	ML Audit LLP Statutory Auditors Freshford House Radcliffe Way Bristol BS1 6NL

Strategic Report
FOR THE YEAR ENDED 31 DECEMBER 2025

Anduril Industries UK Ltd. (the "Company") a commercial organisation, presents its financial statements for the year ending 31 December 2025.

1. PRINCIPAL ACTIVITY

Anduril Industries UK Ltd. is a subsidiary of Anduril Industries, Inc. a US company. The UK subsidiary operates as a service provider to its parent company, offering a variety of key functions including sales, product setup, engineering, and administrative support. Additionally, the UK entity engages in direct sales activities independent of its relationship with the US parent. For all services provided to the parent company, it operates on a cost-plus arrangement, whereby it charges a markup on costs for services rendered to the US parent company, or a targeted operating margin, whereby it charges the US parent company at an amount that reflects a target operating margin. Distribution services are recognized at targeted 3% operating margin while all other services are marked up at cost plus 6%.

In addition to direct third party sales, the principal activities of the UK subsidiary include:

- Sales Support - the subsidiary provides sales assistance, including marketing research, product setup, and sales coordination to the US parent;
- Engineering Support - the UK entity offers engineering to assist the US parent in the development and delivery of products and services. This includes technical consultation and project management support;
- Administrative Support - the subsidiary manages various administrative functions such as HR, finance, procurement, IT, legal, and compliance services to ensure smooth operational support to the US parent.

The relationship between the UK subsidiary and the US parent company is central to the operations of the UK entity, which focuses largely on supporting the parent's broader business objectives.

2. REVIEW OF BUSINESS

The UK subsidiary's business model revolves around both third-party sales and providing essential services to the US parent company in a cost-efficient manner. The cost-plus and targeted operating margin pricing models ensure that the UK entity is remunerated for its services based on the actual costs incurred. These arrangements allow the UK subsidiary to remain financially stable without being dependent on external customers or market fluctuations.

Key functions provided by the UK subsidiary are critical to the ongoing operations of the parent company, especially as the UK entity serves as a key operational hub in Europe. The subsidiary plays a supporting yet essential role in enabling the parent company's product development, sales expansion, and administrative functions.

3. REVENUE/PERFORMANCE

Revenue - The UK subsidiary generates revenue through: (i) sales with external customers, independently and on behalf of the US parent company and (ii) its cost-plus arrangement with the US parent. The cost-plus revenue model with the US parent is based on the costs incurred for providing services such as sales support, engineering, and administrative functions. This means that revenue is directly linked to the operational costs incurred by the subsidiary, with the percent markup representing its margin. Sales with external customers on behalf of the US parent under the targeted operating margin methodology reflect actual revenue generated from those customers. Sales directly to third-party customers are recognized based on the contractual price agreed to with those customers. Revenue was £54.5 million in 2025 and £10.9 million in 2024.

4. KEY PERFORMANCE INDICATORS

The key performance metrics for the UK subsidiary are focused on cost efficiency, service delivery, and alignment with the parent company's business needs. Given the structure of the subsidiary, performance is primarily driven by internal operational efficiency rather than external market forces.

While the UK subsidiary operates in a relatively low-risk environment, there are still several principal risks and uncertainties that need to be considered:

5. PRINCIPAL RISKS AND UNCERTAINTIES

5.1 Strategic Risks

Dependence on the US Parent Company: The subsidiary's business is entirely dependent on the continued need for services by the US parent. Any significant changes in the parent company's strategic direction, such as a shift in focus or an alteration in the nature of services required, could impact the UK subsidiary's operations. However, the US parent company has no intention to shift in focus.

5.2 Financial Risks

Currency Risk - As the subsidiary operates in the UK and charges for its goods and services in GBP, fluctuations in the exchange rate between GBP and USD could impact the financial results of the UK entity. However, this risk is partially mitigated by the cost-plus structure, which reflects the UK's local operating costs.

Credit Risk - The UK subsidiary is financially linked to the US parent, a large and stable company. While credit risk is minimal due to the financial strength of the parent, any disruption in the parent's operations could indirectly impact the UK subsidiary's cash flow.

5.3 Operational Risks

Retention of Key Talent - The success of the UK entity is dependent on retaining skilled employees, particularly in technical and engineering roles. Failure to retain key talent or difficulties in recruiting suitably qualified employees could impact the subsidiary's ability to meet its obligations or grow its operations in the future.

5.4 Risks Relating to Financial Reporting - Estimates and Judgements

Cost Estimation and Allocation - The cost-plus pricing model relies on accurate and consistent cost estimation. Any inaccuracies in allocating costs to the appropriate services could affect both the profitability of the UK subsidiary and the financial relationship with the US parent company.

Intercompany Transactions - The subsidiary must ensure that intercompany transactions are correctly accounted for, including proper allocation of shared services and management charges. Errors in accounting for these transactions could result in misreporting and financial discrepancies.

5.5 Risks Associated with Laws and Regulations

Tax and Transfer Pricing Risks - The UK subsidiary's cost-plus model is subject to transfer pricing regulations. Any changes in tax laws, either in the UK or the US, could affect the transfer pricing arrangements or lead to increased tax liabilities. Compliance with both local and international tax laws is a key risk area for the subsidiary.

Labour and Employment Regulations - The subsidiary must remain compliant with UK and Finland employment laws, which includes rules regarding compensation, working hours, and employee rights. Changes in labour laws could lead to higher costs or operational adjustments.

Data Protection and Privacy - As the subsidiary handles sensitive business information, changes in data protection regulations could increase compliance costs or expose the entity to legal risks.

6. RISK MITIGATION AND MANAGEMENT

The UK subsidiary has implemented several measures to mitigate the risks outlined above:

- Robust financial management - Regular reviews of cost allocation, transfer pricing, and financial reporting processes ensure that cost markups remain accurate and that intercompany transactions are properly accounted for.
- Resource Planning - The subsidiary employs resource planning tools to monitor staffing needs, project timelines, and service requirements from the US parent to ensure optimal performance.
- Employee Engagement - A focus on employee retention through competitive compensation, professional development programs, and a positive work environment is crucial to mitigate the risk of talent loss.
- Regulatory Compliance - The subsidiary's accounting, legal, and compliance teams actively monitor

changes in accounting, tax, employment, and data protection regulations to ensure full compliance and mitigate potential risks.

7. OUTLOOK

We do not foresee any significant risks or uncertainty in the matters of interest rates, inflation, or supply chain impacting this entity. The UK subsidiary's cost-plus model significantly shields it from these macroeconomic factors as it bases a significant portion of its revenue on actual operational costs, which are reviewed regularly to account for inflationary pressures or interest rate changes.

Employee recruitment and retention is expected to mirror prior years. The UK subsidiary has historically been able to attract and retain skilled employees, and no major disruptions are anticipated in this regard. The continued alignment with the US parent's strategic goals ensures that the demand for services will remain stable, and the subsidiary's role is likely to continue as a critical operational support hub.

8. CONCLUSION

The UK subsidiary remains a stable and integral part of the overall business, providing essential sales, product setup, engineering, and administrative services to its US parent. While there are some strategic, financial, and operational risks, these are effectively mitigated through careful planning and management. The cost-plus model provides financial stability, and there are no significant risks expected to arise from external economic factors, employment, or regulatory changes in the foreseeable future.

The subsidiary will continue to focus on maintaining cost efficiency, service quality, and employee retention, in line with the parent company's strategic objectives, ensuring continued success in the coming years.

ON BEHALF OF THE BOARD:

Signed by:
Matt Grimm
2A4457BA3896434...
M M Grimm - Director

Date: 6/10/2026

Signed by:
Richard Drake
03FB5F5CFF4743E...
R D Drake - Director

Date: 6/11/2026

Signed by:
Maury Shenk
E38FF923BE3A4AA...
M D Shenk - Director

Date: 6/11/2026

Signed by:
Richard Drake
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Rich Drake - Director

Date: 7/20/2026

Directors' Report
FOR THE YEAR ENDED 31 DECEMBER 2025

The directors present their report with the financial statements of the company for the year ended 31 December 2025.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was specialist activities in autonomous systems for the defence sector.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2025.

DIRECTORS

M M Grimm, R D Drake, and M D Shenk have held office during the whole of the period from 1 January 2025 to the date of this report. There were no changes to directors during the period.

FINANCIAL INSTRUMENTS

The directors have included details of the risks associated with the business and financial management within the Strategic Report on page 3.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standards 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Signed by:
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M M Grimm - Director

Date: 6/10/2026

Signed by:
Richard Drake
03FB5F5CFF4743E...
R D Drake - Director

Date: 6/11/2026

Signed by:
Maury Shenk
E38FF923BE3A4AA...
M D Shenk - Director

Date: 6/11/2026

Signed by:
Richard Drake
03FB5F5CFF4743E...
Rich Drake - Director

Date: 7/20/2026

Report of the Independent Auditors to the Members of ANDURIL INDUSTRIES UK LTD.

Opinion

We have audited the financial statements of Anduril Industries UK Ltd. (the 'company') for the year ended 31 December 2025 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Directors' Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team carried out procedures including:

- enquiring of management concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

ML Audit

Guy Armitage-Norton (Senior Statutory Auditor)
for and on behalf of M.L. Audit LLP
Statutory Auditors
Freshford House
Redcliffe Way
Bristol
BS1 6NL

Date: 12/06/2026

Income Statement
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025	2024
		£	£
TURNOVER	3	54,476,697	10,898,800
Cost of sales		23,828,806	1,375,690
GROSS PROFIT		30,647,891	9,523,110
Administrative expenses		27,253,662	9,172,703
OPERATING PROFIT	6	3,394,229	350,407
Interest receivable and similar income	7	218,857	115,159
		3,613,086	465,566
Interest payable and similar expenses	8	23,955	3,505
PROFIT BEFORE TAXATION		3,589,131	462,061
Tax on profit	9	706,038	254,520
PROFIT FOR THE FINANCIAL YEAR		2,883,093	207,541

The above results were derived from continuing operations.

The notes form part of these financial statements

Other Comprehensive Income
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025	2024
		£	£
PROFIT FOR THE YEAR		2,883,093	207,541
FOREIGN EXCHANGE RESERVE		(109,052)	—
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,774,041	207,541

The notes form part of these financial statements

ANDURIL INDUSTRIES UK LTD. (REGISTERED NUMBER: 12316056)

Balance Sheet
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025	2024
		£	£
FIXED ASSETS			
Tangible assets	10	5,878,632	—
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	6,286,660	8,889,715
Cash at bank		36,881,622	10,979,486
		43,168,282	19,869,201
CREDITORS			
Amounts falling due within one year	12	38,857,865	15,920,460
NET CURRENT ASSETS		4,310,417	3,948,741
TOTAL ASSETS LESS CURRENT LIABILITIES		10,189,049	3,948,741
CREDITORS			
Amounts falling due after more than one year	13	924,772	579,076
Provisions for other liabilities	14	1,310,096	—
NET ASSETS		7,954,181	3,369,665
CAPITAL AND RESERVES			
Called up share capital	16	1,000	1,000
Capital redemption reserve		250,000	250,000
Equity settled share based payments		3,284,717	1,468,163
Foreign exchange reserve		(109,052)	—
Retained earnings		4,527,516	1,650,502
SHAREHOLDERS' FUNDS		7,954,181	3,369,665

The financial statements were approved by the Board of Directors and authorised for issue on 27 May 2026 and were signed on its behalf by:

M M Grimm - Director, R D Drake - Director, M D Shenk - Director

Signed by:
Richard Drake
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Rich Drake - Director

Date: 7/20/2026

The notes form part of these financial statements

Statement of Changes in Equity
FOR THE YEAR ENDED 31 DECEMBER 2025

	Called up share capital	Retained earnings	Capital redemption reserve	Equity settled share based payments	Foreign exchange reserve	Total equity
	£	£	£	£	£	£
Balance at 1 January 2024	1,000	1,341,232	250,000	666,336	—	2,258,568
Changes in equity						
Total comprehensive income	—	207,541	—	—	—	207,541
Share based compensation reserve	—	101,729	—	801,827	—	903,556
Balance at 31 December 2024	1,000	1,650,502	250,000	1,468,163	—	3,369,665
Changes in equity						
Total comprehensive income	—	2,883,093	—	—	(109,052)	2,774,041
Share based compensation reserve	—	(6,079)	—	1,816,554	—	1,810,475
Balance at 31 December 2025	1,000	4,527,516	250,000	3,284,717	(109,052)	7,954,181

The notes form part of these financial statements

Notes to the Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2025

1. STATUTORY INFORMATION

Anduril Industries UK Ltd. is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

The amounts on the financial statements have been rounded to the nearest £1, unless otherwise noted. The Company's functional and presentational currency is GBP.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of paragraphs 26.1B(b), 26.19 to 26.21 and 26.23
- the requirements of paragraphs 33.7.

The disclosures have been made in the accounts of its parent company, Anduril Industries Inc, these consolidated financial statements can be obtained from 1400 Anduril, Costa Mesa, California, United States of America.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key estimates and judgements applied by the directors in the preparation of these financial statements related to the stage of completion of long-term contracts and the inputs into the valuation of share options. As it relates to long-term contracts, total costs to complete each contract are estimated and regularly updated based on changes in facts and circumstances. The estimate of total costs directly impacts the amount and timing of revenue recognition on development contracts.

The directors have made an estimate of £859,864 in respect of the deferred tax asset associated with the share based payment scheme. This estimate made reflects the degree of certainty over the level of future taxable profits that will be available to offset the deduction which will arise upon the exercise of the share options.

In addition, the directors have made an estimate of the probability of IPO or exit event. This estimate made impacts the expense and reserve relating to Restricted Stock Units.

Lastly, during the year, the Company provided contract R&D services to its Parent. The Company is compensated for its costs plus an 8% markup. The directors estimated the 8% markup on R&D services because no other benchmarks for similar services are currently available. This estimate affects the Company's intercompany service revenue.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

- Furniture and equipment - 8 years
- Computer and other network equipment - 3 - 5 years
- IT equipment - 3 - 5 years
- Leasehold improvements - shorter of estimated useful life or lease term

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds received with the carrying amount of the underlying asset and are recognised in profit or loss.

Construction in progress represents the costs incurred in connection with the construction of buildings or new additions to the Company's plant facilities including tooling, which is with outside vendors. Costs classified as construction in progress include all costs of obtaining the asset and bringing it to the location in the condition necessary for its intended use. No depreciation is provided for construction in progress until such time as the assets are completed and are ready for its intended use.

Leasehold improvements include dilapidation provision, measured at its initially discounted value and depreciated over the shorter of the asset's estimated useful life or lease term.

Revenue

The Company generates revenue, from contracts directly with third parties and through an intercompany agreement with its parent company, from product sales, subscription agreements, development agreements, and/or operating and sustainment ("O&S") agreements. Revenue from product sales is recognized upon delivery of those products to the customer. Revenue for development contracts of highly customized products with no alternative use and with an enforceable right to payment and reasonable margin for work performed to date is recognized over time, generally based on a cost-to-cost input method over the development period. Subscription agreements allow customers to access and use the Company's products for a specified period of time. O&S agreements provide customers with a service of standing ready to offer support or repair of Anduril products. Revenue under subscription and O&S agreements with UK based customers is recognized over the term of the contractual arrangement on a straight-line basis as the Company performs services throughout the period. For intercompany arrangements, the Company is remunerated by its parent to achieve a target operating margin for distribution and markup of cost plus for customer services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added taxes and other sales taxes.

The timing of revenue recognition may differ from the timing of invoicing to customers. The Company records a contract asset when the Company has an unconditional right to consideration for partial or complete satisfaction of performance obligations.

Deferred revenue includes billings in excess of revenue recognized, such as customer deposits and advance payments, that result in deferred revenue if the Company has unsatisfied performance obligations. Contract assets and deferred revenue are netted on a contract-by-contract basis.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result by being recognised in profit or loss.

Leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systemic basis is representative of the time pattern of the lessee's benefit from the use of the lease asset.

Provisions

The Company recognises a dilapidation provision when it has a present legal or constructive obligation to return a leased asset to its original state prior to any leasehold improvements completed by the Company. The liability is initially discounted and subsequently measured using the effective interest method.

Pension costs and other post-retirement benefits

The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to profit or loss in the period to which they relate. Amounts not paid are shown in accruals as a liability in the Statement of financial position.

The assets of the plan are held separately from the Company in independently administered funds.

Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short-term creditors are measured at the transaction price. other financial liabilities, including bank loans.are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

The Intercompany loan is charged back to the parent company at zero interest rate.

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of signing this report. The Company relies on the continued support from its parent company Anduril Industries, Inc. which has confirmed that it will continue to provide this for the foreseeable future. On that basis, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Finance income and costs

Interest income consists of interest earned on the Company's cash balances held at financial institutions. Separately, the Company incurs interest expense related to unwinding the present value discount associated with its future and anticipated dilapidation liability, which covers the estimated costs of repairing and reinstating the leased facility to its original condition at the end of the lease term.

Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme). Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

Restricted Stock Units (RSUs)

RSUs have been granted to the Company's employees. RSUs outstanding as of 31 December 2025 have service-based vesting conditions and non-vesting conditions. The grant date fair value of RSUs include the impact of the non-vesting condition. The grant date fair value is recognised as share based compensation expense over the service period.

Amendments to FRS 102 not yet applied

The following amendments to FRS 102 have been issued but have not been applied in these financial statements. Their Directors are still in the process of assessing the impact of the new accounting standard.

- Amendments to Section 20 Leases (effective 1 January 2026): This removes the distinction between operating and finance leases for lessees; with more leases recognised with an asset and liability on-balance sheet. Recognition exemption permit short-term leases and leases of low-value assets to remain off-balance sheet.
- Amendments to Section 23 Revenue from Contracts with Customers (effective 1 January 2026): This introduces a single comprehensive five-step model for revenue recognition for all contracts with customers, based on identifying the distinct goods or services promised to the customer and the amount of consideration to which the entity will be entitled in exchange.

- Amendments to Section 26 Share-based payment (effective 1 January 2026): This provides additional guidance aiding application of the principles in certain situations.
- Amendments to Section 29 Income Tax (effective 1 January 2026): This introduces guidance on accounting for uncertain tax positions.

3. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the Company.

An analysis of turnover by class of business is given below:

	2025	2024
	£	£
Product sales	11,181,114	—
Service revenue	13,892,285	6,079,334
Intercompany service	29,403,298	4,819,466
	54,476,697	10,898,800

An analysis of turnover by geographical market is given below:

	2025	2024
	£	£
United Kingdom	23,985,209	10,898,800
United States	29,403,297	—
Germany	917,778	—
Finland	170,413	—
	54,476,697	10,898,800

4. EMPLOYEES AND DIRECTORS

	2025	2024
	£	£
Wages and salaries	12,716,038	4,322,073
Social security cost	1,559,326	673,873
Pension cost	763,208	57,897
Share based compensation	1,810,475	903,556
Total	16,849,047	5,957,399

The employees by department

	2025	2024
Sales & Marketing	5	5
Research & Development	73	7
Bid & Proposal	—	8
General & Administrative	4	4
Management	3	5
Total	85	29

5. DIRECTORS' EMOLUMENTS

The director emoluments were as follows:

	2025	2024
	£	£
Aggregated remuneration	466,743	150,000
Employer pension contributions	2,642	1,101
Total	469,385	151,101

The highest paid director's emoluments were as follows:

	2025	2024
	£	£
Aggregated remuneration	464,187	150,000
Employer pension contributions	2,642	1,101
Total	466,829	151,101

Post-employment benefits are accruing for one director under a defined contribution scheme.

This director did not exercise share options nor had a gain in the parent's shares during the year. However, on 15 July 2025, the Company's parent modified a subset of outstanding RSU awards for employees that had satisfied the applicable time-based vesting conditions by removing the award's performance based non vesting condition that required a change in control or public listing. No other terms of the awards were modified. Among these employees was one of the UK directors, for which the Company recognized shared-based payments expense of £158,646 during the period.

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2025	2024
	£	£
Other operating leases	2,870,485	1,913,108
Auditors' remuneration	59,500	24,000
Foreign exchange differences	(252,145)	1,942
Depreciation	415,598	—

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2025	2024
	£	£
Interest receivable	218,857	115,159

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2025	2024
	£	£
Interest payable	23,955	3,505

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2025	2024
	£	£
Current tax:		
UK corporation tax	1,092,038	227,610
Adjustments in respect of prior periods	22,113	—
Total current tax	1,114,151	227,610
Deferred tax	(408,113)	26,910
Tax on profit	706,038	254,520

UK corporation tax has been charged at 25%.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than (2024: higher than) the standard rate of corporation tax in the UK. The difference is explained below:

	2025	2024
	£	£
Profit before tax	3,589,131	462,061
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2024 - 25%)	897,283	115,515
Effects of:		
Expenses not deductible for tax purposes	2,482	323,266
Adjustments to tax charge in respect of previous periods	22,113	—
Share options	(215,840)	—
Other permanent differences	—	(214,186)
Timing difference not recognised in computation	—	29,925
Total tax charge	706,038	254,520

Analysis of the tax charge

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	£	£
Current tax:		
UK corporation tax	1,092,038	227,610
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Share options	(215,840)	—
Other permanent differences	—	(214,186)
Timing difference not recognised in computation	—	29,925
Total tax charge	706,038	254,520

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade debtors	1,203,669	1,146,947
Amounts owed by group undertakings	339,485	334,915
Other debtors	259,803	1,987,658
Deferred tax asset	833,029	424,916
VAT	1,830,714	426,298
Amounts recoverable on contracts	643,323	4,113,093
Prepayments	1,176,637	455,888
Total	6,286,660	8,889,715

The deferred tax asset will be recovered upon the exercise of the share options, the timing of which is uncertain. A proportion of this asset is therefore expected to be recovered in more than one year.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	2,344,295	188,281
Amounts owed to group undertakings	21,920,902	14,167,425
Corporation tax	1,092,038	226,228
Deferred income	11,592,862	791,319
Accrued expenses	1,907,768	547,207
Total	38,857,865	15,920,460

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Deferred rent	924,773	579,076

14. PROVISIONS FOR OTHER LIABILITIES

	Dilapidation provision
	£
At 1 January 2025	—
Capitalised in cost of assets	1,285,096
Unwind of discount	25,000
At 31 December 2025	1,310,096

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025	2024
	£	£
Within one year	1,606,929	2,089,752
Between one and five years	3,902,754	5,509,683
Total	5,509,683	7,599,435

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	**Class:**	**Nominal Value**	**2025** £	**2024** £
1,000	Ordinary	1	1,000	1,000

17. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £763,208 (2024 - £57,897). Contributions totaling £133,403 (2024 - £19,360) were payable to the fund at the reporting date and are included in creditors.

18. RELATED PARTY DISCLOSURES

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 Section 33 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned companies within the group.

19. ULTIMATE CONTROLLING PARTY

The Company is a wholly owned subsidiary of Anduril Industries, Inc. a company incorporated in the United States of America. The smallest and largest group in which the results of the Company are consolidated is that headed by Anduril Industries, Inc. with its registered office at 1400 Anduril, Costa Mesa, California, United States of America.

20. SHARE-BASED PAYMENT TRANSACTIONS

The Company's ultimate parent company, Anduril Industries, Inc. operates a share based payment scheme for all the employees of the Company.

The stock options in Anduril Industries, Inc. are granted to the Company's employees at a price equal to the fair value of the shares in Anduril Industries, Inc. at the date of the grant and are denominated in US dollars.

The stock options have a two to four year vesting period. If the stock options remain unexercised after a period of ten years from the date of the grant the stock options expire. Stock options are forfeited if the employee leaves the Company before the options vest.

A reserve transfer has been made for the forfeited and exercised options during the year for a total of £95,651.

	Weighted average exercise price £	Number 2025	Weighted average exercise price £	Number 2024
Outstanding at the beginning of the year	1.82	1,441,532	2.64	871,676
Options granted during the year	20.46	8,323	0.94	686,500
Options exercised during the year	(3.43)	(36,843)	(2.25)	(85,951)
Options forfeited during the year	(3.94)	(26,408)	(4.39)	(30,693)
Outstanding at end of the year	1.85	1,386,604	1.82	1,441,532

RSUs are issued to certain employees and non-employees and contain a service based vesting condition of four years, with an initial one-year cliff followed by monthly vesting on a pro-rata basis from the date of grant. RSUs also contain a performance non-vesting condition that will be satisfied upon a change in control or public listing. RSUs expire seven years after the grant date.

	Number 2025	Number 2024
Outstanding at the beginning of the year	531,603	362,279
RSUs granted during the year	519,703	198,519
RSUs vested during the year	(31,624)	—
RSUs forfeited during the year	(18,765)	(29,195)
Outstanding at end of the year	1,000,917	531,603

Additionally, on 15 July 2025, the Company's parent modified a subset of outstanding RSU awards for employees that had satisfied the applicable time-based vesting conditions by removing the award's performance based non vesting condition that required a change in control or public listing. No other terms of the awards were modified. The Company recognized shared-based payments expense of £488,350 during the period related to this.

	2025 £	2024 £
Share-based payments expense	1,810,475	903,556

21. SUBSEQUENT EVENTS

There have been no material events subsequent to the reporting date which require adjustments to, or disclosure in, these financial statements.