

# Anduril - Enhancing Autonomy in Defense Tech



## Company Overview

- Founded in 2017, Anduril is a defense tech company building cost-effective **autonomous tech for military agencies**, attracting large-scale contracts from governments of various countries
- Key products include Lattice OS, underwater vehicle (Dive-LD), air systems (Fury, Ghost, ALTIUS), and force protection (Counter UAS, Counter Intrusion)
- Offers products and services for **dual-use** (military as well as commercial use cases)
- Brings together **AI, robotics, computer vision, cybersecurity and networking technologies** to build software and hardware-based defense systems

## Key Differentiation and Core Thesis

**Well-positioned** to benefit from the evolving nature of warfare, which is becoming increasingly autonomous

**Ongoing** geopolitical conflicts such as Russia-Ukraine, China-Taiwan, and US-China call for deeper integration of technology into defense

## Industry Landscape and Outlook

Defense tech investments are rising amid growing global tensions. In a transformational shift, the focus is shifting more towards startups from large defense players. Accordingly, the global defense IT spending market is projected to reach \$137.6 billion by 2030 at a CAGR of 6.1%, per Allied Market Research. Blue Origin, ZeroEye, and Neurale are major competitors in the space.

## Key Positives

### Go-to Company for Government Defense Contracts

- Secured contracts from nearly a dozen Department of Defense and the Department of Homeland Security agencies in first two years of operation
- Secured a \$1B contract in January 2022 for anti-drone work with SOCOM

### Technology Leadership in Defense Technology

- Combines cutting-edge AI technology with innovative hardware to deliver best-in-class defense solutions
- Lattice software platform enables a single human to control and coordinate various autonomous assets across the ocean, land, and sky

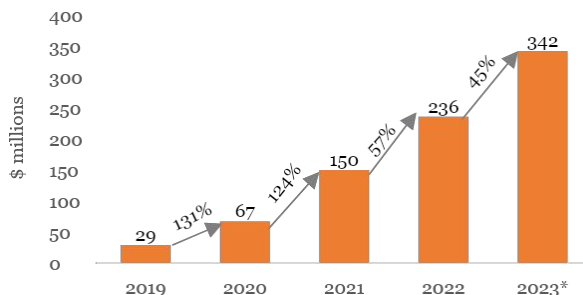
### Large and Growing Total Addressable Market

- Rising geopolitical tensions to propel the demand
- Growing need for technologically advanced weapons to improve defense personnel safety
- Underperformance in terms of timelines by legacy players to put Anduril in the forefront as a solution

### Inorganic Growth Strategy Improved Product Offerings

- Acquired Adranos, a company developing a new solid rocket motor for conventional and hypersonic missiles
- Acquired Area-I, a manufacturer of tube-launched drones
- Acquired sensor provider Copious Imaging to enhance its counter-drone and force protection systems

## Strong Revenue Growth (\$M)



Source: Sacra  
\*2023 Revenue is Projected

## Funding and Private Valuation

- Raised \$2.2 billion in 6 funding rounds
- Valued at~ \$8.5 billion post its \$1.48 million Series E funding round

## Comparative Public Multiples

	EV (\$B)	Revenue (\$B)	EV/Rev (x)
Lockheed Martin	123.80	67.39	1.8x
Raytheon	139.13	70.57	2.0x
Northrop Grumman	85.41	37.88	2.3x
Boeing	152.23	73.61	2.1x

In \$Bil, except stated otherwise  
Data as of October 10, 2023

## Key Concerns

### Over-Reliance on Government Contracts

- Shift in government's defense procurement might impact business
- Working with governments makes Anduril subject to extensive procurement laws and regulations

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