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The Fund

The BlueSpace Fund is a long-only equity fund investing in the Space Economy sector. Target companies, which are mainly listed in the US and Europe, are involved in the launch industry, satellite manufacturing, space exploration, space infrastructure, broadcasting, broadband connectivity, Internet of Things, 5G and earth observation. The fund invests furthermore in companies that directly benefit from space technologies and that use space data for their products and services. Companies are selected through a financial analysis process coupled with a technical-scientific analysis provided by a leading advisory board.

Update on the Space Economy

SpaceX has acquired xAI, the artificial intelligence company founded by Elon Musk in 2023, forming a combined enterprise valued at \$1.25 trillion. Musk holds controlling interests in both firms, making the deal a consolidation of closely aligned ventures. The goal is to create a vertically integrated platform spanning AI, rockets, satellite internet, and direct-to-mobile communications. The announcement follows SpaceX plans for a large constellation of data-center satellites designed to host AI compute infrastructure in orbit.

BlackSky has signed a new eight-figure international contract to deliver a Gen-3 sovereign space-based intelligence system for a defense customer. The deal includes a 35-cm resolution Gen-3 satellite, multi-year on-orbit operations, and subscription access to Assured imagery and analytics services. Once deployed, the satellite will operate alongside BlackSky's constellation, using AI to detect and classify objects of tactical interest. The company also recently signed seven-figure Gen-3 Assured service contracts with another international defense customer, providing priority access to Gen-3 satellite capacity over specific operational areas. Together, the agreements signal growing demand for high-resolution, real-time geospatial intelligence as BlackSky expands its next-generation Gen-3 constellation.

Teledyne Technologies has secured multiple contracts to produce advanced infrared Focal Plane Modules (FPMs) for the Space Development Agency's (SDA) Tranche 3 Tracking Layer. The sensors are designed to detect the heat signatures of hypersonic glide vehicles and other advanced missile systems, a critical capability for the Pentagon's emerging space-based missile warning and tracking architecture. The award continues Teledyne's role as a key sensor supplier across the program.

NASA has delayed the **Artemis II** mission after discovering a helium flow issue in the Space Launch System's upper stage. The rocket has been rolled back from Launch Complex 39B at Kennedy Space Center to the Vehicle Assembly Building for repairs, and officials say the issue will likely push the launch beyond the March window. NASA also updated its Artemis roadmap. A 2027 mission will now test docking between the Orion spacecraft and lunar landers from **Blue Origin** or **SpaceX** in low Earth orbit, along with a new Axiom Space spacesuit. As a result, the first crewed Moon landing is now planned for Artemis IV in 2028.

Rocket Lab has delayed the first launch of its **Neutron rocket** to at least Q4 2026 after a propellant tank failed during testing in January. The company found the failure was caused by a manufacturing defect that weakened part of the tank structure. Future tanks will be built using an automated production system and include small design improvements to prevent similar problems. Rocket Lab's smaller **Electron rocket** continues to grow. The company expects about 25 launches in 2026, up from 21 launches in 2025.



Portfolio Activity

Over the past month, activity in the portfolio was relatively limited. We trimmed our allocation to **Seraphim Space Investment Trust** after the market recognized more of the value of its underlying companies, which had pushed the position to a larger weight in the portfolio than intended. It remains one of our top holdings. We also slightly reduced a couple of defense positions following a strong revaluation. At the same time, we gradually bought back shares in **AST SpaceMobile** and **Rocket Lab** that had previously been sold, modestly increasing our exposure to both companies

Performance

The **Bluespace Fund** declined 1% in February, bringing its year-to-date return for 2026 to +13.1%. Since inception, performance now stands at **+179%**, underscoring the strength of our strategy and our continued focus on capturing long-term value across the evolving space and technology landscape.

During the month, investors appeared to rotate toward more mature, already profitable companies, a shift we had begun positioning for in January. This supported **Sky Perfect JSAT (+29%)**, **Garmin (+25%)**, **Iridium Communications (+20%)**, and **Seraphim Space Investment Trust (+19%)**.

Sky Perfect JSAT rose after strong earnings, reporting over 20% year-on-year growth in revenue and profit and raising its full-year outlook and dividend guidance, with its space business driving momentum. **Garmin** gained following record revenue, strong segment growth, and bullish guidance for about \$7.9 billion in 2026 revenue, alongside a ~17% dividend increase. **Iridium Communications** benefited from strong relative performance within the satellite telecom sector, attracting investor momentum.

At the same time, several earlier high-growth space companies corrected, including **AST SpaceMobile (-28%)**, **Redwire (-23%)**, **Spire Global (-22%)**, and **BlackSky Technology (-15%)**. The pullback largely reflects the typical volatility of earlier-stage space companies (particularly after strong prior gains) as investors rotated toward more mature and profitable businesses while awaiting further operational milestones and clearer paths to sustained profitability. **Intuitive Machines** and **Rocket Lab** (both -13%) also declined during the period.

The table below outlines the top contributors and detractors to last month's performance:

Positive	%	Negative	%
SERAPHIM SPACE	+0.82	AST SPACEMOBILE	-1.10
GARMIN	+0.75	REDWIRE	-0.64
SKY PERFECT JSAT	+0.74	ROCKET LAB	-0.50
IRIDIUM COMMUNICATIONS	+0.62	SPIRE GLOBAL	-0.49
TELEDYNE TECHNOLOGIES	+0.29	INTUITIVE MACHINES	-0.41

The chart below illustrates the performance since inception of the BlueSpace Fund, the S-Network Space Index, and the MSCI World Index:





Investment Trends

Defence and Security: Today more than ever, defense and national security are strategic priorities for governments and international alliances. The structural increase in military spending, the evolution of hybrid threats, and the growing importance of technological sovereignty are benefiting companies active in defense systems, secure communications, dual-use space technologies, and cybersecurity. The sector also enjoys strong political visibility and long-term public investment cycles.

Space Infrastructure: This decade will be marked by the construction of a new orbital infrastructure: thousands of satellites will be built, launched, and operated to support communications, Earth observation, AI, and cloud services from space. New commercial space stations are opening the door to experimentation and manufacturing in microgravity (advanced materials, pharmaceuticals, bioprinting). The Artemis program and upcoming lunar missions ensure long-term public investment in this value chain.

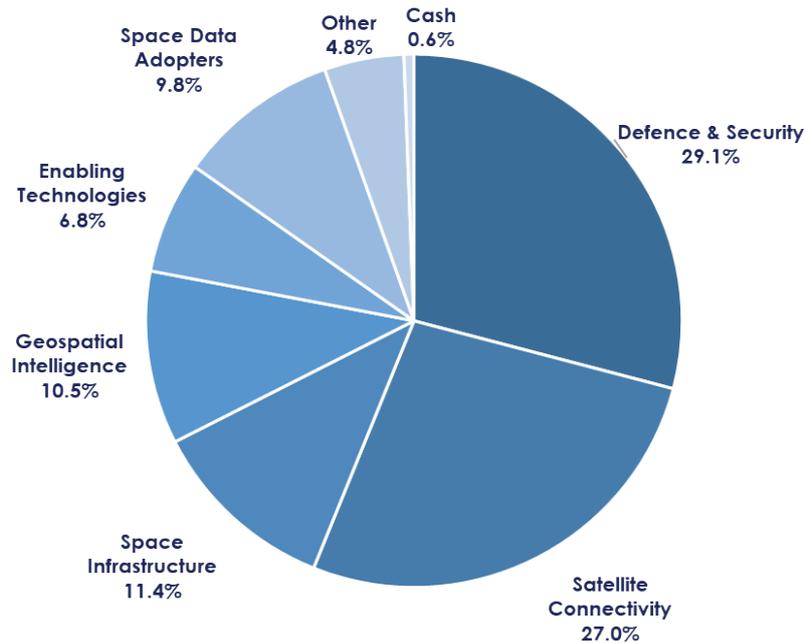
Geospatial Intelligence: Increasingly sophisticated satellite constellations collect multispectral, infrared, radar, and radiofrequency data from Earth in real time. Companies in this segment provide scalable SaaS solutions, turning satellite imagery into strategic insights for defense, agriculture, logistics, climate science, and risk management. The convergence of AI, cloud, and space-based observation is at the core of this new form of geospatial intelligence.

Satellite Connectivity: LEO, MEO, and GEO constellations enable high-speed, low-latency internet access anywhere on Earth – from remote areas and open seas to regions with no terrestrial infrastructure. Thanks to direct-to-device technologies, everything from smartphones to industrial IoT devices can now communicate directly with satellites, creating a global network independent of the ground. This key segment bridges the digital divide and supports mission-critical applications on a planetary scale.

Enabling Technologies: Companies providing essential technologies – such as sensors, optical components, semiconductors, and advanced engineering services – to build, integrate, and operate space infrastructure and missions. These players are the backbone of the space value chain, ensuring reliability, innovation, and scalability for satellites, payloads, launch vehicles, modules, and communications networks.

Strategic Data Adopters: Companies that, while not directly operating in the space sector, derive economic benefit from the expansion of the space economy. These include technology, industrial, or financial operators that leverage space-based data and services (e.g., geolocation, analytics, connectivity) to enhance their offerings, enter new markets, or support innovation in their verticals.





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