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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

At the beginning of April, the launch of **Artemis II** marked a historic milestone in space exploration: for the first time since the 1970s, humans traveled beyond low Earth orbit. Following the success of Artemis I, this mission introduced a crewed flight, testing in real conditions the **Space Launch System** and the **Orion** spacecraft. After launch, the crew enters an elliptical Earth orbit before performing a translunar injection burn that sends Orion toward the Moon. The spacecraft then executes a free-return trajectory, looping around the Moon and using its gravity to naturally guide it back to Earth without entering lunar orbit.

**NASA** is considering a major shift in its lunar strategy, halting development of the **Lunar Gateway** in favor of prioritizing a permanent surface base and sustained Moon operations. The pivot, which would require Congressional approval, suggests NASA is leaning toward a more direct "Moon-first" infrastructure buildout. Elements originally developed for Gateway, such as the Power and Propulsion Element and Habitation and Logistics Outpost, could be repurposed for surface use or other programs.

The roadmap centers on a three-phase lunar base plan:

- Phase 1 (2026–2028): Increase lander cadence and mature key technologies, leveraging programs like Commercial Lunar Payload Services.
- Phase 2 (2029–2031): Begin base construction, including communications, navigation, and power infrastructure, alongside larger cargo landers.
- Phase 3 (2032+): Enable long-duration human exploration and expanded surface operations.

**Redwire** has introduced the Extensible Low-Profile Solar Array, or ELSA, a new family of lightweight, high-performance solar products aimed at the growing market for mass-produced satellites. Built for spacecraft that need standardized, modular power systems, ELSA draws on the company's flight heritage from its Roll-Out Solar Array (ROSA) line. The pitch is straightforward: more power in less space. According to Redwire, ELSA can deliver up to 50% more power per unit volume than conventional solar arrays, a notable advantage for satellite operators trying to squeeze more capability into increasingly compact platforms. In a market where efficiency is king and launch volume is never cheap, that is the kind of upgrade likely to get attention. The company has already won a \$12.8M contract to deliver its Extensible Low-Profile Solar Array (ELSA) to Moog for a national security LEO mission.

**BlackSky** has won a seven-figure renewal under the National Geospatial-Intelligence Agency's Luno A program, reflecting strong customer satisfaction with its AI-driven monitoring services. The contract focuses on high-cadence satellite imagery paired with AI to detect changes in vehicles, aircraft, ships, and infrastructure across global military and economic sites. BlackSky has also been awarded an ID/IQ contract worth up to \$99 million by the Air Force Research Laboratory to develop next-generation optical payloads through 2032.



**Intuitive Machines**, through its Lanteris Space Systems unit, has been selected by **L3Harris Technologies** to support the Space Development Agency's Tranche 3 Tracking Layer. Under the award, Intuitive Machines will design and deliver 18 spacecraft buses that will host missile-tracking payloads, contributing to a proliferated, space-based sensor network aimed at improving global threat detection and tracking

**Rocket Lab** signed a four-launch Electron rocket deal with **BlackSky** for its Gen-3 constellation, bringing their total partnership to 17 launches since 2019. In parallel, Rocket Lab acquired Optical Support Inc., a key supplier of high-precision optical systems used in national security payloads. The move builds on its earlier acquisition of Geost, tightening control over critical spacecraft and sensor technologies. Rocket Lab has also secured a \$190M contract for 20 hypersonic test flights using its HASTE launch vehicle under the MACH-TB 2.0 initiative. The missions, set to take place over four years, will support hypersonic technology development using HASTE, a modified version of Electron.

**Firefly Aerospace** successfully launched Alpha Flight 7, delivering a **Lockheed Martin** payload to orbit. The mission also demonstrated a second stage relight and validated key Block II upgrades, including new avionics and thermal protection. Full Block II enhancements are slated for Flight 8.

**Space Systems Command** awarded a \$447M Ground Management and Integration contract to **Kratos Defense & Security Solutions** for the Resilient Missile Warning & Tracking constellation in MEO. The contract covers launch support, operations, and real-time data delivery for a next-generation infrared satellite network designed to detect and track threats ranging from ICBMs to hypersonic missiles.

**Nvidia** has unveiled a new space-focused computing platform, the Space-1 Vera Rubin Module, aimed at enabling advanced AI processing on satellites and even future orbital data centers. The module is designed to surpass the performance of the Nvidia H100 already being tested in space, signaling a push toward more powerful on-orbit computing, where data can be processed in real time rather than sent back to Earth.

## Portfolio Activity

During the month of March, we decided to exit our position in **Jacobs Solutions** as part of a disciplined portfolio reallocation. While the company continues to deliver solid operational performance, with strong backlog growth and improved visibility, its strategic profile has evolved following the spin-off of its government services business and the full acquisition of PA Consulting. As a result, Jacobs is now more exposed to infrastructure, consulting, and advanced industrial end-markets, with a reduced direct linkage to our core space and defense investment themes.

On the other hand, we initiated a position in **Avio** to gain exposure to a critical bottleneck emerging in the current rearmament cycle, namely solid rocket propulsion. Rising missile consumption, particularly driven by air defense and counter-drone systems in ongoing conflicts, is rapidly depleting inventories, while production remains constrained by limited solid propellant capacity. Avio stands out for its expansion into the United States, where it has secured contracts and is building industrial capabilities to support missile production ramp-up. This provides direct exposure to the most urgent and well-funded part of the global defense cycle.

Moreover, the elevated volatility in March provided several opportunities to actively manage portfolio positions.

In some cases, we executed tactical trades, trimming positions and re-entering at more attractive levels. This was the case for **AST SpaceMobile** (sold at 99 USD and repurchased at 76 USD), **BlackSky** (sold at 27.5 USD and repurchased at 23.5 USD), and **MDA Space** (sold at 42 CAD and repurchased at 34 CAD).

In other instances, we reduced exposure following strong performance, including **Planet Labs**, **Spire Global**, **Iridium Communications**, and **Intuitive Machines**.

At the same time, we increased positions in high-conviction names that underperformed during the month, such as **Rocket Lab**, **Redwire**, and **AeroVironment**.



## Performance

The **BlueSpace Fund** demonstrated strong resilience in March, declining by just 0.8% compared to a -6.5% decline in the MSCI World Index. Year-to-date performance remains firmly positive at +12.2%, while since inception the fund has delivered an impressive return of +176%.

The **geospatial intelligence** sector is entering a phase of accelerating momentum, as commercial satellite data becomes increasingly embedded in government, defense, and enterprise decision-making. Companies like **Planet Labs**, **Spire Global**, and **BlackSky** (which rose respectively +24%, +44% and +36% in March) are benefiting from a convergence of structural tailwinds: rising demand for sovereign space capabilities, the growing role of AI in extracting actionable insights from data, and the shift toward subscription-based geospatial analytics.

**Planet Labs'** fiscal year 2026 marks a clear turning point, with the company achieving profitability milestones for the first time. **Revenue rose 26% year over year** to a record \$307.7 million, driven by strong momentum in Defense & Intelligence (+50%+). Meanwhile, **backlog surged 79% to \$900 million**, providing solid visibility into fiscal 2027 growth. Management expects FY2027 (ending January 31, 2027) revenue of \$415–440M, implying ~39% year-over-year growth.

**Spire Global** delivered strong Q4 2025 results, with **revenue up 44% year-over-year**. Growth was driven by rising demand for European strategic autonomy, increased purchases of commercial weather data by NOAA and NASA and accelerating AI adoption. **For 2026, Spire guides to 50% organic revenue growth**. Longer term, **Spire aims for 60–70% gross margins** (vs. 44% today) and sustained revenue growth above 30% over the next 3–5 years.

**BlackSky** posted a strong March 2026, driven by **contract wins** and rapid Gen-3 execution. Key highlights include a \$99M sole-source U.S. government IDIQ contract, fast deployment of its fourth Gen-3 satellite (operational within days), a renewed NGA Luno A order, and a seven-figure international defense subscription. Overall, momentum confirms BlackSky's ability to quickly monetize Gen-3 assets and expand recurring government and defense revenue.

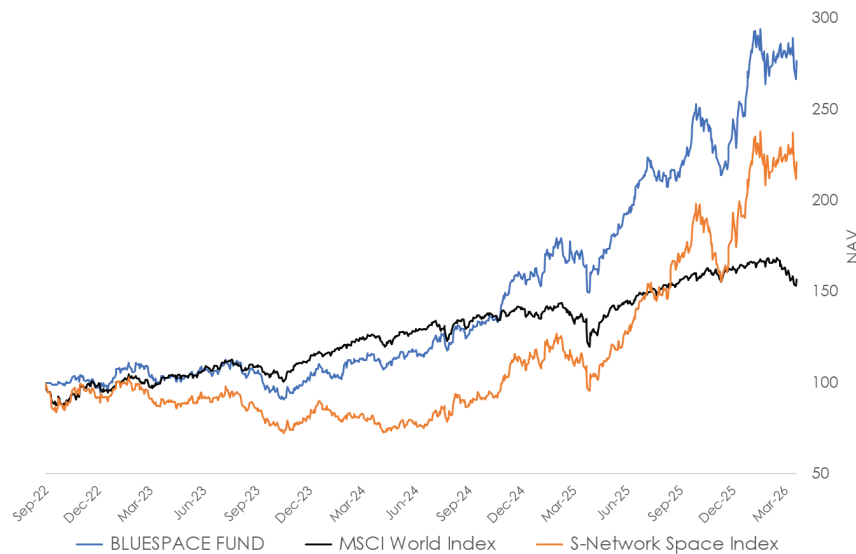
**AeroVironment's** decline in March 2026 reflects a classic loss of investor confidence triggered by both execution issues and structural setbacks. A significant earnings miss, driven by funding delays and supply chain constraints, was compounded by the unexpected cancellation of the SCAR program, which removed ~\$1.5B from backlog and forced a sizable goodwill impairment tied to BlueHalo. Despite the recent drawdown, we added to our position in AeroVironment, viewing the sell-off as driven more by near-term execution noise than a deterioration in long-term fundamentals. In our opinion the core thesis remains intact: the company is levered to a multi-year "supercycle" in autonomous and counter-drone systems, with record orders, strong funded backlog, and expanding production capacity supporting future growth. We judge the recent weakness as an attractive entry point rather than a thesis break.

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

Positive	%	Negative	%
PLANET LABS	+0.84	AEROVIRONNMENT	-0.58
SPIRE GLOBAL	+0.82	AIRBUS	-0.38
BLACKSKY TECHNOLOGY	+0.75	TELEDYNE TECHNOLOGIES	-0.34
IRIDIUM COMMUNICATIONS	+0.55	EUTELSAT COMMUNICATIONS	-0.33
INTUITIVE MACHINES	+0.37	GARMIN	-0.31



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.

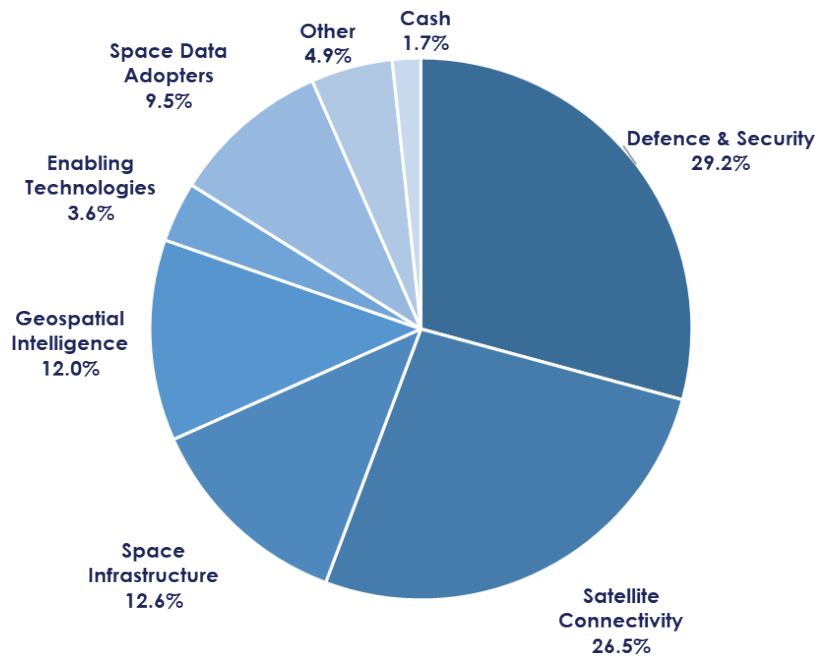
**Geospatial Intelligence:** Increasingly sophisticated satellite constellations collect multispectral, infrared, radar, and radiofrequency data from Earth in real time. Companies in this segment provide scalable SaaS solutions, turning satellite imagery into strategic insights for defense, agriculture, 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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