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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

NASA has taken two major steps toward its return to the Moon, unveiling a revised architecture for the **Artemis 3** mission while naming the four astronauts who will test the program's commercial lunar landers. Under the updated plan, Artemis 3 will remain an Earth-orbit mission, with the crew evaluating rendezvous and docking operations between the **Orion** spacecraft and lunar landers being developed by **SpaceX** and **Blue Origin**. The streamlined approach is intended to reduce mission risk before attempting the first Artemis lunar landing. The crew will be commanded by **Randy Bresnik**, with **Luca Parmitano** of the **European Space Agency (ESA)** serving as pilot. **Frank Rubio** and **Andre Douglas** will fly as mission specialists. The astronauts will play a central role in validating the commercial landing systems that NASA plans to use for future crewed lunar missions. The announcements mark another milestone for the Artemis program as NASA and its commercial partners prepare for sustained human exploration of the Moon and, ultimately, missions to Mars.

Astronauts aboard the **International Space Station (ISS)** briefly took shelter inside a docked **SpaceX Crew Dragon** spacecraft as a precaution while crews investigated and repaired a small air leak in the station. The leak was detected in a Russian segment of the ISS, prompting mission controllers to temporarily isolate the affected area and have the crew move into the Dragon capsule, which serves as an emergency return vehicle. After repairs and pressure checks confirmed the station's integrity, normal operations resumed.

Blue Origin's New Glenn program has suffered a major setback, delaying customer missions and further tightening an already constrained global launch market. Damage sustained at Launch Complex 36 has forced Blue Origin to rebuild its only New Glenn launch pad, pushing the rocket's return to flight further into the future. One of the biggest customers affected is **AST SpaceMobile**, which now expects its initial commercial direct-to-smartphone service to slip into 2027 after losing critical launch opportunities needed to deploy its satellite constellation. Meanwhile, **Amazon** has maintained momentum for its **Project Kuiper** broadband network by relying on a diversified launch strategy. **Arianespace** recently launched 36 Kuiper satellites aboard an upgraded Ariane 6, marking the European rocket's largest payload to date. The mission used the new P160C solid rocket boosters, developed by **Avio**, which provide greater lift capability than the previous P120C boosters. Amazon also received regulatory relief from the **U.S. Federal Communications Commission (FCC)**, which granted additional time to meet constellation deployment milestones because of industry-wide launch constraints. Although the company will temporarily face reduced spectrum rights until more satellites are in orbit, it retains authorization to continue deploying the Kuiper network. The New Glenn delay comes as demand for heavy-lift launches continues to outpace supply. The rocket had been expected to expand launch capacity alongside vehicles operated by **SpaceX**, **United Launch Alliance (ULA)**, and **Arianespace**. Instead, satellite operators are competing for a limited number of available launches, underscoring the strategic importance of maintaining multiple launch providers.



The U.S. defense industry's effort to accelerate missile production is being constrained by limited solid rocket motor (SRM) manufacturing capacity, according to a recent study by the [Center for Strategic and International Studies \(CSIS\)](#). The market is dominated by [Northrop Grumman](#) and [L3Harris Technologies](#), which supply propulsion systems for many of the [Pentagon's](#) missile programs. While the report warns that years of industry consolidation have left the supply chain stretched, Northrop Grumman says manufacturers are ready to significantly increase production after investing in new facilities, automation and workforce expansion. The company argues that the next step is longer-term procurement contracts from the [U.S. Department of Defense](#), giving manufacturers and suppliers the confidence to expand capacity.

[Vast](#) is strengthening its position in the race to succeed the [International Space Station](#), signing new microgravity research partners while securing future astronaut missions with France. The company has added partners for biomedical and microgravity research on its planned commercial stations. It has also reached an agreement with the [French government](#) and [CNES](#) to fly Thomas Pesquet and Arnaud Prost on Vast missions in 2027, using [SpaceX Crew Dragon](#) spacecraft. The news comes as [NASA](#) has dropped its proposed government-owned "core module" concept for future commercial stations, returning focus to buying services from privately developed platforms. That shift benefits companies such as [Vast](#), [Axiom Space](#), [Blue Origin](#), [Sierra Space](#), and [Voyager Technologies](#), which are competing to provide post-ISS destinations in low Earth orbit. Meanwhile, [Voyager Technologies](#) announced it will acquire lunar lander developer [Astrobotic](#), adding lunar transportation capabilities to its growing portfolio. [Astrobotic](#) has unveiled [Griffin-1](#), its next-generation lunar lander designed to deliver larger payloads to the Moon in support of commercial, scientific and government missions. Griffin-1 offers significantly greater payload capacity than Astrobotic's earlier landers and is intended to support a broad range of customers, including [NASA's Commercial Lunar Payload Services \(CLPS\)](#) program. The vehicle is designed to transport rovers, scientific instruments and infrastructure needed for future sustained lunar exploration.

[Rocket Lab](#) has agreed to acquire satellite operator [Iridium Communications](#) in a deal that would significantly expand the company's presence across the space value chain, adding a global satellite constellation and communications services to its launch and spacecraft businesses. The acquisition reflects Rocket Lab's strategy of becoming a [fully integrated space company](#), combining launch services, satellite manufacturing, mission operations and now satellite connectivity. Chief Executive Peter Beck described the deal as a logical next step in the company's evolution, providing recurring service revenues while reducing reliance on the cyclical launch market. For Iridium, whose low Earth orbit constellation provides global voice and data services to commercial, government and defense customers, the transaction offers access to Rocket Lab's growing portfolio of launch and spacecraft capabilities. If completed, the deal would create one of the industry's most vertically integrated space companies, spanning everything from rocket launches to satellite operations and communications services. [Rocket Lab](#) also strengthened its position in the U.S. space sector with a series of new contracts. The company was selected by the [U.S. Space Force](#) to provide satellite buses for the [Enterprise Space Terminal \(EST\)](#) military communications program, alongside [K2 Space](#). It also secured a [NASA](#) contract for three [Electron](#) launches to support future science and technology missions. On the commercial side, Rocket Lab successfully launched its 10th radar imaging satellite for Japanese Earth observation company [Synspective](#), continuing a long-running partnership that highlights Electron's role in dedicated small satellite launches.

[SpaceX's](#) highly anticipated stock market debut exceeded expectations, with shares jumping nearly 20% on their first day of trading. The strong performance immediately made the company one of the most valuable aerospace firms in history and underscored investor confidence in its diversified business, from launch services and the Starlink broadband constellation to national security missions and Starship development. The company's momentum continued as it was selected for inclusion in the [Nasdaq-100](#) index, a move expected to drive additional demand from index-tracking funds and increase trading activity. Market analysts also expect the inclusion to boost options trading, with higher liquidity but potentially greater short-term volatility as institutional investors adjust their portfolios. Beyond the financial headlines, SpaceX continues to advance its technology roadmap. The company recently launched the classified [Starfall mission](#), a reentry technology demonstrator designed to test next-generation spacecraft systems. Although few details have been released, the mission is widely viewed as another step toward more advanced reusable spacecraft for commercial and government applications.



The [European Space Agency \(ESA\)](#) has awarded a contract to [Thales Alenia Space](#) to develop the next generation of [Copernicus Sentinel-1](#) radar imaging satellites, ensuring the long-term continuity of Europe's flagship Earth observation program. The new spacecraft will build on the capabilities of the current Sentinel-1 constellation, delivering high-resolution synthetic aperture radar (SAR) imagery for applications including environmental monitoring, disaster response, maritime surveillance and climate research. The upgraded satellites are expected to offer improved performance and greater operational flexibility.

[Spire Global](#) has partnered with German defense company [Rheinmetall](#) to develop a space-based missile warning capability aimed at strengthening European defense and security. The collaboration will combine Spire's expertise in small satellite constellations and radio-frequency sensing with Rheinmetall's defense systems integration capabilities to provide early detection and tracking of missile launches from orbit. The initiative is aligned with growing European efforts to enhance sovereign space-based surveillance and missile warning capabilities amid an evolving security environment.

Portfolio Activity

During the first half of June, we continued the portfolio repositioning initiated in May, further reducing our exposure to [New Space](#) companies that are not yet profitable and that, in our view, had reached particularly demanding valuations. As in the previous month, part of the proceeds from these sales was reallocated to more [defensive companies](#), primarily within the defense sector. These businesses offer a more balanced risk profile thanks to the greater visibility of future revenues, stable operating margins, and the ability to generate positive free cash flow today.

Within the first minutes of trading following its public listing, we initiated a position in [SpaceX](#) at an average price of approximately \$154 per share, immediately allocating around 5% of the fund's assets to the company. After only two trading days, with the stock up roughly 45%, we decided to lock in part of those gains by selling approximately one-fifth of the position at around \$223 per share.

The addition of [SpaceX](#) to the portfolio also marked our complete exit from [EchoStar](#). We had originally held EchoStar primarily as a proxy exposure to SpaceX following the shares it received as part of the sale of a portion of its wireless spectrum. Once direct exposure became available, we believed that maintaining the investment was no longer justified.

During the month we also reduced our position in [Globalstar](#), following [Amazon's](#) acquisition offer. We continue to hold a small position, however, given the meaningful spread that still exists between the current market price (around \$80) and Amazon's offer price of \$90.

In the second half of the month, in addition to continuing to accumulate companies that we believe trade significantly below fair value during periods of market weakness, we also started to [redeploy part of our cash](#) by rebuilding positions in selected New Space companies that had previously been reduced. Many of these stocks declined between 30% and 50% during June alone.

The concerns that had led us to take profits in May largely materialized. Following this sharp correction, however, we believe the sector has returned to more reasonable valuation levels, creating the conditions for potential stabilization. This view is supported by a generally constructive news flow — including [Rocket Lab's](#) announced acquisition of [Iridium](#) — while our long-term investment thesis for the [Space Economy](#) remains fully intact.

The greatest challenge today is distinguishing the programs and business models that have a realistic probability of becoming commercially successful from those that rely primarily on ambitious narratives with a limited likelihood of execution. We believe our [dual-layer investment process](#), which combines rigorous financial analysis with deep technological and scientific expertise, continues to be one of the fund's [key competitive advantages](#). In such a rapidly evolving industry, active management supported by highly specialized knowledge remains essential to identifying long-term winners and avoiding the inevitable disappointments.



Performance

The portfolio's more defensive positioning significantly reduced the impact of the sharp sector-wide correction experienced during June. Although the **BlueSpace Fund** declined by 14.1% during the month, it substantially outperformed the Space Index, which fell 22.1% over the same period. Despite the correction, **the fund remains firmly in positive territory**, with a year-to-date return of +29.2% and a cumulative return since inception of +218%.

Three factors were the main contributors to limiting the downside. First, we maintained an **unusually high cash position**, which reached approximately 9% of the portfolio during the most volatile phase of the month. Second, we had already reduced our exposure to New Space companies that are not yet profitable during May. Finally, our tactical trade in SpaceX during its first days of trading also made a positive contribution to performance.

Among the strongest **positive contributors** were **Amphenol** (+20%), **Teledyne Technologies** (+8%), **Airbus** (+8%), **RTX** (+6%), **Verisk Analytics** (+3%), and **Garmin** (+2%). **Iridium Communications** also delivered a positive monthly return of +4%, staging an impressive recovery after having been down approximately 22% earlier in the month. The rebound followed **Rocket Lab's** announced acquisition of the company, discussed in the previous section of this letter. The transaction further reinforced investors' appreciation of the strategic value of licensed electromagnetic spectrum, a theme that also benefited **Viasat**, whose shares gained 10% during the month.

On the other hand, a number of New Space companies experienced severe corrections, with share prices declining between 30% and 50% during June alone. These included **Redwire**, **Intuitive Machines**, **BlackSky Technology**, **SKY Perfect JSAT**, **Eutelsat**, **Planet Labs**, **Firefly Aerospace**, and **Rocket Lab**. It is worth remembering, however, that these declines followed extraordinary rallies over the previous months, during which many of these companies had doubled or even tripled in value.

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

Positive	%	Negative	%
SPACEX	+0.68	INTUITIVE MACHINES	-1.77
VIASAT	+0.24	REDWIRE	-1.63
TELEDYNE TECHNOLOGIES	+0.18	SKY PERFECT JSAT	-1.27
AMPHENOL	+0.15	PLANET LABS	-1.24
IRIDIUM COMMUNICATIONS	+0.14	BLACKSKY TECHNOLOGY	-0.1

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.

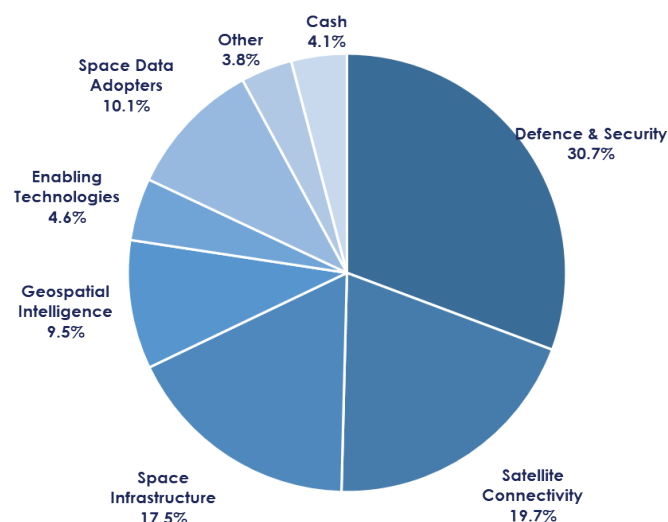
Space Infrastructure: This decade will be marked by the construction of a new orbital infrastructure: thousands of satellites will be built, launched, and operated to support communications, Earth observation, AI, and cloud services from space. New commercial space stations are opening the door to experimentation 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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