



Edited by **Juan Luis Mallo**
Head of Institutional Portfolio Management, Partner



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 achieved a major milestone in its **Starship** program, successfully completing an orbital flight and deploying **Starlink** satellite payloads for the first time. The mission marked significant progress for the world's largest launch vehicle, bringing Starship closer to operational service. The successful deployment is particularly important for SpaceX's plans to expand its Starlink constellation with larger, more capable satellites, while Starship's fully reusable architecture could ultimately transform launch economics by significantly increasing payload capacity and reducing the cost of access to orbit.

Meanwhile, **Rocket Lab** continues to strengthen its position in the small satellite launch market, advancing the deployment of Japanese company **Synspective's** constellation through successive **Electron** missions. Equipped with Synthetic Aperture Radar (SAR) technology, Synspective's StriX satellites can capture high-resolution images of the Earth's surface regardless of weather conditions or daylight, supporting a growing range of commercial and government applications. Rocket Lab has also secured an agreement with Synspective for 20 Electron launches, underscoring the growing demand for dedicated launch services. The partnership highlights the increasing importance of operational reliability, launch frequency and schedule flexibility as competitive advantages in the launch industry.

In Europe, **Arianespace** continues to strengthen its commercial outlook with new orders for its **Ariane 6** rocket, reflecting sustained demand for European launch services. However, technical issues affecting the rocket's turbopumps have slowed this year's launch schedule, highlighting the challenges of scaling up operations. While discussions are underway to increase Ariane 6's launch cadence, resolving these issues and ensuring reliable execution will be essential to meeting its growing order backlog and reinforcing Europe's independent access to space.

At the same time, **Isar Aerospace** reached a major milestone with the successful orbital flight of its **Spectrum** rocket on its second launch, marking an important step towards establishing an independent European commercial launch capability. The German company is now preparing to begin commercial operations, aiming to provide flexible and competitive access to space for small and medium-sized satellites. Demonstrating consistent reliability and launch frequency will nevertheless remain essential to achieving long-term commercial success.

Avio also contributed to Europe's launch capabilities, successfully launching two Earth observation satellites aboard its Vega rocket. The mission reinforces the strategic role of the **Vega** launch family in supporting European scientific and institutional programs, particularly in Earth observation and environmental monitoring.



Beyond launch capabilities, Europe is also pursuing greater industrial consolidation. **Project Bromo**, the proposed merger of **Airbus**, Thales and **Leonardo**'s space activities, continues to advance amid regulatory scrutiny. The joint venture aims to create a €6.5 billion European space champion capable of competing with US and Chinese players. However, concerns over market concentration have prompted criticism from competitors and discussions over potential asset divestments. With operations targeted for 2027, the project remains subject to regulatory approval, highlighting the challenge of balancing European industrial competitiveness with competition rules.

In satellite communications, **Eutelsat** announced plans to procure an additional 229 **OneWeb satellites** from **Airbus Defence and Space**, representing an investment of approximately €1 billion. Manufactured in Toulouse, these satellites will complement the 440 already ordered, bringing the total to 669, with deliveries from the existing order starting in late 2026 and constellation renewal continuing through 2034. Eutelsat also selected **Arianespace** for two **Ariane 6** launches scheduled for 2027 and 2028.

In parallel, Eutelsat initiated the first manufacturing contracts for Europe's **IRIS²** sovereign connectivity constellation, awarding **Airbus** and **Thales Alenia Space** the development of an initial batch of at least 66 satellites, scheduled for delivery in 2029. The broader IRIS² program, with Eutelsat leading its LEO segment, targets commercial operations by mid-2032. Together, these investments aim to ensure continuity of OneWeb services while laying the foundations for Europe's next-generation secure satellite communications infrastructure.

SES, the other major European satellite operator alongside Eutelsat, has received the final three **O3b mPOWER** satellites from **Boeing**, completing the manufacturing phase of its next-generation medium Earth orbit (MEO) constellation. Expected to launch aboard a SpaceX Falcon 9 in the coming months, the satellites are designed to deliver high-speed, low-latency broadband connectivity to remote regions, maritime and aviation customers, enterprises and government users.

The growing importance of sovereign space capabilities is also evident in the **geospatial intelligence** market, where governments are increasingly turning to commercial satellite operators for critical data and surveillance services.

Planet Labs has secured a contract with the **German federal government** to provide dedicated satellite constellation services, reinforcing the growing demand for sovereign Earth observation capabilities. The agreement goes beyond traditional satellite imagery purchases, offering the customer greater control over satellite operations, data collection priorities and access to geospatial intelligence.

Similarly, **Spire Global** is benefiting from a significant increase in commercial weather data procurement by the **US National Oceanic and Atmospheric Administration (NOAA)**, reflecting the growing importance of privately operated satellite constellations in improving weather forecasting. By collecting atmospheric measurements from space, Spire provides data that can enhance the accuracy of weather models and support climate monitoring.

HawkEye 360 is also expanding its international presence in response to rising demand for sovereign geospatial intelligence capabilities. Specializing in detecting and geolocating radio-frequency signals from space, the company has established a European entity and strengthened local partnerships to address regional security requirements. It has also secured multiple contracts in the Middle East, highlighting growing interest in space-based intelligence solutions for defense, maritime surveillance and national security.

Along similar lines, Finnish satellite operator **ICEYE** is accelerating its international expansion to meet growing demand for sovereign space-based intelligence capabilities. Specializing in **Synthetic Aperture Radar (SAR)** satellites, which provide high-resolution Earth observation imagery regardless of weather or daylight conditions, the company is increasingly supporting governments seeking independent surveillance and defense capabilities. As part of this strategy, ICEYE has opened a new satellite technology center in **Poland**, with plans for approximately €31 million in investments, strengthening its European industrial footprint. In parallel, ICEYE has partnered with **Nokia** to explore the development of sovereign broadband satellite constellations, expanding its ambitions beyond Earth observation into secure connectivity. These initiatives highlight ICEYE's evolution from a satellite data provider into a broader supplier of sovereign space infrastructure.



Portfolio Activity

In September, we decided to exit our position in **Boeing**, which we consider one of the less compelling investment opportunities within the aerospace and defence sector. Instead, we continued to strengthen our exposure to **defence technology** through Leidos and **CACI**, two companies offering more stable and attractive margins at lower valuations.

After gradually reducing our exposure over recent months, we also completed the sale of **Iridium Communications** and **Globalstar**, which are being acquired by **Rocket Lab** and **Amazon**, respectively. We believe the capital can be more effectively deployed into new investment opportunities.

We therefore initiated two new positions: **HawkEye 360**, within our Geospatial Intelligence segment, and **Uber Technologies**, within Space Data Adopters.

HawkEye 360 is a leading provider of space-based radio frequency (RF) intelligence. Its satellite constellation enables the detection and geolocation of signals worldwide, delivering critical intelligence to defence, security and government customers. We see significant growth potential as demand for persistent surveillance and geospatial intelligence continues to accelerate. Beyond its attractive industry positioning, the company's strong cash position, positive EBITDA and the lowest EV/Forward Sales multiple among its geospatial intelligence peers make it, in our view, a particularly compelling investment opportunity with significant upside potential.

Uber Technologies represents a compelling example of how space-based infrastructure creates value well beyond the traditional space industry. Its global mobility and delivery platforms rely extensively on satellite-based positioning and navigation systems, which underpin routing optimization, real-time arrival estimates and fleet coordination. Beyond its strategic fit within our Space Data Adopters segment, we see an attractive investment opportunity. Concerns over potential disruption from autonomous vehicles have weighed on the stock, creating what we believe is a disconnect between its valuation and underlying cash-generating capacity. Trading at approximately 17x forward earnings, Uber offers, in our view, an attractive entry point into a highly profitable and cash-generative business with significant long-term growth potential.

Performance

BlueSpace Fund lost some ground declining **-4.1%** in September, bringing its year-to-date performance to **+19.2%**.

Among the main detractors, **Planet Labs** continued its downward trend, falling 17% during the month, driven more by valuation compression than by negative company-specific developments. In fact, the company reported a strong quarter, with revenues growing +58% year-on-year and results exceeding expectations across all key metrics. The stock is now down 66% from its May peak, when we significantly reduced our exposure. At current levels, we believe the valuation has become attractive again and have started rebuilding our position.

More broadly, **defense-related stocks** remained under pressure in September, as markets continued to price in the possibility of Democrats gaining control of one or both chambers of Congress, potentially leading to prolonged budget negotiations and delays in defense appropriations. Valuations across the Aerospace & Defense sector have contracted by approximately 30% from their February highs, despite revenues and earnings continuing to grow steadily. We believe the structural drivers of increased defense and security spending remain firmly intact, while much of the political uncertainty has already been reflected in share prices. As a result, even a modest improvement in sentiment could attract renewed capital inflows and trigger a sector rebound.

On the positive side, **Firefly Aerospace** gained 10% in September, supported by a \$100 million NASA contract, a new launch agreement with Sweden's SSC Space, expanded manufacturing capacity, and a lunar AI computing agreement with **Starcloud**.

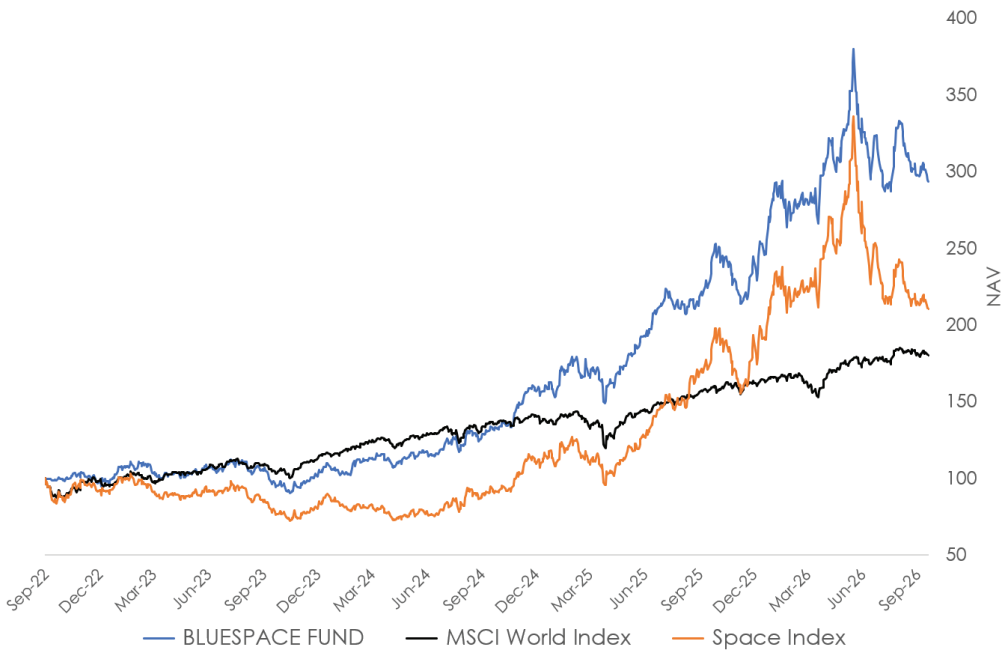


Rocket Lab also performed well, rising 9% during the month, supported by favorable analyst coverage, progress on its planned Iridium acquisition, and continued operational momentum, including its 97th successful Electron launch and a record 20-launch agreement with **Synspective**.

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

Positive	%	Negative	%
ROCKET LAB	+0.26	LEIDOS HOLDINGS	-0.52
SPACEX	+0.23	PLANET LABS	-0.52
FIREFLY AEROSPACE	+0.16	THALES	-0.30
VIASAT	+0.11	L3HARRIS TECHNOLOGIES	-0.30
AMPHENOL	+0.10	NORTHROP GRUMMAN	-0.29

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.



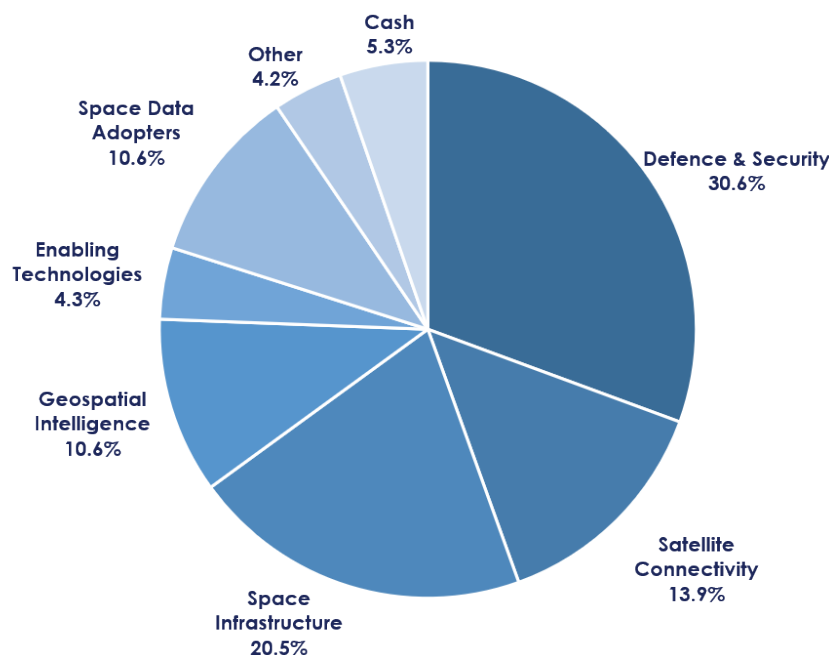
Space Infrastructure: This decade will be marked by the construction of a new orbital infrastructure: thousands of satellites will be built, launched, and operated to support communications, Earth observation, AI, and cloud services from space. New commercial space stations are opening the door to experimentation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



DISCLAIMER: This document is for information purposes and it represents advertisement material and it is based on the prospectus and on the key information document of the KYRON UCITS SICAV BlueSpace Fund which are available upon request by BlueStar Investment Managers SA (registered office in Lugano, Via G.B. Pioda 8, E-mail address: info@bluestar-im.ch, Telephone number: +41 91 260 36 70). The present set of information are available only to investors resident in Switzerland, Italy and Luxembourg. Its content is based upon information from deemed reliable sources, but it cannot be guaranteed as accurate, complete, valid or timely and it should not be relied on as such for any particular purpose. Any subscription should be based solely on the Fund's Prospectus, as well as the latest audited annual report (and subsequent unaudited semi-annual report if available) provided to subscribers prior to the subscription and/or available upon request. An investment in the Fund entails risks, which are fully described in the Fund's prospectus. Past performance is not a guide to future performance and may not be repeated. The value of an investment can rise or fall with market fluctuations and the originally invested amount be lost. Exchange rate changes may cause the value of any foreign investment to rise or fall. The fund may not be registered nor authorized for sale in your home country. Kindly contact your financial adviser in this respect.

