

Seraphim Space Investment Trust

‘The world’s first listed Space Tech fund’

The Space Tech sector is forecast to grow to \$trillions. Seraphim Space Investment Trust plc targets early stage growth companies that have the potential to dominate globally.

**Seraphim is the world’s
#1 space tech investor**

*Unparalleled early access
to companies that will shape
a new economic revolution*

**Once in a generation
opportunity**

*Benefiting from
multi-decade growth
in demand for space
related technologies*

**A paradigm shift in
space economics**

*10x -100x cost reduction
in access to space
with lower satellite
and launch costs*

**Track record of creating
shareholder value**

*Experienced management
team with proven
business model*

**Access to massive
and consistent global
deal flow**

*Circa 50 opportunities
per month*

**Seed portfolio
of 19 companies from
Seraphim Space Fund VC**

*Worth c.£100m with
all existing investors
rolling over*

**Seraphim space investment
trust targeting >20%
portfolio return annualised
over longer term**

*Track record 31% IRR since
October 2016*

Seraphim Space Investment Trust will target early and growth stage Space Tech companies that have the potential to dominate globally and that are sector leaders with first mover advantages in areas such as climate, communications, mobility and cyber security.

The trust will acquire seed assets expected to be worth c.£100m from the existing Seraphim private fund.

The Offer closes Friday 9 July 2021 or earlier.

INVITATION TO MANAGEMENT PRESENTATION

The Company will be hosting two webinars for investors in which they will discuss the opportunities presented by the space sector. Details and how to register as follows:

• **Friday 2nd July 10:00am**

Please [click here](#) to register your attendance.

• **Tuesday 6th July 6:00pm**

Please [click here](#) to register your attendance.

www.seraphim.vc/investors



The Space Industry is Experiencing its Revolution

- Led by SpaceX, privately financed companies are advancing radical changes in the \$366 bn Space industry, creating a new data and connectivity ecosystem that is about to transform the world
- Technological advances are overturning traditional models for operating in Space, as low-cost access to Space becomes a reality with innovations such as reusable rockets and miniaturised satellites – this revolution is known as “New Space”
- The cost of building and launching a satellite has fallen by a factor of more than 100x
- Demand for space-related technologies is about to increase dramatically in the era of driverless cars, robotics, smart cities and internet of things

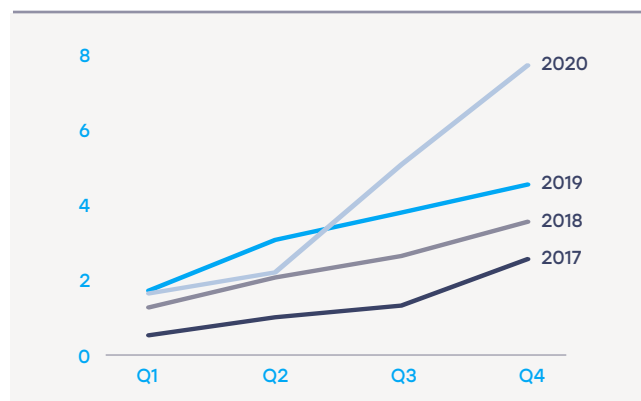
A Digital Platform in the Sky

- New and larger constellations of satellites now constitute a new digital data infrastructure in the sky
- Fuelled by sensor miniaturisation, commercial-off-the-shelf componentry, 3D printing, data analytics, and A.I., a new paradigm is emerging, where ubiquitous connectivity and omnipresent earth observation are creating a new source of near real time data
- This digital infrastructure will deliver capabilities that will define societal change over the forthcoming decade and beyond
- Space is now anticipated to have a transformative impact on many industry verticals unlocking \$trillions of value

Private Capital is Driving Growth

- Recognising these seismic changes, a flourishing ecosystem of privately funded Space Tech start-ups is emerging
- Addressing some of the biggest challenges faced by both humanity and business
- Ranging across - but not limited to - insurance, finance, transport, energy, telecommunications, agriculture, and governments

Annual Space Tech Investment Tracker (US\$bn) - Private Capital



Source: Seraphim SpaceTech Venture Capital Index Q4 2020 [link](#)

Seraphim Launched First New Space Tech Focused Venture Fund

- Following the launch of the world’s first New Space Tech VC fund in 2016 Seraphim has established itself as the ‘go-to’ investor for Space Tech entrepreneurs
- Its team is comprised of seasoned venture capitalists and some of the sector’s most successful entrepreneurs who scaled their Space Tech businesses to \$billions

Differentiated Business Model with Industry Support

- Seraphim operates its own accelerator program as a dynamic and ongoing due diligence exercise
- Just concluding its 7th cohort, Seraphim Space Camp has become a magnet for visionary entrepreneurs
- Twice per year, 7-10 private space companies go through a 3-month programme with Seraphim reserving a 2-year “option” to invest as these businesses scale
- Leading space industry players engage with the Space Camp participants along with premier VCs providing invaluable insights, guidance and early funding
- Partners include Airbus, SES and Telespazio
- Seraphim also runs the AWS Space Accelerator on behalf of Amazon

Seeded portfolio

15 companies seeded at IPO

- Worth £26m*
- 7 companies held at cost with significant upside potential
- 1 public company with an enterprise value >\$1bn
- £150m cash to be raised at IPO
- Cash to be deployed in 6-12 months into identified investments

4 companies with transactions underway

- Binding commitment to transfer
- 2 companies in public listing process
- 2 companies in pre-IPO funding processes
- Worth £36m at 31st May estimated £71m at transfer
- Longstop date of transfer 31st Dec 2021

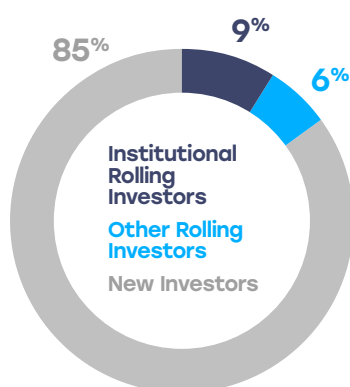
Seeded portfolio of 19 assets c.£100m

| | Fair Value 31st May £m | Values at IPO £m | % | Estimated Values £m | Total Values £m | % |
|-------------------------------------|------------------------------|------------------------|------|---------------------------|-----------------------|------|
| ArQit Ltd | 14 | | | 16 | 16 | 6% |
| Iceye Oy | 10 | | | 28 | 28 | 11% |
| D-Orbit S.p.A | 7 | | | 21 | 21 | 9% |
| Spire Global Inc | 5 | | | 6 | 6 | 2% |
| Leo Labs Inc | 10 | 10 | 5% | | 10 | 4% |
| Altitude Angel Ltd | 4 | 4 | 2% | | 4 | 2% |
| Planet Watchers Ltd | 3 | 3 | 2% | | 3 | 1% |
| AST SpaceMobile | 2 | 2 | 1% | | 2 | 1% |
| Edgybees | 1 | 1 | 1% | | 1 | 1% |
| Isotropic Systems | 1 | 1 | 1% | | 1 | 1% |
| Early Stage Portfolio (9 companies) | 5 | 5 | 3% | | 5 | 2% |
| | 62 | 26 | | 71 | 97 | |
| New Cash at IPO | | 150 | 85% | | 150 | 61% |
| Total | | 176 | 100% | | 247 | 100% |

***NOTE:** £26.1 million is subject to adjustment prior to Initial Admission to reflect that one of the assets, AST & Science LLC, which is listed, will be valued at the closing price on the date falling 3 business days prior to Initial Admission.

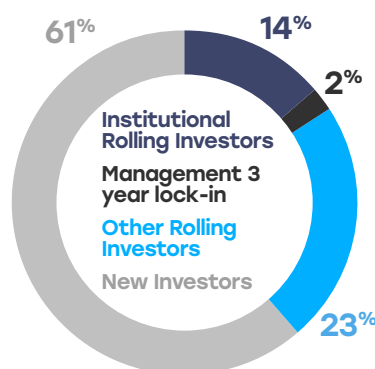
Investor Split at IPO

Lock-in 6 months



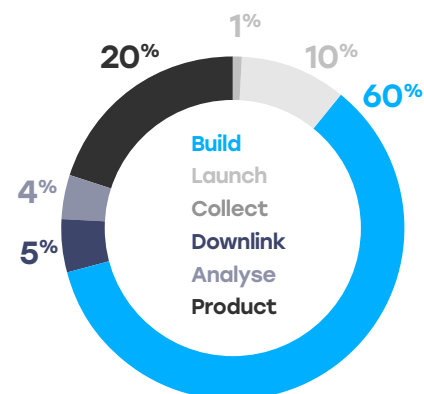
Investor Split with full portfolio

Lock-in 6 months



Portfolio sectors

Full sector coverage



Build



Launch



Collect



Downlink



Analyze



Product

Fund Stats

19

Companies
in
portfolio

50:50

Lead investor
v
Follower Investor

7

Companies
held
at cost

3

Unicorns
valued >\$1bn

60:40

Initial:
follow-on

14%

Average
stake per
company

Seed assets statistics

2yrs

Average
holding
period

\$1.2bn+

Equity raised
by portfolio
companies

31%IRR

Record since
October
2016

51%

UK

24%

EU

23%

US

Example portfolio company case studies

Monetising the weather

Investment Opportunity

Spire Global operates one of the world's largest satellite constellations collecting data for weather forecasting and for tracking the global maritime and aviation fleets.

Weather variability – and our inability to accurately predict it – creates approximately \$3 trillion of economic loss every year. This problem is growing because of climate change-induced extreme weather events. With a fleet of more than 100 shoebox size, multi-purpose satellites, Spire uses this data to create a highly accurate, proprietary global weather forecast. Spire's satellites also collect signals for tracking ships and aircraft.

What We Liked

The multi \$billion satellite weather market represents one of the next major growth opportunities in the ongoing commercialisation of the Space sector. Operating the world's largest constellation of 'listening' satellites, Spire has built a significant competitive moat within this sizeable market. Having access to its own proprietary high frequency, high resolution weather data enables Spire to generate its own global weather forecasts at equivalent or better accuracy than those upon which the world currently relies. Spire's ability to use its satellites to collect multiple datasets (weather, maritime, aviation) enables it to address multiple diversified markets.

On 1 March 2021, Spire entered into a binding agreement to undertake a merger with NavSight Holdings Inc. (NYSE: NSH). This transaction provides a pro forma enterprise value of approximately US\$1.2 billion and is expected to complete during August 2021.



Cell towers in space

Investment Opportunity

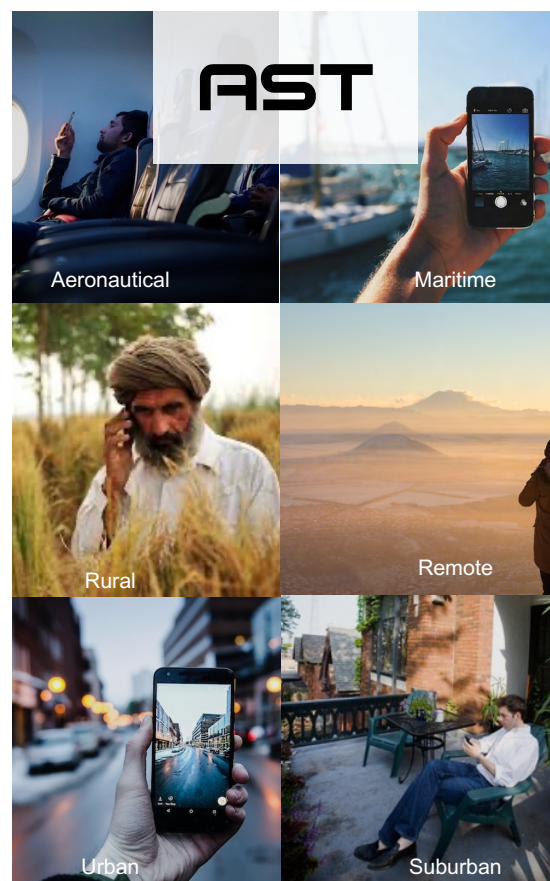
AST & Science (AST) is aiming to deliver worldwide 4G broadband connectivity from space. It is launching a satellite constellation that will act as 'cell towers in Space' by delivering connectivity to any smartphone.

Compatible with all existing five billion mobile phones without requiring any modifications to the handset. Once deployed, its services will integrate seamlessly with mobile network operators' networks providing 'roaming' to eliminate connectivity gaps.

What We Liked

The satellite communications market is constrained by the requirement for expensive antennas and bespoke expensive satellite phones. Seraphim believes that no other company today can deliver telephone and broadband from space direct to the cell phones everyone is already using. AST has first mover advantage which is very significant, with high barriers to entry and protection from 1,000 patent claims. The company has already signed memoranda of understanding to partner with seven leading mobile network operators who collectively have a subscriber base of 1.3 billion users.

Last quarter AST raised \$460 million and began trading on Nasdaq in April 2021 at a \$1.8 billion market capitalisation.



Example portfolio company case studies

Global change detection

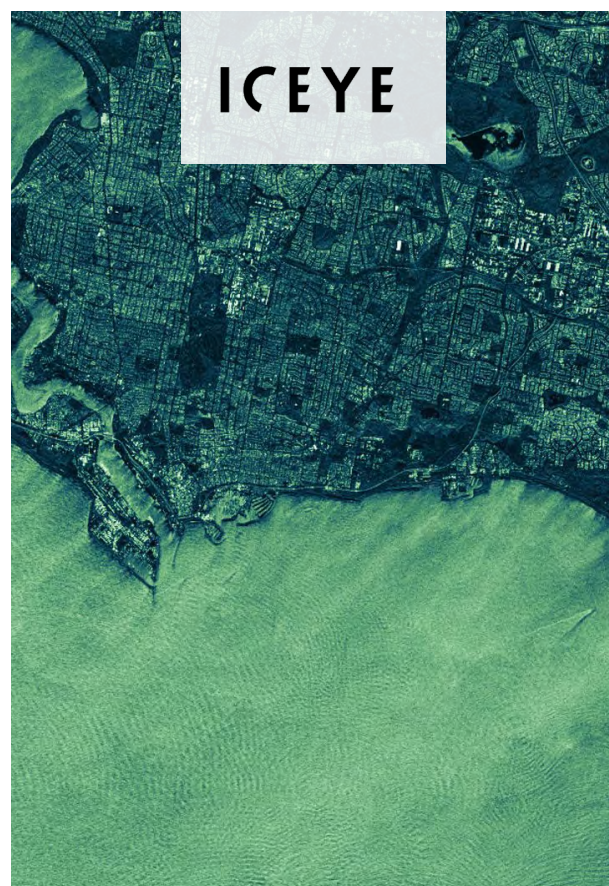
Investment Opportunity

Iceye has built the world's first and largest constellation of miniaturised satellites that use radars to capture information about the Earth day and night and in all weather conditions. Satellites that use optical cameras to take images of the Earth have in recent decades spawned the \$5 billion 'Earth Observation' market. However, with two thirds of the world either in darkness or covered by cloud at any given time, much of the world can't be imaged from Space using traditional optical cameras. By using radars rather than cameras to take images, it is possible to monitor the Earth day and night and in all weather conditions.

What We Liked

Iceye has built satellites that are 1/100th of the size and cost of incumbent systems making it cost efficient to build a large constellation. Combining Iceye's ability to image the Earth in all conditions with artificial intelligence will enable the company to monitor change detection around the world in close to real time. Iceye aims to provide actionable information on every square metre of the Earth every hour for sectors that include climate change, agriculture, maritime, disaster management, insurance, finance, security and intelligence. Iceye enjoys first mover advantage in a multi \$billion global market.

Iceye has a potentially significant transaction relating to pre-IPO funding currently underway.



Secure data transfer

Investment Opportunity

Arqit is developing a constellation of laser communications satellites that utilise quantum technology for securing any end device.

The advent within the next few years of quantum computers capable of hacking the encryption technologies that underpin the internet could render the cyber security behind the entire global digital economy obsolete. Arqit is a player in the nascent field of quantum cryptography and is aiming to resolve this issue using quantum physics rather than relying on passwords using combinations of letters and numbers for security.

What We Liked

Seraphim had an existing relationship with Arqit's founder who had previously founded, funded, scaled and successfully listed another satcom business, Avanti Communications. Arqit's team has a high calibre team of satellite and cyber security industry veterans, supported by world-class partners and significant funding from the European Space Agency.

On 12 May 2021, Arqit announced that it had entered into a definitive agreement to merge with Centricus Acquisition Corp (Nasdaq: CENH) to enable it to list on the Nasdaq. This transaction provides a pro forma enterprise value of approximately US\$1.0 billion and is expected to complete during August 2021.



Example portfolio company case studies

Space air traffic control

Investment Opportunity

Space debris represents systemic risk to the modern world. A collision event between one satellite and another, or with a piece of 'space junk', could have potentially catastrophic consequences. LeoLabs uses a network of proprietary ground-based radars to track every piece of space debris down to 2cm in size orbiting as far as 1,000km above Earth. By mapping the skies in real time and monitoring 10x more objects than existing government-operated systems, LeoLabs is aiming for its cloud-based data platform to become the 'air traffic control' system for Space that every rocket launcher, every satellite operator and the market regulators and insurers will rely upon.

What We Liked

The tracking of objects in Space is already a multi \$billion market. Satellite operators are currently reliant on inaccurate and infrequent tracking data provided by the US Air Force to manage their constellations and avoid collisions. Seraphim believes that this current paradigm cannot scale to meet the needs of the thousands of new satellites being launched. Spun out from the world-famous SRI International Labs, the LeoLabs team has deep domain expertise, proprietary radar technology that provides it with a strong competitive position and first mover advantage. LeoLabs low cost antenna network could become the commercial tracking service required to support the satellite industry's growth.



Space transportation system

Investment Opportunity

D-Orbit is aiming to become the 'Fedex of Space', having already launched the world's first ever in-space last mile delivery service. D-Orbit aggregates its customers' small satellites into its own 'cargo satellite' which then uses the likes of a SpaceX rocket to reach orbit. Once in Space, D-Orbit's spacecraft then transports its cargo to its precise target orbit. This has the advantage of getting the satellite to its ultimate destination quickly and cost effectively. Each of D-Orbit's spacecraft can then take on a number of different secondary missions that include satellite servicing, debris removal, communication relays and even datacentres, paving the way for the future in-space economy.

What We Liked

By combining the benefits of low-cost launchers from the likes of SpaceX with the more precise orbital delivery capabilities of smallsat launchers from the likes of RocketLab, D-Orbit's 'Ion' cargo spacecraft represents a new paradigm for addressing the smallsat launch bottleneck. Having now completed two successful missions delivering cubesats from the likes of Planet (the operator of one of the world's largest constellations), D-Orbit has first mover advantage in the race to become the world's first in-space transportation system.

D-Orbit has a potentially significant transaction relating to pre-IPO funding currently underway.





Executive Investment Team

Highest profile and most prolific
Space Tech investors globally



Mark Boggett

Mark Boggett, CEO of Seraphim, is a venture capitalist with a focus on mission-driven companies at the cutting edge of disruptive technology and new industry formation. Mark is a pioneer in Space Tech investment having co-founded the Seraphim Space Fund. Previously, Mark was a director at YFM Equity Partners, the firm behind the high profile British Smaller Companies VCT 1 & 2. He also worked at Brewin Dolphin and Williams de Broe. He completed his undergraduate degree in Accounting & Finance, Masters in Economics and Finance from the University of Leeds and professional qualification include the Institute of Investment Management & Research.



James Bruegger

James Bruegger, the co-founder and CIO of Seraphim, is a prolific venture capitalist investor in the global Space Tech domain, having primary responsibility for building Seraphim Space Fund's portfolio. James was the early VC investor in recognised category leaders such as Iceye, LeoLabs and D-Orbit and led investments in several companies that have since announced their intention to go public including Arqit, Spire Global and AST & Science. Previously he worked at YFM Equity Partners and Burlington Consultants, a boutique strategy consultancy focussed on mergers and acquisitions that was acquired by Deloitte. James holds a first-class degree in History from University College London.



Rob Desborough

Rob Desborough is a partner at Seraphim Space Fund and CEO of Seraphim Space Camp Accelerator, now one of the world's leading accelerator programmes for Space Tech start-ups, which he launched in 2018. Rob heads up the Early Stage Investment activity for Seraphim with over 20 years' technology VC experience in both investment and operational roles from start-up and university spin-out through to early-stage, growth, development, and IPO. Prior to Seraphim, Rob was with YFM Equity Partners as an Investment Director and he has been a board observer or director for over 35 companies internationally. He holds a BSc (Hons) in Biomedical Sciences from the University of Glasgow and a Postgraduate Diploma (PGDip) in IT Systems from the University of Strathclyde.

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The information in this document is valid as at 22 June 2021.