

Shares Spotlight
Seraphim
seraphim.vc



SERAPHIM
SPACE INVESTMENT TRUST PLC

The business of Space has arrived, impacting our everyday lives for the better

'Space is the new industrial revolution- transforming all industries and addressing humanity's biggest challenges from climate change to global security; creating a better Earth. With a market forecast to reach \$1 trillion by 2030, there is no sector or technology that Space Innovation won't impact.'

The Space sector is experiencing unprecedented growth and development. In the past few years, we have witnessed significant technical and commercial progress with a new phase of innovation based on the maturing of first-generation disruptive technologies such as reusable launch vehicles and low-cost satellites. Such developments within the industry have enabled the cost to access space to decrease exponentially - by over 100 times in past decades, and it continues to fall with the success of every launch. Leaders like SpaceX are now sending rockets to space over 100 times per annum carrying, in some cases, over 50 satellites owned by private companies. These companies are working across multiple sectors including climate change, insurance,



SSIT portfolio company ICEYE, SAR Satellite over the US

finance, agriculture and defence, utilising space infrastructure to map, model and manage whole earth ecosystems in near-real time. From terrestrial navigation services to earth observation and telecommunications the business of space is very much now and the 'digital infrastructure in the sky' is already impacting our everyday lives.

Today's new satellite constellations mean it is now feasible to pass over every single point of the Earth every hour, using cutting-edge sensors to capture novel information about the Earth in exquisite detail and close to real time, from the individual object level all the way up to global scale.

These datasets are of an enormous scale, diversity and depth and hold the potential to open up entirely new insights that could transform virtually every sector. Climate change is taking centre stage among global priorities and Earth observation data is playing a crucial role in monitoring the planet. With meteorology heavily reliant on space technology for weather forecasting, space data has also helped us better monitor deforestation and the health of oceans and ecosystems. Satellites equipped with multispectral and hyperspectral imaging sensors can detect and map mineral deposits, oil reserves and vegetation health.

These satellites hold the

Shares Spotlight Seraphim

promise of blanketing the entire world in ubiquitous broadband internet connectivity. With almost half the world's population still suffering from 'internet poverty' through an inability to get online, the pervasive connectivity these systems are expected to offer could have a profound impact by potentially facilitating billions of people joining the global digital economy for the first time.

Together, such universal abundant connectivity combined with the collection of vast quantities of

data about every square metre of the planet will deliver capabilities that will power many of the key technologies that will define societal change over the next decade and beyond. Seraphim Space Investment Trust (SSIT) are investing into global scale companies that are creating these new opportunities in these very broad markets, disrupting every industry on the planet.

As the rate of satellites entering space increases, the level of investment has also increased and the entrants matured. According to Bloomberg the global space economy grew 8% to \$546 billion in 2022 and is on track to become a trillion-dollar market by 2030, growing 41% over the next 5 years. Even despite the global economic downturn, SpaceTech investment for 2023 remained near an all-time high, with around \$7bn in the last 12 months.

Meanwhile, leading countries realise that now is the time when the future of the space economy will be decided and are acting to stake their place and

build up their strength and position in the global space race. Rising geopolitical tensions have brought space technologies to the forefront of the mainstream media, showcasing their importance in preserving life. Sovereign nations desire to develop their own resilience and space capabilities has become of utmost importance, resulting in a surge of Government contracts reflecting the strategic imperative to harness cutting-edge technologies and innovations from New Space companies.

SpaceTech's key drivers - climate change, sustainability and global security - are expected to continue to ignite unprecedented growth in the market, fostering the development and deployment of cutting-edge technologies that facilitate more accurate, independent, globally comparable metrics for monitoring our planet's vital signs.

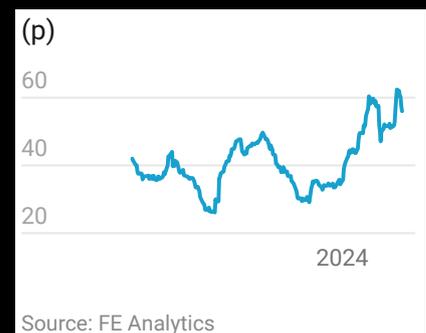
According to Seraphim's research, investment into early stage SpaceTech companies rose by 55¹ per cent in the last 12 months. Investment into the sector is not just from traditional technology innovation investors like Venture Capital funds but across the whole funding landscape from traditional aerospace and satellite companies to Corporates, Sovereign Wealth funds, Private Equity and large Asset Managers. With the existential challenges posed by heightened geopolitical tensions and climate change, the counter-cyclical nature of the space sector continues to result in its outperformance of the wider market.

The 'Digital Infrastructure' is just the beginning. The

microgravity environment of Space gives a unique platform for advancements in other sectors such as life and material sciences. This environment will provide a potential gold mine for new classes of drugs, and novel materials to be developed which could have a transformational impact on verticals like pharmaceuticals, telecoms, and microelectronics. Science fiction is already turning into science fact.

About Seraphim Space Investment Trust

Seraphim Space Investment Trust PLC (the "Company" or "SSIT") is the world's first listed SpaceTech fund. It is an externally managed closed-ended investment company that was launched in July 2021. SSIT seeks to generate capital growth over the long term through investment in a diversified, international portfolio of predominantly early and growth stage privately financed SpaceTech businesses that have the potential to dominate globally and are category leaders with first mover advantages in areas such as global security, cybersecurity, food security, climate change and sustainability. The Company's shares are traded on the London Stock Exchange.



¹ Seraphim Space Index Q4-2023 (2024). Available at: <https://seraphim.vc/wp-content/uploads/2024/01/index-Q423-Final.pdf>