



Seraphim Space Investment Trust

Investment companies | Update | 6 October 2026

Strong NAV growth, more winners emerging

Seraphim Space Investment Trust (SSIT) has continued to deliver strong portfolio progress, with a series of transactions providing further validation of the value being created across its holdings. ICEYE's latest funding round has crystallised a substantial uplift, HawkEye 360 has successfully listed, and ALL.SPACE has been acquired by York Space Systems. At the same time, SSIT's £137m C share issue has provided fresh capital to back both existing winners and new opportunities, while the launch of Seraphim's New Space ETF could provide a new source of demand for the shares. ICEYE's success has increased concentration risk, but the manager believes it is simply the first portfolio company to have "popped", with businesses such as Xona, Pixxel and Hubble offering significant potential to follow. With the structural backdrop for SpaceTech remaining strong and further NAV growth expected, we think SSIT's current discount looks increasingly difficult to justify.

The world's first listed SpaceTech fund

A diversified, international portfolio of predominantly growth-stage, privately-financed 'SpaceTech' businesses that have the potential to dominate their field and are category leaders with first mover advantages in areas such as global security (defence), climate and sustainability, connectivity, autonomous mobility, telecommunication and smart cities.

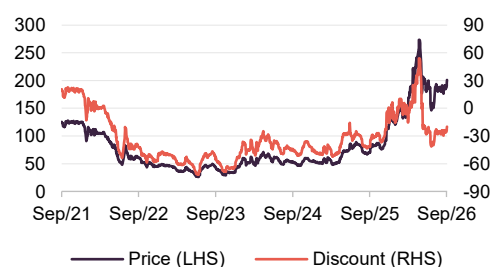
Year ended	Share price total return (%)	NAV total return ¹ (%)	MSCI World Aerospace and Defence TR (%)
30/09/2022	(51.8)	1.0	(4.0)
30/09/2023	(28.5)	(8.1)	10.2
30/09/2024	24.2	(0.3)	20.0
30/09/2025	31.8	24.3	16.8
30/09/2026	169.5	91.9	18.5

Source: Bloomberg and Marten & Co. 1) Based on Marten & Co's live estimate of SSIT's NAV (see page 13).

Sector	Growth capital
Ticker	SSIT LN
Base currency	GBP
Price (ords)	202.50p
NAV ¹ (ords)	229.42p
Premium/(discount)	(12.4%)
Yield	Nil

Share price and discount¹

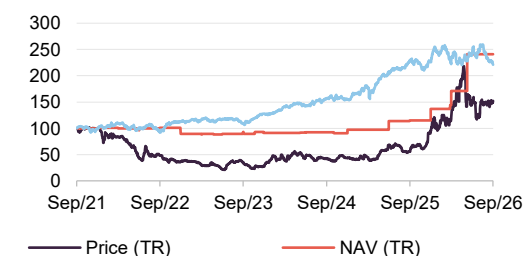
Time period 30/09/2021 to 02/10/2026



Source: Bloomberg and Marten & Co

Performance over five years¹

Time period 30/09/2021 to 30/09/2026



Source: Bloomberg and Marten & Co



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Domicile	England & Wales
Inception date	14 July 2021
Manager	Seraphim Space LLP
Market cap	480.3m
Ordinary shares outstanding (exc. treasury shares)	237.2m
C shares outstanding	136.5m
Daily vol. (1-yr. avg.)	1,754.1k shares
Net cash¹	5.0%

Note 1) Net cash as at 31 March 2026.

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Fund profile

More information is available on the trust's website investors.seraphim.vc

SSIT aims to generate capital growth over the long term through investment in a diversified international portfolio of predominantly growth-stage (B-stage or later), privately financed SpaceTech businesses (which SSIT defines as entities that rely on space-based connectivity and/or precision, navigation, and timing signals or whose technology or services are already addressing, originally derived from, or potentially benefiting, the space sector).

SSIT's portfolio companies are typically category leaders with the potential to scale globally. They frequently benefit from first-mover advantages across areas such as global security, cybersecurity, food security, climate change and sustainability.

SSIT was launched in July 2021, hitting its capital raise target, and started life with cash of about £178.4m. Total assets at the end of December 2025 were £337.5m.

SSIT's AIFM is Seraphim Space Manager LLP (Seraphim).

Measuring success

SSIT is targeting annualised NAV returns of 20% over the long term. The trust has no formal index benchmark but given the subject matter of this note we have compared it with the MSCI World Aerospace and Defence Index for simplicity's sake.

Successful C share issue provides fresh firepower

SSIT's C share raised c.£137m of gross proceeds.

SSIT's C shares convert periodically

In our last note, we highlighted that SSIT's board had published a circular outlining details of a potential C share offering that could raise up to £350m, which was open to both institutional and retail investors. This capital raise completed in May 2026 raising approximately £137m of gross proceeds, with SSIT issuing 136.5m C shares at 100p each to satisfy the issue.

As with all C shares, the new capital is kept in a separate pool while it is deployed, which protects existing ordinary shareholders from the cash drag that would otherwise result from immediately adding the uninvested cash to the portfolio. However, rather than waiting for the majority of the cash to be deployed – typically around 85% – before converting the C shares to ordinary shares and merging the portfolios, portions of the C shares will convert into ordinary shares, with the conversion ratios calculated using the respective quarterly NAVs. This structure allows C share investors to progressively gain exposure to SSIT's established portfolio as their shares convert, and for existing investors to gain exposure early to any new companies that enter the portfolio as a result of the C share – see Hubble below. Ultimately, all of the C shares must convert within 18 months of issue.

C share deployment is already underway

SSIT has begun to invest the proceeds from its C share issue. In August, SSIT invested a combined £21.3m in existing portfolio companies Pixxel and Zeno Power, followed by a £22.2m investment in Hubble Network (see pages 8 and 9), the first new company added to the portfolio using the C share proceeds. Together, these

commitments amount to about £43.5m, or almost a third of the gross proceeds of the fundraise.

The C share raise benefits all shareholders

Increasing SSIT's size should improve secondary-market liquidity and lower the ongoing charges ratio

As we highlighted in our last note, we think the fundraising is a positive for existing shareholders. Beyond providing SSIT with substantial firepower to exploit the manager's pipeline of opportunities, increasing the size of the trust should improve secondary-market liquidity and allow fixed costs to be spread across a larger asset base, helping to reduce the ongoing charges ratio. It should also gradually reduce some of the concentration in the existing portfolio – a concern recently highlighted in feedback given to the manager during shareholder engagement activities – as new investments are added.

Taking advantage of the current market backdrop

SpaceTech is passing through a major inflection point

SSIT's manager believes that SpaceTech is passing through a major inflection point and has identified considerably more attractive opportunities than SSIT's existing balance sheet could comfortably fund. Through the C share, SSIT has been able to raise a meaningful amount of new equity which gives it the resources to pursue these investments without compromising the interests of existing shareholders. The task now is to deploy that capital well, but the early pace of investment suggests that this is money raised with a clear purpose rather than cash looking for a home.

Seraphim New Space ETF – a new source of demand for SSIT shares

The ETF tracks the VettaFi Seraphim New Space Index

The Seraphim New Space UCITS ETF launched on 2 September 2026. The ETF tracks the Seraphim New Space Index, which was designed by Seraphim. The ETF itself is managed by a third-party manager and distributed by HANetf. This new ETF has two share classes listed on the LSE – a dollar class under the ticker SPCE and a sterling class under the ticker SERA. It also has a dollar class listing on the Borsa Italiana under the ticker SERA and a Euro class listing on Deutsche Börse's Xetra under the ticker S3RA.

A fixed 10% allocation to SSIT

The Seraphim New Space Index tracks public companies focused on the commercial "new space" economy. Initially containing 23 listed companies, the index is conviction weighted and around half its initial constituents are businesses that Seraphim backed privately before they listed. This gives Seraphim unusually deep knowledge of those companies.

The index currently allocates approximately 10% to SSIT, making it the ETF's largest holding. This should provide an ongoing pool of demand for SSIT shares as the new ETF grows, with SSIT providing the ETF exposure to earlier stage growth companies through a listed structure.

'New space' versus 'old space'

Seraphim makes an important distinction between the emerging 'new space' economy and the traditional 'old space' model dominated by large aerospace and traditional defence contractors. Old space was characterised by expensive,

New space companies use low-cost launches, smaller satellites, mass-production techniques and faster technology cycles to reduce costs dramatically

bespoke projects, long development cycles, low production volumes and a heavy reliance on government customers. For example, satellites could take years to design and build and were intended to remain operational for decades.

In contrast, new space turns much of the traditional model on its head, using lower-cost launches, smaller satellites, mass-production techniques and faster technology cycles to reduce costs dramatically – for example using standardised components and technologies from other industries – which is opening space up to a much broader range of commercial applications. New space is synonymous with falling launch costs, reusable rockets, smaller satellites, constellations, standardised components, software and private capital.

Different to the traditional ETFs

SSIT's manager says that the existing space ETFs tend to own around 60 companies and include the traditional large, established aerospace companies such as Lockheed Martin and Airbus. In contrast, its ETF is focused on the new space companies described above, which it expects to be the key beneficiaries of the space 2.0 era. If successful, this could be the beginning of a broader ETF strategy for SSIT's manager.

Manager's view

Addressing investor concerns

SSIT's manager says that a number of issues have been raised during recent investor meetings and its recent investor webinar that it is keen to address. We look at each of these in turn. Otherwise, the manager's long-term themes remain intact and we recommend readers see our April 2026 note where these are explored in more detail (see page 18 of this note).

ICEYE's success has created an unusual problem for SSIT

SSIT's concentration in ICEYE and whether the manager remains comfortable with this: ICEYE's success has created an unusual problem for SSIT: the better the company performs, the greater the portfolio's exposure to it becomes. However, the manager remains comfortable with the position. Seraphim believes that ICEYE still has substantial growth ahead of it and does not think that concentration, in itself, is a reason to sell a business whose prospects continue to improve. Mark Boggett, CEO of Seraphim VC, SSIT's manager, describes ICEYE as SSIT's first portfolio company to have "popped": it is the most mature of the trust's investments and is now benefiting from the commercial and defence opportunities that Seraphim anticipated when it first invested.

Seraphim's conviction has been tested by real opportunities to realise profits

That conviction has been tested by real opportunities to realise profits. Mark highlights ICEYE's latest funding round, which included substantial secondary liquidity. SSIT was invited to sell but chose not to, just as it had declined to reduce its position during an earlier funding round. This was despite the fact that crystallising gains would also have brought forward a sizeable performance fee for the manager, but illustrates the potential upside Seraphim sees from continuing to own ICEYE and their view that it outweighs the attractions of taking money off the table today.

ICEYE is just the first portfolio company to have “popped”

Maintaining the ICEYE holding is a major strategic initiative, which has the board’s support

The C share issue has given SSIT the firepower to pursue opportunities that it previously had to pass up

Commitments have already exceeded the £40m threshold required for the first C share conversion

C share was raised on premise of investing in SpaceTech businesses. This should not be changed after the event.

Are other portfolio companies capable of developing into businesses of comparable scale to ICEYE and thereby reducing the portfolio’s concentration over time: As highlighted above, Seraphim believes that ICEYE is simply the first portfolio company to have “popped” and it is not a one-off. It argues that other businesses are at an earlier stage but are addressing very large markets and could, in time, become much larger contributors to NAV. The manager highlights Xona Space Systems as an example – it is developing a private GPS network with much stronger signals, centimetre-level accuracy and military-grade security. Further validation has also come through funding rounds at Pixxel and Hubble Network, which offer significant potential in Earth observation and satellite-enabled connectivity respectively. Both attracted significant third-party capital, supporting the manager’s view that a number of SSIT’s holdings are progressing towards substantial future value creation.

Is SSIT’s board aligned with the manager’s position on ICEYE and the trust’s wider capital allocation: The size of SSIT’s ICEYE position naturally raises a governance question as well as an investment one: is the board comfortable allowing a single holding to become so important to SSIT? Seraphim’s stance on running ICEYE has been consistent for years and is well documented. Mark observes that, while the board’s role is not to select individual investments, it does have responsibility for overseeing risk and capital allocation, and the manager has been subject to continued scrutiny as ICEYE has become an increasingly important part of NAV. He adds that the Board oversees concentration and risk management rather than making stock-selection decisions.

The deployment of the proceeds from the recent C share issue, including the pace of deployment and discipline around valuations: Mark says that the C share issue has given SSIT the firepower to pursue opportunities that it previously had to pass up because of limited cash. Hubble Network (see pages 8 and 9) is a good example: Seraphim VC had invested at an early stage and wanted to participate in a subsequent funding round through the trust but lacked the resources to do so. The new capital has now allowed SSIT to make a meaningful follow-on investment in this company.

Commitments have already exceeded the £40m threshold required for the first C share conversion and so investor concern has shifted from whether the money would be deployed quickly enough to whether it might now be deployed too quickly. However, Seraphim has long said it has a solid pipeline of further investments should it have the capital. One of its advantages is that many of its opportunities are businesses it has followed for years and it has already invested in via the wider Seraphim platform. Obviously, familiarity does not remove the need to maintain price discipline but the test will be whether the C share proceeds are deployed into businesses capable of generating attractive returns from the valuations paid. SSIT’s manager is very confident that they will be.

Rather than deploying the C share proceeds to new investments, should they be used instead for share buybacks: A small number of investors have suggested using the C share proceeds to buy back ordinary shares at a discount, arguing that this would provide an immediate uplift in value. Mark takes a more fundamental view: the capital was raised specifically to invest in SpaceTech businesses, not to buy back SSIT shares, and he does not believe it

It remains difficult to reconcile the discount with the improving fundamentals in the portfolio

With SSIT, investors gain exposure to a diversified portfolio spanning a range of space-based activities

Mark Boggett says “we are just scratching the surface of SSIT’s NAV growth potential”

would be appropriate to change that purpose after the event. This does not rule out buybacks as a future discount-control tool, but that is a separate issue from how the C share proceeds should be used. We agree with this view.

Why is SSIT trading at a discount and what could help close it: Mark says that the discount remains difficult to reconcile with the improving fundamentals in the portfolio – a view that we share. Part of the explanation is likely to be the combination of private assets, volatility, concentration in ICEYE, the relative immaturity of space as an investment theme and possibly that the NAV has run ahead very quickly. Better communication should help, as should evidence that other holdings can follow ICEYE’s path. As discussed above, Seraphim’s New Space ETF, in which SSIT is the largest holding, is a potentially important new source of demand that could broaden the shareholder base and help narrow the discount.

Why should investors own SSIT rather than seeking direct exposure to individual space businesses such as SpaceX: SSIT offers something quite different from direct exposure to SpaceX. Rather than backing a single company, investors gain exposure to a diversified portfolio spanning Earth observation, communications, positioning, defence and commercial applications, including businesses that are not available on public markets.

There is also an active management advantage. Seraphim uses its accelerator and venture activities to identify companies early, build knowledge and conviction, and then scale exposure as they mature. As noted above, Xona is a good example of this model in action. SpaceX is the biggest name in the space currently but SSIT is more about finding the next generation of major space businesses.

Growing investor conviction in space as an investment theme: Investor conviction in space as a long-term investment theme appears to be strengthening. The sector is fast-growing, increasingly commercial and difficult to access through conventional public markets. Falling launch and satellite costs are enabling entirely new business models, much as the internet once enabled companies that could not previously have existed.

Mark is very clear on what he believes is the growth outlook for dual use SpaceTech and, therefore, SSIT. Despite the recent strong gains, we are just scratching the surface of SSIT’s NAV growth potential. ICEYE may be leading the pack currently, but Mark believes that all of SSIT’s portfolio companies have the potential to follow a similar growth trajectory and expects to see quarter-on-quarter NAV growth through the remainder of this year and next.

Asset allocation

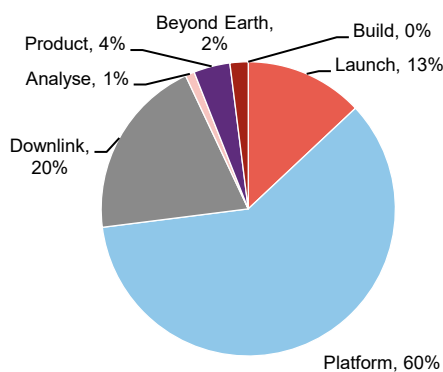
At 31 March 2026, SSIT held 24 direct investments – 23 portfolio companies plus an investment in another fund – with a total fair value of £433.3m, up from £331.6m as at 31 December 2025, due overwhelmingly to valuation gains. The portfolio remains concentrated, with the top 10 holdings accounting for 98.1% of NAV as at 31 March 2026, compared with 91.9% at 31 December 2025, which will have increased further with the latest valuation uplift for ICEYE (see below). The deployment of the C share proceeds and subsequent conversion to ordinary shares

(the first conversion will happen at the end of September) will help to offset this. Nonetheless, SSIT continues to provide exposure across a broad spread of SpaceTech subsectors.

SSIT's manager reiterates that the portfolio is focused on companies that are at the top of their field, which have strong growth potential. The manager does not take a broad-brush approach. Instead, SSIT's investments are carefully chosen for their quality and leadership. It adds that, while the portfolio remains highly concentrated at the individual holding level, it retains meaningful diversification across SpaceTech subsectors and geographies.

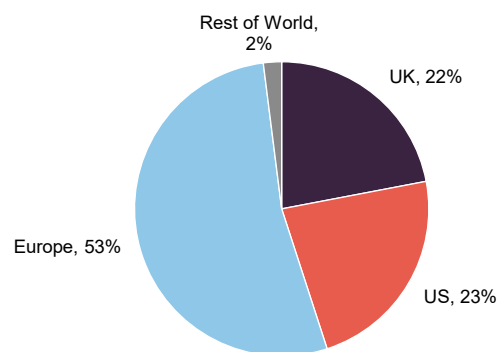
Platform businesses continue to dominate the portfolio, which reflects a deliberate focus by SSIT's manager on companies building constellations or space-based infrastructure that have strong operating leverage – for example, ICEYE's SAR constellation and Xona's emerging LEO PNT (position and timing) network.

Figure 1: SSIT portfolio by sub-sector as at 31 December 2025



Source: Seraphim Space

Figure 2: SSIT portfolio by geography as at 31 December 2025



Source: Seraphim Space

£21.3m of C share proceeds invested in follow-ons

Recent investment and exit activity

SSIT committed £0.7m to a follow-on investment in ALL.SPACE during the quarter end 31 March 2026. As highlighted on page 3, August saw initial investments for the C share portfolio – £21.3m in existing portfolio companies Pixxel and Zeno Power, followed by a £22.2m investment in Hubble Network, discussed below.

Hubble Network – bringing Bluetooth connectivity to space

£22.2m of C share proceeds invested in new holding, Hubble Network

Hubble Network (hubble.com) is the first all new investment in SSIT to be made using the C share proceeds and, in our view, is a good illustration of the scale of the opportunity emerging in new space. The company was founded by the entrepreneurs behind Life360, which also owns Bluetooth tracking specialist Tile. Their experience with Tile highlighted one of Bluetooth's main limitations – its short range – which they decided to solve.

Work to extend that range eventually demonstrated that Bluetooth signals could be detected over miles and, following testing using a weather balloon, from the edge of space. This has important implications for the internet of things. Conventional satellite tracking equipment is relatively expensive and power hungry, making it

Hubble is building a satellite network for its service

uneconomic to monitor lower-value goods or requiring regular battery replacement. Bluetooth, in comparison, is cheap, lightweight and has low power consumption, opening up a huge array of possibilities.

One application is to combine its network with inexpensive smart labels that include an inexpensive Bluetooth device. These can be attached to individual items, allowing businesses to track goods throughout their journey through a supply chain. Other potential uses include military equipment and inventories, individual parcels, industrial assets, consumer products and agricultural goods.

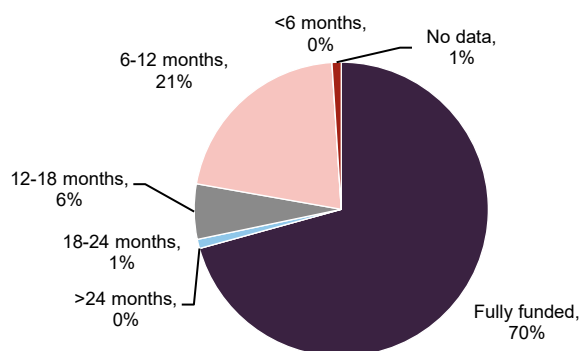
Hubble's aim is to enable low-cost, low-power devices to connect directly to satellites using Bluetooth and it is now building a satellite network to provide this service. It currently has seven satellites in orbit and plans to deploy a much larger constellation. Seraphim believes that this gives Hubble one of the largest addressable markets it has encountered. Importantly, the underlying technology has already been demonstrated. The key challenge is now execution: expanding the constellation, attracting customers and scaling the network.

Hubble also demonstrates Seraphim's venture-to-growth approach. Seraphim first invested at seed stage, giving it time to build its knowledge of the founders, technology and market before increasing exposure through SSIT as the business matured and its conviction increased. SSIT was unable to participate meaningfully in Hubble's previous funding round because it lacked available cash but was able to increase its exposure substantially in the latest round thanks to the C share.

Portfolio cash runway and SSIT cash burn

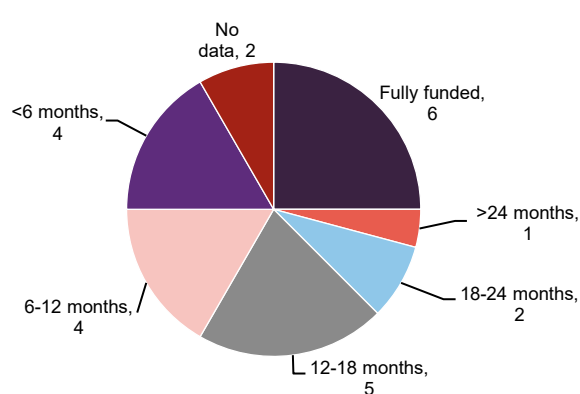
Figures 3 and 4 show SSIT's portfolio funding requirements to reach cash-flow break-even, by fair value and number of companies respectively, as at 31 December 2025 (this being the most recently available information). The analysis is based on portfolio companies' latest management projections at that date.

Figure 3: SSIT portfolio by funding duration as at 31 December 2025 (fair value)



Source: Seraphim Space

Figure 4: SSIT portfolio by funding duration at 31 December 2025 (number of co.s)



Source: Seraphim Space

SSIT says that at 31 March 2026, 86% of its portfolio by fair value had a robust cash runway, with 73% fully funded and a further 13% funded for 12 months or more. As at 31 March 2026, the company had £20.9m of cash reserves (31 December 2025:

£22.1m), with a potential £4.1m of additional liquidity from its remaining three holdings in listed companies (equivalent to 1.0% of the ordinary share NAV).

As we have discussed in previous notes, SSIT is considered in its spend – for example, follow-on investments are very targeted – which helps mitigate the funding risk associated with its portfolio. However, as discussed on page 3, the C share issue gives it significant firepower to deploy in both new and existing investments.

Maturity profile

SSIT is a growth capital fund and, as such, its portfolio is skewed towards businesses that have progressed beyond the seed and Series A stages. It invests in more mature companies that have already commercialised, or are in the process of commercialising, their products and are moving towards profitability.

In effect, SSIT piggybacks on Seraphim's venture capital arm to filter out companies that carry significant execution risk and are typically at the earliest point in their commercial development, such as start-ups. In practice, SSIT's investments are concentrated in the later stages of the funding cycle, with around 70% deployed in Series C or Series D rounds – usually the final stages of private funding prior to a potential IPO.

Top holdings

Figure 5 shows SSIT's top 10 holdings as at 31 March 2026 and how these have changed since 31 December 2025 – this being the most recently available data when we last published.

Figure 5: SSIT 10-largest holdings as at 31 March 2026

Stock	Subsector	Country	As at 31/03/26 (%)	As at 31/03/26 (£m)	As at 31/12/25 (£m)	Change (£m)
ICEYE	Platform/Earth observation	Finland	47.1	198.4	131.6	66.8
ALL.SPACE	Downlink/ground terminals	UK	13.6	57.4	53.8	3.6
HawkEye 360	Platform/Earth observation	US	9.8	41.4	34.1	7.3
D-Orbit	Launch/in-orbit services	Italy	9.8	41.3	41.9	(0.6)
Xona Space Systems	Platform/navigation	US	6.7	28.4	10.5	17.9
LeoLabs	Product/data platforms	US	3.7	15.8	12.4	3.4
SatVu	Platform/Earth observation	UK	2.6	11.2	11.2	0
Tomorrow.io	Data platforms	US	2.1	8.8	4.3	4.5
Skylo	Satcoms	US	1.6	6.9	6.8	0.1
Zeno	Space infrastructure	US	0.9	3.8	3.7	0.1
Total of top 10			98.1	421.3	310.2	111.1

Source: Seraphim Space

All of the holdings shown in Figure 5 were constituents of SSIT's top 10 when we last published and there have only been some small adjustments to the rankings, although there have been some significant uplifts in valuations, with ICEYE and

Xona Space Systems standing out in particular – updates are provided below. As discussed in the performance section, HawkEye 360 completed its IPO and listed on Nasdaq. Further discussion on all of SSIT's holdings can be found in our previous notes – see page 18 of this note.

ICEYE – completion of series F financing round has added 73p to SSIT's NAV

Seraphim chose not to sell any ICEYE shares as part of the financing, reflecting its conviction in its growth prospects.

ICEYE (iceye.com) continues to gather momentum and remains SSIT's largest holding. Its €1bn Series F financing round – comprising €450m of new capital and €550m of secondary liquidity – has now completed following regulatory approvals, crystallising a substantial valuation uplift for SSIT. The new valuation implies an increase of around £202m, or 102%, in the fair value of SSIT's holding and an uplift of approximately 73p per ordinary share relative to the 31 March 2026 NAV. This will be reflected in the 30 September 2026 NAV and will also feed into the first partial conversion of the C shares.

Importantly, Seraphim chose not to sell any ICEYE shares as part of the financing, despite the availability of secondary liquidity. As highlighted in the manager's view section, SSIT's manager says that this reflects its continued conviction that ICEYE has significant further growth ahead and remains on a robust path towards an eventual IPO.

Xona Space Systems – secured regulatory approval to use GPS spectrum

Xona has raised around \$200m and is preparing to build out its initial constellation.

Xona Space Systems (xonaspace.com) has secured FCC regulatory approval to use GPS spectrum, which SSIT's manager views as a major milestone. The company is developing a commercial LEO positioning, navigation and timing network that is designed to complement existing GPS infrastructure. This network offers much stronger signals, centimetre-level accuracy and military-grade security.

The company has already demonstrated the technology in orbit, raised around \$200m and is preparing to build out its initial constellation. Seraphim believes Xona could develop into a very substantial business, describing its opportunity as potentially analogous to a "GPS equivalent of Starlink".

Performance

Q3 FY26

As of 31 March 2026, SSIT reported a total NAV of £421.3m (177.63p per share), representing a 24.8% increase from the £337.5m (142.3p per share) NAV reported at 31 December 2025. It is also an increase of 49.9% over the first three quarters of the year ended 30 June 2026 (total NAV as at 30 June 2025 was £281.1m or 118.52p per share). Details of performance for the first half of FY26 can be found in our last note.

As was the case when we last published, the largest contributor to this growth was unrealised fair value gains within its portfolio – £95.5m or 40.3p per share – which was largely due to strong performance of ICEYE, funding rounds at Xona Space

Systems and Tomorrow.io and the HawkEye 360 indicative IPO pricing, all supported by defence and geopolitical trends. There was also a £5.5m FX gain and £0.7m of acquisitions.

Material valuation increase in the value of ICEYE

As discussed on page 11, ICEYE completed its Series F financing, including the receipt of the necessary regulatory approvals, which has crystallised a significant valuation uplift for SSIT's NAV of 73p per share. Given the timing of the transaction, this falls into the first quarter of the current financial year (the year ending 30 June 2027). This not only gets the current year off to a very good start but adds further evidence to support Mark Boggett's view that SSIT will continue to see quarter-on-quarter NAV growth for the current year and beyond (see below).

HawkEye 360 – potential to re-rate as sentiment improves

HawkEye 360 (www.he360.com) completed its IPO on the New York Stock Exchange in May 2026, pricing at \$26 per share, the top of its indicated range. The company issued 16m new shares, raising \$416m of gross proceeds and implying a post-IPO equity valuation of approximately \$2.84bn. This represented a 38% increase in HawkEye 360's enterprise value, net of the IPO proceeds, compared with the valuation used by SSIT at 31 December 2025. SSIT held 2.43m HawkEye 360 shares at the time of the flotation, giving its stake an implied value of approximately \$63.2m at the IPO price. Its holding is subject to a six-month lock-up following the IPO.

HawkEye 360's shares opened at \$33.80, comfortably above the \$26 offer price but, following the initial surge in interest post IPO, HawkEye 360's share price has retrenched (it is trading at \$14.99 at the time of writing and we have included the impact of this movement in our own live estimate of SSIT's NAV). This is despite the company continuing to perform well from an operational perspective.

The company's Q2 results saw revenue rise 87% year-on-year to \$49.8m, international revenue increase 134% and an order backlog that stood at \$292.2m. While, HawkEye 360 reported a \$15.3m net loss and adjusted EBITDA slipped to \$7.0m from \$7.8m a year earlier, international revenue was up 134% year-on-year to \$21m, operating cash flow was up 152% to \$11.6m and free cash flow was \$5.4m, up from a deficit of \$1.3m for the prior year.

SSIT's manager agrees that HawkEye 360 continues to perform well – noting, for example, that revenue growth, order backlog and contract momentum all remain robust. It views recent share price weakness as a short-term market sentiment issue, rather than any obvious deterioration in trading, and believes that the company could see an improvement as it continues to deliver and profitability improves.

HawkEye 360 is seeing accelerating demand for its RF signals-intelligence offering, particularly from defence, intelligence and allied-government customers. It should also benefit from its forthcoming constellation expansion through Clusters 15 and 16 and the first Block 3 Kestrel satellites, alongside benefits from integrating Innovative Signal Analysis's algorithms. The company has just announced \$18m in Middle East contract awards.

Figure 6: HawkEye 360 share price (USD)



Source: Bloomberg

Derating appears to be a market sentiment issue rather than a fundamental deterioration in the business.

Figure 7: ALL.SPACE share price (USD)



Source: Bloomberg

ALL.SPACE

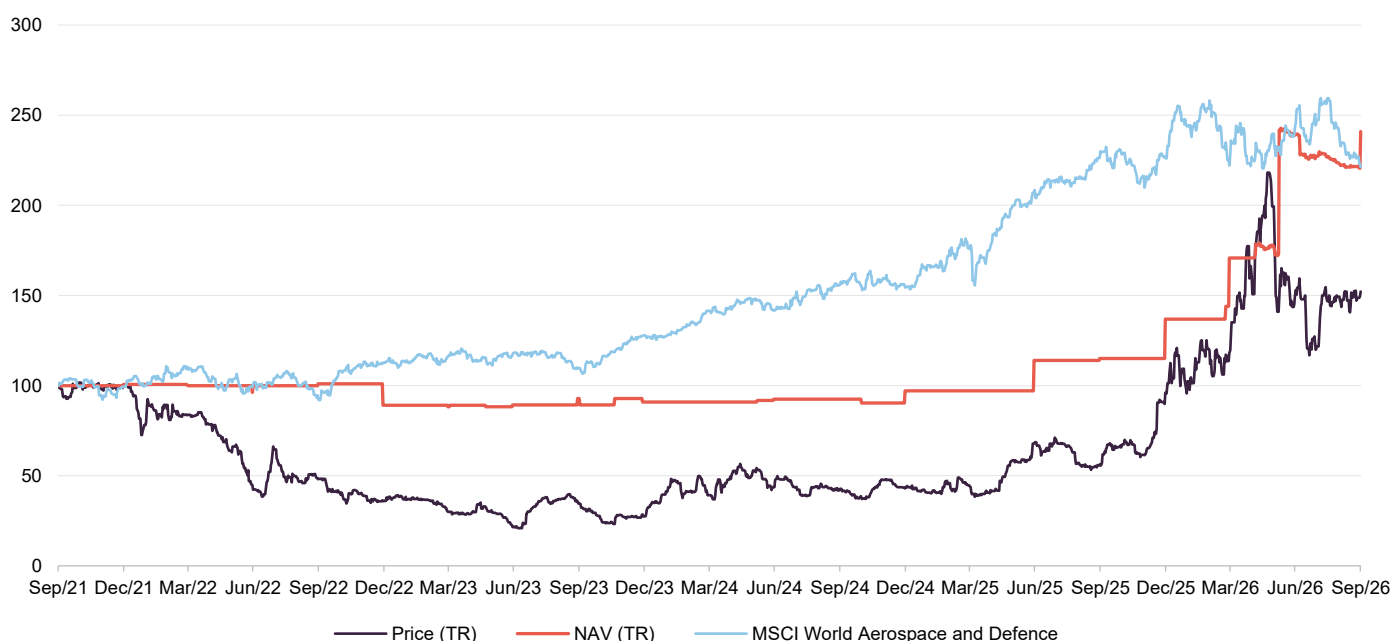
ALL.SPACE was acquired by York Space Systems (www.yorkspacesystems.com) with effect from 8 July 2026, with SSIT receiving US\$17.9m in cash (£13.4m) and 1.24m in York shares. As part of the transaction, SSIT could receive up to a further \$8.1m through escrow and holdbacks, pending various potential post completion adjustments. The deal followed a period of significant valuation increases for ALL.SPACE, with SSIT marking the holding up from £30m at 30 September 2025 to £54m at the end of December and £57.4m (13.6% of NAV) at 31 March 2026 as corporate activity around the business progressed.

For SSIT, however, the value ultimately realised was affected by the performance of York's shares. At York's share price on completion, the initial consideration was worth about £34.7m, potentially rising to around £40.7m if all deferred amounts are received, below ALL.SPACE's March carrying value. This shortfall largely reflects the weakness in York's listed share price rather than a deterioration in the agreed transaction value, and SSIT retains exposure to any recovery through the shares it received. We have included the impact of this movement in our own live estimate of SSIT's NAV.

Further NAV growth expected

As we have highlighted previously, SSIT's manager continues to view the changes we have seen in defence and geopolitical trends as significant long-term tailwinds. As we explored in our last note, Mark Boggett, Seraphim VC's CEO, said that he expected to see these tailwinds drive quarter-on-quarter NAV growth during this year and beyond, as recent contracts convert to revenue growth for portfolio companies and further contracts are signed.

Figure 8: SSIT performance from launch to 30 September 2026¹



Source: Bloomberg, Marten & Co. Note: 1) Based on Marten & Co's live estimate of SSIT's NAV, which takes account of the impact of the HawkEye 360 IPO, the purchase ALL.SPACE by York Space Systems and its payment in part cash and York Space System Shares and the recent completion of ICEYE's series F funding round.

In our recent notes, we commented that, given SSIT benefits from the same tailwinds that have been driving defence stocks, the performance gap between MSCI World Aerospace and Defence Index and SSIT's share price did not look sustainable. Since this time, the gap has narrowed but we continue to believe that SSIT has strong catch-up potential. We would remind readers that SSIT's manager believes that approximately 70% of its portfolio has defence applications, and that its investee companies continue to demonstrate growing profitability – 85% of the portfolio is expected to be EBITDA profitable this year.

Figure 9: SSIT performance over periods ended 30 September 2026

	3 months (%)	6 months (%)	1 year (%)	3 years (%)	5 years (%)	Since launch ¹ (%)
Price	1.6	28.9	169.5	341.2	52.2	90.8
NAV²	(7.7)	53.3	91.9	137.7	120.6	134.1
MSCI World Aerospace and Defence	1.5	18.3	18.5	66.0	75.5	77.1

Source: Bloomberg, Marten & Co. 1) SSIT commenced trading on 14 July 2021. 2) Based on Marten & Co's live estimate of SSIT's NAV, which takes account of the impact of the HawkEye 360 IPO, the purchase ALL.SPACE by York Space Systems and its payment in part cash and York Space System Shares and the recent completion of ICEYE's series F funding round.

Premium/(discount)

As we discussed in our last note, and is illustrated in Figure 10, SSIT has seen a significant improvement in its rating since April last year, and particularly since December. To recap, significantly greater geopolitical tensions – in particular, the uncertainty around US commitments to the NATO alliance and their support for Ukraine – has seen European nations and other non-US NATO allies rapidly rethink their security arrangements. As a result, they are investing heavily to bolster their defences.

The ongoing conflict in Ukraine continues to highlight both the dual uses of SpaceTech, and its critical nature in defence

At the same time, the ongoing conflict in Ukraine continues to highlight both the dual uses of SpaceTech, and its critical nature in defence. This has also been reflected in hostilities elsewhere, for example in the conflict between Iran, US, and Israel. We maintain our view that, even if current hostilities subside, the current weaknesses in global defence infrastructure and alliances have been exposed and the greater impetus to rearm will not go away.

The recognition of SpaceTech's importance in defence by the market was a major factor in SSIT's discount to NAV narrowing from c50% 18 months ago to the mid-20s premium seen prior to the announcement of plans to issue the C share in April (which we covered in our last note). The C share has helped to satisfy some pent-up demand, which is likely why SSIT's premium subsequently narrowed. Concentration risk due to the success of ICEYE in particular may be another factor as well as the fact that the NAV has moved as quickly as it has.

However, given the significant valuation gains that have been achieved since SSIT's NAV was last published (as at 31 March 2026), we have built our own live estimate of SSIT's NAV, which adjusts for: the impact of the HawkEye 360 IPO; the purchase ALL.SPACE by York Space Systems and its payment in part cash and York Space

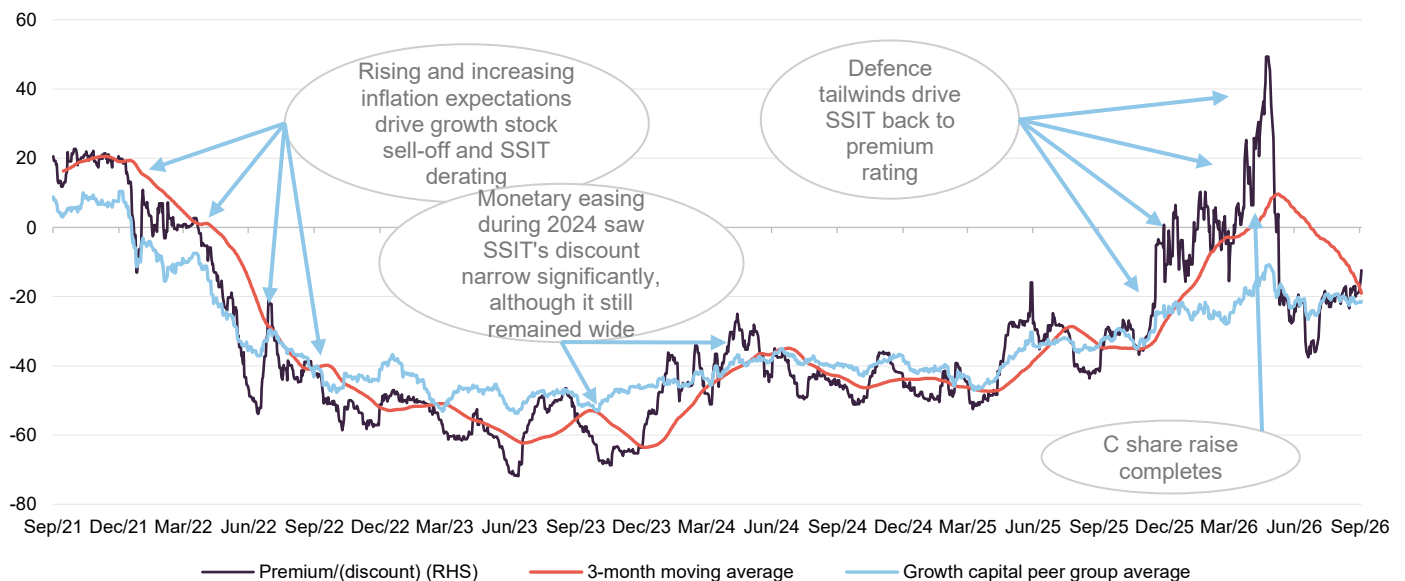
SSIT's discount narrowing has disconnected from its wider growth capital peer group

System Shares; and the recent completion of ICEYE's series F funding round. This NAV has been used for the charts and tables throughout this report including Figure 10.

Using this live estimate, over the last 12 months, SSIT's shares have traded within a range between a 44.6% discount to NAV to a 49.4% premium to NAV, averaging at a 13.5% discount. On 2 October 2026, SSIT was trading at a 12.4% discount. In contrast, the growth capital peer group average discount ranged between 35.0% and a 10.7% discount, and has averaged 23.8%. As at 2 October 2026, the peer group average discount was 21.4%.

We think the current discount represents an opportunity given the clear long term structural growth drivers for SpaceTech, and the potential for further NAV growth to come through. In addition, the launch of the Seraphim New Space UCITS ETF which, with its 10% allocation to SSIT, should be a structural source of demand for SSIT's shares while the ETF is growing (the reverse is also true).

Figure 10: SSIT premium/(discount) since 30 September 2021¹



Source: Bloomberg, Marten & Co. Note: 1) Based on Marten & Co's live estimate of SSIT's NAV, which takes account of the impact of the HawkEye 360 IPO, the purchase ALL SPACE by York Space Systems and its payment in part cash and York Space System Shares and the recent completion of ICEYE's series F funding round.

Previous publications

Figure 11: QuotedData’s previously published notes on SSIT

Title	Note type	Publication date
Science fiction becoming science fact	Initiation	14 August 2024
Entering orbit	Update	7 November 2024
SpaceTech – the critical frontier in modern defence	Update	25 May 2025
Dual-use SpaceTech: a strategic shift, not a short-term trend	Update	3 December 2025
Strong NAV growth underway, with further upside expected	Update	29 April 2026

Source: Marten & Co

SWOT analysis

Figure 12: SWOT analysis for SSIT

Strengths	Weaknesses
SSIT offers a unique investment proposition in the London-listed closed end funds space. While a few other trusts have a proportion of their portfolio in SpaceX, only SSIT gives investors pure play exposure to some of the most exciting private companies in SpaceTech. SSIT offers a way for all investors to get exposure to this high growth and otherwise difficult to access sector, for the price of a share. Seraphim is a specialist investor with deep sector expertise, an extensive industry network and a strong track record of identifying promising businesses at an early stage. SSIT's portfolio has displayed impressive growth recently with a number of its largest portfolio companies showing very material valuation uplifts. The portfolio has also matured considerably. Several of its larger holdings now have meaningful revenues, sizeable order books and improving profitability, while recent funding rounds and corporate transactions have provided increasing third-party validation of valuations. ICEYE is the clearest example of the value that can be created when an early-stage investment develops into a global market leader. The recent C share issue has strengthened SSIT's financial position, providing additional capital to support existing investments and take advantage of a healthy pipeline of new opportunities. A larger asset base should also improve liquidity and spread fixed costs more widely.	SSIT could suffer periods when absolute and/or relative performance is difficult, particularly when the market backdrop is unhelpful for growth investors, such as when inflation and interest rates pick up. No prospect of a yield, although this should be well understood by shareholders. SSIT's portfolio remains heavily exposed to unquoted companies, making valuations less transparent and more subjective than for a conventional listed-equity portfolio. Investors must therefore place considerable reliance on the manager's valuation methodology and on periodic funding rounds to validate carrying values. Portfolio concentration has also increased substantially, particularly as ICEYE has grown in value. While this reflects investment success, it means that, for now, SSIT's NAV is quite sensitive to developments at a relatively small number of companies. However, the C share will help reduce the concentration.
Opportunities	Threats
The long-term growth drivers for SpaceTech are powerful. Falling launch costs, advances in satellite technology and growing demand for communications, Earth observation, navigation and data services are expanding the industry's addressable market. The political temperature has risen across the globe and wars in Ukraine and Iran illustrate how important SpaceTech is to modern defence. With Europe rapidly rearming and other nations looking to bolster their defences, some of SSIT's holdings could have long growth runways. Investors appear to be looking more favourably at SpaceTech, recognising its increasing importance in defence and, while its share price has benefitted, it still looks compelling versus aerospace and defence companies more broadly. The investment opportunity offered by SpaceTech is way larger than any one company (as owning just Nvidia or OpenAI would miss much of the broader AI revolution). SSIT provides this broad exposure in a way that owning SpaceX – directly or indirectly – cannot.	The market could once again turn against growth investing, particularly if inflation re-emerges as a threat and nominal GDP growth falters. However, the need for nations to bolster their defences will likely outweigh such considerations. Given the concentrated nature of the portfolio, single stock issues could hurt performance. SpaceTech remains a capital-intensive and technologically demanding industry. Portfolio companies can require substantial amounts of funding before becoming self-sustaining, leaving them exposed to weaker capital markets or investor risk aversion. Technological failure, launch delays, satellite malfunctions and competitive disruption can all impair individual investments. Competition is also increasing as governments, defence contractors and well-funded private companies commit more capital to the sector. A large proportion of SSIT's value remains unrealised. IPO and M&A markets can close quickly, meaning it could take longer to dispose of investments and the value achieved could be impacted. SSIT's discount could remain wide if investors continue to apply a substantial risk premium to private-company valuations, portfolio concentration and the wider listed growth-capital sector.

Source: Marten & Co

Bull vs. bear case

Figure 13: Bull vs. bear case for SSIT

Aspect	Bull case	Bear case
Performance	SSIT's portfolio, which has considerable dual use applications, has been benefitting from strong defence tailwinds, which look set to continue. Manager takes a focused approach, doubling down on positions it views as the most promising.	Growth focused investments generally benefit from subdued inflation and interest rates and, with oil prices still elevated edging up, interest rates look set to be higher for longer. The flip side of manager's focused approach is that it can skew the portfolio – for example, ICEYE accounts for 39% of NAV.
Dividends	SSIT focuses on capital growth and is only likely to pay a dividend to maintain its investment trust status and it would need to recover significant revenue losses first.	Investors should not consider investing in SSIT if they require income from their investment.
Outlook	The structural backdrop for SpaceTech remains compelling. At the same time, geopolitical tensions are driving increased government and defence spending on space-based capabilities. SSIT's manager believes that the sector remains at an early stage of development and that the portfolio is only beginning to reflect the scale of the opportunity. The successful C share issue also gives SSIT substantial fresh capital to invest into what the manager describes as a strong pipeline of opportunities.	SSIT's typical investee company requires funding, which has been difficult in an environment of higher interest rates where the IPO window has been shut. The funding environment appears to be improving for higher quality SpaceTech companies, although SSIT could see its performance suffer if this reversed. Competition is also increasing as governments, defence contractors and well-funded private companies commit more capital to the sector. Technological disruption, launch failures, delays or changes in government procurement priorities could all undermine individual investments.
Discount	Adjusting for the impact on NAV from the recent ICEYE funding round, SSIT is trading at a sizeable discount to NAV. If transactions continue to validate SSIT's carrying values, investor confidence in the NAV should grow and the SSIT's rating should improve. Seraphim VC's new ETF should provide demand for SSIT's shares. SSIT's manager still expects to see quarter-on-quarter NAV and believes this should support SSIT trading on a meaningful premium in anticipation. ICEYE is converting its €1.6bn order backlog which should provide significant growth given it accounts for a high proportion of SSIT's NAV.	SSIT's discount could come under pressure if inflation picks up or if the SpaceTech and/or aerospace and defence sectors move out of favour. SSIT's size limits its ability to undertake buybacks. A discount could also persist because of the inherent uncertainty attached to private-company valuations and SSIT's growing portfolio concentration, although the recent C share should help in that regard. Investors any demand a significant margin of safety until more of the NAV is crystallised through exits or quoted-market valuations.
Other	Seraphim VC brings specialist knowledge and access to a sector that can be difficult for generalist investors to assess. Its network, sector expertise and ability to invest from an early stage have allowed it to back businesses that later developed into significant companies. The recent C share fundraising has given SSIT the firepower to support existing portfolio companies and back new investments. Spreading its fixed costs over a larger asset base should help lower the ongoing charges ratio.	SSIT remains a specialist investment company exposed to a relatively young and rapidly evolving industry. All the manager's specialist knowledge helps to derisk them, the portfolio contains technological, execution and financing risks that are materially higher than those of a conventional quoted-equity portfolio. Its growing exposure to defence and government customers potentially introduces political and procurement risk. Successful exits remain crucial – SSIT needs IPOs, trade sales or secondary transactions to turn its unrealised gains into cash which it can recycle into new opportunities.

Source: Marten & Co



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