

Start-Up Space 2025

Private Sector Space Investment Activity in 2024

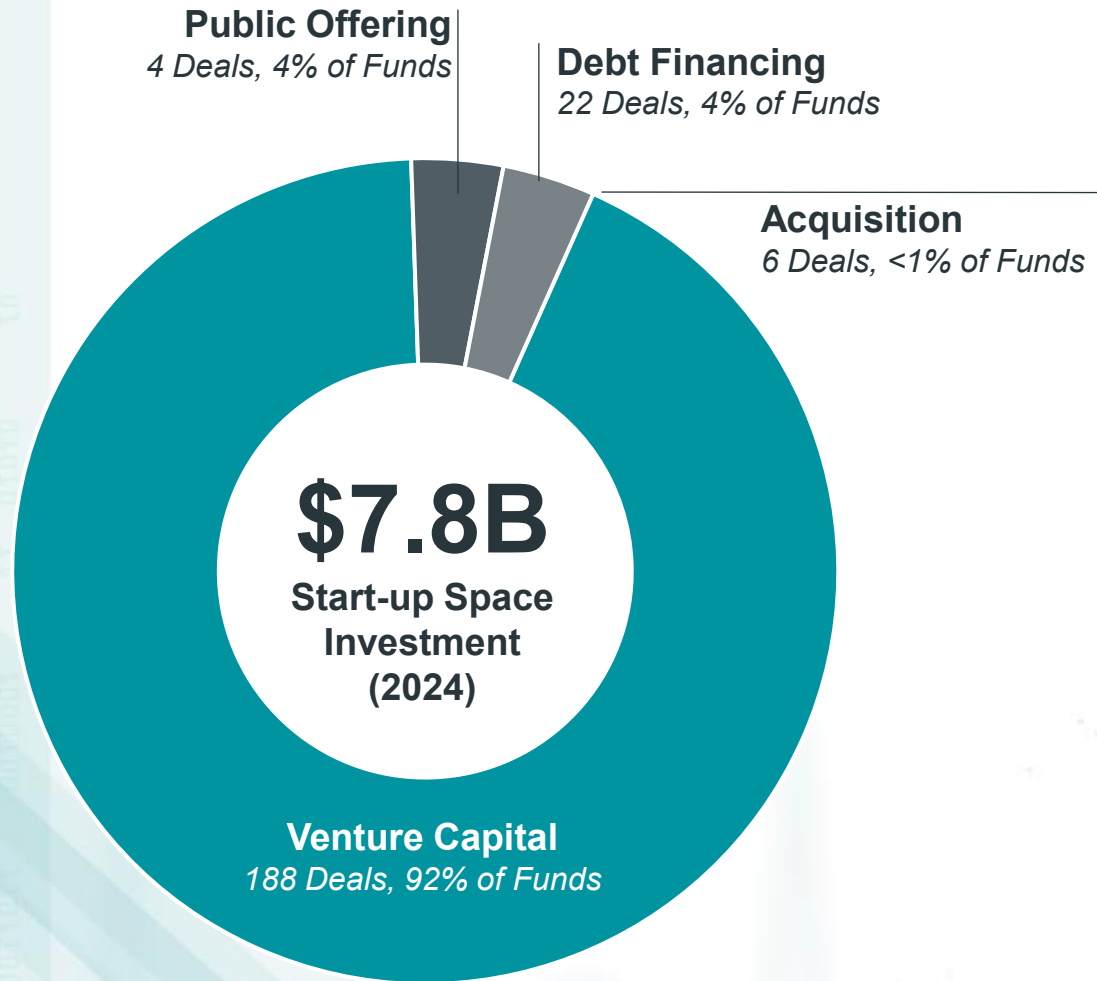
Executive Summary

Investment Trends

Investor Trends

Executive Summary

Start-up Space Investment in 2024



Start-up Space in 2024

220 deals (2023: 242)

198 investment recipients (2023: 212)

365 first-time investors (2023: 400)

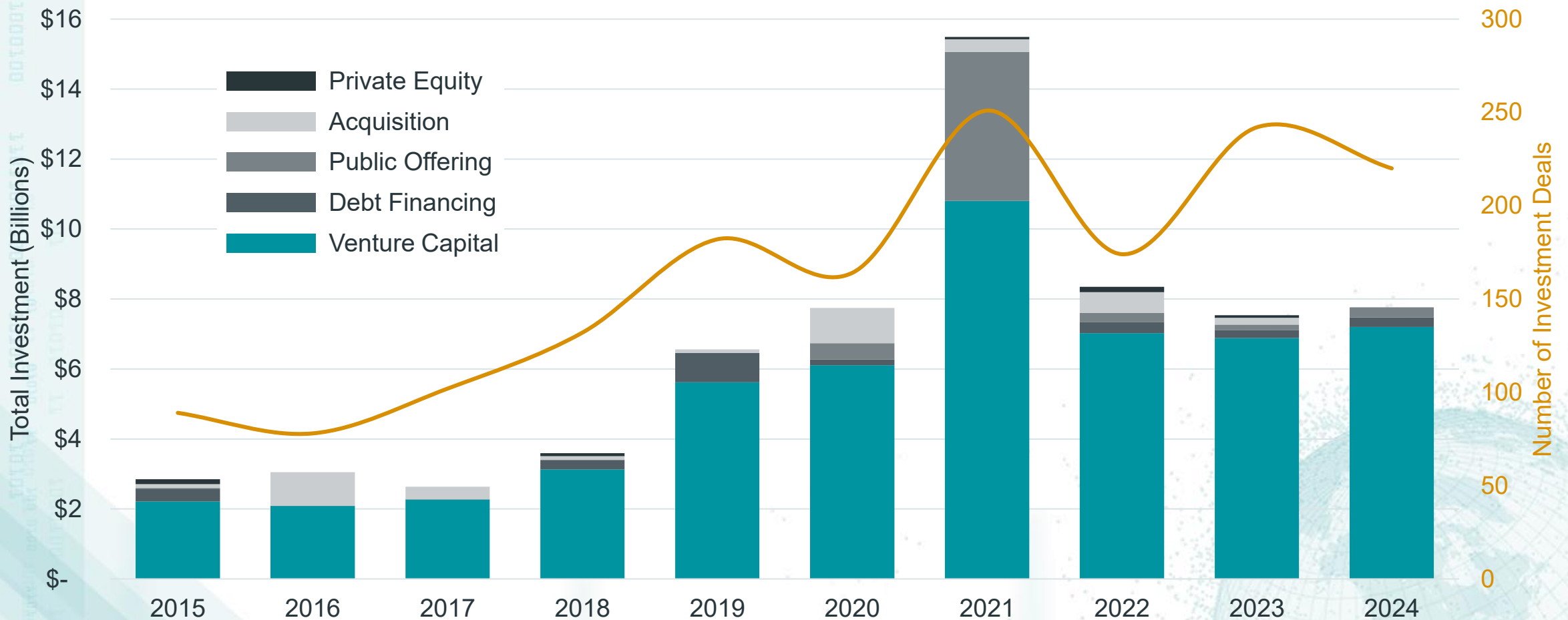
\$1.9B investment in Chinese companies (2023: \$542M)

\$4B investment in U.S. companies (2023: \$5.3B)

Executive Summary



Start-up Space Investment, 2015 – 2024

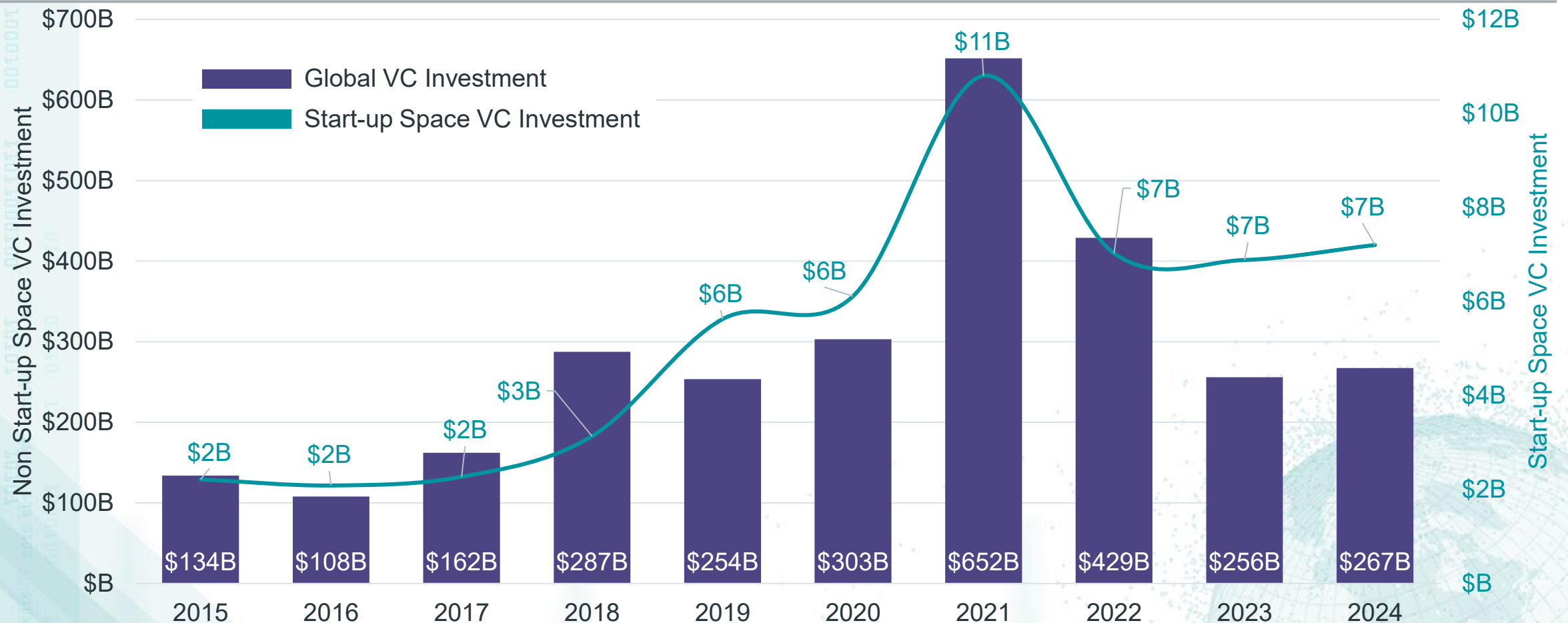


Following surge in 2021, annual investment stabilized ~\$8B. Venture capital remains primary funding source, inconsistent activity in other areas

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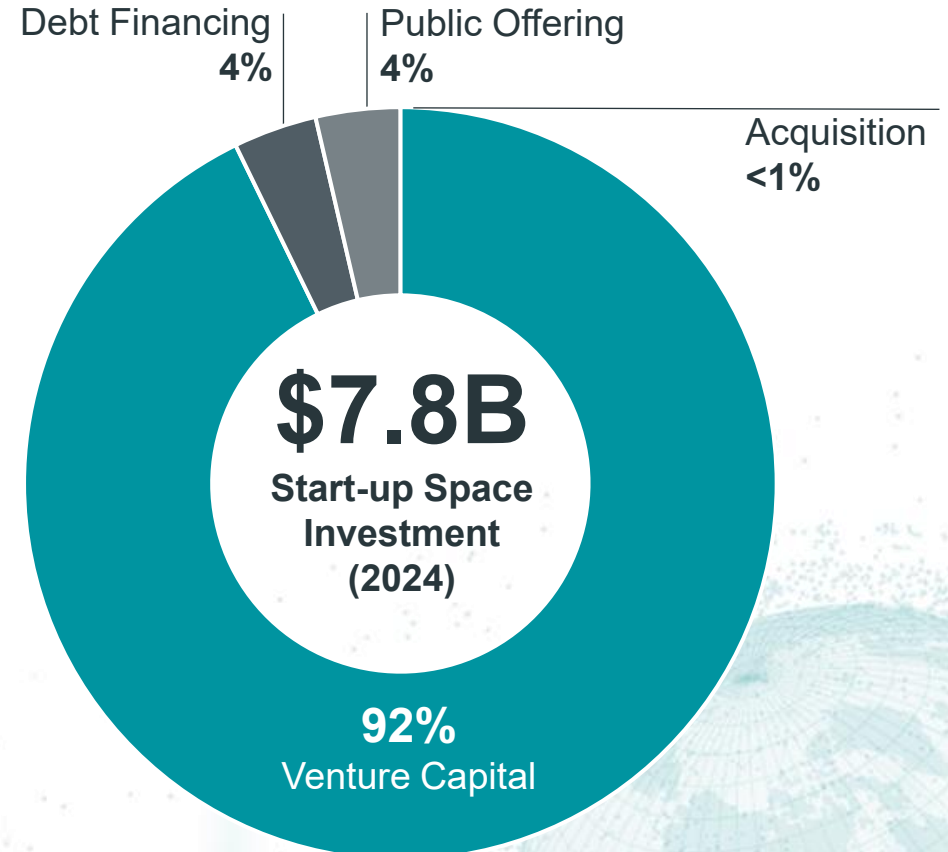
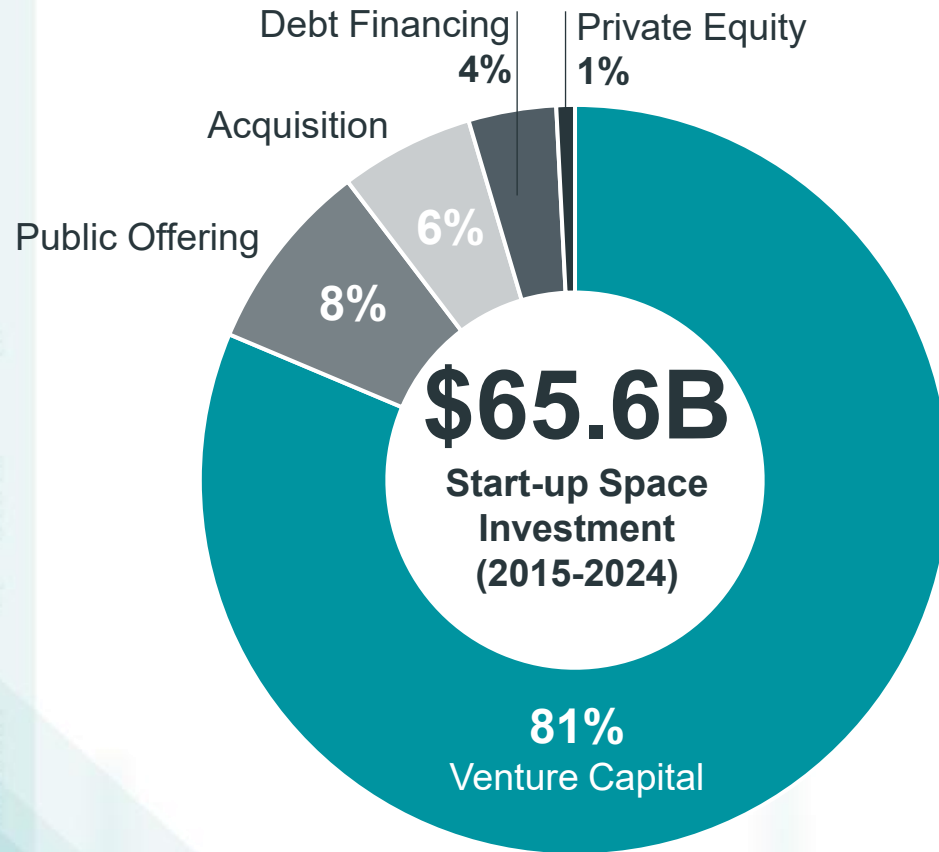
Global Venture Investment Trends, 2015 – 2024



Share of global VC investment in start-up space companies between 1%-3% since 2015; fluctuations in Start-up Space investment activity align with global VC investment trends

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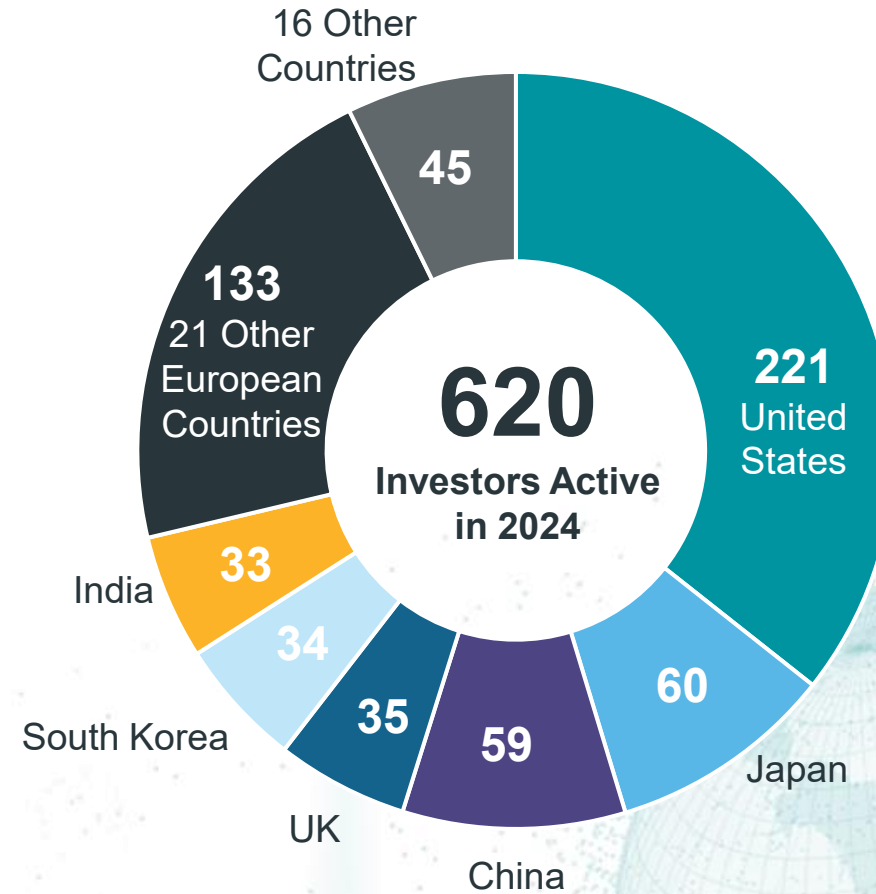
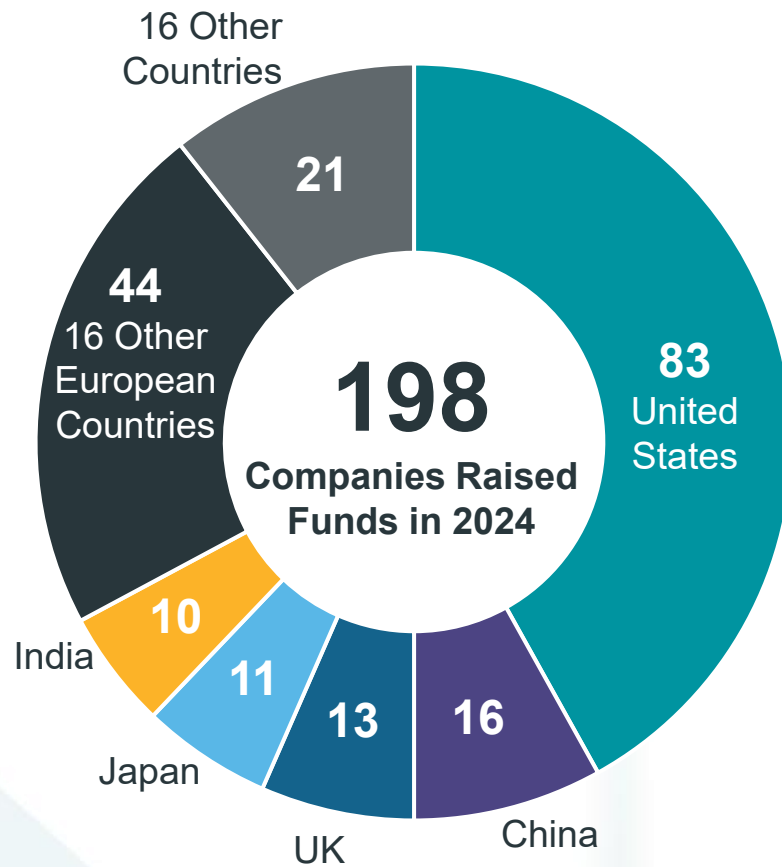
Investment by Classification



Venture remains predominant form of investment; private equity investors typically invest in start-up space companies in growth equity deals alongside VC firms, different from typical buyout approach

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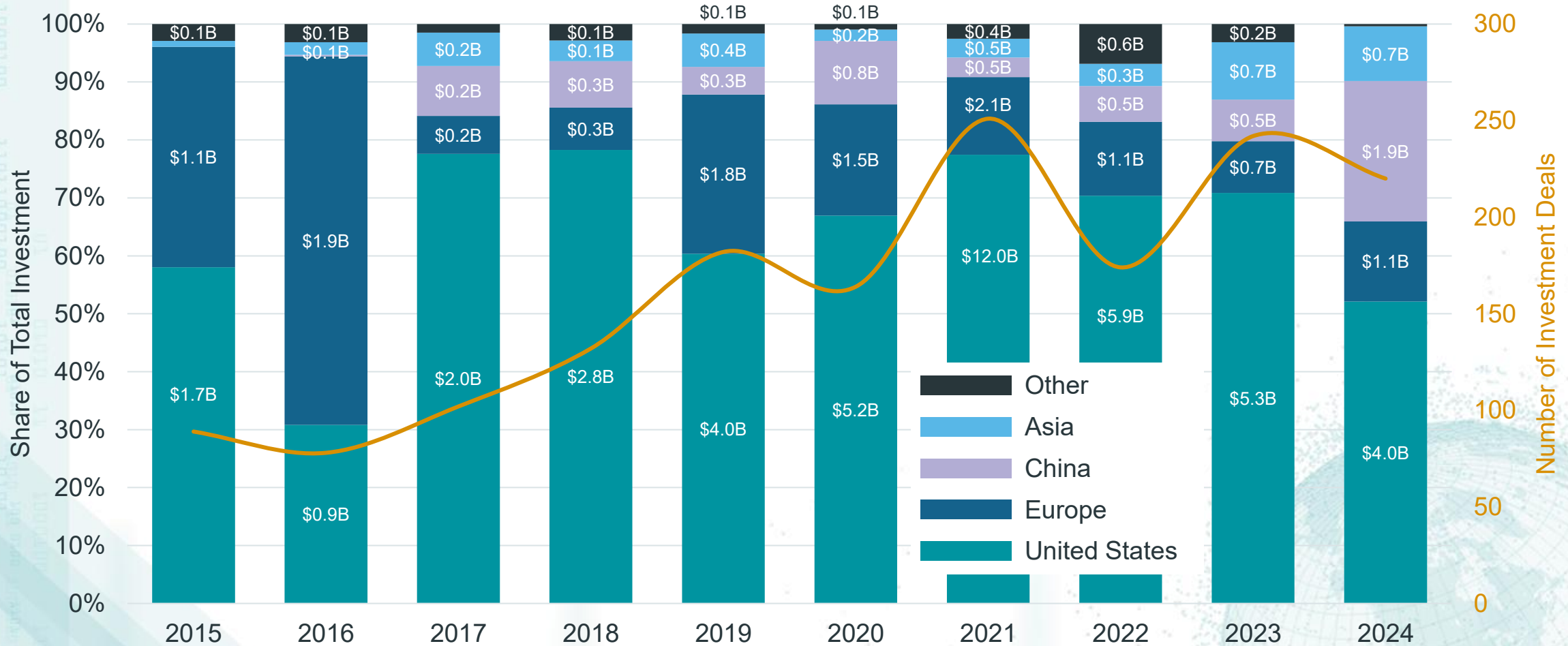
Geographic Distribution of Recipients and Investors, 2024



57 European based companies received funding in 2024, the most ever; record number of South Korean investors in 2024, responding to government-backed space industry growth initiatives

Executive Summary

Geographic Distribution, 2015 – 2024



Share of investment to Chinese companies reached 24% in 2024, driven by satellite manufacturers for planned megaconstellations and launch providers; U.S. investment share down from 2023

Executive Summary

Investment Trends

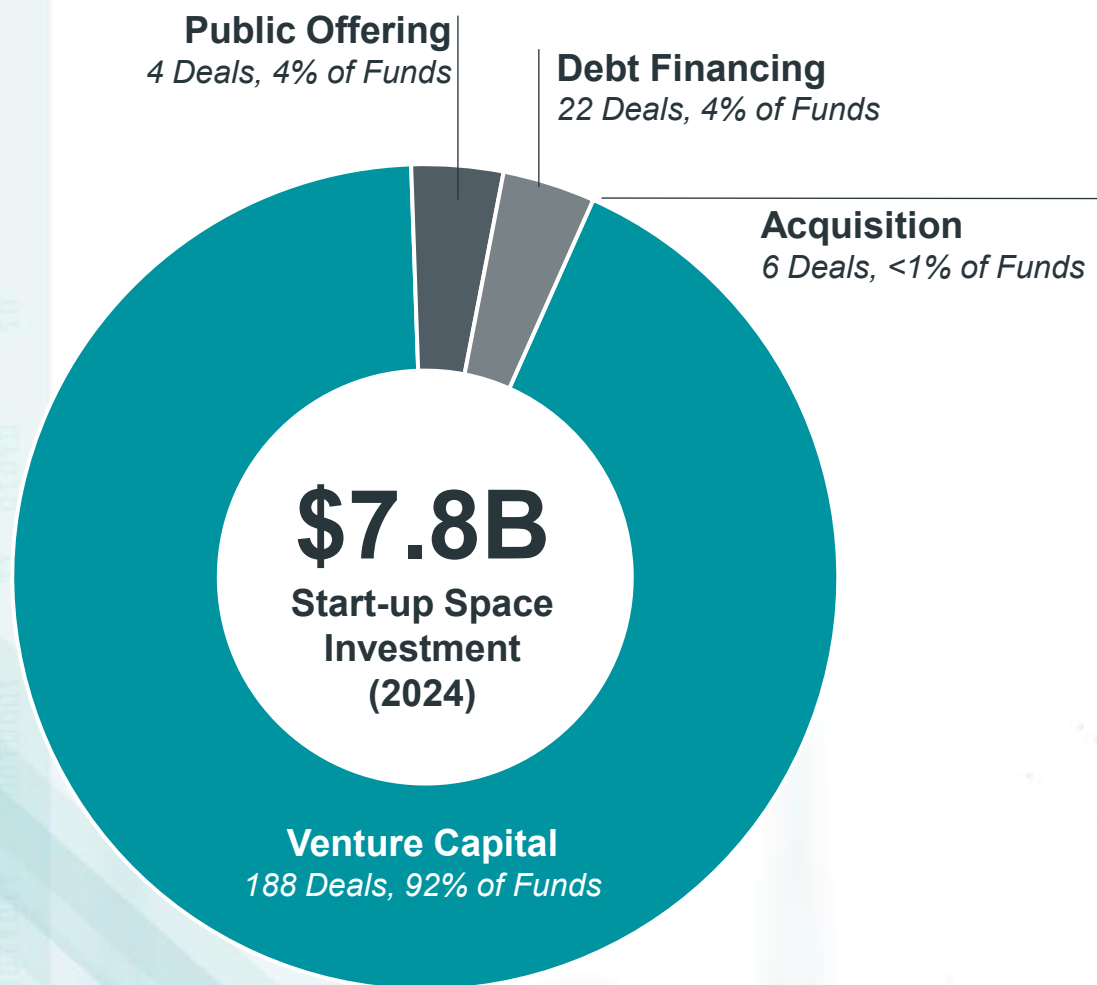
Investor Trends

- ✓ The *Start-Up Space* series examines space investment in the 21st century, focusing on companies that began as angel and venture capital-backed startups
- ✓ Tracks publicly-reported seed, venture, and private equity investment in addition to debt financing, merger and acquisition (M&A) and initial public offering (IPO) activity where applicable
- ✓ Data sourced from trade press, company and investor press releases, financial newsletters, Pitchbook, Crunchbase, SEC filings
- ✓ All investment deals corroborated with multiple sources; results validated with industry experts
- ✓ Includes companies primarily serving the space value chain's upstream and midstream segments, including hardware development, launch services, and satellite operations. Direct users of satellite imagery data are also included
- ✓ Report reflects Bryce's ongoing commitment to providing the space community with rigorous analyses of industry dynamics to aid good decision-making in industry, government, and academia

***Start-Up Space 2025* captures the evolution of private sector investment in the space industry, highlighting key investors, start-ups, and trends**

Investment Trends

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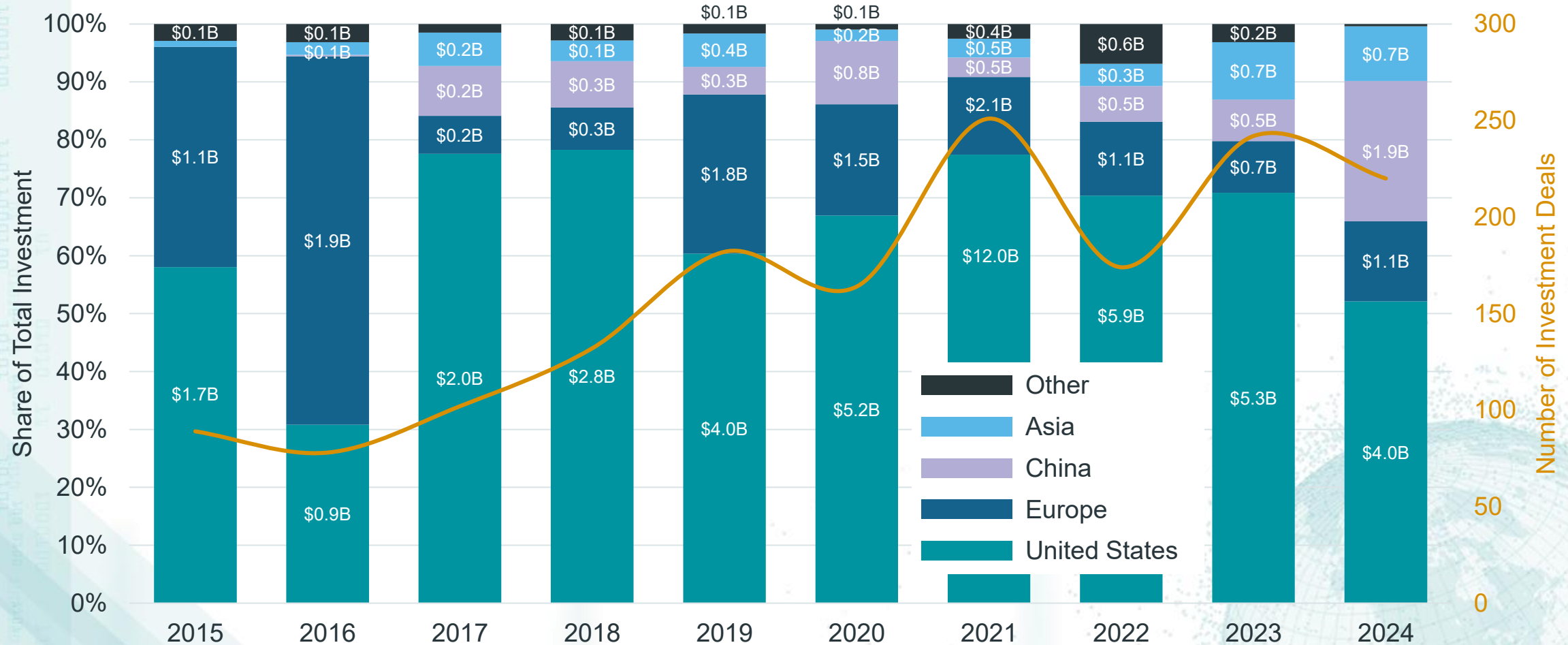
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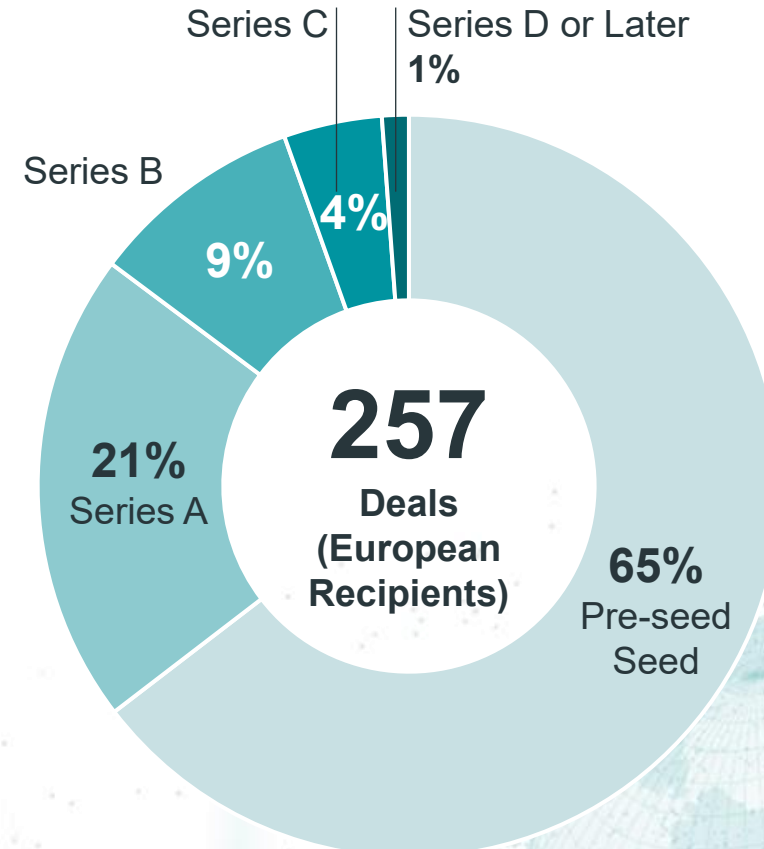
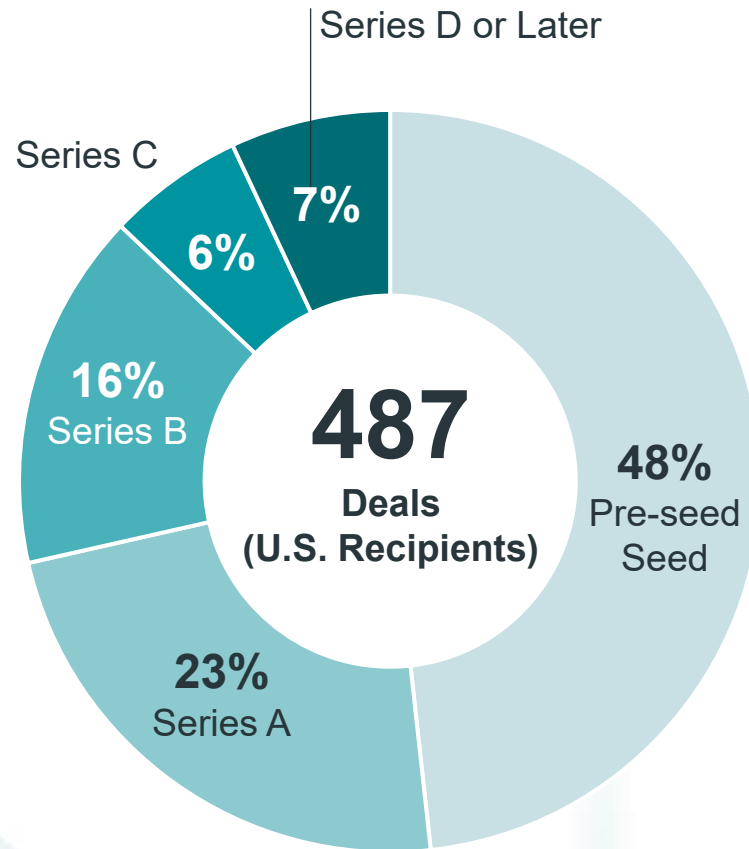
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Investment Trends

Regional Deal Count by Stage, 2015 – 2024

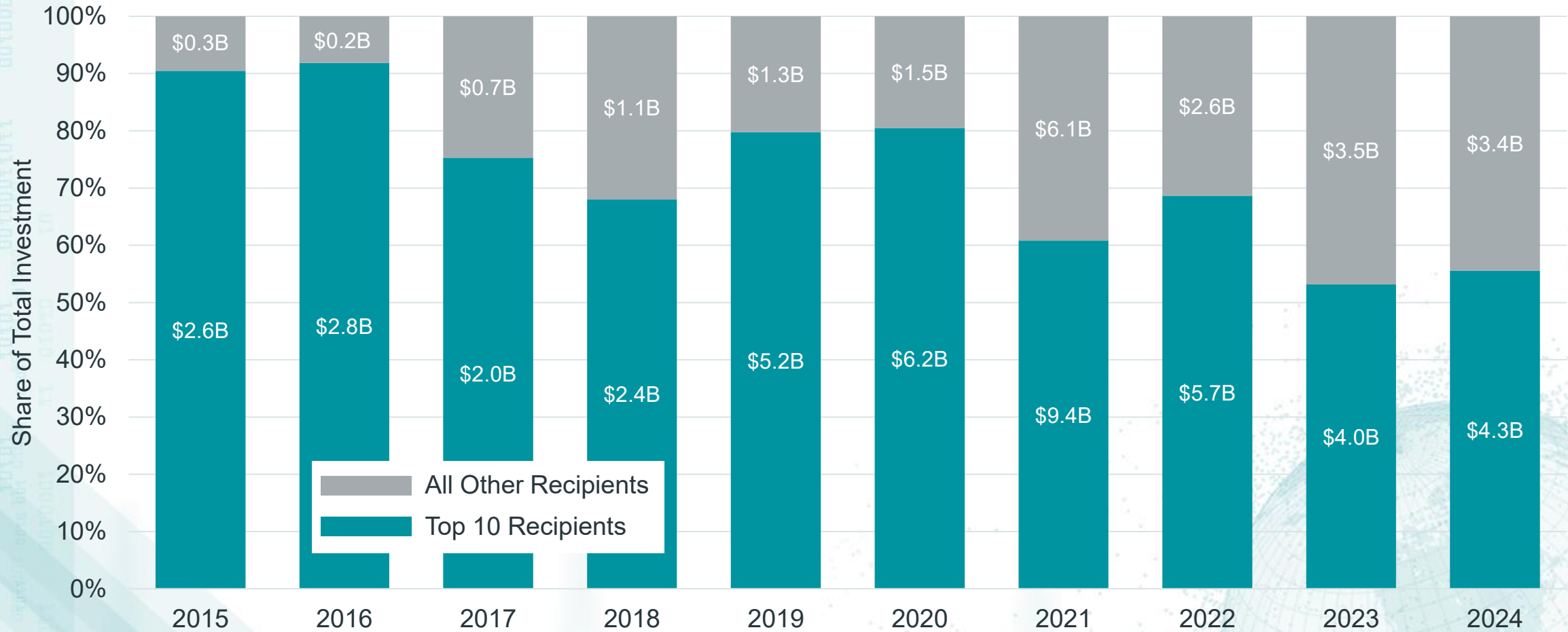


European deals more focused on early-stage (pre-seed – series A) companies; generally, less European VC capacity for large, late-stage deals (not unique to space)

Investment Trends



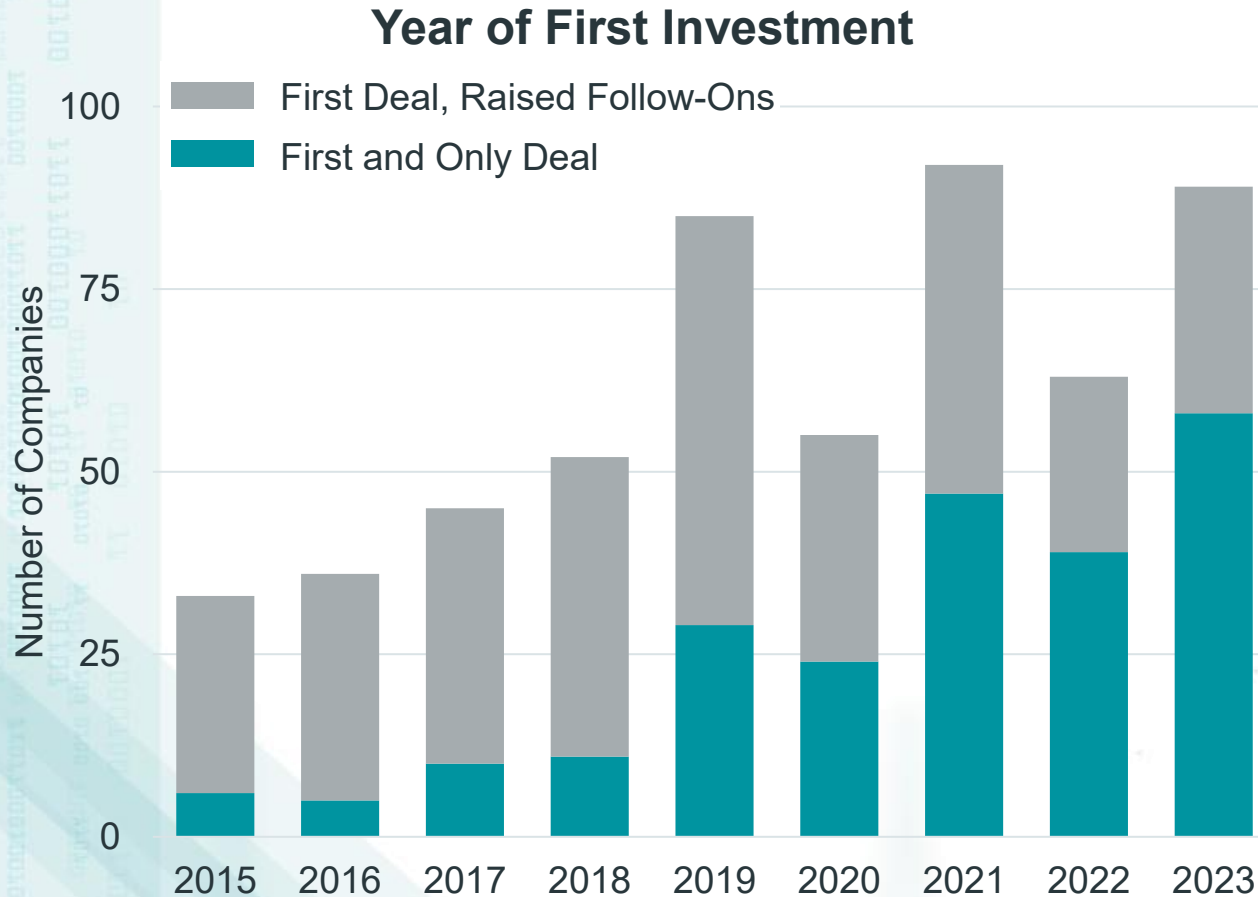
Share of Investment to Top 10 Investment Recipients, 2015 – 2024



***Largest deals are smaller:* Growth of micro-VC and seed funds, more new investors making smaller deals, shift away from high-value recipients in larger rounds**

Investment Trends

Fundraising Consistency, 2015-2024

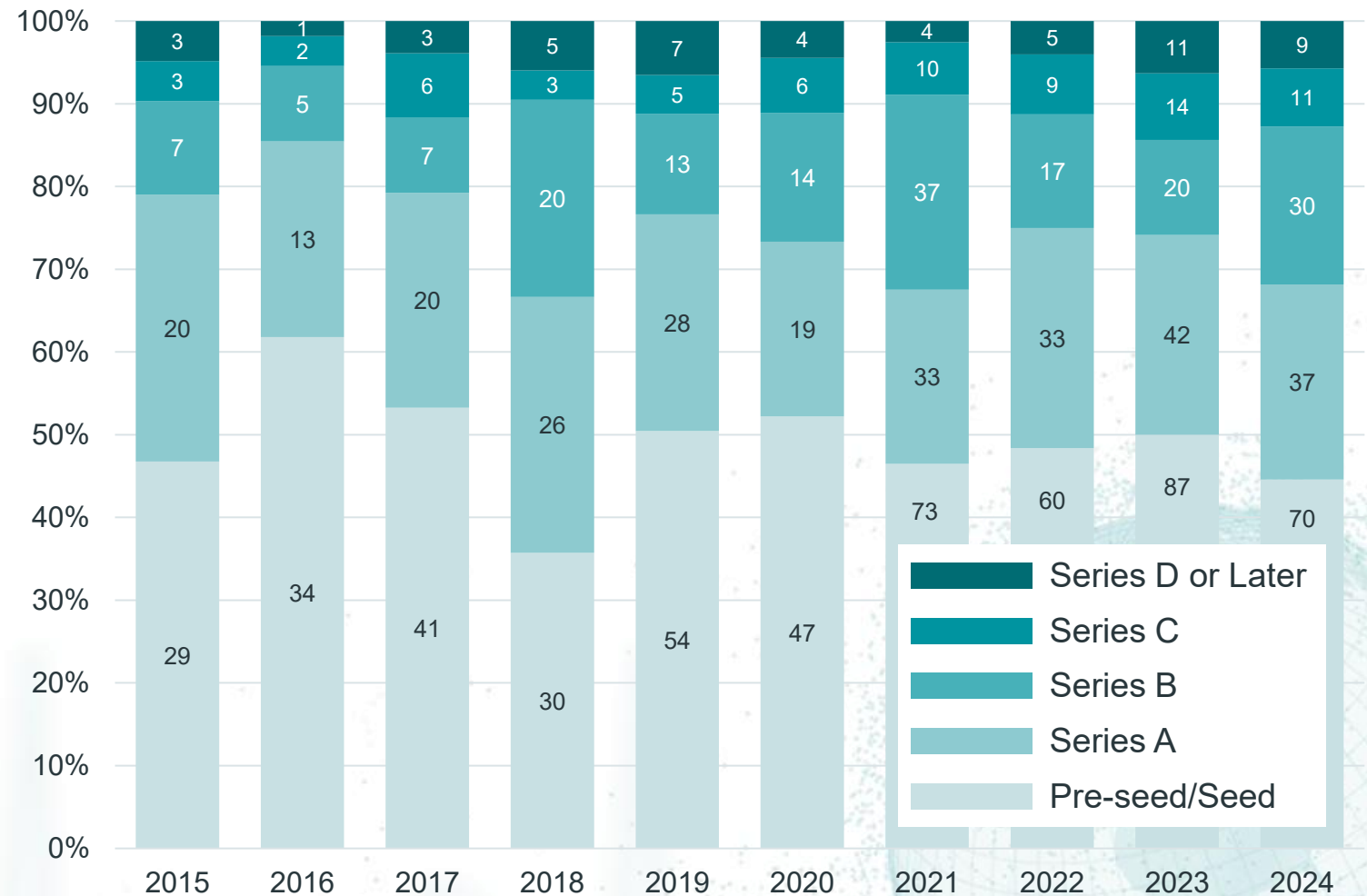


- New space start-ups continue to raise funds
- 251 start-ups reported their first round in 2015-2019
 - 61 raised just 1 round
 - 154 raised between 2-5 rounds
 - 36 raised more than 5 rounds
- Median size of first deals in 2015-2019 \$2.2M, rose to \$3.1M in 2020-2024
- In 2024, 30% of companies raising their first round were U.S.-based
 - France and the U.K. each had 9%
 - China, Japan, Germany, Korea, and Italy each had ~5%

Investment Trends

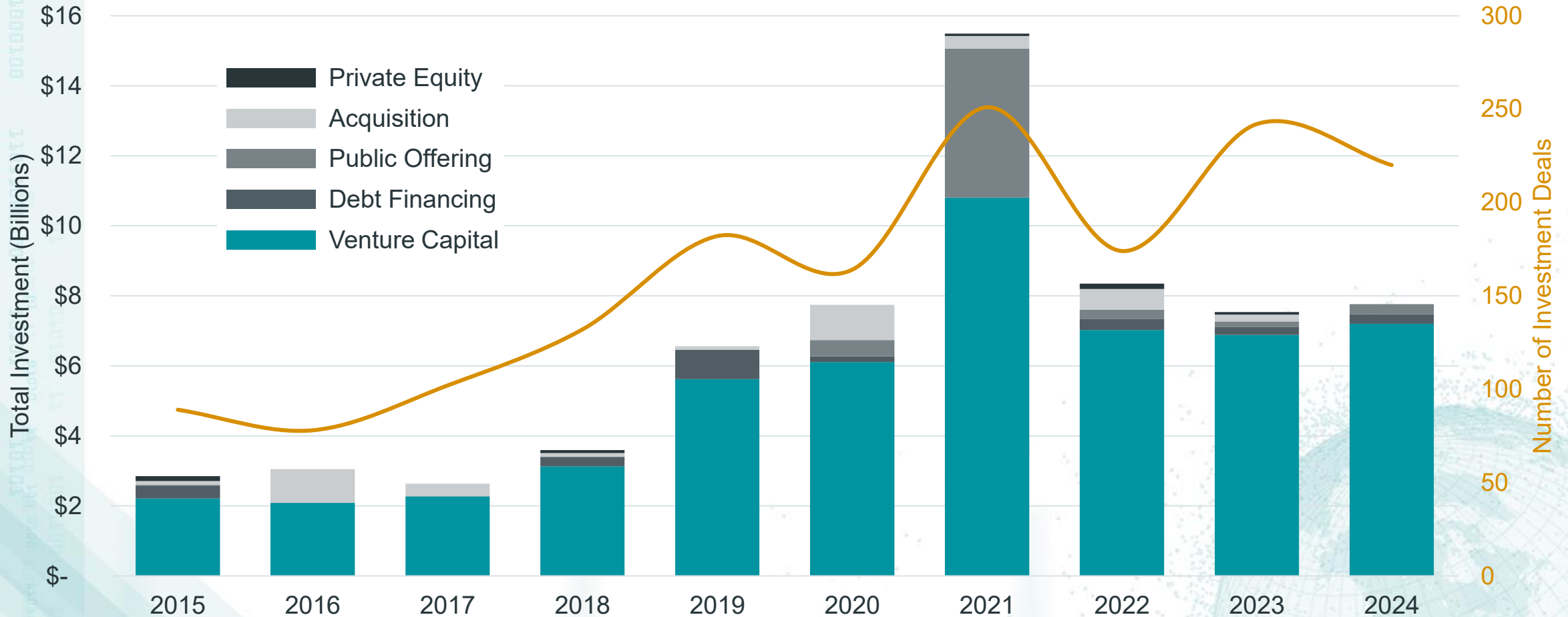
Share of Deal Count by Stage, 2015 – 2024

- ✔ Share of early-stage deals roughly consistent with VC standard ~80%
 - Early-stage (pre-seed – series A) investment comprises ~70% of deal count
 - Continued interest in international start-ups
- ✔ Highest share of series B deals since 2021



Investment Trends

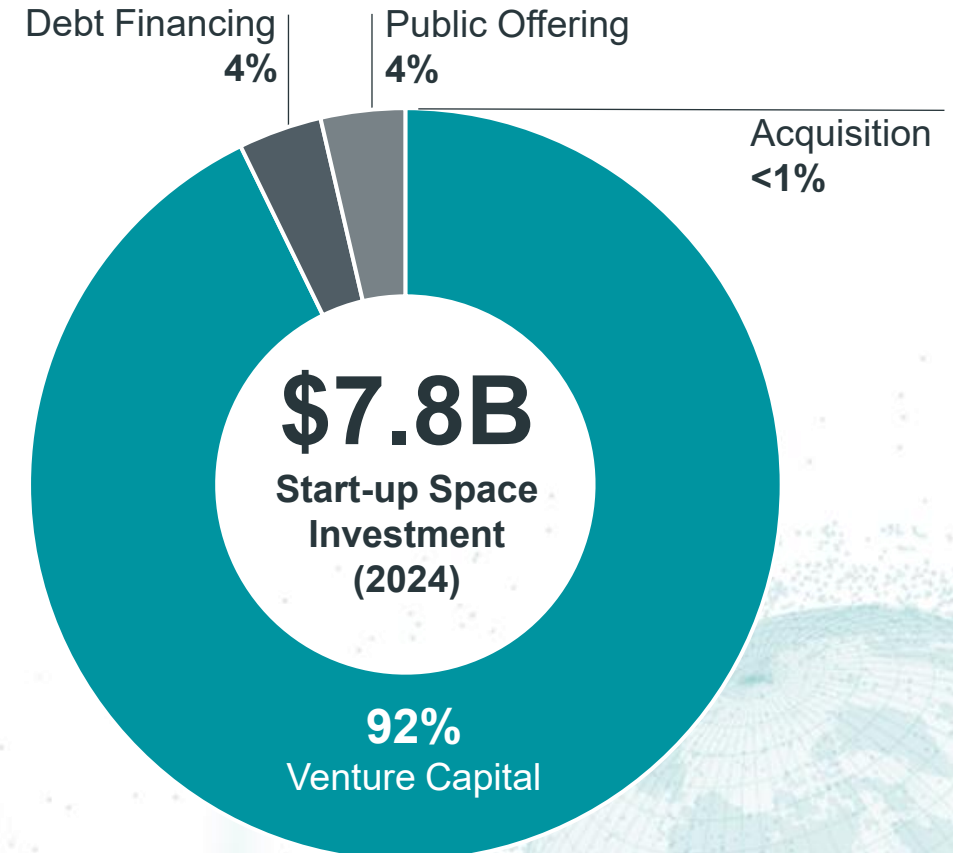
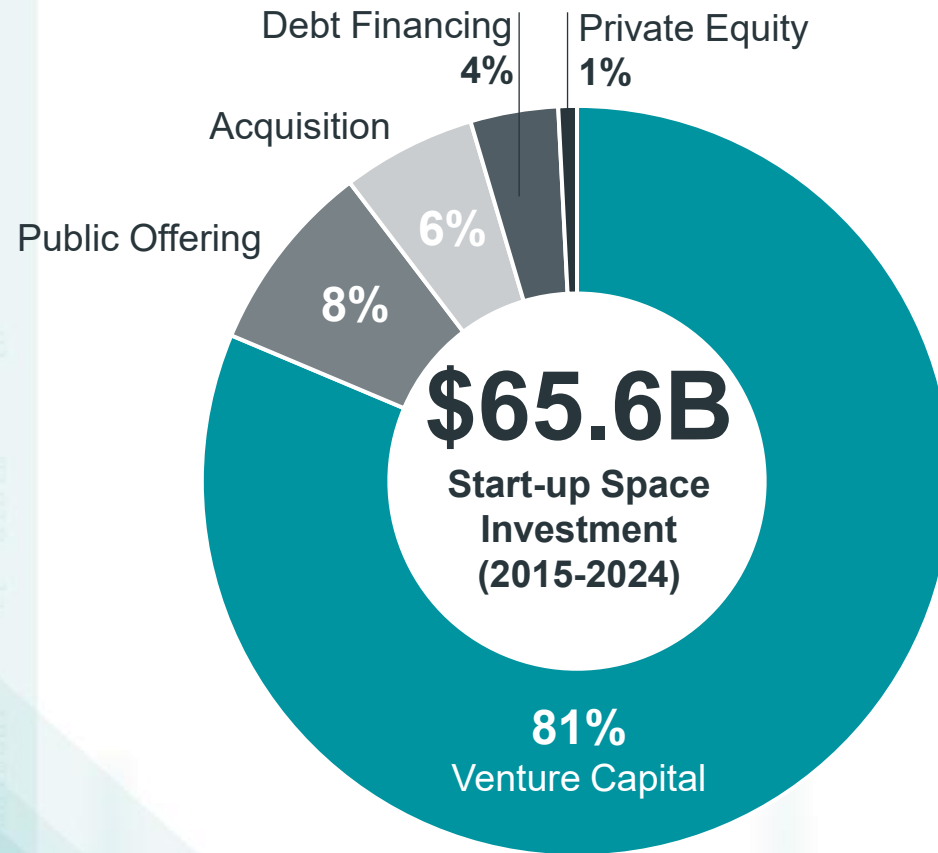
Start-up Space Investment, 2015 – 2024



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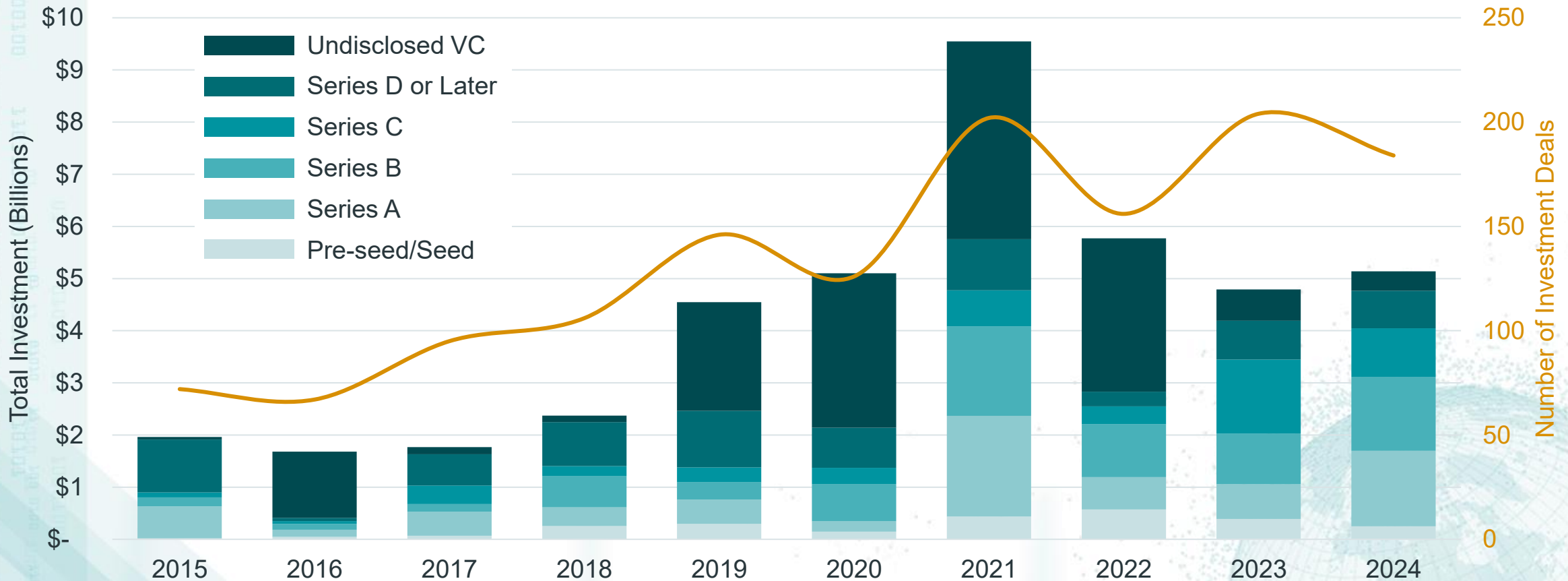
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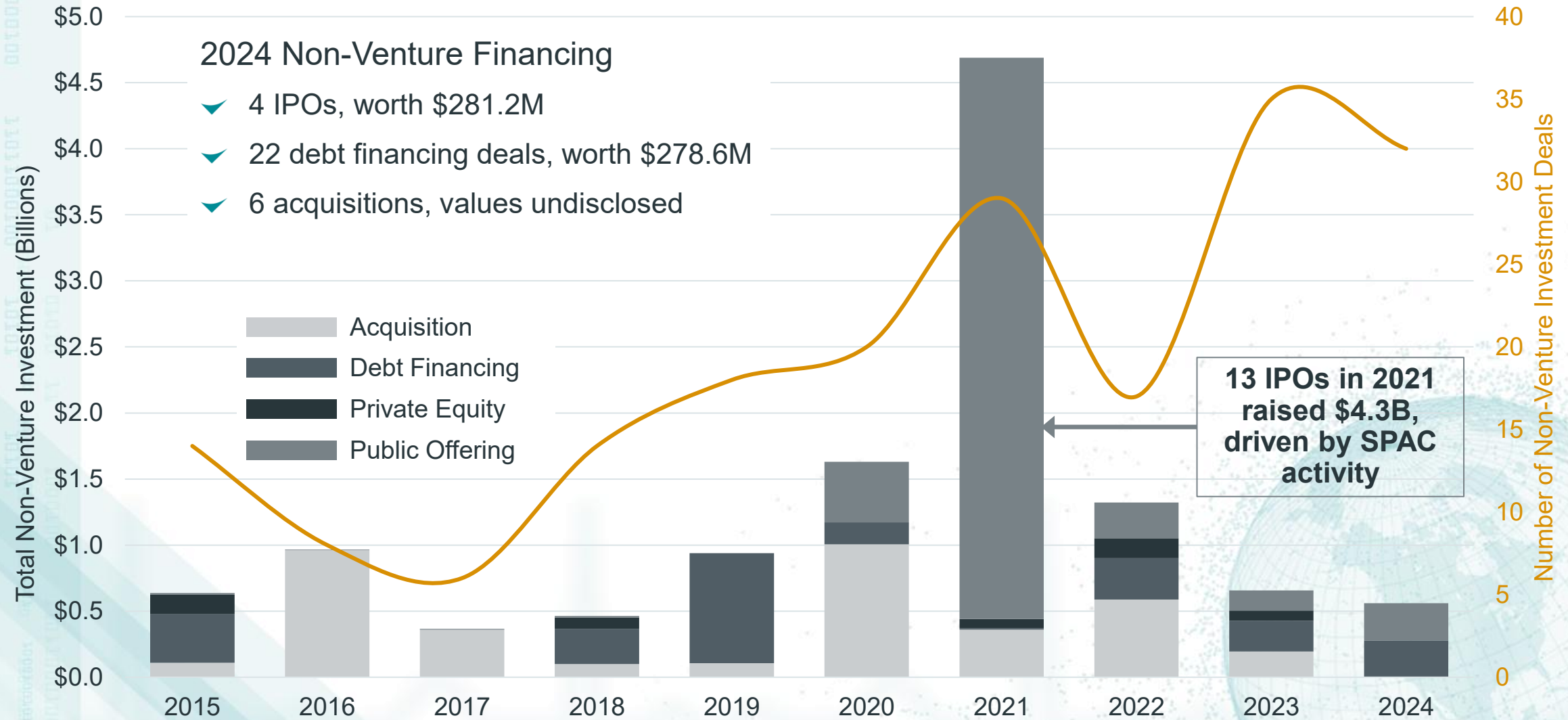
Venture Capital Investment, 2015 – 2024 (Amount By Round)



Large European, Chinese deals driving growth in series A and B investment over 2023; pre-seed/seed investment totals at lowest since 2020, allocations shifting to later-stage companies (typically quicker returns, lower risk)

Investment Trends

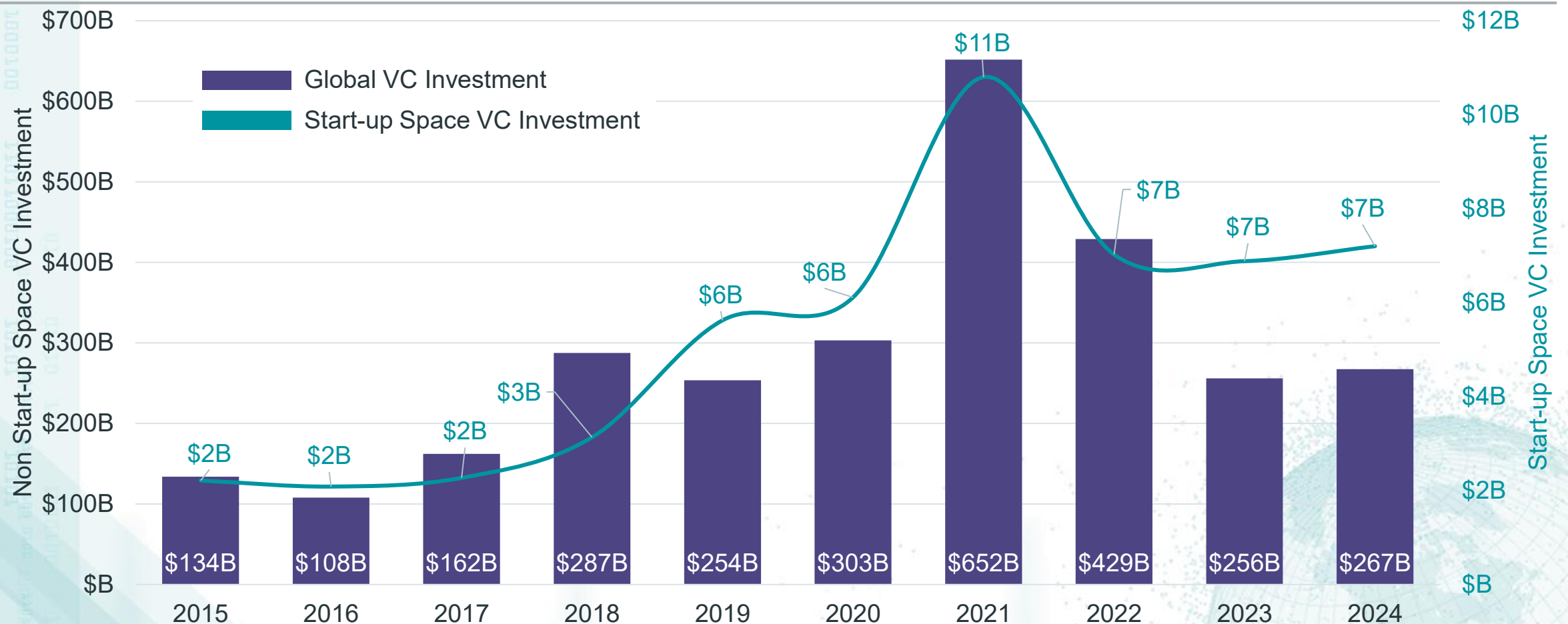
Non-Venture Financing, 2015 – 2024



Investment Trends



Global Venture Investment, 2015 – 2024



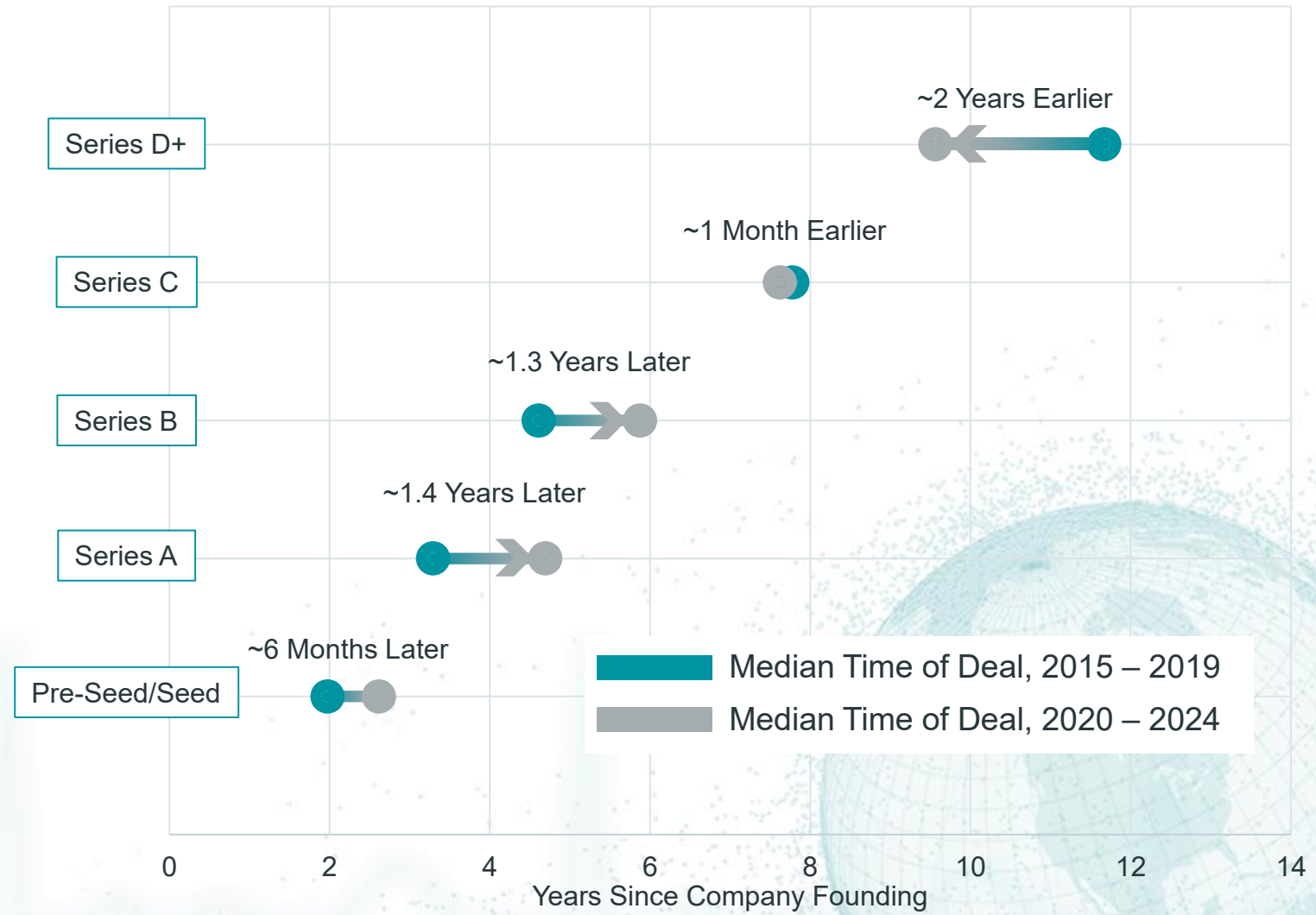
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Investment Trends

Median Deal Timing

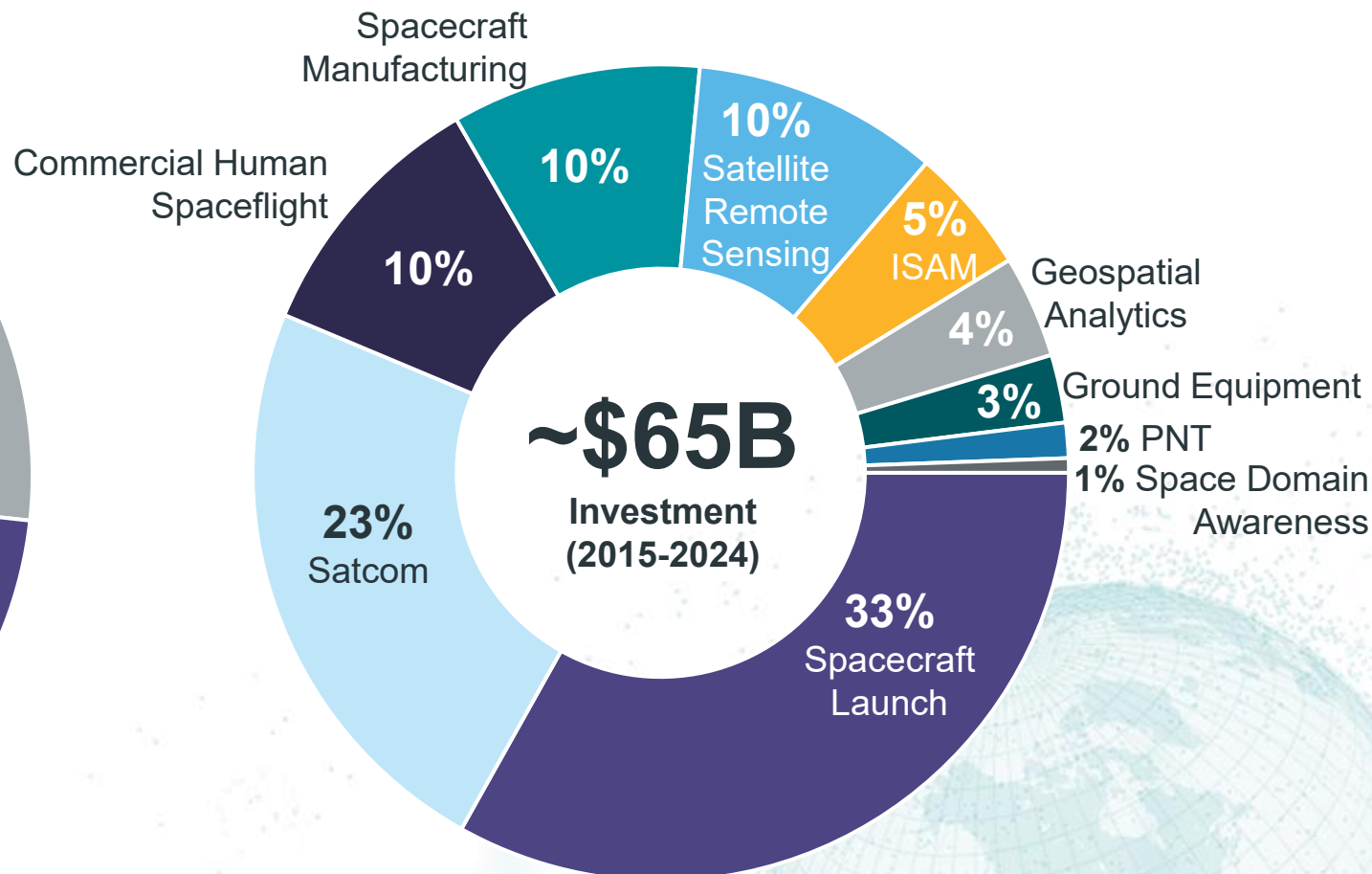
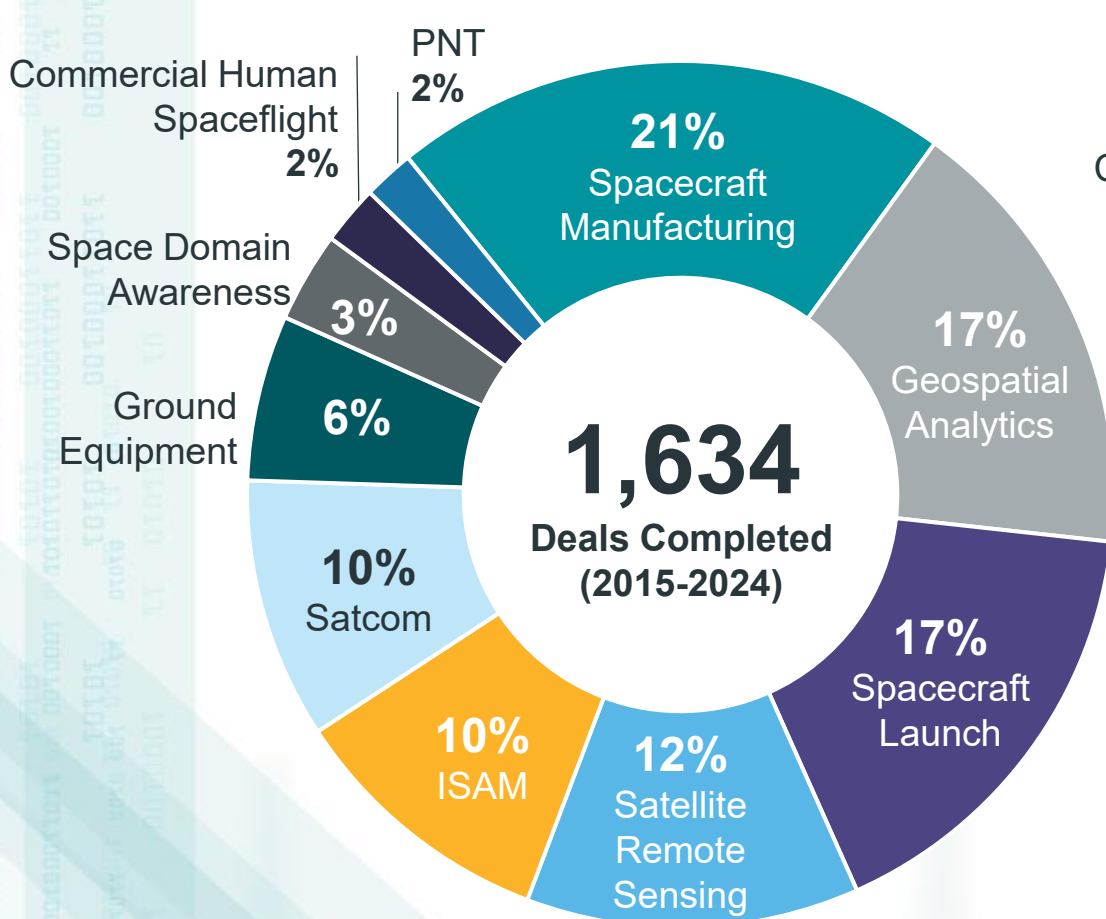
Potential drivers for changing deal timing

- Increased availability of non-dilutive funding (SBIR, grants, credits)
- Maturation of investor base, higher bar for initial valuations
- Scaling requirements
- More available growth capital



Investment Trends

Deals Completed by Primary Market Segment, 2015 – 2024



Launch, satcom, human spaceflight sectors received higher funding relative to the number of deals completed in those sectors

Investment allocation estimated for companies operating in multiple market segments



Executive Summary

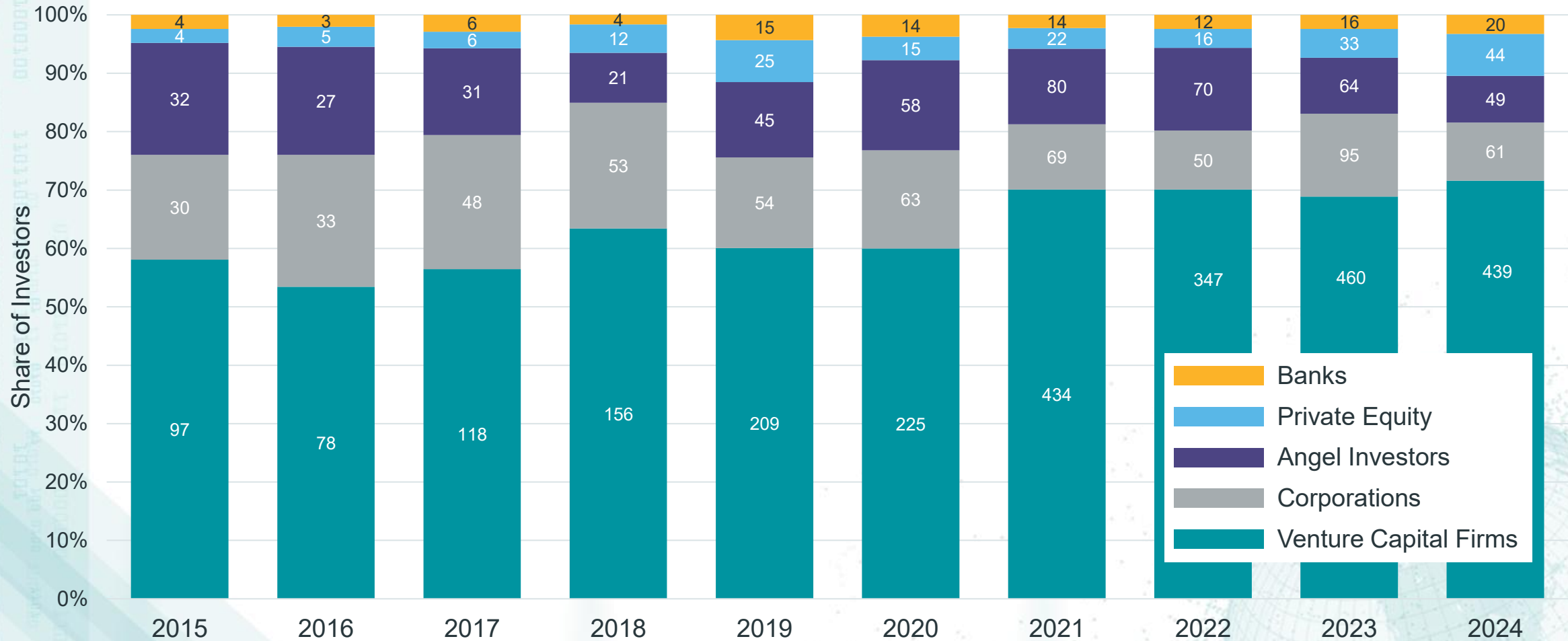
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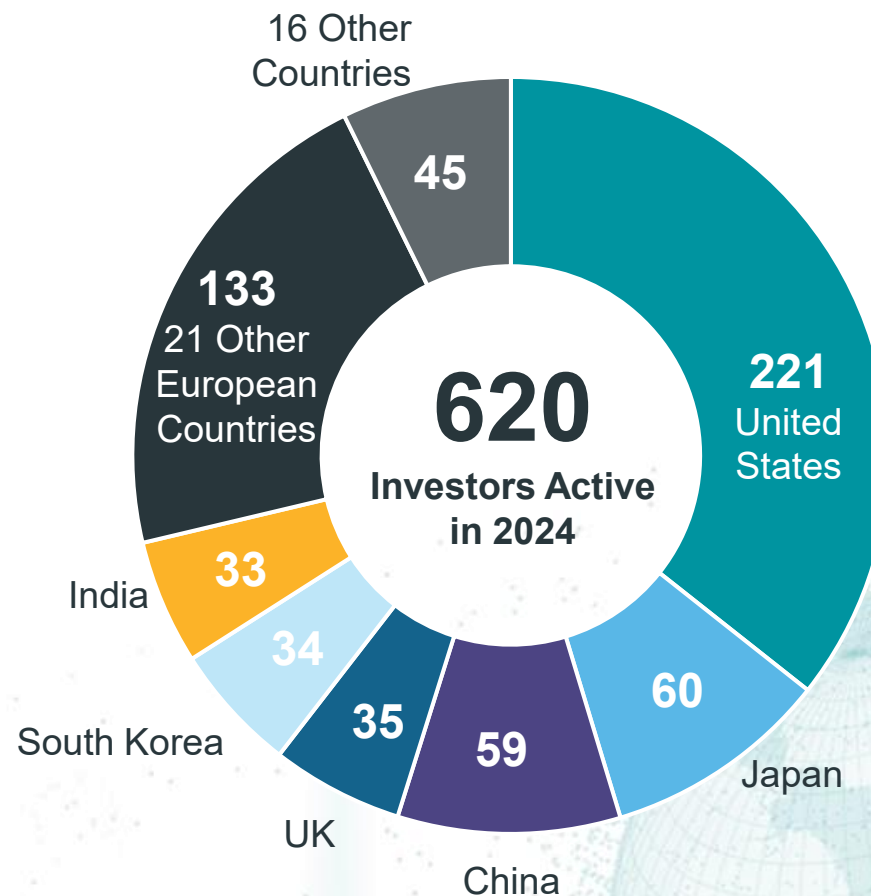
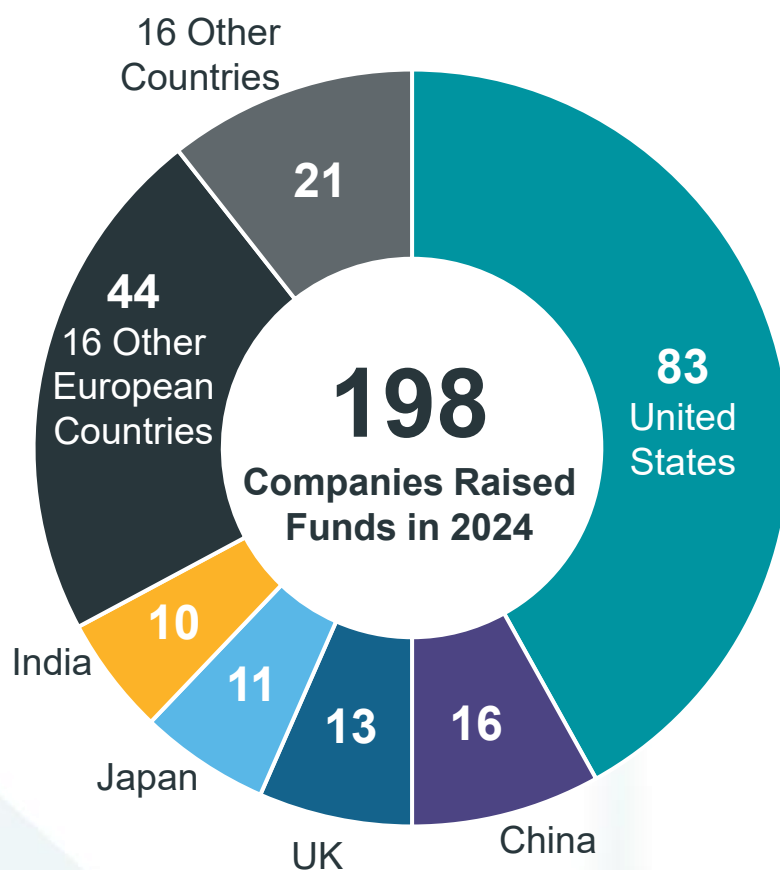
Investor Composition, 2015 – 2024



Venture capital firms and private equity recorded largest ever shares of total investor population, 71% and 7%, respectively; industry maturation allows more private equity activity at growth stage

Investor Trends

Geographic Distribution of Recipients and Investors, 2024

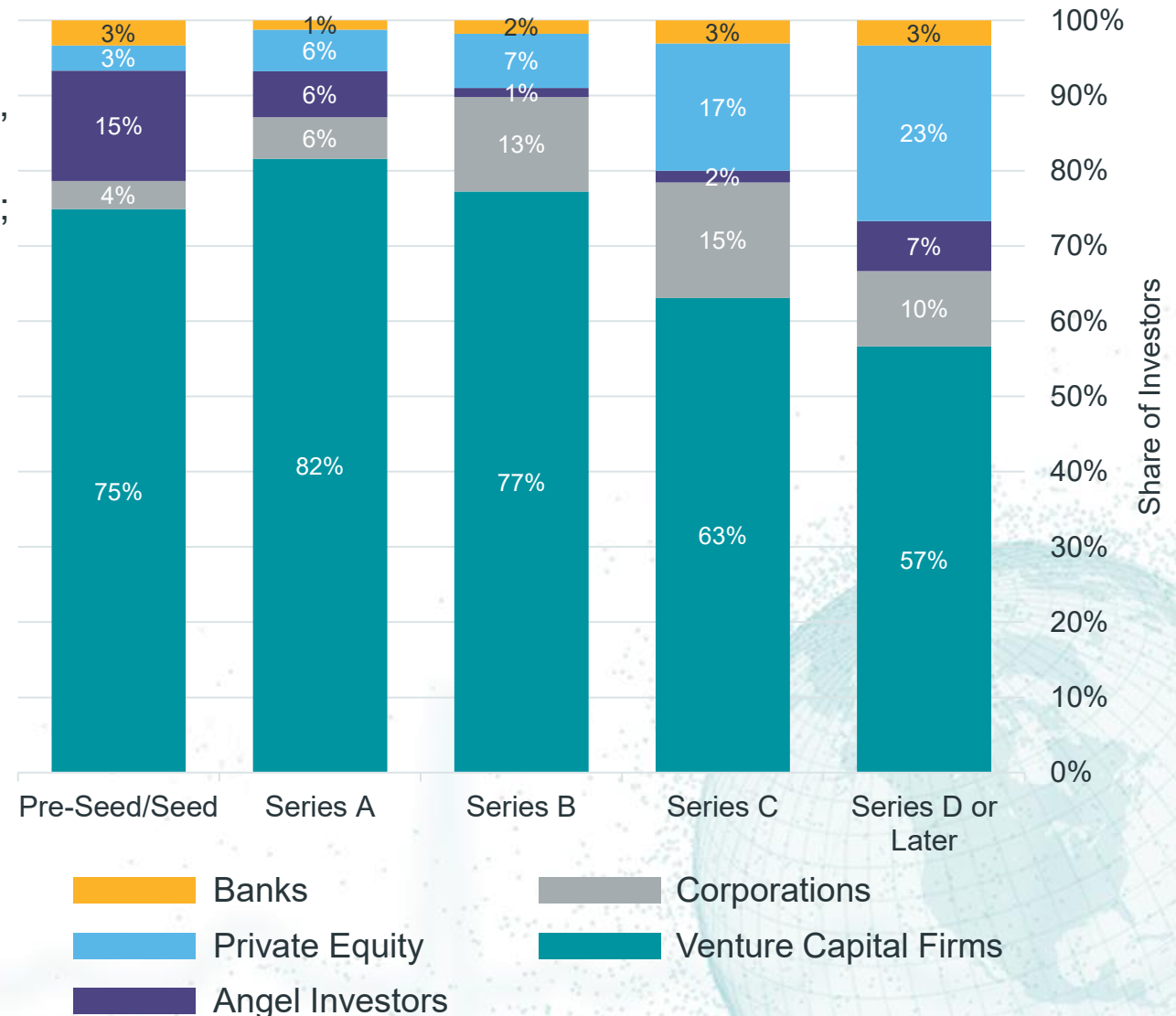


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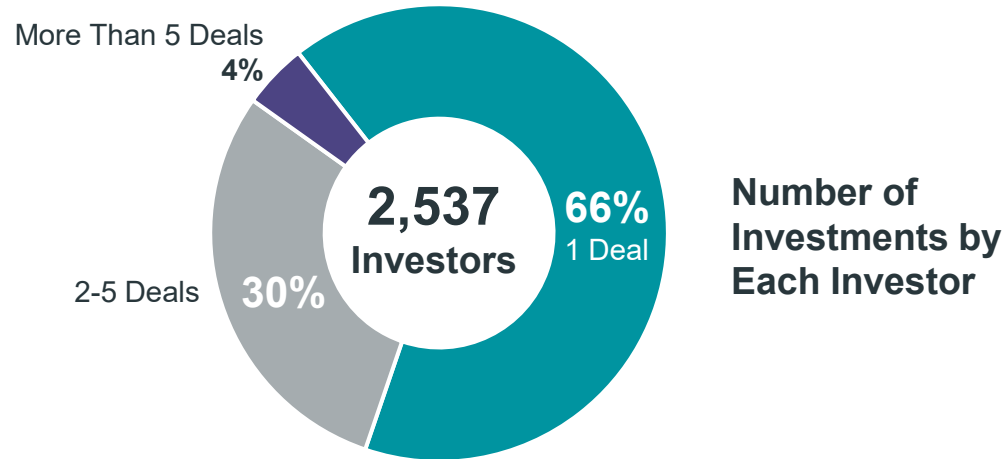
Investor Composition By Deal Stage, 2024

- Varying investor strategies
 - Angel investors: focus on pre-seed/seed deals, structured to handle large risk
 - VC firms: interest in pre-seed through series B; many small, early-stage investments
 - Private equity: look for proven business models, opportunities for growth optimization
 - Corporations: later-stage focus, wait for technical, market risk mitigation and can see clear fit/path
- Bank activity consistent throughout stages, debt financing, other lending always needed



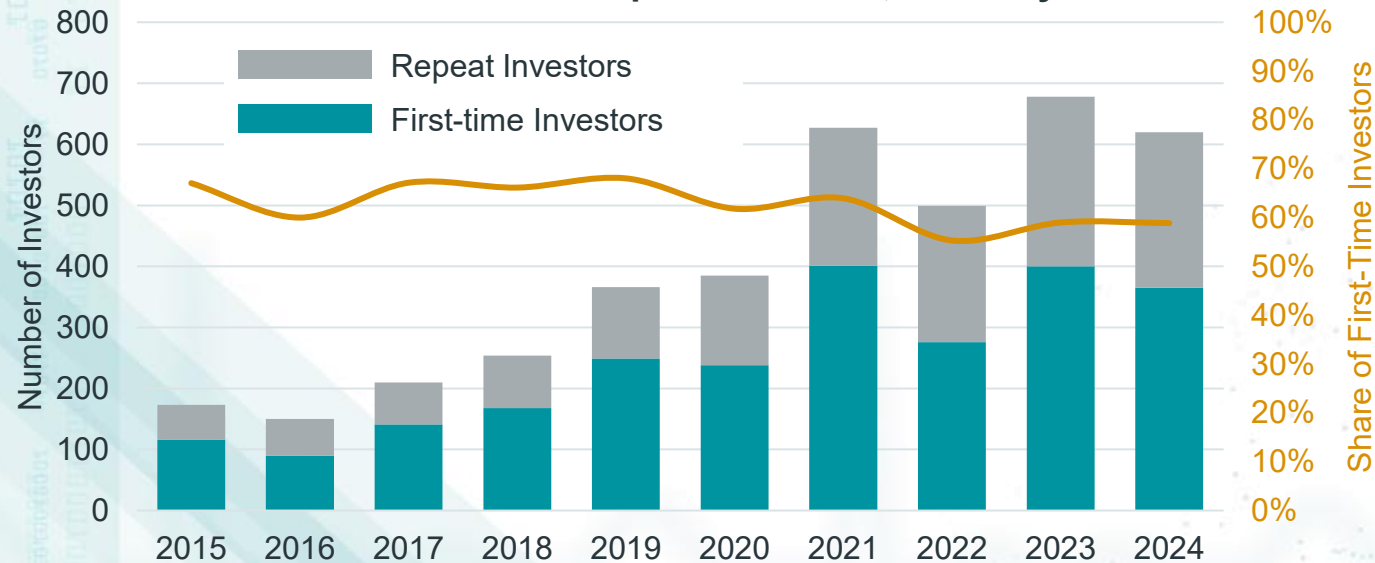
Investor Trends

Investor Participation Trends, 2015-2024



- 2,537 firms have made start-up space investments since 2015; of these, nearly two-thirds have made only 1
- Annual share of new investors between around 60%, has dropped slightly over time
- Majority of investors make few investments, handful of space-focused firms making ~10 deals annually

First-time and Repeat Investors, Annually



Investor Trends

Most Frequent Investors, 2015-2024

SERAPHIM techstars_ AIRBUS Y Combinator
LOCKHEED MARTIN SPACE CAPITAL promusventures LUT+ 20+ Deals

DC >C | Data Collective SPARX MAIN SEQUENCE bpifrance LIQUID 2 FOUNDERS FUND 15-19 Deals

iqt RAZOR'S EDGE matrix PARTNERS CHINA 经纬中国 INCUBATEFUND boostVC BOEING
RRE Ventures Alumni Ventures CROSSLINK CAPITAL MaC VENTURE CAPITAL SBI Investment SHIELD CAPITAL andreessen.horowitz 11-14 Deals
EZMC SPACE.VC SOMA CAPITAL Horizons Ventures 维港投资 DRAPER ASSOCIATES

Investor Trends

Most Frequent Investors at Each Fundraising Stage, 2015 – 2024

	Pre-Seed/Seed	Series A	Series B	Series C
SERAPHIM	17 Deals	14 Deals	3 Deals	4 Deals
SPACE CAPITAL	10 Deals	10 Deals	2 Deals	1 Deal
AIRBUS	6 Deals	10 Deals	8 Deals	1 Deal
DC >C Data Collective	3 Deals	4 Deals	7 Deals	3 Deals

Potential drivers for varied investment strategies

- Risk tolerance
- Return timelines
- Broader strategies



Investor Trends

Investor Participation Trends



Average investors per deal up 45% since 2015, broader investor interest in space; more investors in later rounds with higher valuations, larger funding requirements



Uncertain financial markets

Will capital allocations shift to lower-risk asset classes, away from venture and high-risk areas?

What are the impacts on the exit environment; lack of IPOs leading to increased interest in M&A?



International sovereign space capabilities

Will governments buy readily available systems or develop domestic industry?

How will governments send signals to private industry on shifting need for sovereign space capabilities in?



Evolving U.S. defense acquisition policies

Who will be the primary beneficiaries; established contractors or new entrants?

Where will the shift towards procurement of commercial services be largest?



U.S. government budgets

Will Golden Dome, other DoD initiatives create new markets, expand opportunities for commercial capabilities?

How will funding for scientific and research programs change?

Acknowledgments



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Points of Contact

- Ryan Puleo, Start-up Space Project Lead, ryan.puleo@brycetek.com
- Carissa Christensen, CEO, carissa.christensen@brycetek.com
- Carie Mullins, Director of Analytics, carie.mullins@brycetek.com
- Simon Potter, Managing Director, simon.potter@brycetek.com

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We also wish to thank the many investors and entrepreneurs who provided insight and shared their experience of space investment



BryceTech

1737 King Street, Suite 601
Alexandria, VA 22314



@BryceSpaceTech



[linkedin.com/company/bryce-space-tech](https://www.linkedin.com/company/bryce-space-tech)



703.647.8078



info@brycetek.com

Methodology and Definitions

- ✓ Definition of a 'Start-up Space' company
 - Company whose primary business is directly related to 1 of 10 BryceTech space industry market segments
 - Geospatial analytics companies which are primarily reliant on satellite data for their business case
- ✓ This report includes publicly disclosed investment deals raised by Start-up Space companies from their inception through either an IPO or acquisition by another firm
 - Post-IPO debt and equity fundraises by companies which were initially part of Start-up Space are not included
 - Venture or angel-backed at founding



Methodology and Definitions

Market Segments

- ✓ **Spacecraft Manufacturing**
 - Design, production, and assembly of satellites, subsystems, and other vehicles intended for operation in space
- ✓ **Geospatial Analytics**
 - Use of satellite-based data to understand spatial conditions; only includes firms that primarily use satellite remote sensing data
- ✓ **Spacecraft Launch**
 - Manufacture or operation of orbital launch vehicles, subsystems, supporting infrastructure
- ✓ **Satellite Remote Sensing**
 - Satellite-based collection of Earth data
- ✓ **ISAM**
 - Services for on-orbit modification, relocation, or assembly of spacecraft; manufacturing of products in space
- ✓ **Satellite Telecommunications**
 - Operation of satellites for distribution, relay of data
- ✓ **Ground Equipment**
 - Ground-based systems needed to manage spacecraft, distribute/receive data
- ✓ **Space Domain Awareness (SDA)**
 - Monitoring and analysis of space objects
- ✓ **Commercial Human Spaceflight**
 - Space travel services for tourism, research, or other commercial purposes
- ✓ **Positioning, Navigation, and Timing (PNT)**
 - Satellite-based services to provide location determination, navigation guidance, time synchronization