



KZEN VALTECH

RESEARCH & ADVISORY DESK

The Second Space Boom

SpaceTech - Sector Research and Investment Landscape

Global space-tech capital has roughly doubled in twelve months, an IPO has re-priced the entire asset class, and India has just joined a club of three. A field guide to the money, the motives and the maths.

August 2026 · Global and India · Funding activity to Q2 2026

KZen Valtech Private Limited · A-39, Sector 4, Noida

\$23B

Global space-tech private investment, trailing twelve months to Q2 2026

\$2.1T

SpaceX market capitalisation at the close of its first trading day

\$871M

Cumulative equity raised by Indian space-tech companies

1.3%

India's share of global space-tech venture capital

What this report covers

01 Executive summary

The four findings that matter

02 The global reset

Market sizing and the eight-way estimate spread

03 The capital surge

Quarterly investment and the shape of the money

04 The re-pricing event

SpaceX, public comparables and exit risk

05 Where the money went

Largest rounds, concentration, sector rotation

06 Industry landscape

Upstream, midstream and downstream value chain

07 India: liberalisation to orbit

Policy architecture and the Skyroot milestone

08 India market opportunity

TAM, SAM and SOM against the 2033 target

09 India capital picture

Funding, concentration and the revenue problem

10 India's demand engine

EO-PPP, SBS-3 and the satcom queue

11 Market analysis

SWOT and Porter's Five Forces

12 Investment outlook

Opportunities, risks and the thesis

13 What to watch

Six markers to mid-2027

14 Disclaimer

Limitations and Caveats

Four findings that frame the sector

\$23B

Global private investment, TTM to Q2 2026
(vs \$12.4B for all of 2025)

\$686B

Upper bound of 2025 global space
economy estimates; low end \$431B

\$871M

Cumulative Indian space-tech equity across
241 rounds and 285 companies

440

Space-tech startups registered in India;
~25% have raised any capital

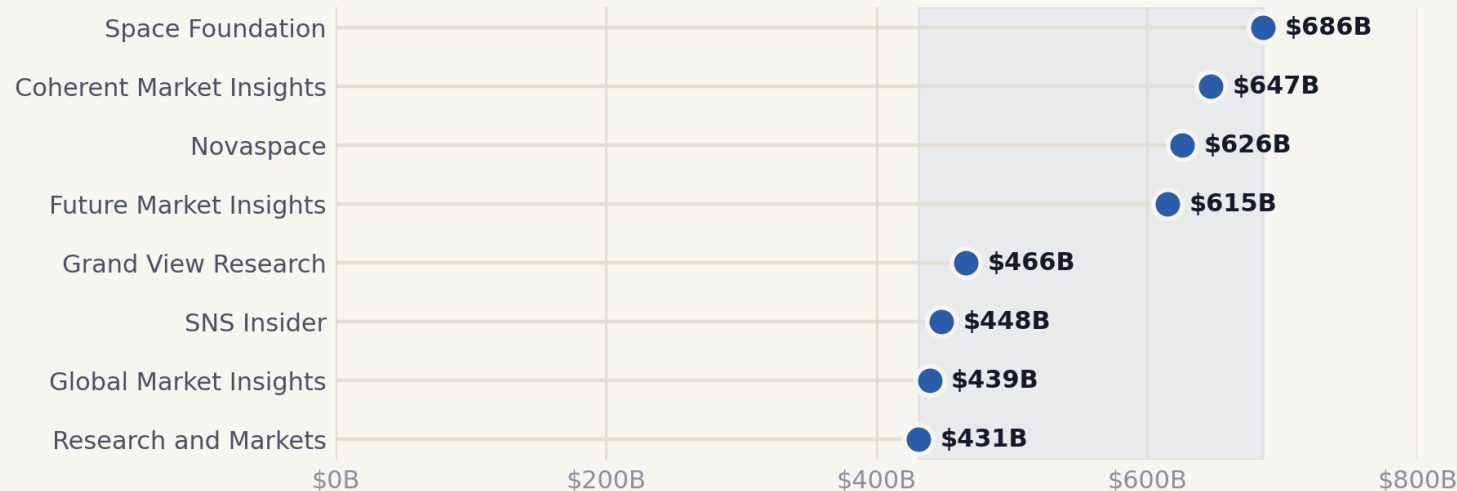
- **The run-rate doubled, at the growth stage.** Global space-tech private investment reached \$23B in the twelve months to Q2 2026 against \$12.4B for calendar 2025 and \$8.4B in 2024. Average deal size doubled to \$72.5M while the median moved only from \$9.2M to \$15M - the gap is the concentration.
- **An IPO re-priced the asset class.** SpaceX listed on 12 June 2026, raising ~\$75B and closing day one at a \$2.1T market capitalisation - the largest flotation on record. Space venture now has a liquid benchmark, a demonstrated exit path, and its single largest correlated risk.
- **Capital rotated up the stack, into hardware.** Satellite manufacture (+143%), ground segment (+118%) and launch (+117%) more than doubled in 2025, while data analytics and first-generation constellation operators contracted by roughly a third. This is a bet on government procurement, not commercial markets.
- **India crossed a threshold, not a scale barrier.** Skyroot's Vikram-1 reached orbit on 18 July 2026, making India the third nation with private orbital launch capability. Yet India holds ~1.3% of global space-tech capital, two-thirds of its funding sits with ten companies, and as of 2025 no Indian space company had crossed ₹100 crore in annual revenue.

The thesis in one line: the global sector is priced for a decade of government demand that has been promised but not contracted; India has the inverse problem - real capability, waiting for anyone to buy it at scale.

The same market, measured eight different ways

The same year, measured eight ways

Global space economy, 2025 estimate by research house (US\$ billion)



Sources as listed. Spread of ~\$255B (59%) between the lowest and highest published estimate reflects differing treatment of ground equipment, GNSS-derived downstream revenue and adjacent defence spend. KZen Valtech working range: \$430-690B.

Why the spread matters

Published 2025 estimates differ by ~\$255 billion - 59% of the lowest figure. The variance is definitional, not error: sources disagree on whether ground equipment, GNSS-derived downstream revenue and adjacent defence spend belong inside the boundary.

KZen Valtech working range

\$430–690B global space economy, 2025

7–9% blended base-case CAGR

~\$1 trillion crossed 2030–2032 on most scenarios

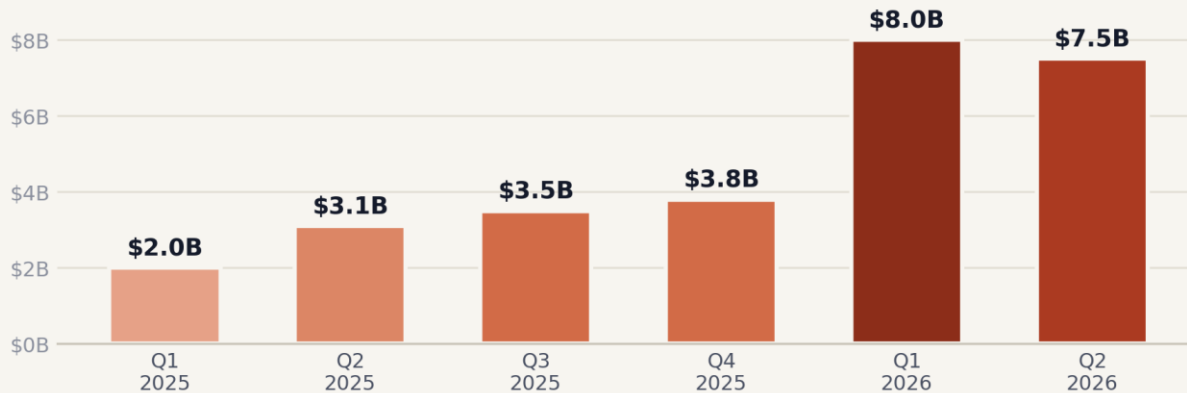
79% commercial share of activity

Read-through: a nascent sector with a 59% measurement spread should be underwritten on a range, not a point estimate - and any thesis that only works at the top of the range is a thesis about methodology, not about space.

Two quarters that changed the sector's run-rate

The run-rate roughly doubled in two quarters

Global space-tech private investment, by quarter (US\$ billion)



Source: Seraphim Space Index, Q4 2025 / Q1 2026 / Q2 2026. Q1 2025 derived from the stated FY2025 total of \$12.4B.

\$72.5M

Average deal size, Q2 2026
(from \$35M in Q4 2025)

\$15M

Median deal size - the mean/median
gap is where the concentration lives

620

Deals in the trailing twelve
months to Q2 2026

- **Growth-stage, not seed.** Seed still makes up around half of transactions by count, but seed volumes fell from 2024. Series D+ deal count rose 54% year-on-year into Q1 2026.
- **Public money set the direction.** Global public space investment was €119B in 2025 - down 3% in aggregate, but European budgets grew 12% while the U.S. is seeking ~\$71.1B for FY27 national security space, nearly double the previous year's budget.
- **Concentration is extreme.** The ten largest deals took 61% of Q1 2026 capital (\$4.9B of \$8.0B).

What the SpaceX listing actually changed

12 June 2026

LISTING DATE

~\$75B

INITIAL PUBLIC OFFERING

\$2.1T

DAY-ONE CLOSE

+19%

FIRST-SESSION GAIN

~94x

REVENUE MULTIPLE

Three mechanical effects

- **A benchmark exists.** Every private space company now has a liquid comparable public-market reference point - potentially resetting valuation expectations across the sector
- **Exit risk was re-underwritten.** Alongside Firefly, Voyager, Karman (>\$11B) and York Space, the historical objection - long cycles, no exit - is materially weaker.
- **Crossover capital arrived.** General Atlantic, Qatar Investment Authority, BlackRock-affiliated debt, Macquarie and EQT are not traditional space investors.

The counter-argument, stated fairly

SpaceX posted a \$4.28 billion net loss in Q1 2026 and trades at an estimated 94x revenue. A benchmark set by a company with those economics is a benchmark that can move violently.

If the listing de-risked space venture, it is also the single largest correlated risk now sitting inside every space portfolio.

"I do think there's a bit of a bubble. Capital's cheap... But do understand the consequences for your company when you do: you put expectations through the roof of what you can deliver on."

Brian Schimpf, Chief Executive, Anduril

The mega-round went from annual to monthly

The mega-round went from annual to monthly

Largest disclosed space-tech rounds, H1 2026 (US\$ million)



Source: Seraphim Space Index Q1 2026; Payload; company announcements. At least six companies raised \$500M+ in H1 2026; the largest round in all of 2025 was Stoke Space's \$510M Series D.

Selected valuations

ICEYE €10B (Series F, Jun 2026)

K2 Space \$6.8B (Series D)

Starcloud \$1.1B (Series A, orbital compute)

Anduril \$61B **Shield AI** \$12.7B

Saronic \$9.25B (dual-domain platforms)

The bubble question

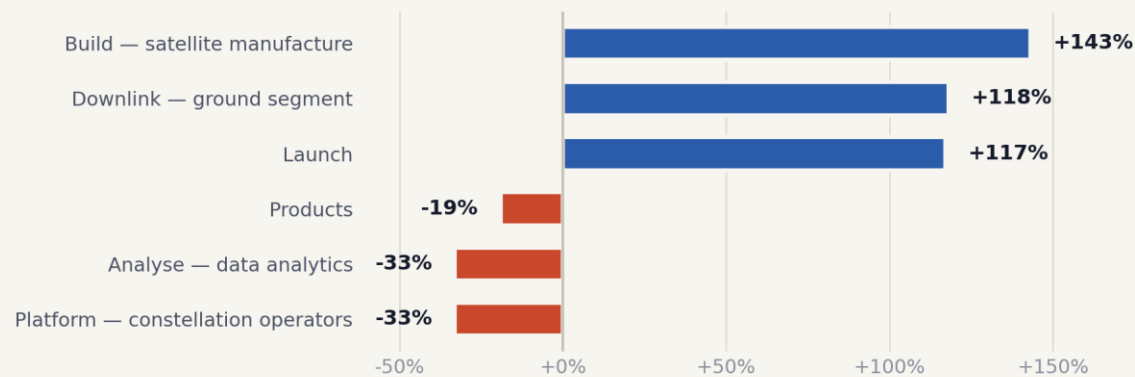
Early-stage defence and space companies are marked at 17x to 50x revenue. Venture deployment into defence tech hit \$19.8B across 262 deals in Q1 2026, against \$5.7B in Q1 2024.

The demand is real and government-underwritten. The multiples assume it converts faster than procurement ever has.

Capital rotated up the stack - and stayed American

Capital rotated up the stack, into hardware

Change in investment by segment, 2025 vs 2024 (trailing twelve months)



Source: Seraphim Space Index Q4 2025. Blue = growth, terracotta = contraction; direction and sign labels carry the distinction independently of colour.

Geography

North America

~60% of 2025 funding (\$7.3B, +130%); ~\$5.7B in Q1 2026 alone, 2.6x year-on-year.

Asia

Highest deal count - 224 in the TTM to Q1 2026. Chinese investment fell ~10% even as launch cadence rose; ~10 commercial space companies are queuing for listings.

Europe

Raised €1.4B across all of 2025 (-8%). Then ICEYE and Isar announced €720M in a single June day. ESA has committed a record €23B budget.

- **Hardware in, analytics out.** Downstream analytics companies spent five years discovering that selling satellite-derived insight is a slow, consultative, low-multiple business. Upstream hardware companies discovered governments sign nine-figure contracts for things that fly.
- **Next generation, not first.** Within the space segment, in-space economy investment is up 242% year-to-date while traditional satcom constellations are down 22% - capital is funding what comes after the first constellations, not topping them up.

The value chain, and who occupies it

UPSTREAM

Launch vehicles, satellite and spacecraft manufacturing, propulsion, components

GLOBAL

SpaceX · Rocket Lab · ArianeGroup · Stoke Space · K2 Space · Isar Aerospace

INDIA

Skyroot Aerospace · Agnikul Cosmos · Dhruva Space · Bellatrix Aerospace · EtherealX

MIDSTREAM

Ground stations, TT&C networks, terrestrial connectivity and data-relay infrastructure

GLOBAL

Northwood Space · KSAT · Viasat ground network

INDIA

Astra Microwave Products · ISRO / NSIL ground infrastructure partners

DOWNSTREAM

EO analytics, SATCOM services, navigation applications, vertical solutions

GLOBAL

Planet Labs · ICEYE · BlackSky · Satellogic · Capella Space · AST SpaceMobile

INDIA

Pixxel · SatSure · Digantara · GalaxEye · KaleidEO · PierSight

Emerging trends reshaping the chain

ISAM

In-orbit servicing and assembly shifts economics from one-time launch revenue to recurring servicing revenue.

Orbital compute

Data centres in orbit drew serious capital in 2026; SpaceX has filed for up to a million such satellites.

Direct-to-device

Space-based cellular broadband to unmodified smartphones - a disruptive downstream category.

Dual-use convergence

Defence budgets are blurring civil/military lines across ISR, secure SATCOM and space awareness.

From liberalisation to orbit in six years



The moment: Vikram-1, 18 July 2026

A four-stage, ~22-metre vehicle reached a ~450 km low Earth orbit in seventeen minutes from Sriharikota, carrying four customer payloads. India became the third country - after the United States and China - in which a private company has independently developed and flown an orbital launch vehicle. Skyroot targets commercial operations in 2027 and one Vikram-class vehicle per month.

The unicorn round

\$60M raised May 2026 (~\$50M equity + ~\$10M structured debt)

\$1.1B pre-money - more than double the 2023 mark of \$500M

Co-led by **Sherpalo Ventures and GIC**, with BlackRock-affiliated debt, Playbook Partners, Arkam Ventures and the founders of Greenko. Ram Shriram joined the board.

IN-SPACe

113 authorisations to 52 non-government entities, 18 of them startups

Antariksh VCF

₹1,600 cr sovereign fund; first cheque - ₹60 cr to Dhruva Space, Jul 2026

NSIL

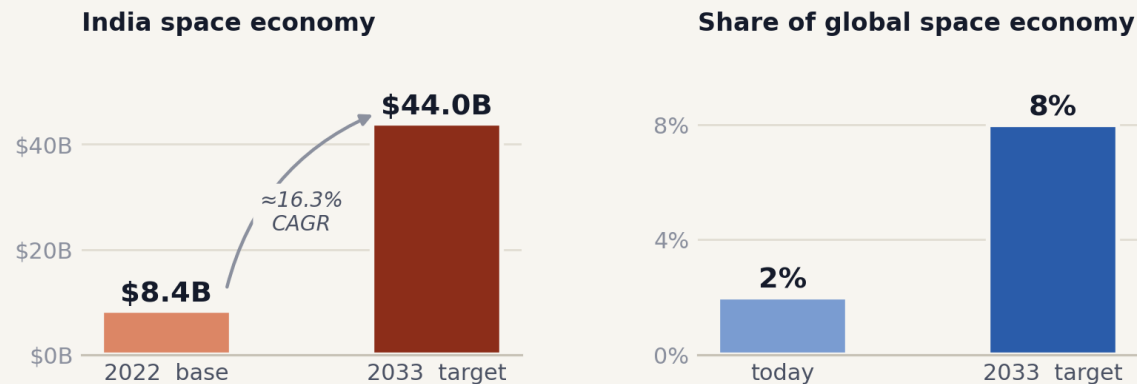
118 technology-transfer agreements covering 83 ISRO technologies

DoS budget

₹13,706 cr for FY2026-27 (+2.1%); capex ₹6,376 cr

A 5x economy on a 4x share gain

A 5x economy on a 4x share gain



Source: FICCI-EY, 'Unlocking India's Space Economy' (March 2025); Invest India. The implied $\sim 16.3\%$ CAGR runs roughly double the global base-case rate of 7-9%, making execution — not ambition — the binding variable.

The opportunity gap is the thesis

Closing even a fraction of the distance between India's $\sim 2\%$ share and its $\sim 8\%$ target implies multi-billion-dollar value creation. The most credible near-term pools are Earth observation and downstream analytics - higher CAGR, lower capital intensity - and satellite manufacturing and components.

TAM · Total addressable

Global \$430–630B (2025) → \$850B–1.4T by the early-to-mid 2030s.
India \$8.4B (2022) → \$44.0B target by 2033, of which $\sim \$11B$ exports.

SAM · Serviceable available

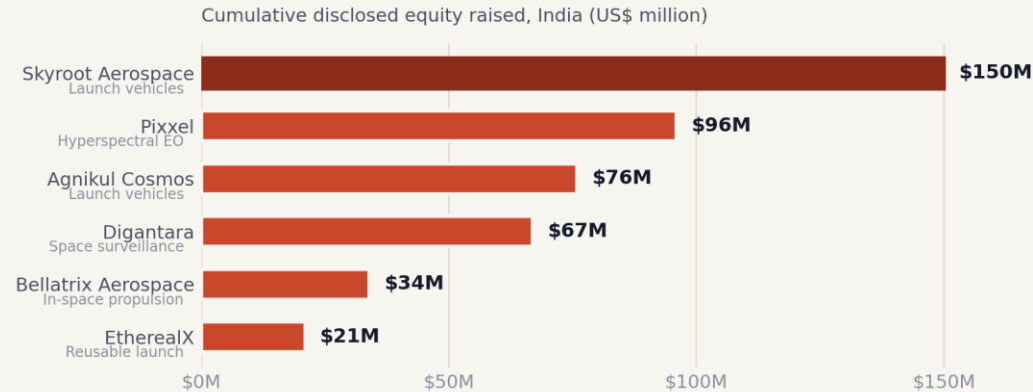
Constrained by IN-SPACe authorisation, technology readiness and reach. SATCOM is the largest downstream pool at a targeted \$14.8B by 2033; upstream SAM concentrates among the ~ 90 funded startups past initial validation.

SOM · Serviceable obtainable

Modelled bottom-up on contract pipeline, customer acquisition pace and capital runway. Near-term capture stays concentrated in the top-10 cohort, which already holds $>60\%$ of sector capital.

Concentrated capital, and a revenue problem

Two-thirds of Indian space capital sits with ten companies



Source: Tracxn, as reported by Business Standard and The Hans India, July-August 2026. Top-10 cohort = ~\$548M of the sector's \$871M cumulative total; ~214 of 285 tracked companies have raised nothing.

\$200M

Peak annual funding, 2025 (53 rounds).
\$113M across 24 rounds YTD 2026

57%

Share of Indian space-tech funding
raised by Bengaluru companies

~25%

Share of India's 285 tracked space
companies that have raised anything

Two figures, two definitions

The Government of India reports \$618.5M cumulative private investment to 31 March 2026 across IN-SPACe-authorized entities. Tracxn reports \$871M across 285 companies to July 2026 on a broader definition. Both are right within scope; neither is large.

The central constraint

As of 2025, the highest annual revenue across India's thirty largest space-tech companies was **₹73.02 crore**. The majority sat in the **₹1–5 crore** range. Not one had crossed ₹100 crore.

Three programmes designed to manufacture demand

₹1,200 cr

EARTH OBSERVATION PPP

The Pixxel-led Allied Orbits consortium - with Dhruva Space, PierSight and SatSure - will build, own and operate India's first privately-led national EO constellation.

- 12 satellites: very-high-resolution optical, multispectral, SAR and hyperspectral
- Four to five years; built in India, launched on Indian vehicles
- Satellite-as-a-service: the consortium owns the assets and sells guaranteed data access
- First anchor contract large enough to underwrite an Indian space balance sheet

52 satellites

SPACE-BASED SURVEILLANCE-3

A military surveillance constellation accelerated after Operation Sindoor, with roughly half the build allocated to private industry.

- 25–26 satellites to be built by private companies
- Ananth Technologies, Centum Electronics, Alpha Design among named participants
- Part of an ambition to field 78 military satellites by 2031 (~\$3.2B envelope)
- SSLV, now transferred to HAL at ₹511 cr, provides responsive launch

Authorised, not switched on SATELLITE COMMUNICATIONS

Starlink, Eutelsat OneWeb and Orbit Connect India (Jio-SES) all hold IN-SPACe authorisation and DoT permits. None has launched commercial service.

- Security clearance and spectrum allocation remain outstanding for every operator
- DoT drafting rules requiring global NGSO operators to coordinate with Indian constellations
- Jio developing a separate ~1,600-satellite constellation, 4.5–5 Tbps over India
- Amazon's Leo has applied and holds neither approval

Read-through: India is running a deliberate sequencing play - liberalise, then protect. Foreign satcom operators get market access, but on terms that preserve room for an Indian constellation to exist. Whether that produces a competitive domestic industry or a delayed and expensive one is the open question of the next twenty-four months.

SWOT and competitive structure - India focus

STRENGTHS

- Proven low-cost mission execution heritage (ISRO)
- Deep engineering talent - IIT/BITS alumni-founded
- 100% FDI and an IN-SPACe single window
- Government vehicles: ₹1,000 cr + ₹10,000 cr
- Proof point: private orbital launch, July 2026

OPPORTUNITIES

- ~16% target CAGR against a 7–9% global base
- EO and downstream analytics at ~9.4% globally
- Sovereign and global institutions entering rounds
- Export potential of ~\$11B by 2033 on India's costs
- ISAM and space awareness still uncrowded

WEAKNESSES

- Import dependency on sensors and precision motors
- Nascent late-stage and growth capital market
- Patent disposal ~58 months vs ~20–23 in China/US
- Capital intensity vs typical Indian VC construction
- Top-10 firms hold >60% of sector funding

THREATS

- Well-capitalised US and Chinese competition
- Export-control and supply-chain shocks
- Volatility around the SpaceX benchmark
- Execution risk if the \$44B 2033 target is missed
- Talent and capacity constraints as it scales

Porter's Five Forces

Threat of new entrants

Moderate-to-low

Capital intensity, IN-SPACe authorisation and qualification barriers limit launch and manufacturing entry; downstream analytics is more open.

Supplier power

Moderate-to-high

Import dependency on sensors, precision motors and propulsion sub-systems gives foreign suppliers real leverage.

Buyer power

Moderate

ISRO and NSIL remain the largest single customers; private buyers are price-sensitive but fragmented.

Threat of substitutes

Low-to-moderate

Fibre, cellular and drones substitute in some use-cases but cannot match global or maritime coverage.

Competitive rivalry

High globally

SpaceX's scale dominates; within India ~20 Series-A+ players compete for the same capital and contracts.

Where the risk is priced, and where it is not

Key opportunities

- **Downstream EO and analytics.** Lower capital intensity than launch, structurally higher CAGR (~9.4%), clear monetisation in agriculture, insurance and climate risk.
- **Satellite manufacturing and components.** India's cost base plus the emerging semiconductor/ISM ecosystem creates a compounding domestic supply-chain advantage.
- **Ground segment and downlink.** Up 118% and still structurally under-supplied - every constellation needs it and nobody markets it.
- **Late-stage capital.** India's growth-stage gap (\$17–53M a year) is white space for growth-equity providers.

Principal risks

- **The benchmark de-rates.** SpaceX at 94x revenue anchors the asset class; a drawdown compresses private marks across every portfolio at once.
- **Defence demand proves lumpy.** Golden Dome, SBS-3 and European rearmament are political commitments, not contracts. 17–50x revenue leaves no room for a two-year slip.
- **Concentration becomes exclusion.** Ten deals took 61% of Q1 2026 capital; in India ten companies hold two-thirds of all equity raised.
- **Orbital compute economics.** Unsettled for three to five years. If they do not close, a category unwinds.

The investment thesis, in four pillars

01

Structural TAM growth

A 7–9% base-case global CAGR, higher in EO and analytics, underpinned by falling launch costs and rising government and commercial demand.

02

Favourable Indian policy

100% FDI, dedicated sovereign funds and single-window regulation - still early in translating into late-stage capital depth.

03

A de-risking landscape

Concentrated but increasingly proven: Skyroot's unicorn status and orbital launch is a credible proof point for the wider ecosystem.

04

Public-market validation

The SpaceX listing and listed comparables should improve exit visibility and valuation benchmarking over the next two to three years.

Diligence should rigorously test revenue quality (backlog conversion, customer concentration), capital runway against milestone-based burn, and IP/export-control exposure.

Six markers to mid-2027

01

Whether SpaceX holds its multiple

Through its first full year public, and how smaller listed space names trade relative to it.

02

Indian satcom go-live

Spectrum and security clearance for Starlink, OneWeb and Orbit Connect India - and whether Jio's constellation moves to procurement.

03

Skyroot's second flight

And its first commercial contract, which converts a national milestone into a business.

04

Agnikul's raise

A flat \$500M round would be the clearest signal that Indian space valuations have found their ceiling for now.

05

Gaganyaan's uncrewed test

Targeted Q4 2026 with the humanoid Vyommitra aboard, and whether the 2027 crewed date holds.

06

The first meaningful Indian space M&A

Consolidation among the ~350 unfunded startups is the sector's next necessary event; the price it clears at sets the floor.

IN CLOSING

The global sector's problem is that it has been priced for a decade of government demand that has been promised but not yet contracted. India's problem is the inverse: it has built genuine capability at a fraction of global cost and is now waiting for anyone at all to buy it at scale.

The first problem resolves in public markets, quickly and possibly painfully. The second resolves in procurement offices, slowly. It is not obvious which is the better risk.

1. **General Information Only** – This research report has been prepared for general informational and research purposes and does not relate to any specific company, transaction, or investment opportunity.
2. **Information Sources** – The report uses information obtained from publicly available sources, industry publications, databases, research reports, regulatory filings, media reports, and other sources considered reliable.
3. **No Independent Verification** – While reasonable care has been taken in compiling the information, the information has not necessarily been independently verified or audited by the research/valuation firm.
4. **Accuracy and Completeness** – No representation or warranty is made regarding the accuracy, completeness, or timeliness of the information contained in the report. Information may change without notice.
5. **Estimates and Assumptions** – Certain figures, market sizes, growth rates, projections, estimates, and other analytical outputs may involve assumptions, approximations, or estimation techniques and should not be considered definitive facts.
6. **Forward-Looking Statements** – Forecasts and forward-looking statements are subject to economic, market, regulatory, technological, and other uncertainties. Actual outcomes may differ materially from those presented.
7. **Valuation & Multiples** – Any valuation multiples, benchmarks, or indicative valuation ranges presented are for analytical and comparative purposes only and should not be interpreted as the actual value of any particular company or asset.
8. **No Investment Advice** – The report does not constitute investment, financial, legal, tax, accounting, or other professional advice and should not be considered a recommendation to buy, sell, hold, or invest in any security or business.
9. **Market Conditions** – Industry conditions, market valuations, regulations, competitive dynamics, and other factors may change over time. Accordingly, the findings and conclusions may become outdated and should be considered in the context of the relevant date of the report.
10. **Limitation of Liability** – The research/valuation firm shall not be responsible or liable for any direct or indirect loss arising from reliance on the information, analysis, estimates, or conclusions contained in this report. Users should conduct their own independent analysis and seek appropriate professional advice before making any decision.
11. ~~Third-Party Information~~ – ~~Information sourced from third parties has been reproduced or relied upon for research purposes and the firm does not assume responsibility for errors or omissions originating from such sources.~~
12. **Interpretation of Data** – Charts, graphs, rankings, tables, and other visual representations are intended to facilitate understanding and should be read together with the underlying assumptions and source information.
13. **No Guarantee of Completeness** – The report may not cover every company, transaction, market participant, development, or factor relevant to the subject matter and should not be regarded as an exhaustive analysis



KZEN VALTECH

Private Limited · Research & Advisory Desk



contact@k-zen.in

+91 120 4998814

ABOUT THIS REPORT

The Second Space Boom is a KZen Valtech Research & Advisory Desk publication covering the global and Indian DeepTech and SpaceTech sectors, with funding activity tracked to Q2 2026.

It is intended for clients, prospects and the wider investment community, and may be circulated freely with attribution.

For the underlying models, company-level detail, or a bespoke diligence view on any company or sub-segment referenced here, contact the Research & Advisory Desk.

August 2026