

21<sup>st</sup> November, 2016

## **Seraphim Capital Launches Pioneering Space Tech Fund**

- **Seraphim Space Fund to be largest Ever space sector venture fund**
- **Targeting £80m final close by Q2 2017**
- **Reaches £50m first close**
- **British Business Bank gives substantial backing**
- **Google Earth founder Michael Jones joins as Managing Partner**

Seraphim Capital today launched the world's largest ever, early-stage, space-sector, venture fund. The fund - focussed on early stage space-related technology businesses - is targeting an £80m final close during the next two quarters and is backed by a £30m investment from the British Business Bank (made under its Enterprise Capital Funds (ECF) programme) alongside smart capital from leading international space companies, family offices and individual investors.

The Seraphim Space Fund will be the first fund of its size anywhere in the world to focus on investing in early-stage technology companies emerging from the 'new space' revolution.

The Fund will invest in commercial applications in both downstream (software), and upstream (hardware) opportunities, as well as in technologies that have potential space applications such as artificial intelligence, robotics and nanomaterials.

In particular the Fund will focus on companies that use digital data from satellites that is already delivering commercial advantage and social innovations ranging from intelligent transport and smart cities through to sectors such as insurance, maritime, agriculture or oil and gas.

Commenting on the Seraphim Space Fund, Mark Boggett, Seraphim Capital's CEO said:

*"As satellites get smaller, smarter and less expensive to launch, our reliance on them is growing exponentially. Many of the emerging new technologies that are moulding the future – from drones and autonomous vehicles to the Internet of Things – are ultimately underpinned by digital data from satellites.*

*The average person in the UK interacts with a satellite 30 times per day. Within five years we see that figure reaching 300 and by the end of the decade 3,000. Just as low cost personal computing in the 1990's and the internet in the 2000's acted as a catalyst for waves of new technology innovations, the evidence is that low cost access to space will come to define the decade ahead.*

*There are exciting development opportunities emerging from very promising start-ups and we very much look forward to investing and supporting the best of these."*

The fund is well positioned to identify the most promising start-ups in these areas through its unique strategic partnership with the European Space Agency (ESA) providing it access to relevant space infrastructures, to companies with a portfolio of hundreds of downstream application projects as well as companies in ESA's 16 pan-European business incubators.

Michael Jones, the founder of Google Earth, and Google's former Chief Technology Advocate who joined the Seraphim Space Fund as a Managing Partner, will ensure the fund's reach into Silicon Valley.

In the UK, Seraphim Space will be supported by new initiatives led by the Satellite Applications Catapult and will be backing the creation of UK Space Tech Angels (a new venture from London Business Angels) that will put the Seraphim Space fund at the heart of the space-related start-up ecosystem.

Secretary of State for Business, Energy and Industrial Strategy, Greg Clark, said:

*“The UK is a world-leader in science and research, and as we build our ambitious Industrial Strategy it is crucial that we build on our strengths, such as satellites.*

*“The plans set out in the National Space Policy will grow the value of the UK space sector to £40 billion by 2030. The launch of the Seraphim Space Fund today, backed by the British Business Bank, goes even further and will cement our place at the heart of the space and satellite technology and start-up revolution.”*

Keith Morgan, British Business Bank’s CEO, said:

*“We are delighted to be backing the Seraphim team via our Enterprise Capital Funds programme. The UK space sector is already a major success story, representing a £12bn industry that has ambitious targets to triple in size over the next 15 years.*

*Providing the best space-related start-ups with the funding they need to grow into global players will be a vital component if these targets are to be met. Through its combination of industry heavy-hitters, leading space-tech entrepreneurs and partnerships with the likes of the European Space Agency, we believe that the Seraphim Space Fund will be ideally placed to help make this vision a reality.”*

The Seraphim Space Fund is the 22<sup>nd</sup> Enterprise Capital Fund in the British Business Bank’s ECF programme, which now has a total investment capacity of £780m.

### **About Seraphim Space Fund**

Building upon the smart capital ethos that has always underpinned the Seraphim strategy, the Seraphim Space Fund pioneers a multi-corporate backer model, harnessing the collective experience and expertise of leading space industry incumbents to provide the start-ups the fund will invest in with unparalleled access to and guidance from the top echelons of the space sector.

The space focus of the latest Seraphim Fund was the brainchild of David Williams, CEO of UK quoted satellite operator Avanti Communications Group plc. David, who joined the fund as Chairman of the Advisory Board, recognised the need for a venture capital fund to help foster the most innovative ‘space-tech’ companies at a time of unprecedented change within the space industry. The Seraphim Space Fund was conceived as a way of nurturing promising space-related start-ups in a bid to support the ambitious targets of tripling the UK space sector by 2030.

### **About Seraphim Capital**

Seraphim is a London-based venture capital fund manager. Seraphim typically invests at Series A stage into IP-led businesses that have the potential to redefine large existing markets or create entirely new ones. Over the last decade this has included artificial intelligence (computer vision, neural networks, machine learning), the Internet of Things (software, sensors) and advanced materials (polymers,

semiconductors). Collectively, the Seraphim team has more than 100 years' experience, having invested in over 180 early and growth stage businesses.

### **About The British Business Bank**

The British Business Bank is the UK's national economic development bank. Established in November 2014, its mission is to make finance markets for smaller businesses work more effectively, enabling those businesses to prosper, grow and build UK economic activity. Its remit is to design, deliver and efficiently manage UK-wide smaller business access to finance programmes for the UK government.

The British Business Bank is currently supporting over 48,000 businesses, working through its 90 finance partners. Its programmes support over £3.1bn of finance to UK smaller businesses and participate in a further £4.4bn of finance to UK small mid-cap businesses.

As well as increasing both supply and diversity of finance for UK smaller businesses through its programmes, the Bank works to raise awareness of the finance options, including equity finance, available to smaller businesses. It has published the Business Finance Guide (in partnership with the ICAEW, and a further 21 business and finance organisations). This guide impartially sets out the range finance options available to businesses – from start-ups to SMEs and growing mid-sized companies. Take the interactive journey at [www.thebusinessfinanceguide.co.uk/bbb](http://www.thebusinessfinanceguide.co.uk/bbb) or download/print a copy.

British Business Bank plc is a limited company registered in England and Wales, registration number 08616013, registered office at Foundry House, 3 Millsands, Sheffield, S3 8NH.

As the holding company of the group operating under the trading name of British Business Bank, it is a development bank wholly owned by HM Government which is not authorised or regulated by the Prudential Regulation Authority (PRA) or the Financial Conduct Authority (FCA). The British Business Bank operates under its own brand name through a number of subsidiaries, one of which is authorised and regulated by the FCA.

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### **For further information:**

James Olley / Louis Supple      Montfort Communications      020 3514 0897

Scott Shearer    British Business Bank      [Scott.Shearer@british-business-bank.co.uk](mailto:Scott.Shearer@british-business-bank.co.uk)

Vienn Chan      MHP Communications      0203 128 8219      [bbb@mhpc.com](mailto:bbb@mhpc.com)