Example Ventures

INVESTMENT MEMO

Kestrel Orbital

Seed · Deep tech and hardware

Fictional example case, built to show how VC Probe works.

PREPARED BY
Example Ventures

DATE
31 October 2026

ROUND
EUR 6M

RECOMMENDATION OF THE ANALYSIS
Decline

SCORE
2.9 / 5

This is the recommendation of the analysis. The decision rests with the fund.

Level 2: interviews, documents and cross-checks with the startup. It rests on what the people of the startup answered and on the documents read, next to the desk research. Reached: interviews 6 · group exercises 15 · surveys 13 · data requests answered 5 · documents read 13. Weights for Seed.

CONFIDENTIAL

AT A GLANCE

Decline 2.9 / 5 Fund threshold 3.5

Kestrel Orbital, based in Italy, is developing a spacecraft that would dock with commercial geostationary satellites, refuel them and extend their working life; nothing has flown yet.

FUND PORTFOLIO

Possible substantial overlap with Quillon Ground Systems, a company of the fund portfolio. Quillon sells cloud ground-segment and mission-control software to satellite operators, and Kestrel Ops is a mission-control and ground-segment software product for the same operators, licensed separately from 2029. The overlap is in that software line, not in the core servicing vehicle.

THE DECISION AND WHY

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1. Cash lasts about 10.2 months at current burn rather than the deck's 18 months, the seed has no lead, and the demonstration mission has never been costed.
2. The refuelling edge is contradicted: Northrop's MRV launched with refuelling capability in July 2026, and better-funded rivals fly one to two years earlier.
3. Technical proof is bench-only with a simulant fluid, and the only paying customer could not be verified independently.

THREE REASONS TO INVEST

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1. The founding team covers the core technical and commercial jobs with relevant experience. The CEO saw the problem first-hand at a satellite operator, the CTO has a doctorate and research career in rendezvous and guidance, the mission lead ran integration, test and safety reviews at Valtorre Aerospace, and the head of propulsion has a long background on geostationary platforms.[59,60,62,63]
2. Operators do pay for GEO life extension: Intelsat ordered a mission from Starfish Space and SES signed with Infinite Orbits. Kestrel has a signed, partly paid EUR 380,000 feasibility study and an awarded EUR 1.2 million public grant, of which EUR 480,000 has been received.[25,39,52,64,65,66]
3. The founders disclosed their own weak points openly: simulant-only transfer tests, a modelled life-extension figure, an unsigned launch slot and bench access, and a realistic runway far below the deck's. That candour would make diligence and a restructured plan workable.[25,48,68,69]

THE DEAL

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ROUND SIZE	INSTRUMENT	PRE-MONEY	POST-MONEY
EUR 6M[1]	priced round	EUR 18M[2]	EUR 24M pre-money plus the round
VALUATION CAP	**FUND'S INDICATIVE TICKET**	**OWNERSHIP THE TICKET BUYS**	**RUNWAY AFTER THE ROUND**
not stated	EUR 2.5M - 6M	10.42% - 25% ticket divided by post-money	35.5 months[3] recomputed from the documents

RETURN ON THE FUND

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To return 25% of the fund the company must reach an exit of EUR 416.67M (ownership at exit 6%).

UNDER THE FUND'S STRESS 27.5 months of cash, cash out 15 January 2029; Ground docking tests completed on the partner university laboratory bench: reached before the cash runs out

THE MAIN RISKS

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Seed stalls and cash runs out before the flight

→ A month-by-month cash plan, a costed mission budget and a funded fallback before closing.

LIKELIHOOD HIGH IMPACT HIGH

Licence and launch slot not secured in 2027

→ A named licence owner with a dated filing plan and a signed reservation with slip terms.

LIKELIHOOD HIGH IMPACT HIGH

Deck figures do not match the cash position

→ Restate runway on cash and burn and reconcile the revenue plan line by line.

LIKELIHOOD HIGH IMPACT HIGH

ASSESSMENT BY CRITERION

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Team	Problem and market	Product and differentiation	Traction	Fit with our thesis
3/5	3/5	2/5	3/5	4/5

THE ROUND IN FIGURES

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AMOUNT SOUGHT	PRE-MONEY VALUATION	USE OF FUNDS	CASH ON HAND	RUNWAY
EUR 6 million	EUR 18 million	45 percent demonstrator build and launch, 25 percent team, 15 percent licences and insurance, 15 percent operations	EUR 2.4 million	18 months (deck); 10.2 months computed
STATED	STATED	STATED	STATED	STATED

TEAM COVERAGE

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Nobody owns the flight licence, the ITU filings, insurance or the export classification of the valves and thrusters, and all of them gate the launch. The mission lead's Valtorre non-compete runs to June 2027 with no legal reading, the CEO declined to share her separation agreement, and ownership of the CTO's docking algorithms is unconfirmed.

Giulia Ferrante, Unnamed satellite operator (nine years in commercial development) NOT PROVEN

Lukas Brenner, University of his doctorate in spacecraft guidance and rendezvous (not named) NOT PROVEN

Davide Orsini, Valtorre Aerospace APPLIES

ROOM TO MANOEUVRE

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Kestrel must choose between staying an end-to-end servicer, which needs a fully funded demonstration well beyond this seed and binding operator commitments, and becoming a specialist supplier of propellant transfer to servicers that already fly. The answer depends on the true mission cost and on whether its method works on satellites without dedicated ports.

THE NUMBERS ON ONE TIMELINE

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Runway recomputed from cash and burn: 10.2 months, cash ends 2027-08-05 (stated in the deck: 18.0, differs from the recomputed runway). Timeline of the numbers and roadmap: see Financials and figures.

TO ASK ON THE CALL

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1. Can you walk us through the month-by-month cash plan from the end of September 2026, with and without the seed, and which runway figure we should plan on?
2. What is the total cost of the demonstration mission through launch, how much of it does the round cover, and where does the rest come from?
3. If the seed closes six months late or smaller, or the launch slips, what do you cut first, and which grant milestones release the remaining EUR 720,000 and when?
4. Can you arrange a call with Meridian Orbit Networks and share the contract, payment records, the letters of intent and the documents on the extensions?
5. Why would an operator wait for you rather than sign with a servicer that flies one to two years earlier, and what would a better-funded rival find hardest to copy?

Investment thesis

1 The team brings relevant, task-specific experience. The CEO watched an operator park an ageing satellite because no top-up existed, the CTO's docking guidance comes from his own proximity-operations research, the mission lead ran integration, test planning and safety reviews at Valtorre Aerospace, and the head of propulsion joined from chemical and electric propulsion work on geostationary platforms. The founders are full time.[6,10,15,59,60,61,62,63]

2 Demand for GEO life extension is real: Intelsat ordered a mission from Starfish Space and SES signed with Infinite Orbits. Kestrel has early paid validation of its own, the signed EUR 380,000 Meridian study, and an awarded EUR 1.2 million public grant for the demonstration.[39,52,64,65,66,67]

3 The founders flagged their own weak points before diligence found them: the simulant-only tests, the modelled life figure, the unsigned launch and bench arrangements, the unowned regulatory work and the realistic runway. There may also be a narrow opening: refuelling satellites that lack a dedicated refuelling port, which interface-dependent approaches do not serve, or supplying transfer technology to thrust-only servicers. Neither is evidenced yet.[25,40,41,48,68,69]

WHAT THE COMPANY MUST PROVE BEFORE THE NEXT ROUND

- A costed budget for the demonstration mission that shows the seed plus the remaining grant reaches the launch with a reserve, or a credible plan for the gap.[29,38,73,89]
- A named owner and a dated plan for the flight licence, ITU filings and export classification, and a signed launch reservation in 2027.[50,69,90,98,99]
- Propellant transfer tested with real propellant, including thermal vacuum cycling of the valve assembly, with written pass criteria.[47,95,96]
- At least one binding, named operator commitment for the service, with evidence that operators will pay for refuelling rather than dock-and-thrust extension.[32,57,97,243]
- Clean ownership of the core IP and a corrected cap table that resolves the stake of the departed founder and sets founder vesting.[42,44,85,107]

WHAT WOULD CHANGE IT

The view would move towards investing if the company produced a costed mission budget showing that the seed and the remaining grant reach the launch with a reserve, a reference call with Meridian Orbit Networks backed by the contract and

> payment records, and evidence that its method can refuel satellites without dedicated ports and that operators would pay more for it than for dock-and-thrust extension. A credible move to supply propellant transfer to servicers that already have customers and launches would also open a lower-capital path. Signed IP assignments, a written legal view or waiver on the mission lead's non-compete, and a corrected cap table with a plan for the departed founder's stake are preconditions in any case. The view would harden if the ten-month runway is confirmed with no bridge plan, if no customer can be put in contact, or if the founders keep presenting refuelling as unique.[37,38,39,40,41,42,43,44]

This is the recommendation of the analysis. The decision rests with the fund.

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The full memo continues for another 108 pages: the recommendation in full, the team, the figures checked one by one, the market and the competitors, price and terms, the interviews and every source.

To walk through it with us: connect@ks-agents.com
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