

ABOUT ARETE CAPITAL ASIA

Arete Capital Asia is a boutique financial advisory firm based in Hong Kong. Our three Responsible Officers each have over 25+ years experience in international financial markets.

We are truly independent advisers - this means we offer advice based on the best solutions available and we are able to source a few opportunities that will never be shown by global banks. The Arete Team digs deep and push boundaries to uncover and offer compelling risk / reward opportunities for our clients.

ABOUT SPACEX

Founded in June 2002, SpaceX is the designer and manufacturer of aerospace and space transport services intended to reduce space transportation costs. The company launches cargo resupply missions, enabling the space industry with reusable launch vehicles capable of carrying humans to Mars and other destinations in the solar system.

COMPANY HIGHLIGHTS

- Current annual revenue c. USD 3bn range mostly based on launches for private companies and governments
- Over 100 launches which represents about USD 12 billion in contract revenue. (comm'cl & US government)
- Plans Starlink Internet provider to target revenues is USD 30bn+ range after build out within 4 - 7 years.
- Company valuation reached USD 36.1B in May 2020
- Targets to get humans to and colonize Mars by 2024
- Huge cost reductions via successful reusable launch program to retrieve rockets back to earth and manufacturing 85% of their own parts
- **Notable customers include: Gov't US Military, German Military, Kazakh, , NASA, Intl Space Station, Satellite companies: SES, Thaicom, AsiaSat, Iridium, Intelsat, ABS, Eutelsat, Spacecom, etc**

FINANCIALS

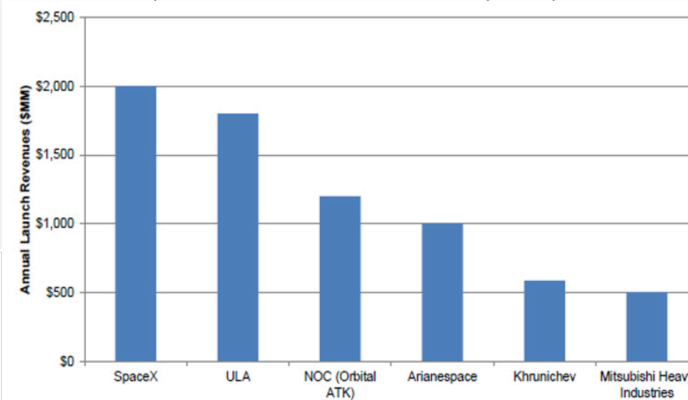
	2014	2015	2016	2017	2018
Annual Revenue (USD)	1.05B	0.95B	1B	1.3B	2.02B
Launches per year	6	7	9	18	21

Source: United Traders, <https://bit.ly/37mBFMY>

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Vehicle	Operator	Years of operation	Maximum crew capacity	Spacecraft development costs, 2019 \$m	Cost per seat to low-Earth orbit 2019 \$m
Mercury	NASA	1961-63	1	2,660	142
Gemini	NASA	1964-66	2	7,590	117
Apollo CSM	NASA	1968-75	3	30,890	390
Soyuz	Various	1967-	3	not known	80-90*
Space shuttle	NASA	1981-2011*	7	27,400	170
Crew Dragon	SpaceX	2020-	7	1,730	55
Starliner	Boeing	2021 ¹	7	2,800	90
Orion	NASA	2021 ¹	6	23,662	291

Cost of crewed spaced vehicle. Sources: NASA, Planetary Society, Economist



Annual launch revenues highest for US competitors in 2018. Source: CNBC

INVESTMENT PARTICULARS

Issuer	SpaceX
Type of Purchase	Primary or Secondary
Type of Security	Preferred or Common Shares
Purchase Valuation	c. USD 38bn
Last Funding Round	c. USD 36bn post money
Potential First Exit	c. 3 yrs or so for partial exit, (Starlink)
Deal Timing	Closing July 2020

EXECUTIVES

ELON MUSK, Co-Founder, CEO, CTO

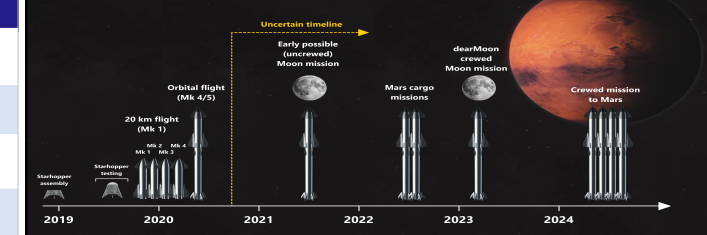
Elon Musk is a South African entrepreneur known for founding Tesla Motors and SpaceX. He also founded X.com which later became PayPal. He attended Queen's University in 1989 and entered the University of Pennsylvania in and graduated with an undergraduate degree in economics in 1992.



SPACEX RECENT FUNDINGS

Year	USD raised	Post-money Valuation	Investors
2020	346M	USD 36.1B	Vika Ventures, Pegasus Tech, Space Angels
2019	3M		NASA (Grant)
2019	1.087B	USD 34.1B	Founders Fund, Baillie Gifford, FoundersX, Gigafund etc.
2018	214M	USD 24.7B	Fidelity, TH Capital, Otter Rock Capital etc.
2017	452.3M	USD 21.3M	ACE & Company, Ecosystem Ventures etc.

SpaceX Starship Timeline October 2019



HELPFUL LINKS

Why SpaceX is Building Starlink

<https://bit.ly/2XX9DVz>

How Does SpaceX Make Money?

<https://bit.ly/2YtllR7>

Key SpaceX Personnel: COO Gwynne Shotwell

<https://bit.ly/2B0dKak>