

February Financing Highlights

February 15 – **Avanti Communications Group plc** secured an extension of its super senior facility to January 31, 2022 and its 1.25/1.5 lien credit facility to July 31, 2022, along with a new capital injection of \$30m from existing junior lenders.

February 26 – The **Government of Indonesia** announced that it secured \$545m in project financing – including \$431m in debt from a group of international banks and export credit agencies – for the all-electric, 150 Gbps / 5G digital processor High Throughput **SATRIA-1** satellite, which will be manufactured by **Thales Alenia Space** and launched by **Space Exploration Technologies Corp.** The project is a public-private partnership between the Indonesian government and established satellite operator **PT Pasifik Satelit Nusantara**.

February Investment Activity

February 2 – **Omnispace, LLC** raised \$60m in equity funding from a group of investors led by **Fortress Investment Group LLC** to finance continued development of a hybrid space and ground network designed to provide 5G IoT services.

February 8 – Multi-beam broadband terminal startup **Isotropic Systems Ltd.** raised over \$40m through a British government grant and equity investments from a group led by **SES S.A.**

February 16 – **Axiom Space, Inc.** raised \$130m in a Series B funding round from an investor group led by **C5 Capital Ltd.** to support development of its planned commercial space station.

February 18 – **Telesat** received CA\$400m, split between a preferred stock investment and a loan, for its planned **Lightspeed** LEO constellation, from the government of **Québec** in exchange for a commitment to invest CA\$1.6b in Québec through Lightspeed manufacturing and operations facilities.

February 23 – **Space Exploration Technologies Corp.** confirmed that it raised \$850m at a price per share of \$419.99 in a new equity funding round, taking its valuation to \$74b.

February 25 – **Stoke Space Technologies, Inc.**, a startup working to develop a fully reusable launch vehicle, raised \$9.1m in seed funding from an investor group led by **NFX Capital Management** and **MaC Venture Capital Management**.

Intelsat Files Plan of Reorganization

On February 12, **Intelsat S.A.**, which commenced a Chapter 11 bankruptcy restructuring process in May 2020, announced that it filed a Plan of Reorganization with the U.S. Bankruptcy Court for the Eastern District of Virginia pursuant to which the company would be able to reduce its debt from \$15b to \$7b.

More Space Companies Announce SPAC Deals

February 2 – **Astra Space, Inc.**, a developer of small launch vehicles established in 2016, announced that it will merge with special purpose acquisition company (SPAC) **Holicity Inc.**, following which it will be publicly traded on the **Nasdaq** stock exchange. The deal is expected to raise up to \$500m in cash proceeds and boost the company's valuation to \$2.1b.

February 18 – Earth observation company **BlackSky Holdings Inc.** announced that it will merge with SPAC **Osprey Technology Acquisition Corp.** The transaction, which is expected to produce \$450m in net proceeds and a \$1.5b valuation, will result in the company becoming publicly listed on the **New York Stock Exchange**.

February M&A Transactions

February 1 – **General Atomics** announced that it will acquire satellite systems developer **Tiger Innovations, Inc.**

February 23 – **Redwire**, a portfolio company of **AE Industrial Partners LP**, announced that it acquired California-based **Deployable Space Systems, Inc.**, a supplier of deployable solar arrays and other space infrastructure.

February 25 – **AT&T Inc.** (AT&T) announced that it entered into a transaction with **TPG Capital, L.P.** to spin off its U.S. video business unit consisting of **DIRECTV**, **AT&T TV** and **U-verse** into a new company named **DirectTV**. The transaction, which values the business unit at \$16.3b, is expected to produce \$7.6b in cash proceeds for AT&T.

SpaceX Performs Two Starlink Launch Missions

On February 4, **Space Exploration Technologies Corp.** (SpaceX) successfully launched 60 **Starlink** satellites on a **Falcon 9** launch vehicle and recovered the launch vehicle's first stage on its **Just Read the Instructions** droneship. On February 15, SpaceX launched another 60 Starlink satellites on a Falcon 9 but failed to recover the launch vehicle's first stage, ending its streak of 24 consecutive successes.

Telesat Selects Thales for Lightspeed Constellation

On February 9, **Telesat** announced that it selected **Thales Alenia Space** as the prime contractor to manufacture the initial 298 satellites, and integrate the end-to-end network performance, for its **Lightspeed** LEO broadband constellation, intended to serve the enterprise market. The \$3b contract is the primary cost component of an overall \$5b investment in Lightspeed. Telesat expects the first Lightspeed satellites to be launched in roughly two years.

To learn about Milbank's Space Business Practice, or view previous issues of the Space Business Review, please visit www.milbank.com.

The information contained herein is provided for informational purposes only and should not be construed as legal advice on any subject matter. Recipients of this publication should not take or refrain from taking any action based upon content included herein. If you do not wish to receive this newsletter, please send an e-mail to MilbankSBG@milbank.com with the word "unsubscribe" in the subject line.

© 2021 Milbank LLP