Sources and Methods

Sargasso Capital Management · Companion to Project Kepler Report · Nov 9, 2026

Factual as-of: source cards and filings through Nov 6, 2026 ET; driver model and prize table as of Nov 7, 2026 ET; primary gap check Nov 7, 2026 01:36 ET America/New_York

This companion holds the numbered notes and calculation appendices for the main report.

Main report: projectkepler.co/Project_Kepler_Report.pdf

Appendix A. Source entries

Source cards with short labels. Full URLs are links.

A1. Tesla Form 10-Q (Q3 2026)

Issuer: Tesla, Inc. · **Filed:** Oct 22, 2026
Used for: Cash flow, debt, related parties, China revenue, committee
Link: Tesla Q3 2026 Form 10-Q

A2. Tesla credit agreements (Exhibits 10.1–10.3)

Issuer: Tesla, Inc. · **Dated:** Sep 29, 2026
Used for: Ratings Requirement, Specified Merger
Link: Exhibit 10.1 family

A3. Tesla DEF 14A

Issuer: Tesla, Inc. · **Filed:** Oct 19, 2026
Used for: Record date, directors, ownership, awards, Voting Agreement
Link: Tesla DEF 14A

A4. Tesla Certificate of Formation (Exhibit 3.1)

Issuer: Tesla, Inc. · **Filing:** 2024
Used for: Vote standard, Art. IV 4.3(a)
Link: Exhibit 3.1

A5. SpaceX Form 10-Q (Q3 2026)

Issuer: Space Exploration Technologies Corp. · **Filed:** Oct 22, 2026
Used for: Cash flow, segments, debt, related parties, share counts, committee
Link: SpaceX Q3 2026 Form 10-Q

A6. SpaceX Prospectus (Form 424B4)

Issuer: Space Exploration Technologies Corp. · **Filed:** Jun 12, 2026
Used for: Board, lock-up schedule, Terafab framework, awards, capital stock
Link: SpaceX 424B4

A7. SpaceX Restated Certificate (Form 8-K Exhibit 3.1)

Issuer: Space Exploration Technologies Corp. · **Filed:** Jun 15, 2026
Used for: Class B vote and equal treatment
Link: Exhibit 3.1 8-K

A8. SpaceX Q3 2026 webcast transcript

Issuer: Space Exploration Technologies Corp. · **Date:** Oct 20, 2026 · **Used for:** Musk statements; 1.7 GW nameplate compute · **Link:** Webcast transcript PDF

A9. Nasdaq historical quotes

Issuer: Nasdaq · **Window:** Oct 12 to Oct 28, 2026
Used for: Closing prices and ratios
Link: TSLA historical

Session closes used for §5 Oct20→28 ratio moves: Oct 20 TSLA 373.71 / SPCX 147.79; Oct 28 TSLA 404.22 / SPCX 145.23 (see B1).

A10. SEC Form 13F data sets

Issuer: U.S. SEC · **Period:** Jun 30, 2026
Used for: Holder groups
Link: Form 13F data sets

A11. Texas Governor Grimes County release

Issuer: Office of the Texas Governor · **Date:** Aug 6, 2026
Used for: Terafab first phase
Link: Governor Abbott announcement

A12. Elon Musk posts on X

Author: Elon Musk · **Dates:** Mar 21, Jul 11, Aug 6 and Oct 15, 2026
Used for: Terafab and model statements
Link: x.com/elonmusk

Appendix B. Methods and Recomputations

Deployment speed and model boundary. The ownership case proposes faster decisions across chips, power, cooling, spacecraft and launch. No measured schedule gain or separate speed valuation is added. The existing model already includes revenue-time acceleration assumptions. Adding a separate speed prize could double count their effect. Model values are conditional, not a proven floor. A two-owner agreement may match the proposed decision speed, and technical bottlenecks and integration costs remain. The joint removal of modeled ownership advantages can leave value near zero.

B1. Exchange ratio. Recommended Tesla-led form. Tesla shares per SpaceX share $r_T = (P_S / P_T) \times (1 + p)$, with p a premium to SpaceX. At the Oct 20, 2026 closes $r_T = 147.79 / 373.71 = 0.3955$ at $p = 0$. New Tesla shares $N_T = r_T$ x (S − 18,990,195 + 261,800,000), cancelling Tesla's SPCX shares and converting the 261.8M SpaceX Class A shares committed to EchoStar, = 0.39547 × 13,823.9M = 5,466.9M, about 5,467M, for 3,952.7M + 5,466.9M = 9,419.6M shares. Musk 2,584.6M / 9,419.6M = 27.4% for Musk earned holdings on

the issued-share base and 3,523.2M / 9,419.6M = 37.4% for all-award holdings on that same issued-share base. SpaceX-led contrast. r = (P_T / P_S) × (1 + p), where P_T and P_S are the TSLA and SPCX closes and p is a premium. At the Oct 20, 2026 closes r = 373.71 / 147.79 = 2.5287 at p = 0, and 3.1608, 3.2873 and 3.4137 at 25%, 30% and 35%. At the Oct 22 closes 374.58 / 144.75 = 2.5878. New SPCX shares N = T x r, with T = 3,952,730,153 Tesla shares (Oct 13 record date). N is about 9,995M at p = 0. Tesla holders' share of the combined company equals N / (S + N), with S = 13,581,063,709 SpaceX shares (Oct 15 count).

Oct 28, 2026 closes (Nasdaq session): TSLA $404.22, SPCX $145.23 (monitor raw secondaryData / next-morning hist). SPCX-per-TSLA P_T/P_S = 2.7833; Tesla-per-SPCX P_S/P_T = 0.3593 (vs Oct 20: 2.5287 / 0.3955). Oct 20→28: SPCX-per-TSLA +10.07%; reciprocal Tesla-per-SPCX −9.15% (= −f/(1+f)); observed ratio moves, not an agreed premium.

B2. Breakeven synergy and value transfer. SpaceX holders are whole if (V_S + V_T + Syn) / (S + N) is at least P_S, where V_S = S × P_S and V_T = T × P_T. Substituting N = T x r gives Syn at least p × V_T. With V_T = 3,952.730M × 373.71 = $1,477.2B, the breakeven is $369.3B, $443.2B and $517.0B at 25%, 30% and 35%. Excluding the 423,743,904 Unearned Shares (3,529.0M shares) gives $329.7B, $395.6B and $461.6B. Transfer before synergy = [N / (S + N)] × (V_S + V_T) − V_T. At 30% on Oct 20 values the transfer at market prices is $226.3B with Tesla-held SPCX shares cancelled and $226.5B with them not cancelled. The two-stake split at 30% uses consistent bases only. Award shares counted as his on both sides, 0.447 × 226.5 = $101.2B borne through SpaceX and 0.2842 × 226.5 = $64.4B returned through Tesla, 44.7 and 28.4 cents per dollar transferred, a returned share of 63.6% at every premium, on unrounded inputs. Award shares excluded on both sides, 38.8 and 19.8 cents, a returned share of 51.1%. No dollar figures on this basis, since exclusion changes both market values and the transfer. Per dollar of gross premium (0.30 × 1,477.2 = $443.2B) the first pair is 101.2 / 443.2 = 22.8 cents and 64.4 / 443.2 = 14.5 cents. Tesla-led premium transfer and recovery hurdle (recommended structure). Distinguish bases: the control-case issuance in B1 uses N_T = r_T × (S − 18,990,195 + 261,800,000) (EchoStar Class A conversion added). The premium-transfer case does not add that 261.8M; it uses S_deal = S − 18,990,195 only (EchoStar incremental issue excluded; Tesla-held SPCX cancelled). Printed inputs: P_S = 147.79, P_T = 373.71, T = 3,952,730,153, S = 13,581,063,709. V_S = S_deal × P_S ≈ $2,004.339B; V_T = T × P_T ≈ $1,477.175B; V_comb = V_T + V_S. r_T = (P_S / P_T) × (1 + p); N = r_T × S_deal. Syn (hurdle) = p × V_S. Transfer before synergy = [N / (T + N)] × V_comb − V_S. At 10%, 20% and 25%: Syn = $200.434B, $400.868B and $501.085B; transfer = $80.413B, $152.523B and $185.856B (Section 7 rounded lines). The SpaceX-led worked example above remains the contrast case.

B3. Vote math. Required Yes votes Y = 1,976,365,077 (a majority of 3,952,730,153). Musk M = 699,580,882. Unearned Shares U = 423,743,904. Other shares O = 2,829,405,367. Turnout t of O. Assumption U0 (Unearned Shares cast no Yes votes), required Yes share among voting others = (Y − M) / (t × O) with Musk for and Y / (t × O) against. Assumption U1 (Unearned Shares follow the proportion of other shares present, the Voting Agreement read literally), let P = t × O + M be shares present excluding U. The required share is [Y × P / (P + U) − M] / (t × O) with Musk for and [Y × P / (P + U)] / (t × O) against. Assumption U2 (the award's change-in-control forfeiture applies). U leaves the count, Y = 1,764,493,125 (a majority of 3,528,986,249), and with Musk for the required Yes votes from others are 1,764,493,125 − 699,580,882 = 1,064,912,243. The required share among voting others is (Y_U2 − M) / (t × O) with Musk for and Y_U2 / (t × O) against, with Y_U2 = 1,764,493,125: 62.7%, 53.8% and 47.0% with Musk for at 60%, 70% and 80% turnout, and 37.6% only at 100%.

B4. Free cash flow. Operating cash flow − purchases of property, plant and equipment as reported. SpaceX $13,097M − $48,069M = −$34,972M. Tesla $14,897M − $13,014M = $1,883M. Combined −$33,089M. Tesla Q3 capital spending $13,014M − six-month $8,282M = $4,732M. SpaceX Q3 free cash flow $9,631M − $19,593M = −$9,962M, and the full year if Q4 repeats Q3 is −$34,972M + (−$9,962M) = −$44,934M. Tesla Q3 $6,263M − $4,732M = $1,531M, combined Q3 −$8,431M, and the combined full year if Q4 repeats Q3 is −$33,089M + (−$8,431M) = −$41,520M. Four times combined Q3 is about −$33.7B, which is why the figure is not a run rate. Combined nine-month operating cash flow $13,097M + $14,897M = $27,994M, shown as $28.0B, and $27,994M × 4/3 = $37,325M, shown as $37.3B annualized. Combined gross cash and investments $45,447M + $89,855M = $135,302M, debt and finance leases $9,540M + $38,989M = $48,529M, net cash $135,302M − $48,529M = $86,773M, shown as $86.8B.

B5. Pro forma control. Votes = Class A × 1 + Class B × 10, with SpaceX Class B retained and Tesla holders receiving Class A. Three Unearned Shares bases (B1 excluded from both parts, B2 in the denominator only, B3 counted with Musk), premiums of 0% to 35%, four ratio dates (Oct 20, Oct 22, Oct 26 and Oct 27), options not exercised, give Musk 73.0% to 78.1% of combined votes (B1 74.5% to 77.7%), about 75% to 79% with Musk's 350,000,000 SpaceX Class B options (exercise price $8.3998) exercised. Economic share 36.2% to 37.8% of issued shares, 29.0% to 30.8% on earned shares only. Tesla-led bases, EchoStar shares included. Musk earned holdings on the issued-share base on both sides, 27.4% (2,584.6M of 9,419.6M). Also excluding Tesla's Unearned Shares from the count, 28.7% (of 8,995.8M). Excluding both companies' unvested awards, 30.9%. All awards on both sides, 37.4% (3,523.2M of 9,419.6M). The 27.4% and 37.4% Tesla-led figures are conditional award-treatment scenarios on the fixed issued-share denominator, not current discretionary voting rights or agreed merger award treatment. Under the archived Voting Agreement, Unearned Shares of the 2025 CEO Performance Award are voted proportionately by irrevocable proxy; as of the Oct 19, 2026 DEF 14A date none of the 12 tranches were Earned Shares. SpaceX-led 73.0% to 78.1% is the modeled range across the premiums, dates and award bases above (options not exercised), not a single midpoint case. A mixed figure of 33.3%, which counts his unvested SpaceX shares while leaving out his unearned Tesla shares, treats the awards inconsistently and is not used.

B6. Illustrative award tranche sensitivity. Tranche 1 of the Tesla 2025 award needs a $2.0T market capitalization, about 35.4% above Tesla's Oct 20 value of $1,477.2B. At an assumed Tesla-equivalent price of $505.98, one equal tranche of 35,311,992 shares has an illustrative value of about $6.07B after the $334.09 offset, before taxes and other effects. This is a conditional price sensitivity only — not a finding that the tranche would vest or be retained in a merger. Operational milestones, measurement-period rules, service and hold conditions, and change-in-control treatment under the archived award terms must be satisfied or modeled separately; as of the Oct 19, 2026 DEF 14A date none of the 12 tranches were Earned Shares. A separately computed net two-stake transfer cost to Musk of about $42.6B before any tranche (about $117.0B borne through SpaceX − about $74.4B recovered through Tesla, 16.3 cents per dollar transferred, on a $261.7B transfer at Oct 20 values) is shown only as that transfer-cost basis; this appendix does not net an automatic tranche offset against it.

B7. Combined capital spending, nine months to Sep 30, 2026. Purchases of property, plant and equipment as reported in the cash-flow statements. SpaceX $48,069M plus Tesla $13,014M = $61,083M, shown as $61.1 billion. SpaceX SI segment capital spending $39,995M , shown as $40.0 billion, equal to 39,995 / 48,069 = 83.2% of SpaceX's total and 39,995 / 13,014 = 3.1 times Tesla's total.

B8. Capital allocation context. This report does not publish a component savings bridge or a capitalized savings multiple. Filed bases retained for context only. SpaceX SI segment capital expenditures $39,995 million in the nine months to Sep 30, 2026 (SpaceX Form 10-Q Note 18), about $53.3 billion at four thirds.

Combined nine-month PP&E purchases $61,083 million, about $81.4 billion annualized. SpaceX debt and finance leases $39.0 billion at Sep 30, 2026, including about $12.9 billion owed to Valor Equity Partners. Combined equity at the locked Oct 20, 2026 closes is about $3.48 trillion.

Breakeven cover. A Tesla-led premium p to SpaceX needs Syn = p × V_S, with V_S at Oct 20 closes net of Tesla's 18,990,195 SPCX shares, about $2,004 billion. At 0%, $0. At 10%, $200.4 billion. At 15%, 0.15 × $2,004 billion = $300.6 billion.

Notes

Numbered notes follow in citation order used by the main report.

[1] Tesla Q3 2026 earnings call, Oct 21, 2026. Secondary-attributed paraphrase (third-party transcripts; company YouTube recording not text-certified in this report): Musk said Tesla and SpaceX still needed to determine how to split Terafab costs. Company recording: https://www.youtube.com/watch?v=tFezqXBF-gw . The prospectus who-pays / cost-split open point is carried by [3].

[2] Space Exploration Technologies Corp., Q3 2026 webcast, company-published edited transcript, question and answer section, Oct 20, 2026. Primary citation for SpaceX's 1.7 GW nameplate compute figure as stated on the webcast. https://s21.q4cdn.com/184289198/files/content_files/SpaceX-Third-Quarter-2026-Webcast-Transcript.pdf ; recording https://www.youtube.com/watch?v=xetd5bxGPe4 . Retrieved Oct 23, 2026.

[3] Space Exploration Technologies Corp., Prospectus (Form 424B4), filed Jun 12, 2026, Prospectus Summary, Our Strategy, page 7, and Glossary of Terms. https://www.sec.gov/Archives/edgar/data/1181412/000162828026042639/spaceexplorationtechnologi.htm . Retrieved Oct 23, 2026.

[4] Elon Musk, reply posted on X, Aug 6, 2026. https://x.com/elonmusk/status/2085390631690555400 . Musk estimate of Terafab AI compute split only; not an executed offtake contract. Retrieved Oct 23, 2026.

[5] Tesla, Inc., Exhibits 10.1, 10.2 and 10.3 to Form 10-Q for Q3 2026 (five-year revolver $8B; 364-day revolver $2B; delayed-draw term loan $20B), dated Sep 29, 2026. Merger-path definitions and Section 6.03 Permitted Borrower Merger language compared across the three; Ratings Requirement needs IG from at least two of Moody's/S&P/Fitch. Letter ratings checked as of Nov 9, 2026 (see [33] to [36]). Retrieved Oct 23, 2026; companion-facility read updated Nov 6, 2026.

[6] Tesla, Inc., Form 8-K dated Nov 6, 2025, filed Nov 7, 2025, Item 5.07 (Proposal 10, repeal of the 3% derivative suit ownership threshold, not approved, with 611,152,245 for, 1,821,038,859 against, 37,213,472 abstained), https://www.sec.gov/Archives/edgar/data/1318605/000110465925108507/tm2530590d1_8k.htm ; Exhibit 10.2, 2025 CEO Performance Award Agreement (Part IV, Determination of Earned Shares upon Change in Control; Terms and Conditions section 1.6, Change in Control), https://www.sec.gov/Archives/edgar/data/1318605/000110465925108507/tm2530590d1_ex10-2.htm ; Exhibit 10.3, Voting Agreement dated Sep 3, 2025, section 1.1, https://www.sec.gov/Archives/edgar/data/1318605/000110465925108507/tm2530590d1_ex10-3.htm . Retrieved Oct 23, 2026. Calculation. 3% × 3,952,730,153 = 118,581,905 shares, about 118.6M. Proposal 7, the xAI advisory proposal, received 1,058,999,435 For, 916,321,296 Against and 473,073,200 Abstained. The 8-K states that abstentions counted against under the bylaw standard and the proposal was not approved. The September 15, 2025 record-date denominator of 3,325,150,886 shares comes from Tesla's DEF 14A filed September 17, 2025, https://

www.sec.gov/Archives/edgar/data/1318605/000110465925090866/tm252289-12_def14a.htm . Calculation: 1,058,999,435 / 3,325,150,886 = 31.8482%. The 50% line is an illustrative merger comparison, not that advisory proposal's approval standard.

[7] Elon Musk, post on X, Jan 15, 2024, https://x.com/elonmusk/status/1746999488252703098 . Exact text: "I am uncomfortable growing Tesla to be a leader in AI & robotics without having ~25% voting control. Enough to be influential, but not so much that I can't be overturned." Retrieved Nov 6, 2026.

[8] Space Exploration Technologies Corp., Form 10-Q for Q3 2026, cover page share counts at Oct 15, 2026, and Note on Common Stock, filed Oct 22, 2026. Standalone SpaceX voting math only (about 86.1% of SpaceX votes). Does not compute Tesla-led combined 27.4%/37.4% (see Appendix B1/B5) or premium-transfer dollars (see Appendix B2). https://www.sec.gov/Archives/edgar/data/1181412/000162828026066880/spcx-20260930.htm . Retrieved Oct 23, 2026. Calculation. (849,494,440 + 10 × 5,219,053,075) / 61,591,766,128 = 86.1%; (849.494M + 5,219.053M) / 13,581.064M = 44.7%; excluding 1,302.072M restricted Class B, 38.8%; 5,219,053,075 / 5,334,522,491 = 97.8%; 115,469,416 / 5,334,522,491 = 2.16%.

[9] Supplier-queue context for wafers, memory and packaging. TSMC 2Q26 earnings call transcript p. 10, https://investor.tsmc.com/english/encrypt/files/encrypt_file/reports/2026-08/3e494f0c14dd0890f897aa044415e21d93486cc4/TSMC%202Q26%20Transcript.pdf ; SK hynix newsroom, Q3 2026 business results, https://news.skhynix.com/en/q3-2026-business-results/ ; ASML Q3 2026 press release, https://www.sec.gov/Archives/edgar/data/937966/000162828026065813/pressreleasefinancialresul.htm . Retrieved Oct 28, 2026.

[10] Space Exploration Technologies Corp., Form 10-Q for Q3 2026, Note 18 (Segments) and MD&A Key Business Metrics, page 40, filed Oct 22, 2026. https://www.sec.gov/Archives/edgar/data/1181412/000162828026066880/spcx-20260930.htm . Retrieved Oct 23, 2026.

[11] Space Exploration Technologies Corp., Quarterly Report (Form 10-Q) for the quarter ended Sep 30, 2026, filed Oct 22, 2026, condensed consolidated statements of cash flows, concentration note, EchoStar note, and Note 17, Related Party Transactions (including Megapack PP&E and Valor disclosures). https://www.sec.gov/Archives/edgar/data/1181412/000162828026066880/spcx-20260930.htm . Retrieved Oct 23, 2026.

[12] Tesla, Inc., Quarterly Report (Form 10-Q) for the quarter ended Sep 30, 2026, filed Oct 22, 2026 (accepted Oct 21 evening ET), condensed consolidated statements of cash flows, revenue by geography, MD&A (overview, results of operations), investment note, and related-party transactions disclosures. https://www.sec.gov/Archives/edgar/data/1318605/000162828026066775/tsla-20260930.htm . Retrieved Oct 23, 2026.

[13] Tesla, Inc., Form 10-Q for Q3 2026, MD&A, Liquidity and Capital Resources, page 33, and Note 5, page 18, filed Oct 22, 2026. https://www.sec.gov/Archives/edgar/data/1318605/000162828026066775/tsla-20260930.htm . Retrieved Oct 23, 2026.

[14] Tesla, Inc., Form 10-Q for Q3 2026, Part II Item 5 (Other Information, Special Committee), filed Oct 22, 2026; SpaceX Form 10-Q for Q3 2026, MD&A, Evaluation of Potential Combination with Tesla, Inc. https://www.sec.gov/Archives/edgar/data/1318605/000162828026066775/tsla-20260930.htm ; https://www.sec.gov/Archives/edgar/data/1181412/000162828026066880/spcx-20260930.htm . Retrieved Oct 23, 2026.

[15] Space Exploration Technologies Corp., Form 10-Q for Q3 2026, MD&A, Evaluation of Potential Combination with Tesla, Inc., page 38, filed Oct 22, 2026. https://www.sec.gov/Archives/edgar/data/1181412/000162828026066880/spcx-20260930.htm . Retrieved Oct 23, 2026.

[16] Tesla, Inc., Q3 2026 Update (Exhibit 99.1 to Form 8-K filed Oct 21, 2026), Supporting Infrastructure and Outlook sections. https://assets-ir.tesla.com/tesla-contents/IR/TSLA-Q3-2026-Update.pdf . Retrieved Oct 23, 2026.

[17] Office of the Texas Governor, Governor Abbott Announces SpaceX Expansion in Grimes County, Aug 6, 2026. https://gov.texas.gov/news/post/governor-abbott-announces-spacex-expansion-in-grimes-county . Retrieved Oct 23, 2026.

[18] Tesla, Inc., Q3 2026 Update (Exhibit 99.1), p. 7, SI training compute (Cortex 1 >105 MW, Cortex 2 >120 MW, excludes 40 MW of other compute, 400 MW planned by end of 2026). Capacity, not utilization. https://www.sec.gov/Archives/edgar/data/1318605/000162828026066738/exhibit9914.htm ; https://assets-ir.tesla.com/tesla-contents/IR/TSLA-Q3-2026-Update.pdf . Retrieved Oct 28, 2026.

[19] Elon Musk, posts on X, Mar 21, 2026 (announcement and stated goal of about 80% of output for space). https://x.com/elonmusk/status/2035506574182199757 . Retrieved Oct 23, 2026.

[20] Advanced Micro Devices, Inc., Form 8-K, Dec 23, 2021 (about $2.1 billion of wafers from GF for 2022 through 2025, minimum capacity, pricing, purchase targets, modified 2022 to 2023 prepayments), https://www.sec.gov/Archives/edgar/data/2488/000000248821000205/amd-20211223.htm ; Exhibit 10.4, Amendment No. 7 (amended and restated) to the Wafer Supply Agreement of Mar 2, 2009, https://www.sec.gov/Archives/edgar/data/2488/000000248821000116/exh10_4amd-wsaamendment7ar.htm . Nine amending instruments, Apr 2011 to Dec 2021. Retrieved Oct 28, 2026.

[21] Advanced Micro Devices, Inc., Form 8-K, Mar 4, 2012, Item 1.01 (second amendment to the Wafer Supply Agreement; transfer of all GF capital stock owned by AMD; AMD no longer an owner of GF), https://www.sec.gov/Archives/edgar/data/2488/000119312512095406/d307146d8k.htm . Retrieved Oct 28, 2026.

[22] Space Exploration Technologies Corp., Form 10-Q for Q3 2026, condensed consolidated balance sheets and Note 9 (Debt), filed Oct 22, 2026. https://www.sec.gov/Archives/edgar/data/1181412/000162828026066880/spcx-20260930.htm . Retrieved Oct 23, 2026.

[23] Tesla, Inc., Form 10-Q for Q3 2026, condensed consolidated balance sheets and debt and finance leases table, filed Oct 22, 2026. https://www.sec.gov/Archives/edgar/data/1318605/000162828026066775/tsla-20260930.htm . Retrieved Oct 23, 2026. Calculation. 9,284 + 256 = 9,540; 17,853 + 27,594 = 45,447.

[24] Space Exploration Technologies Corp., Prospectus (Form 424B4) dated Jun 11, 2026, filed Jun 12, 2026, Management and Director Independence, pages 226 to 232. https://www.sec.gov/Archives/edgar/data/1181412/000162828026042639/spaceexplorationtechnologi.htm . Retrieved Oct 23, 2026.

[25] SEC Form 13F filings, period Jun 30, 2026, received through Oct 22, 2026. https://www.sec.gov/data-research/sec-markets-data/form-13f-data-sets ; https://www.sec.gov/Archives/edgar/full-index/2026/QTR4/form.idx . Retrieved Oct 23, 2026. Calculation. 1,687,586,464 / 3,952,730,153 = 42.69%; residual 100% − 42.69% − 17.70% − 10.72% = 28.89%. Family share recomputed Oct 27, 2026 from the Jun 30, 2026 13F extract of 4,258 filers by consolidating filer names: Vanguard entities 263,370,835 shares (6.66%), BlackRock 214,123,129 (5.42%), State Street 117,456,756 (2.97%), Geode 68,914,720 (1.74%), total 663,865,440 / 3,952,730,153 = 16.80%. Not tested for overlap between combination reports.

[26] Tesla, Inc., Current Report (Form 8-K), Item 5.07, filed Jun 14, 2024, https://www.sec.gov/Archives/edgar/data/1318605/000110465924071439/tm2413800d31_8k.htm ; record-date count from DEF 14A filed Apr 29, 2024. Calculation. Present equals Proposal 4 For, Against, Abstain and 335,111,943 broker non-votes, divided by 3,189,110,359. Retrieved Oct 23, 2026.

[27] Space Exploration Technologies Corp., Form 8-K (Item 5.02), Date of Report Nov 4, 2026, filed Nov 6, 2026, accession 0001628280-26-071689. https://www.sec.gov/Archives/edgar/data/1181412/000162828026071689/spcx-20261104.htm . Retrieved Nov 6, 2026. Board roster for this report: Tesla DEF 14A filed Oct 19, 2026 lists nine directors with zero Tesla Item 5.02 board changes after that date through the Nov 6, 2026 submissions check; SpaceX Item 5.02 after the Jun 17 Botha election is limited to this Harrison Class B resignation (no disagreement; no successor named).

[28] Space Exploration Technologies Corp., Current Report (Form 8-K), Item 5.02, event Jun 16, filed Jun 17, 2026. https://www.sec.gov/Archives/edgar/data/1181412/000162828026043865/spaceexplorationtechnologi.htm . Retrieved Oct 23, 2026.

[29] Tesla, Inc., Certificate of Formation, Article IV, Section 4.3(a), Exhibit 3.1 to the 2024 filing. https://www.sec.gov/Archives/edgar/data/1318605/000162828024032662/tsla-2024x06x30xex31.htm . The charter specifies a majority of outstanding shares entitled to vote, subject to its stated exceptions. Separately, this report proposes an additional deal-protection condition — not already law — requiring approval from holders of more than half of all outstanding unaffiliated Tesla shares entitled to vote, alongside that charter vote. That proposed outstanding-unaffiliated denominator is distinct from SolarCity's historical majority of votes cast excluding Excluded Tesla Parties ([30]) and from the xAI advisory / illustrative Exhibit 11 comparisons ([6]).

[30] Tesla, Inc., Form 8-K Item 5.07, Date of Report Nov 17, 2016, filed Nov 18, 2016, https://www.sec.gov/Archives/edgar/data/1318605/000119312516772291/d297885d8k.htm . Disinterested For 68,788,787 (~85.1% of votes cast excluding Excluded Tesla Parties). Retrieved Nov 6, 2026.

[31] Tesla Motors, Inc., Form 8-K, filed Nov 18, 2016, special meeting results, and Form 8-K (Item 2.01), filed Nov 21, 2016. https://www.sec.gov/Archives/edgar/data/1318605/000119312516772291/d297885d8k.htm ; https://www.sec.gov/Archives/edgar/data/1318605/000119312516773705/d292845d8k.htm . Retrieved Oct 23, 2026.

[32] In re Tesla Motors, Inc. Stockholder Litigation, Delaware Court of Chancery, post-trial opinion, Apr 27, 2022 (entire fairness assumed without deciding; process "far from perfect"; fair price), https://courts.delaware.gov/Opinions/Download.aspx?id=332290 ; Delaware Supreme Court, Jun 6, 2023, https://courts.delaware.gov/Opinions/Download.aspx?id=348500 ; Tesla, Inc. SolarCity litigation note, https://www.sec.gov/Archives/edgar/data/1318605/000162828023034847/R16.htm . Retrieved Oct 23, 2026.

[33] Moody's Investors Service affirmation of Tesla, Inc. at Baa3 with a stable outlook, Aug 1, 2025, as reported by Investing.com and Reuters. Used for Section 8 ratings block. Checked as of Nov 9, 2026.

[34] S&P Global Ratings affirmation of Tesla, Inc. at BBB with a stable outlook, March 2026, as reported by Cbonds. Used for Section 8 ratings block. Checked as of Nov 9, 2026.

[35] Fitch Ratings first-time rating of Tesla, Inc. at BBB with a stable outlook, Sep 21, 2026, as reported by Electric Vehicles, Benzinga and Barron's. Used for Section 8 ratings block. Checked as of Nov 9, 2026.

[36] First-time ratings of Space Exploration Technologies Corp. on Jun 18, 2026. Moody's Baa1, Fitch BBB+ and S&P BBB, each with a stable outlook, including Moody's governance comment on SpaceX's controlled structure and concentrated voting power, as reported by Euronews/Yahoo Finance and Bloomberg. Used for Section 8 ratings block and Section 9. Checked as of Nov 9, 2026.

[37] Barclays (Dan Levy) Tesla notes on a potential Tesla–SpaceX combination (~Oct 14/15 and Oct 26, 2026), as reported by Investing.com (Louis Juricic, Oct 15, 2026) and CNBC (Liz Napolitano, Oct 26, 2026). Secondary financial-press summaries; original Barclays client notes not obtained or reviewed for this report. Used only for the reported vertical-integration rationale; not for exchange-ratio, voting-power, premium-size, or synergy-dollar claims. https://www.investing.com/news/stock-market-news/teslaspacex-merger-could-be-announced-before-december-barclays-says-4951979 ; https://www.cnbc.com/2026/10/26/tesla-spacex-merger-barclays.html

[38] Piper Sandler (Alexander Potter) client note modeling a potential SpaceX–Tesla all-stock combination, as reported by Investing.com (Sam Boughedda, Nov 2, 2026). Secondary financial-press summary; original Piper Sandler client note not obtained or reviewed for this report. Used only for the reported view that a merger proposal is likelier than not and that modeling centers on premium, synergies and deal-risk discount; not used to claim quantified synergy, premium size, repricing percentages, or to endorse this report's speed or ownership thesis. https://www.investing.com/news/stock-market-news/analyst-models-potential-market-reaction-to-a-spacextesla-allstock-merger-4992217

Appendix M. Driver model — assumptions, anchors and falsifiers

Source of truth for Appendix M numbers in this report: driver-v059g-2026-11-07 (model/assumptions.json, scripts/compute_driver_v059.py, outputs prize_table_v059c.json). Primary Base excludes generic overhead. Figures below are rounded reader values from that run (107/107 integrity tests; tests are arithmetic integrity only, not economic validation of underwriting bands).

Method

Bottoms-up through 2030 for Tesla and SpaceX as separate companies, under an enforceable hard contract, and under a Tesla-surviving merger. Incremental merger value = merged FCF − max(separate FCF, hard-contract/JV FCF) **each year** on the same market path — not versus a single structure locked at announcement. That flexibility makes the benchmark demanding. SpaceX or Tesla stand-alone upside is not synergy.

Gordon terminal uses after-tax recurring lines only (revenue acceleration, recurring cost when underwritten, conditional financing). Avoided CapEx and integration are dated 2027–2030 present values only and are not carried into the terminal. Result is enterprise incremental present value (operating cash flow minus plant and equipment purchases), not post-funding equity value.

Primary merger phase-in: 2027 0.35 / 2028 0.70 / 2029–30 1.0. JV linear phase: (year−2026−lag)/3. Ablations that equalize capture, lag and financing while keeping the merger phase schedule leave a Base residual of about **$0.70 billion** that is entirely that phase asymmetry. The fair ablation (equal capture + equal lag + no unique financing + same linear phase) is about **$0** on Base and Low, and about **−$0.2 billion** on High. That zero is the arithmetic result of removing those privileges — not independent evidence for or against combination.

Filed anchors (actual unless noted)

Anchor	Value	Source
Tesla CFO 9M 2026	$14,897M	Tesla 10-Q Q3 2026 cash flow
Tesla CapEx 9M 2026	$13,014M	same
Tesla FCF 9M 2026	$1,883M	derived
SpaceX CFO 9M 2026	$13,097M	SpaceX 10-Q Q3 2026 cash flow
SpaceX CapEx 9M 2026	$48,069M	same
SpaceX FCF 9M 2026	−$34,972M	derived
Combined FCF 9M	−$33,089M	derived
Combined PP&E purchases 9M	$61,083M	derived; not a savings pool
SpaceX SI CapEx 9M	$39,995M	SpaceX 10-Q Note 18
Nameplate compute	1.7 GW	SpaceX Q3 2026 webcast [2]
SpaceX revenue Q3 / 9M	$14,575M / $27,083M	SpaceX 10-Q
Customer B	34.5% Q3 / 24.2% 9M of consolidated revenue	SpaceX 10-Q; ~$5.0B / $6.6B revenue, not cash
Backlog / deferred context	$62,959M / $17,520M	SpaceX 10-Q; not Customer-B-tagged
Megapack related-party	Tesla sales $626M; SpaceX purchases $480M	10-Qs; $146M gap unreconciled
Combined gross cash & investments	~$135.3B	10-Qs
Combined debt & finance leases	~$48.5B	10-Qs
Net cash	~$86.8B; after EchoStar up to $8.5B → ~$78.3B	derived
Annual cash-use stress	~$41.5B = 9M FCF −$33.1B + Q3-repeat Q4 −$8.4B	conditional stress; not 9M×4/3
Valor failed sale-leaseback	~$12.9B	SpaceX 10-Q Note 17
EchoStar Class A shares	261.8M	control denom includes; premium-transfer case excludes
Oct 20 closes	TSLA $373.71 / SPCX $147.79	locked valuation date
Zero-premium Musk votes (scenarios)	27.4% earned / 37.4% all-awards	conditional on issued-share base

Underwriting bands (labeled assumption)

Driver	Low	Base	High	Falsifier
Usable fraction of nameplate	55%	70%	85%	Observed energized/ nameplate below Low
Billable utilization	50%	65%	80%	Sustained utilization below Low
Rev / billable GW / year ($M)	8,000	12,000	18,000	Filed SI run-rate / billable GW outside band

Driver	Low	Base	High	Falsifier
CapEx / added usable GW ($M)	15,000	20,000	28,000	Observed marginal build cost outside band. Equals $15B / $20B / $28B per added usable GW (ILLUSTRATIVE)
SI cash margin	15%	28%	40%	Segment cash contribution outside band
Add usable GW 2027–30	0.4/0.5/0.5/0.4	0.8/1.0/1.2/1.0	1.2/1.5/1.8/1.5	Commissioned usable GW path misses band
Separate capture of shared-fleet benefit	0%	0%	5%	—
JV/hard-contract capture	15%	35%	55%	Published offtake fails to deliver capture
JV timing lag (years)	2.0	1.0	0.5	—
Merger capture	55%	80%	95%	Integration fails to realize capture
Shared-peak avoid % of incremental SI CapEx	8%	15%	22%	No measurable peak overlap in fleet plan
Revenue-acceleration fraction of SI YoY growth	0%	5%	12%	No ranking/timing gain vs two owners
Recurring opex synergy % (primary)	0%	0%	0%	Primary excludes generic overhead
Overhead-underwriting sensitivity opex %	0%	1%	2%	Labeled sensitivity only — not primary
Integration cost one-time ($M)	2,500	1,500	800	—
Conditional financing spread saving (bps)	0	50	100	No refinance; not an IG claim
Unlevered WACC	12%	10%	8%	—
Terminal growth	2%	3%	4%	—
Persistence of 2030 incremental into terminal	50%	75%	90%	Incremental fades faster

Tesla 2026E revenue = filed 9M + Q4 at Q3 run rate. Tesla line growth Base = filed 9M YoY. SpaceX 2027 total anchor Low/Base/High $132/$140/$148B. Q1 2027 guide and Q4 CapEx guide are secondary call-note figures and should be re-verified against the primary webcast before any publication claim.

Primary Base economics (live prize)

Item	Low	Base	High
Enterprise incremental PV — primary ($B)	−1.6	6.2	56.0
Dated ops PV / persist=0 ($B)	−1.6	3.7	16.7
Terminal PV recurring-only ($B)	0.0	2.5	39.3

Agency letter ratings and outlooks were checked as of Nov 9, 2026 (see [33] to [36]). The 1.7 GW nameplate figure is supported by the company SpaceX webcast transcript [2].

Base composition (approx.): avoided CapEx ~$4.2B (~67%); conditional financing ~$1.2B (~20%); revenue acceleration ~$2.2B; integration ~−$1.4B; overhead $0. Avoidance-percent sensitivity on Base path (CapEx/GW = $20B illustrative): 0% → ~$2.0B; 8% → ~$4.3B; 15% → ~$6.2B; 22% → ~$8.1B.

Avoided CapEx = capture × avoid% × SpaceX SI add-usable-GW × CapEx/GW × phase. Scope is SpaceX SI incremental usable-gigawatt CapEx only. CapEx/GW and avoid% are illustrative underwriting assumptions — not a filed shared-peak schedule and not an estimated Terafab surplus.

Sensitivities (live Base)

Case	Base PV ($B)
Equal capture fraction only (merger phase schedule kept)	~0.23
Equal capture + equal lag (merger phase schedule kept)	~1.21
Equal capture + lag + no unique financing (merger phase kept)	~0.70
Fair (equal capture + lag + financing + same linear phase)	~0.0
No-advantage capture = separate	~-4.42
Overhead-underwriting sensitivity (labeled; not primary)	~18.8

Breakeven merger capture on Base drivers ≈ 0.33.

Friction ceiling

Prefer persist=0 (~$3.7B) as the dated friction ceiling for near-term deal costs, conglomerate discount, key-person and China-wall frictions. Primary Base (~$6.2B) includes about $2.5B of labeled terminal persistence that is not cash available at closing. Those frictions are not deducted from Appendix M. Dated integration (−$1.4B Base) is already netted inside Appendix M — do not subtract it again. The threshold is a present-value comparison of future cash under the underwriting case, not a checkbook balance.

Both-holder economic ownership (B1 issued-share; not votes)

Control-case zero-premium Tesla-survivor (Appendix B1): Tesla holders' economic ownership ≈ **42%**; SpaceX recipients ≈ **58%**. Applying that split to primary Base PV allocates about $2.6 / $3.6 billion to Tesla / SpaceX holders — an ownership-weighted share of modeled incremental value, not a cash distribution or funding mandate. Voting figures of 27.4% / 37.4% are separate conditional award-treatment counts (Appendix B5).

What would falsify Appendix M Base

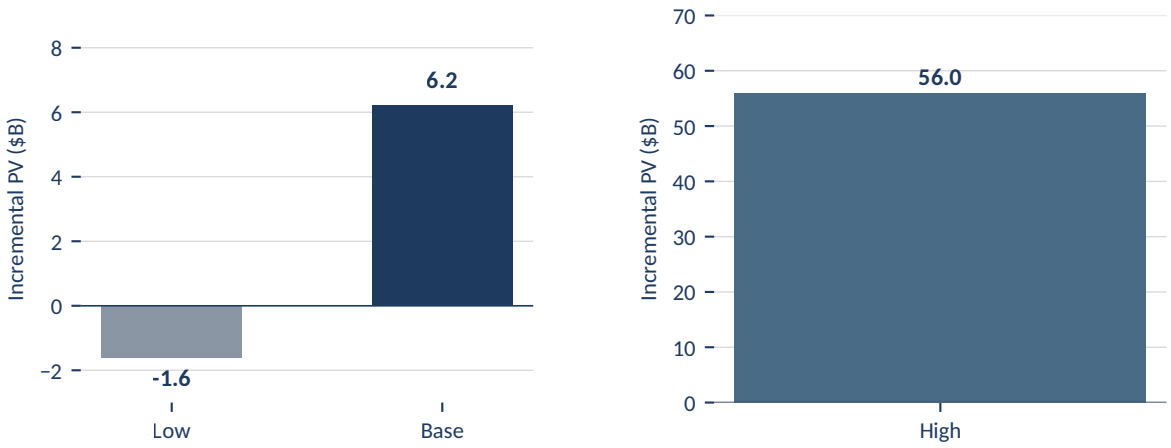
1. Usable/billable capacity on the SI fleet prints sustainably below the Low usable×utilization product.
2. A published two-owner Terafab cost-split and offtake plan that removes ranking friction without combination (Section 10 decision test).
3. Incremental CapEx avoidance and revenue-timing gains not observable versus a hard JV with the Base capture fraction.
4. Combined funding gap closed without external capital while Q3-repeat cash use persists — would falsify the bear funding bridge, not the industrial ranking case.

Appendix M. Driver-Based Conditional Value

Appendix M is a bottoms-up forecast through 2030. Incremental merger cash flow equals merged free cash flow minus the stronger non-merger path **each year** - max(separate, hard contract) on the same market path - not versus a structure locked at announcement. That year-by-year choice makes the benchmark demanding (High: separate wins 2027). Stand-alone growth is not synergy. Primary excludes generic overhead. CapEx per usable GW and avoidance percent are **illustrative** (Base CapEx/GW **$20 billion**, bounds $15 / $28 billion; SI-only pool). One-time CapEx and integration are dated out of terminal. The result is enterprise incremental present value, not post-funding equity value.

APPENDIX M.1A

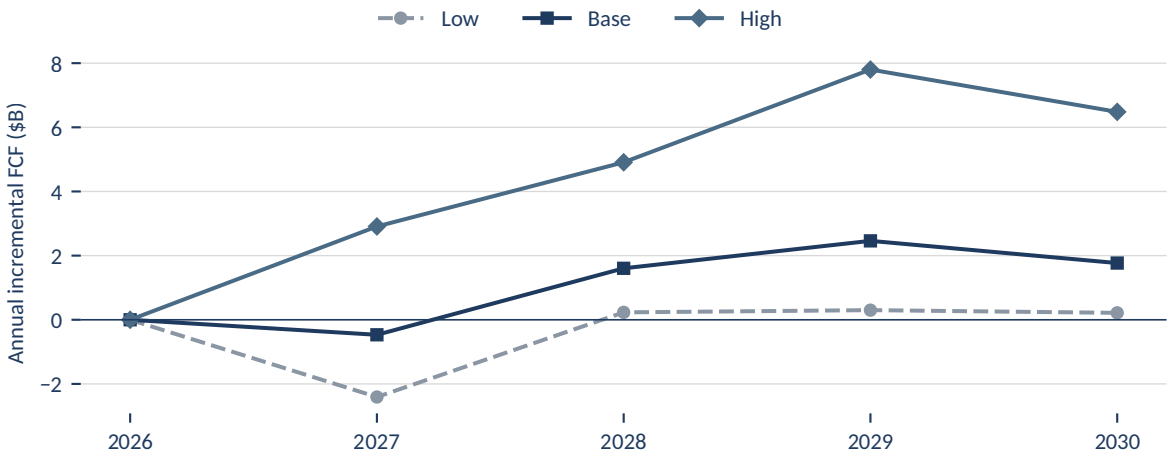
Low and Base at left, High at right on a separate scale



High is the terminal-value-heavy underwriting upper band, on a separate scale.

APPENDIX M.1B

Annual incremental free cash flow against the best two-owner alternative

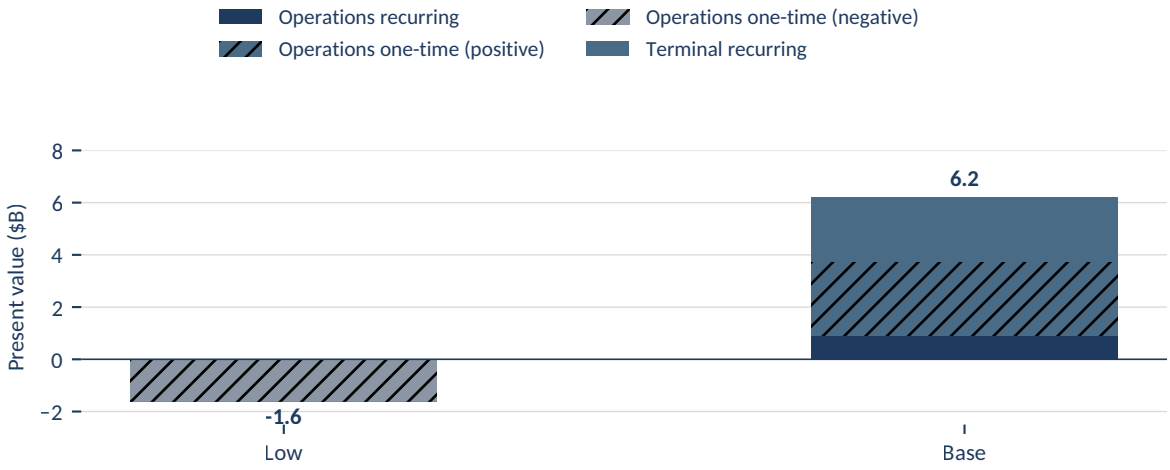


Persist=0 Base is 3.7 ($B), operations only with no terminal value.

Appendix M.1. Conditional incremental merger value vs max(separate, JV) each year · High: separate wins 2027 · primary excludes generic overhead.

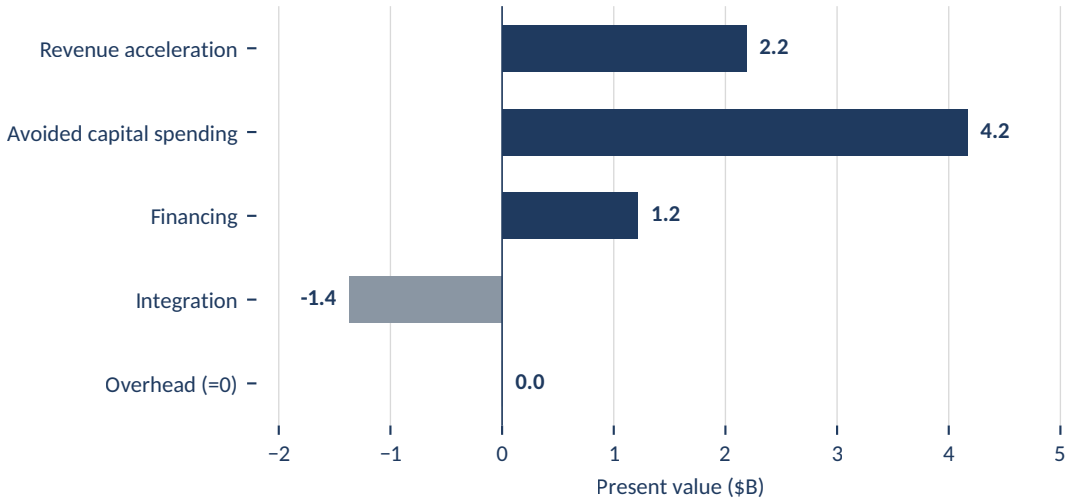
APPENDIX M.2A

Dated operations and terminal value ($B)



APPENDIX M.2B

Base components with overhead set to zero



Appendix M.2. Dated operations versus terminal; Base component attribution. *Primary Base about $6.2B: avoided CapEx ~$4.2B (67%), financing ~$1.2B (20%), remainder ranking/timing net of integration. Avoided CapEx is an illustrative SI-only coefficient — not a filed peak schedule.*

	Low	Base	High
Enterprise incremental PV - primary ($B)	**-1.6**	**6.2**	**56.0**
- dated ops PV	-1.6	3.7	16.7
-- recurring ops (after tax)	0.0	0.9	5.2
-- one-time CapEx / integration (dated; not in TV)	-1.6	2.8	11.6
- terminal PV (recurring-only; CapEx excluded)	0.0	2.5	39.3
Persist=0 = ops only ($B)	-1.6	3.7	16.7
Base components ($B) - primary composition			
-- revenue acceleration (ranking/timing)	0.0	2.2	-
-- avoided CapEx (illustrative; SI-only scope)	0.6	**4.2 (~67%)**	-
-- conditional financing (labeled; not ranking)	0.0	**1.2 (~20%)**	-
-- integration (dated)	-2.2	-1.4	-
-- generic overhead (primary)	0.0	**0.0**	**0.0**
Overhead-underwriting sensitivity (labeled; not ranking) ($B)	-1.6	18.8	124.4

	Low	Base	High
Customer B concentration stress ($B)	-1.6	5.6	40.6
Filed-run-rate ambition stress ($B)	-1.8	3.4	22.6
Equal capture, lag and financing; merger phase schedule kept ($B)	0.1	0.7	2.0
Equal capture, lag, financing and phase ($B)	**0.0**	**0.0**	**-0.2**
Identical path except integration ($B)	0.0	0.0	-0.2
No-advantage capture=separate ($B)	-2.3	-4.4	-55.5
Breakeven merger capture (primary Base)	-	~0.33	-
Tesla / SpaceX share of primary PV ($B, B1 42/58)	-0.7 / -0.9	2.6 / 3.6	23.5 / 32.5
External funding need through 2030 ($B)	0.0	0.0	0.0
Net-cash runway if Q3 cash use persists (years)	1.9	1.9	1.9

Source (units $B unless noted). Driver model v0.59g on filed 9M 2026 anchors (Tesla FCF $1,883M; SpaceX FCF −$34,972M; combined −$33,089M). Full method and falsifiers: Sources and Methods.

Avoidance-percent sensitivity (Base path; CapEx per usable GW = $20B illustrative). Holding other Base assumptions fixed and re-ranking against the stronger non-merger path each year:

Avoidance percent	Enterprise incremental PV ($B)
0%	2.0
8%	4.3
15% (primary Base)	**6.2**
22%	8.1

Committees can reject the CapEx-avoidance band entirely and still see about **$2.0 billion** from ranking/timing and labeled financing net of integration under Base capture, lag and phase.

Funding bridge (Base path). Starts at Sep 30 combined net cash after EchoStar (about $78.3B). Year 2026 applies fourth-quarter-only free cash flow (full-year model free cash flow minus filed nine months); 2027–30 use full-year model free cash flow. External funding of $0 under labeled minimum-cash buffers is a model-consistency result, not liquidity assurance (maturities, covenants and other flows sit outside the bridge).

Year	FCF basis	External funding need ($B)	Note
Opening (Sep 30, 2026)	—	—	Combined net cash after EchoStar ~$78.3B

Year	FCF basis	External funding need ($B)	Note
2026 (Q4 only)	Full-year model FCF – filed 9M	0.0	Q4-only bridge; not 9M×4/3
2027	Full-year model FCF	0.0	Min-cash buffer path
2028	Full-year model FCF	0.0	Min-cash buffer path
2029	Full-year model FCF	0.0	Min-cash buffer path
2030	Full-year model FCF	0.0	Min-cash buffer path
Cumulative through 2030	—	**0.0**	Same Low/Base/High in primary table

Economic ownership (issued-share; not votes). Tesla holders ≈ 42%; SpaceX recipients ≈ 58% on Appendix B1 zero-premium Tesla-survivor math. Ownership-weighted Base PV ≈ $2.6B / $3.6B — not a cash distribution or funding mandate.

What the Base dollars are. About $4.2B (roughly two-thirds) is an illustrative CapEx-avoidance coefficient on SpaceX SI incremental usable-gigawatt CapEx; about $1.2B is labeled conditional financing; ranking and timing contribute about $2.2B before dated integration of −$1.4B (already inside Appendix M). Setting avoidance to zero leaves about $2.0B. CapEx per added usable gigawatt of $20B is an illustrative unit assumption with stated Low/High bounds - not a measured build cost and not an estimated Terafab surplus.

Friction ceiling. Prefer persist=0 (about **$3.7B**) as the dated ceiling for near-term deal costs and related frictions. Primary Base (about **$6.2B**) adds about **$2.5B** of labeled terminal persistence on recurring lines; that terminal piece is not cash available at closing. Integration is already netted in Appendix M - do not add it again in the friction total. The threshold is a present-value comparison of future cash under the underwriting case, not a checkbook balance.

Underwriting labels. Primary uses merger capture above the hard contract, zero lag, conditional financing, a 35/70/100 phase-in, and zero overhead. The hard contract uses lower capture, a lag, a linear phase and no financing privilege. When capture, lag, financing and phase are equalized, incremental value is about zero - the arithmetic result of removing those privileges, not independent evidence for or against combination.

Economic ownership. On Appendix B1's Tesla-surviving zero-premium issued-share math, the split is about 42 / 58. Applying that split to primary present value allocates about $2.6 / $3.6 billion Base to Tesla / SpaceX holders - an ownership-weighted share of modeled incremental value, not a cash distribution or funding mandate. Voting figures of 27.4% / 37.4% are separate conditional award-treatment counts (Appendix B5).

Decision test. If a published two-owner cost-split and offtake plan removes the Terafab ranking conflict without combination, the recommendation fails. Customer B was 34.5% of SpaceX's third-quarter consolidated revenue (24.2% nine-month); the stress row haircuts ranking-linked acceleration. Valor about $12.9B remains a disclosure ask. Agency letter ratings were checked as of Nov 9, 2026.

Assumption note

FSD and Optimus are not given invented revenue baselines. Tesla Cortex fleet gigawatts are not separately filed and are not invented here.

Board-count detail

Tesla DEF 14A (Oct 19, 2026): nine directors; zero Tesla Item 5.02 board changes through the Nov 6–7, 2026 source check. SpaceX Item 5.02 after the Jun 17 Botha election: Donald Harrison Class B resignation effective Nov 4, 2026 (filed Nov 6); no disagreement; no successor named [27][28]. If that seat stays vacant with no other board change, SpaceX directors = 8 and unique directors across both boards = 15 (9+8−2 shared), conditional on the vacant seat. No independence recount beyond that arithmetic is asserted here.

Addendum

The main report also includes Section 2 (orbital compute), Section 4 (speed and revenue under one owner), a condensed Section 11 and a dated Scorecard in Section 12, with exhibits numbered 1 to 12. Notes [1] to [38] and Appendices A, B1 to B8 and M appear above. Further Appendix B entries and notes [39] to [52] follow. Several new notes rest on secondary coverage of public statements and are labeled as such.

Appendix B, continued

B9. Gigawatt revenue illustration (main report Exhibit 3 and Section 4). Annual-rate revenue R = nameplate GW x u x b x v, where u = 70% usable share of nameplate and b = 65% billable utilization (both Appendix M Base), and v = revenue per billable GW-year of $8,000M / $12,000M / $18,000M (Low / Base / High band). The main report applies both u and b, then that billable band. 1 GW: 0.455 billed GW, $3.6B / $5.5B / $8.2B. 1.7 GW [2]: 0.77 billed GW, $6.2B / $9.3B / $13.9B. 10 GW [2]: 4.55 billed GW, $36.4B / $54.6B / $81.9B, and one quarter of that annual rate is $9.1B / $13.7B / $20.5B. 100 GW [43]: 45.5 billed GW, $364B / $546B / $819B. Holding u and b at Base while varying v is a presentation choice, not the Appendix M Low or High case. These are annual-rate revenue illustrations, not profit, merger value or forecasts. They are not added to the Appendix M prize, which already contains revenue-acceleration assumptions; adding them would double count. Orbital revenue per gigawatt is not filed and may differ from terrestrial.

B10. Mass-to-orbit ratio (main report Section 2). 1,000,000 metric tons a year (100 GW at 100 kW per metric ton [42][43]) divided by about 7,400 metric tons launched cumulatively through Mar 31, 2026 [43] = about 135.

Additional notes

[39] Gavin Baker (Atreides Management), interview on Invest Like the Best, EP.451, "Nvidia v. Google, Scaling Laws, and the Economics of AI," released Dec 9, 2025, with Patrick O'Shaughnessy. Used for: data centers in space as "the most important thing in the next 3-4 years"; continuous sunlight about 30% more intense in orbit; radiative cooling; laser links through vacuum faster than fiber; low-cost token production and vertical integration; integration of the Musk companies as an advantage. Episode chapters and secondary summaries used; audio not re-transcribed for this draft. Episode: https://www.castbox.fm/episode/Gavin-Baker---Nvidia-v.-Google%2C-Scaling-Laws%2C-and-the-Economics-of-AI---[Invest-Like-the-Best%2C-EP.451]-id1181615-id880874459 ; coverage: Benzinga, Dec 10, 2025; The Neuron (Grant Harvey), Dec 15, 2025, https://www.theneuron.ai/explainer-articles/gavin-baker-on-invest-like-the-best-re-why-the-next-massive-data-center-might-be-in-space/ . Retrieved Nov 8, 2026.

[40] Gavin Baker, CNBC interview, June 2026, as reported by Benzinga. Used for: Baker's estimate that a reusable Starship brings launch to roughly $5 billion per gigawatt and orbital compute to about $30 billion per gigawatt versus about $60 billion on Earth. Baker is an early SpaceX investor; his estimates are his own and are not adopted in Appendix M. https://www.benzinga.com/markets/tech/26/06/53183174/this-early-spacex-investor-just-predicted-the-musk-led-startups-next-big-profit-driver-and-the-math-is-hard-to-ignore . Retrieved Nov 8, 2026.

[41] Gavin Baker interview remarks as reported by Yahoo Finance, "Could SpaceX Become The First $20 Trillion Company? Gavin Baker Lays Out The Starship And Orbital AI Thesis," Sep 1, 2026. Used for: Starship reusability as the question investors should ask about orbital compute; an increasing fraction of the world's compute in orbit. https://finance.yahoo.com/technology/ai/articles/could-spacex-become-

first-20-080355049.html . Retrieved Nov 8, 2026.

[42] Space Exploration Technologies Corp., FCC application for the SpaceX Orbital Data Center system (up to one million satellites), dated Jan 30, 2026; accepted for filing by the FCC Space Bureau Feb 4, 2026 (Public Notice DA 26-113). Used for: orbital data centers as the most efficient way to meet AI compute demand; lowest-cost AI compute in space within a few years; one million tonnes a year at 100 kW per tonne adding 100 GW a year; optical inter-satellite links. https://www.fcc.gov/document/sb-accepts-filing-spacexs-application-orbital-data-centers ; coverage: DatacenterDynamics, https://www.datacenterdynamics.com/en/news/spacex-files-for-million-satellite-orbital-ai-data-center-megaconstellation/ ; Converge Digest, https://convergedigest.com/spacex-fcc-filings-outline-orbital-ai-data-centers-built-on-optical-mesh/ . Retrieved Nov 8, 2026.

[43] Space Exploration Technologies Corp., Prospectus (Form 424B4), filed Jun 12, 2026, Business and Risk Factors sections on AI compute and orbital AI compute (same filing as [3], different passages). Used for: goal over time to launch 100 GW of compute to space each year; first orbital AI compute satellites as early as 2028; over 100 kW of compute per metric ton and thousands of launches a year; satellite production at thousands a year; orbital compute risk factors. Cumulative mass to orbit of about 7,400 metric tons through Mar 31, 2026 as read from the registration statement by Dave Friedman (Substack), https://davefriedman.substack.com/p/spacex-has-two-ai-compute-stories ; see also the 424B4: https://www.sec.gov/Archives/edgar/data/1181412/000162828026042639/spaceexplorationtechnologi.htm . Retrieved Nov 8, 2026.

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Additional passages of existing notes. [2] SpaceX Q3 2026 webcast transcript: Musk "highly confident of 10GW" of new compute next year and "would be surprised if we brought on less than 13 GW of compute by the end of next year"; Terafab volume production around Q3 2028 and "a terawatt of super intelligence chips per year"; areas to be gained from combining (super intelligent software, chip design, the Terafab, robotics, mass to orbit with the Starmind constellation, connectivity); Starmind satellites flying in 2027; attempt to catch both the booster and the ship; complete reusability. [11] [12] Megapack related-party amounts and nine-month cash flows as in Exhibit 6 and Appendix B4. [14] [15] [16] [17] [18] as cited above.