

**Spire Global
Third Quarter 2021
November 10, 2021**

Presenters

Hillary Yaffe, Head of Communications and Investor Relations
Peter Platzer, CEO
Tom Krywe, CFO

Q&A Participants

Jeff Meuler - Baird
Josh Sullivan - The Benchmark Company
Weston Twigg - Piper Sandler
Ric Prentiss - Raymond James
Colin Canfield - Barclays

Operator

Please stand by. Good day ladies and gentlemen, and welcome to the Spire Global Third Quarter 2021 Earnings Conference Call.

All lines have been placed in a listen-only mode and the floor will be open for questions and comments following the presentation. If you should require assistance throughout the conference please press star then zero on your telephone keypad to reach a live operator.

At this time it is my pleasure to turn the floor over to your host, Head of Communications and Investor Relations, Hillary Yaffe. Ma'am, the floor is yours.

Hillary Yaffe

Thank you. Hello everyone. And thanks for joining us for our third quarter conference call. Our results press release and SEC filings can be found on our IR website at ir.spire.com. A replay of today's call will also be made available.

With me on the call today is Peter Platzer, CEO, and Tom Krywe, CFO.

As a reminder, our commentary today will include non-GAAP items. Reconciliations between our GAAP and non-GAAP results, as well as our guidance can be found in our earnings press release. Some of our comments today may contain forward-looking statements that are subject to risks, uncertainties, and assumptions. In particular, our expectations around the impact of the pending acquisition, results of operations, and financial conditions are uncertain and subject to change. Should any of these materialize or should our assumptions prove to be

incorrect actual company results could differ materially from these forward-looking statements. A description of these risks, uncertainties, and assumptions, and other factors that could affect our financial results is included in our SEC filings.

With that let me hand the call over to Peter.

Peter Platzer

Thank you, Hillary. Good afternoon. And thank you for joining us today. I am truly excited to be sharing with you the team's progress along our four growth pillars and our mission to leverage space to solve problems on earth. This has been a very busy quarter where we became a public company. We listed on the New York Stock Exchange and signed a definitive agreement to acquire exactEarth, a leader in maritime data space with over 150 customers and over \$18 million in last 12 months revenue, all while growing our ARR Solutions customers 69% year over year.

This would not have been possible without our exceptional team of over 330 professionals from over 40 different countries that is relentlessly executing with a true sense of urgency every single day. And I'm truly fortunate to be part of such a globally diverse, collaborative, and dedicated team. And I want to take this opportunity to relay my heartfelt thanks to each and every one of them. Winning is a team sport, as we say, and we would not be here today without you. So, thank you.

Since we started the company in 2012 we had a simple yet powerful mission to leverage data from space to solve global problems on earth. And today Spire owns and operates the world's largest multipurpose satellite constellation. Our fully deployed constellation and vertically integrated data platform provides our over 200 customers with unique and comprehensive data and analytics, assisting them in fulfilling their missions and solving their business problems, be it port operations, commodity trading, route optimization, weather risk mitigation, renewable energy production, logistics planning, or hundreds of other use cases. Our customers rely on our data to help them solve some of their most vexing business challenges and grow their business faster, more profitably, and more sustainably.

Serving 225 global ARR solution customers out of an estimated potential target pool of over 200,000 customers, we believe we have barely scratched the surface of this estimated \$90 billion a year market opportunity. Adoption of data and analytics from space has been increasing rapidly by both the commercial and the government sector. And we share the conviction from a prominent analyst that in the not too distant future space might touch and potentially disrupt every industry in the same way that computers and internet have, thanks to the transformation from the mainframe computer to the PC.

And today there is a very analogous transformation happening in space. And Spire sits at the very crest of this massive wave of disruption, leveraging space to solve problems on earth. And at its core this is powered by constellations of small satellites whose capabilities increase

exponentially every year and the increase in launch opportunities. And we are extremely excited about our role in this global transformation and how it impacts industries and humanity.

Spire's leverage here of course starts with our cutting edge space technology, where we continue to innovate and invest. In July of this year we successfully completed our 31st launch campaign, which put two LEMUR satellites into orbit with new optical ISL capabilities or inter satellite links. The successful incorporation of ISL capabilities will have a meaningful impact on the next generation of our constellation, enabling more secure data transfers, reducing data latency, and expanding the data and solution that we are able to offer our current and future customers.

We also invested in our software. Leveraging the software defined nature of our constellation we increased data production across the board. And in particular reached 20,000 RO profiles, a world leading amount of crucial weather data, affording our customers more accurate weather predictions.

Next, I want to spend a minute and highlight again, Spire's four growth pillars. These are the four core strategies that we execute against to drive our business growth over the next several years. They are: number one, invest in sales, marketing, and product; number two, expand into new geographies and use cases; number three, expand the capabilities of our data and analytics; and four, executing strategic acquisitions to strengthen our market position.

And during the third quarter we made great progress on each of these pillars. And on today's call I'd like to focus on two pillars specifically. First, on executing strategic acquisitions to strengthen our market position. On September 14 we signed a definitive agreement to acquire exactEarth, a leading provider of global maritime data. We expect the transaction to close in late Q4 and if not in Q4, then no later than in Q1 2022. ExactEarth has approximately 150 customers across numerous countries to whom we then would be able to offer additional Spire solutions. And as mentioned in exactEarth's latest earnings release, their last 12 months' revenue was \$18.2 million. And their fiscal year to date year over year growth rate was 30%.

Once closed, we believe this transaction would add meaningfully to our customer base and ARR as we head into 2022 strengthening our leadership position in the maritime data and analytics market. And this is a market opportunity estimated to be four billion dollars annually, growing at a low teens CAGR over the next five years, powered by the digitalization of the global maritime economy. Even combined our penetration in this market would still be very small, affording us tremendous upside for gains in market share based on our growing leadership position.

The second pillar that I want to cover is expanding the use cases for our data and analytics. One of Spire's core data sets is in weather, but we produce more radio occultation or RO data for temperature, pressure, and moisture than anyone else, public or private. Space data in general

drives over 70% of global weather forecast accuracy according to a recent analysis by ECMWF, the European Center for Medium Range Weather Forecasts. They also studied and documented the highly beneficial nature of RO data in particular to global weather forecast accuracy. And based on an intensive testing and trial period, Spire was able to win a contract covering up to three years with EUMETSAT to provide our RO data. This is a first of its kind for them.

Now EUMETSAT, the European Organization for the Exploitation of Meteorological Satellites is in many aspects the European sister organization to NOAA, the National Oceanic and Atmospheric Administration from the U.S.. And Spire was also able to win a follow on subscription contract with NOAA for our RO data. With these two contracts combined, Spire's RO weather data is now used by public agencies, providing weather predictions to protect lives and prevent the loss of property for almost a billion people and almost half of global GDP.

With the impact of climate change being increasingly felt all across the world from extreme floods in Europe to freezing temperatures in Texas, frequent hurricanes and blistering wildfires, Spire is truly proud to be able to collaborate with our customers to help humanity adapt to climate change.

Before I turn it over to Tom who will discuss our Q3 financial results and provide an update on our Q4 and fiscal year 2021 guidance, I want to reiterate our confidence that Spire is on the cusp of an enormous opportunity in the market for space based data and analytics. While the market today might be somewhat nascent, the speed of development and the adoption of new applications is accelerating.

We believe that we're years ahead of the competition with our fully deployed constellation, our proprietary ground station network and our integrated data and analytics offering. Serving over 200 customers today and soon almost 400, we have tremendous resilience in the business. As we focus and execute on our four growth pillars we expect to increase our market share in this vast and growing market opportunity, drive significant growth in revenue, and ultimately help our customers across the world grow more profitably and more sustainably.

And with that I'll turn it over to Tom.

Tom Krywe

Thank you, Peter. Before I kick off a review of our third quarter results and our outlook for Q4 and fiscal year 2021, I would like to point you to our earnings release sent over the wire today after market close. In the release you will find both the detail of our GAAP to non-GAAP reconciliation and our outlook for Q4 and fiscal year 2021. Q3 2021 was a solid quarter for us on the topline with the revenue increasing 33% year over year to \$9.6 million and ARR increasing 51% year over year to \$45.2 million, with ARR representing a very nice sequential jump of \$8.6 million versus Q2 2021 ending ARR of \$36.6 million.

The year over year increase in revenue was driven by the addition of 92 net new ARR solution customers versus the prior period, a 69% increase highlighting our focus during the second half of the year on adding new ARR customers and our last 12 month net retention rate of 119%.

Q3 net retention rate was 111%. As mentioned earlier in the year, this reflects a lower rate compared to the rates in 2020 due to delays in existing customers buying decisions, and some non-subscription based business taking longer to deliver due to launch delays and customer workstream delays. Based on the concentration of new versus existing customer activity and having a larger overall base we expect net retention rate to generally be lower than what we had in 2020. As this rate can fluctuate per quarter, ranges are likely to be between 100% to 135%, depending on the quarter.

We ended Q3 with 225 ARR solution customers representing a 69% year over year growth from the prior year period. We track ARR solution customers as a key metric, a good indicator of growth in our reoccurring revenue base. We define an ARR solution customer as an entity that has a maritime, aviation, weather, or space services contract with us that is either a binding and renewable agreement for our subscription solutions or a binding multi-year contract as the measurement date.

We count every solution the customer has with us separately. Two of these new ARR solution customers in the third quarter represented deal values of over seven figures. We saw strength in the third quarter across all four of our solutions. Our weather solution saw the highest increase in ending ARR year over year with key wins such as EUMETSAT and NOAA that Peter had mentioned earlier.

Space services also had a strong quarter with solid traction and year over year ARR growth. Space services bookings benefited not only from the growth within existing customers, but also from the addition of new space service customers like Myriota, a leader in space based provision of IOT services.

Q3 GAAP gross profit was \$4.2 million and non-GAAP gross profit which excludes stock based compensation was \$4.3 million, a decrease of 11% year over year. The decrease year over year was impacted by the timing of revenue recognition on several non-subscription based contracts and our decision to accelerate certain technology investments to support future revenue growth. We expect gross margins to return to the range of 59% to 65% in the fourth quarter, as we continue to scale revenue relative to our level of investment.

Q3 GAAP operating loss was \$17.4 million and non-GAAP operating loss, which excludes stock based compensation, merger and acquisition related expenses, and other unusual one-time costs was \$13.6 million. Our Q3 GAAP operating loss was impacted by a number of large one-time costs related to our merger with NavSight and other financing related transactions in addition to general increases in expenditures to support the rapid growth of our business.

The non-GAAP increase in operating loss of \$8.3 million year over year was driven by increased spend on sales and marketing to align with our 2021 growth plan, further funding of our research and development teams to enhance our solution offerings and customer datasets, and increased costs in general administrative to support our transition to being a public company. EBITDA was negative \$28 million in the third quarter and adjusted EBITDA, which excludes stock based compensation, merger and acquisition related expenses, and other unusual one-time costs, change in fair market value of warrant liabilities, and other income or expense net was negative \$11.5 million for the quarter.

Q3 GAAP net loss was \$32.7 million and our Q3 non-GAAP net loss which excludes stock based compensation, merger and acquisition related expenses, other unusual one-time costs, change in fair value of warrant liabilities, and other income or expense net was \$16.3 million. Q3 GAAP net loss per share was \$0.49 based on the basic weighted average share count of approximately 67.3 million shares. And our Q3 non-GAAP net loss per share, which excludes stock based compensation, merger and acquisition related expenses, other unusual one-time costs, change in fair value of warrant liabilities, and other income or expense net was \$0.24.

Lastly, we ended the quarter with cash, cash equivalents, and restricted cash of \$259 million. We anticipate using approximately \$110 million of cash to complete the exactEarth transaction. And in Q4 we'll use an additional approximate \$20 million of cash to cancel outstanding warrants to purchase approximately 1.6 million shares pursuant to the warrant agreement with the European Investment Bank previously described in our public filings.

Now I'll provide guidance for the fourth quarter, as we expect total revenue to range between \$11.6 million and \$13.6 million. The sequential increase in Q4 revenue reflects the incremental ARR of \$8.6 million from Q2 fiscal year 21 to Q3 fiscal year 21, along with Q4 fiscal year 21, having just over one million more of potential non subscription based revenue than Q3 fiscal year 2021. We anticipate Q4 non-GAAP gross profit to be between \$6.8 million and \$8.8 million.

The Q4 non-GAAP gross profit primarily reflects the increase in the expected Q4 revenue. Non-GAAP operating loss for Q4 is expected to range between \$15.9 million and \$11.8 million. Our non-GAAP operating loss guidance reflects increased hiring expenses and costs from operating as a public company. We expect EBITDA to range from negative \$15.4 million to negative \$12.4 million and adjusted EBITDA to range from negative \$13.3 million to negative \$10.3 million. Non-GAAP loss per share for Q4 is expected to range from negative \$0.14 to negative \$0.11 and assumes a basic weighted average share count of approximately 133.7 million shares.

Now turning to the outlook for the full fiscal year, we're on track to hit our previously issued guidance for total revenue to range between \$40 million and \$42 million. We are also maintaining our guidance for year ending ARR and year ending ARR solution customers. We expect year ending ARR to range between \$48.4 million and \$52 million and the year ending ARR solution customers to range between 240 to 252. We expect fiscal year 2021 non-GAAP

gross profit to be between \$22.9 million and \$24.9 million. This is a reduction from our previously issued guidance, and as I explained earlier in the call is primarily the result of our decision to accelerate the investment in our infrastructure to support future revenue growth.

Despite the reduction in guidance in non-GAAP gross profit, we are maintaining our previously issued non-GAAP operating loss guidance range for the full year of \$48.5 million and \$44.4 million. We expect full year EBITDA to range from negative \$79.8 million to negative \$76.8 million, the change from prior guidance primarily driven by the significant increase in the change in the fair market value of warrant liabilities and stock based compensation that resulted from our merger with NavSight.

Adjusted EBITDA is expected to be between negative \$40.3 million and negative \$37.3 million, a reduction from our previously issued guidance. This is a result of both our decision to accelerate investment in our infrastructure to support future revenue growth and certain general and administrative expenses related to operating as a public company being higher than expected. Non-GAAP loss per share for fiscal year 2021 is expected to range from negative \$0.99 to negative \$0.92, which assumes a basic weighted average share count of approximately 61.7 million shares.

As a reminder, our guidance excludes any potential impact from the exactEarth transaction that could close in Q4. According to exactEarth earnings release their last 12 month revenue was \$18.2 million and their fiscal year to date year over year growth rate was 30%. Once closed the transaction would add quite meaningfully to Spire's ARR as well as about 150 customers. The close of the transaction will also add approximately 5.2 million shares to our basic and fully diluted share counts.

In summary, as previously stated by Peter, we continue to deliver solid growth in revenue, ARR, and ARR solution customers by relentlessly executing on our four growth pillars. Our technology leadership delivers innovative solutions that position us well for continued capture of market share.

And with that, I'd like to open the call up for questions.

Operator

Thank you. The floor is now open for questions. If you do have a question please press star then one on your telephone keypad to join the queue. If you're using a speakerphone please pick up your handset to provide the best sound quality. Again, ladies and gentlemen if you do have a question or comment please press star then one on your telephone keypad at this time.

And we take our first question from Jeff Meuler at Baird. Please go ahead.

Jeff Meuler

Yeah, thank you. Would love any additional detail you can provide on the ARR progression. Obviously the nice jump and you called out the two sizeable wins, but it sounds like it's probably broader than that. And the Q4 guidance implies a fairly nice further sequential increase. So would just love any additional color on the breadth of the strength and the pipeline beyond the two mega ones that you discussed?

Tom Krywe

Sure. I'll start with the first one with the ARR and the sequential jump of \$8.6 million from Q2 to Q3. As you mentioned, we did land some really good wins within the quarter. We had customers like EUMETSAT and Myriota and Hancom as new wins. And not only did we have some really good new wins in the quarter, we had some up selling with existing customers with NASA and NOAA. So we did see some really positive activity in all those fronts on--from customers from new and also on the up selling front. We added 71 net new ARR solution customers from the beginning of the year to Q3 and we had a 69% on a year over year standpoint for our ARR solution customers. So heavy focus on that front.

Jeff Meuler

Awesome. And then on the accelerated investment to support future revenue growth. I understand that you just raised a lot of capital to do just that, but I guess you had a business plan that was already assuming increased investment and now you're also acquiring exactEarth and you're going to onboard headcount and other capabilities from that. So can you just help me understand relative to the prior growth plan and investment plan, like what are you incrementally spending on or investing in?

Peter Platzer

So there are two areas, Jeff, that we're investing in. One of them is in the pure technology side, right, where the optical inter-satellite links is really a technology that we are quite excited about of what it can bring to our customers. And there are certainly investments that we had to take there. The other one is really related to a dramatic change in the availability of resources to run a public company.

By roughly in the middle of the year we had an over 190% increase in IPOs in the U.S. year over year. So what that means is that it really stressed the labor market and the services market, be that accountants, be that lawyers, and be that financial professionals. To give you just one small example the directors and officers' insurance came in, I think it's over 30% higher than what the original quote was because that market was so stressed by this massive increase in IPOs. And investing in the infrastructure of being a public company is the other element where we have invested and had to contest with that increase in the cost base due to the high increase of IPOs.

Jeff Meuler

Got it. And then last one for me before I hand it over. So your constellation as I understand it has full coverage, and has the frequency that you need. The exactEarth capabilities, can you just help me understand is there some reason why the data aggregation or something about their

capabilities is complementary, or should there also be expense synergies at some point in addition to the cross selling opportunity and the on-boarding of talented headcount and everything else that comes with the acquisition?

Peter Platzer

So the exactEarth transaction once it closes really supports all four of our growth pillars, right? It expands our investment in sales and marketing, bringing on a highly experienced salesforce and marketing team that has been operating in the market for maritime data analytics. And on the product side it expands our capability two fold. Number one, it affords us a lower latency data. And number two, the transaction will come with about a 10 year database of maritime traffic data that will allow us to drive more value for our customers with more efficient and effective use of AI and machine learning.

The transaction also of course affords us with the additional customers that Tom had mentioned earlier, over 150 that we can offer our additional products and services to. And then of course it brings certain amounts of revenue. Tom mentioned over \$18 million year to date of last 12 months' revenue that had been growing at 30% over the last 12 months also year to date, which will meaningfully add to our ARR. So it really supports all four of our growth pillars, which is why we are engaged in the definitive agreement sometime on September of this quarter.

Jeff Meuler

All right. Thank you very much.

Operator

Our next question or comment comes from the line of Josh Sullivan with The Benchmark Company. Please go ahead.

Josh Sullivan

Hi, good evening. Can you hear me?

Tom Krywe

Yes.

Peter Platzer

Yes, Josh.

Josh Sullivan

Just to put a finer point on that last question, just as far as the sales force build out here, with exactEarth and what they bring on the market, even sales front, is there any way to kind of just help us think about what the sales force needs would have been versus what they will be with exactEarth. Just how we're modeling that going forward?

Peter Platzer

Of course. So maritime is one of our four segments and with the transaction once it closes, it adds quite meaningfully to our global coverage both in the direct sales force that has done this for many years as well as through distributors which exactEarth also has for many years. So it wouldn't impact our investment in sales in our other markets, aviation, weather, space services. But it certainly augments our coverage globally and our salesforce in the maritime segment quite substantially.

Josh Sullivan

And then on the aviation market, as markets are reopening here are you seeing an increase in demand out of global airline activity?

Peter Platzer

We do. We absolutely do see, yes, the markets are opening. But the cost pressure on the industry is still pretty high. And while the aviation industry in general we feel is a bit further along in the digitalization of its economy as compared to, for example, the maritime industry those costs pressures still drive adoption of data and analytics at an accelerated pace and we are definitely a beneficiary of that trend.

Josh Sullivan

And then were you represented at COP26? Any specific engagements there that you can tease out for us or conversations that you had coming out of those meetings?

Peter Platzer

I just had two meetings today about COP26. Being right there in Glasgow and having a focus on weather and climate change clearly there's been a number of engagements and conversations that we were part of. In all honesty I don't have all of them on top of my head right now. We'd be happy to follow up with the detailed engagements and some of the potential follow ups that have come out of our engagement in COP26.

Josh Sullivan

And then just one on Myriota, if I'm saying that right, the relationship. As far as the ownership that came with exactEarth and then I believe you mentioned that they're also a customer. Can you just help us understand how that relationship moves forward?

Peter Platzer

Myriota is a fantastic customer and we are extremely focused on making them very successful. That's really the focus. Yes, we'll get a front row seat in the IOT from space industry as well, but as a company that focuses clearly and definitively on making the customer successful by delivering our service to them.

Josh Sullivan

Thank you for the questions.

Operator

Our next question or comment comes from the line of Weston Twigg with Piper Sandler. Please go ahead.

Weston Twigg

Hey, thanks for taking my question. You had really good ARR traction this quarter, and I'm just wondering if you could help translate that into visibility or revenue growth thoughts through next year. I haven't been using the long term model that was a pre-SPAC model, but I would love some visibility into your growth expectations through next year?

Tom Krywe

Yeah. The one piece with the \$8.6 million of incremental from Q2 to Q3, that's now going to translate into the revenue out into the next four quarters, right? So we'll get that flow through for Q4 all the way through roughly Q3 of next year. So that that piece, and then along with adding all those new ARR solution customers, now we have that opportunity to go expand with them and gain some further growth out in there. We're not providing any 2022 guidance at this point, but yeah, we're really excited about those ARR solution adds we had plus that incremental piece quarter over quarter that flows that revenue into the future.

Weston Twigg

Well, I guess maybe what I'm getting at is this kind of ARR growth sustainable through the next few quarters?

Tom Krywe

Again, we're not giving any 22 guidance because the reason being also, if we close the transaction with EE – exactEarth -- in the fourth quarter, we're going to combine that guidance and combine that consolidated and really go out looking at what's going on there. And then we'll provide that in the fourth quarter earnings.

Peter Platzer

If I were to augment Tom's statement here, we got 200 customers, over 200 customers today. You add in the customers that exactEarth might bring to the table once the transaction closes. But even that is still a very small percentage of the estimated 200,000 customers that make up the totality of our estimated \$90 billion market. So the penetration rate that we see is still actually quite low relative to the opportunities that we have in front of us.

Weston Twigg

Okay, perfect. That makes sense. But just to clarify too, on the sort of the pre-SPAC model that was I think last referenced in June, that is not something we should reference any longer, correct?

Peter Platzner

I think the best information to use is always the most recent and latest information. And I think we've provided solid numbers to use today that could help you understand how the company operates today.

Weston Twigg

Okay, perfect. Another question I had was around gross margin progress through next year. I know you're not giving out your guidance, but it looks like even the guidance for next quarter was slightly lower than at least I expected. And I'm just wondering you talked about the higher investment. Do you see that gross margin getting back to stabilizing in the mid-60% range, or do you think it would be sort of in that kind of high-50s to mid-60s level, the outline for Q4?

Tom Krywe

Yeah, that guidance for Q4 is ranging between 59 and 65. So, we are getting back up into the 60s, a big uptick from the third quarter. And that's mainly around some timing issues that we had on the third quarter, but also that revenue growth that we're kicking in, in from the ARR increase that will now flow into the revenue which will drive up that business. Plus, we continually have that leverage cost structure model with our top CapEx and all those different fronts that we're able to increase that over the course of time.

And we'll be able to, like I said, provide you some guidance in 2022 once we get that exactEarth built in and we build that model out for both companies combined, and then we'll be able to provide that in the next quarter earnings.

Weston Twigg

That's helpful. And then just last question from me. Can you split out the data solutions and space services revenue in Q3 and the split for Q4 guidance as well?

Tom Krywe

Yeah, we're unable to split out our pieces just because the way our contracts and nature is. There--a lot of things are combined since we have four solutions, multiple customers buy multiple things. So we have a hard time breaking all that stuff out. Also with our leverage technology we're providing ultimate solutions to customers solving multiple use cases. So, we're unable to break those things out.

Weston Twigg

Understood. All right. Thank you.

Operator

We go next to Ric Prentiss with Raymond James. Your line is open.

Ric Prentiss

Hi. Good evening.

InComm Conferencing

Peter Platzer

Hey, Ric.

Ric Prentiss

A couple of questions. Hey. Couple of questions for you all. First, it's been about two months since you announced the exactEarth acquisition. Have you heard anything from your own customers on how they feel about the acquisition or have you been hearing any feedback from exactEarth customers about coming into your fold about what it might mean to them? So, any customer interactions in the last two months from either side?

Peter Platzer

So, the two companies have to operate very separately until the transaction closes. And so, the simple answer is Ric, no, we have not. It's just a very separate operation. We have not seen people on our side, right? So, I can't talk to anything which refers to customers on the exactEarth side, right. On our side, our business has been growing nicely. The customer interactions have been positive. So unfortunately, I can't tell you anything more. We are a public company and so they are a public company. I just can't talk to more because we can't talk with each other until the transaction closes.

Ric Prentiss

I understand that. I just had a big transaction in this space this week with Inmarsat and Viasat. And there was talk about how some customers were excited to see the acquisition, not crossing over public company to public company lines, just sometimes customers call in and go, hey, I like what I see. So, I wasn't sure if you had any of those kinds of incoming calls, not anything about operating separately or anything like that. Okay.

Second question on my side is obviously everybody's anxious for 22 guidance. You can't give it yet. Maybe just the flip the question this way on how do you feel about your visibility into 22? As you're coming here into mid-November looking into 22, how visible is 22 from the standpoint of half year, full year, not giving any numbers, but just how comfortable are you getting on the visibility?

Tom Krywe

Yeah, we've been spending quite a bit of time with the executive team, with the sales force, and the leaders that run the sales teams huddling together quite often talking about all the opportunities, the pipeline. We're, again, yeah, I can't give any specifics on the 22 yet as we go through the activity with hopefully when exactEarth closes and combine everything. But we're feeling very confident about 2022, about the pipeline and the four solutions that we have to go sell on all those use cases that we're solving for our customers, the key wins that we had. And that keeps carrying forward. We're excited.

Ric Prentiss

Okay. And final one for me, a little bit more of a housekeeping one. You mentioned obviously the G&A public cost came in higher. How should we think about is this a good run rate third quarter, or is there more to come as you think through the impact in the fourth quarter? Just kind of where is a good run rate number on the G&A side of things?

Tom Krywe

Yeah, the one thing that will be hard is we're going to go through this acquisition. So, we we'll have to sense out all this third party, as Peter mentioned, this activity with all these IPOs, all these third parties are taking advantage and unfortunately for us which is marking up their prices on everything. So, it's going to be hard to tell if these third parties keep raising prices and keep making things a little bit harder for us. But I think there'll be similar activity again this quarter because we'll have another transaction to go through.

Ric Prentiss

Okay. Appreciate it. Stay well.

Operator

We go next to the line of Colin Canfield with Barclays, please proceed.

Colin Canfield

Good evening, guys. Bit of a higher level question here, but earlier this week we got the NGA's commercial earth intelligence strategy. Can you maybe talk a little bit about what that means for you guys and how you expect to sell into the government customer, whether it's subscription based or imagery data or anything else?

Peter Platzer

Of course, Colin, happy to talk about that. We have a pretty nice mix between commercial and government revenue. And the reason for that is that there are long term fundamental trends that drive the demand on both sides, right. You have ESG adopting to climate change, digitalization of the global economy on one side, and you have an intensification of the space, contestedness, security concerns, all of that on the other side.

If you listen to the talks that are coming out of the U.S. government, you just mentioned one of them, but there are many others, not least the creation of the Space Force. You can see that the interest in technologies and solutions that Spire has is absolutely increasing. And we have a specific team that is serving the United States government. We have teams globally that are serving, I would say, friendly governments all across the world. And we do indeed see an increase in the demand from those types of customers helping them solve their use cases.

Colin Canfield

Got it. Got it. And then I understand that the SPAC slides are probably a little bit dated, but if you think about your CapEx estimates and kind of what you're assuming on launch costs, can you maybe just talk us through how you're thinking about procuring launches, whether it's

going to be ride share services versus small set launchers and the premium that you are on kind of direct orbit insertion versus a ride share service?

Peter Platzer

So, Spire just completed its 31st launch campaign. We have launched with nine different launch vehicles. So, we certainly have an extremely diverse relationship with launch providers and experience working with them. And that has really helped us a lot. As I look forward it seems that almost everyone and their grandfather is starting a launch company. And we certainly appreciate that. We love working with them. We love that more and more of those capabilities are coming online, be that dedicated launch vehicles, as you mentioned, or be that orbital transfer vehicles that take advantage of very big rockets with extremely low cost per kilogram launch prices.

The way that our constellations are structured is we have probably more flexibility than some others, right. We certainly want to be in a particular area, a particular orbit, a particular inclination, but it's not that tight. And so, for us, we look at the launch place as one that is getting better every single month. Is it today where I would like it to be? No, it's not. Rockets still blow up and are delayed, but it is getting better.

Colin Canfield

Got it. And then the last question from me you talked a little bit about inflation of corporate costs but maybe you can just discuss kind of the labor costs that you're experiencing within your AI and machine learning build out. And how that's impacting your ability to ramp kind of delivering complete solutions to the customer versus a raw data sale.

Peter Platzer

So, Spire from its very early days has set up as a global company, which means that we can take advantage of a large number of labor markets and not just a concentrated or maybe more contested one. And we certainly see that benefit accruing to us as we can hire in different labor markets.

And with the pending close of the exactEarth transaction once it closes, we are having access to yet another location in Canada right in this Cambridge Waterloo University area, where there is a highly educated, highly motivated workforce where we can offer them a unique type of experience.

What we have found is that those people that are in the AI and machine learning space and that can choose where they work, when you offer them to work with space data their eyes light up just a little bit more.

Colin Canfield

So it's fair to assume that you're not having any issues with getting headcount onboarded?

Peter Platzer

I've always said that the largest execution risk for us is hiring, right. Finding the right people, at the right point in time, at the right location, with the right skillset and the right cultural mix, is absolutely a challenge because we are pretty proud of the culture that we have in the company. And so, we want to stick with that and grow with that. So, hiring--anyone who says hiring is easy I think is just lying to themselves and their pocket. So, I'm not going to tell you that hiring is easy, but we are a space company and that helps a great deal.

Colin Canfield

Got it. Thank you so much for the questions.

Operator

This concludes our question and answer session. We return to CEO Peter Platzer for closing remarks.

Peter Platzer

Thank you. In closing, we are immensely positive about the momentum we see in the business and recognizing the fortunate position we occupy at the very crest of this massive transformational wave of leveraging space to solve problems on earth. The team and I are highly encouraged by the progress we continue to make against our four growth pillars. And we execute with our typical sense of urgency, like signing a definitive agreement to acquire exactEarth just weeks after becoming a public company. And we relentlessly drive for growth. Leveraging our cutting edge technology and innovation we endeavor to help our customers and humanity solve often truly global challenges and strive for a more sustainable and equitable future.

And with that I thank you for your time, interest, and questions.

Operator

This concludes today's teleconference. We thank you for your participation. You may disconnect your lines at this time. Have a great day.