

Clipper Air Investor Brief (Expanded Draft)

Prepared for Korean Investment Partners

By J&J Ward Enterprise, LLC

Executive Summary

Clipper Air, a venture of J&J Ward Enterprise, LLC, is positioned to launch a multi-tiered aviation business headquartered in Seoul, South Korea. With over four decades of experience in business aviation, our principals have successfully managed charter, aircraft sales, and aviation operations globally. We intend to establish Clipper Air as the first mover in Korea's private aviation market, connecting Asia's business hubs and integrating exclusive U.S. tour and corporate travel solutions.

Our staged model begins with charter and tour operations (Phase One), expands into aircraft sales and management (Phase Two), and culminates in a hybrid private airline membership model (Phase Three). This approach balances early revenue with scalable long-term growth. We are seeking \$30 million in capital to launch with three Gulfstream G550 aircraft, providing global-class service and positioning the company for rapid scale.

Market Opportunity

Asia-Pacific is the fastest-growing aviation market in the world, expected to account for half of global passenger growth by 2043 (IATA, 2024). Regional passenger traffic is growing at ~3.8% CAGR. South Korea, with its new Gimpo FBO, is now embracing private jet use, led by younger executives, entertainers, and multinational corporations. This cultural shift mirrors earlier patterns seen in China and the United States, where private aviation first faced resistance but then became mainstream among corporate leaders and high-net-worth individuals.

For comparison: the U.S. market for fractional and charter aviation is already worth billions annually (NetJets alone generates ~\$2B per year). Korea has only a handful of operators, most focused on high-price, low-availability charter. This leaves a major gap for a structured and scalable entrant like Clipper Air.

We estimate more than 2 million affluent and business travelers within a 3-hour flight radius of Seoul who could benefit from Clipper Air's model. In addition, Korean corporations like Samsung, LG, and Hyundai are expanding operations in the United States. Samsung, for example, is building a \$17B chip manufacturing plant in Taylor, Texas. Clipper Air will enable corporate travel teams to reach inland U.S. destinations efficiently, combining productivity with tailored executive tours. Exclusive entertainment and golf excursions add further appeal to Korea's business and cultural elites.

Operations & Phased Rollout

Our phased rollout ensures scalability and regulatory compliance:

- Phase One – Charter & Tours: Launch with three Gulfstream G550 aircraft. Operations will include intra-Asia luxury routes (Tokyo, Hong Kong, Macau, Singapore) and U.S. West Coast tours (Los Angeles, Hollywood, Las Vegas, Hoover Dam, Grand Canyon, and top golf courses). U.S.-based charter and helicopter partners will support these packages.
- Phase Two – Sales & Management: Introduce fractional ownership and full aircraft sales with management contracts. Fractional programs can yield 50% higher effective revenue compared to direct sales. Management contracts typically generate \$100K–\$150K per jet annually.
- Phase Three – Private Airline: Establish scheduled club-only routes from Seoul to China, Taiwan, and Japan. Flights will operate from FBOs rather than airline terminals, offering private jet convenience at business-class fares. FAA Part 135/121 experience positions Clipper Air to adapt smoothly to Korean and regional regulatory requirements.

South Korea's stable economy, strong regulatory culture, and reputation for rapid technology adoption make it the ideal hub for this strategy. By blending prestige leisure travel with corporate business solutions, Clipper Air is uniquely positioned for long-term growth.

Financial Plan

Investment Required: \$30 Million USD

Use of Funds (Detailed):

- Fleet Acquisition/Lease (3 Gulfstream G550 aircraft) – \$22.5M
- Crew Salaries & Training – \$2.5M
- Hangar & Office Facilities – \$1.5M
- Legal, Compliance & Insurance – \$1.5M
- Marketing & Brand Development – \$1.0M
- Regulatory & Certification – \$1.0M
- Reserves (18–24 months runway) – \$0.5M

This structure reflects the higher capital intensity of G550 operations while ensuring adequate funding for personnel, regulatory approvals, and reserves.

Revenue Model & Margins (per aircraft at 750 hrs/year, \$15K/hr):

- Charter Operations: $750 \text{ hrs} \times \$15\text{K/hr} = \11.25M revenue. Operating costs and lease/finance total ~\$9.55M, yielding ~\$1.7M EBITDA (~15% margin).
- Air Tours: Premium packages yield ~30% margin, adding incremental profitability.
- Aircraft Sales & Fractional: Estimated one G550 equivalent sold annually in shares –

~\$3M margin.

- Aircraft Management: 6–9 aircraft under management by Year 3 → ~\$900K recurring annual revenue.

Projections

Conservative 3-Year Financial Projections (3-aircraft launch scenario):

Year	Fleet	Hours/ Aircraft	Avg Rate/hr	Revenue	Total Costs incl. Lease	EBITDA	Margin
1	2	600	\$15K	\$18.0M	\$16.4M	\$1.6M	9%
2	3	750	\$15K	\$33.8M	\$28.7M	\$5.1M	15%
3	4	750	\$15K	\$45.0M	\$38.2M	\$6.8M	15%

At 750 hrs/year per aircraft and a \$15K/hr average charter rate, margins stabilize at ~15%. Tour packages, fractional sales, and management contracts will add additional margin lift, potentially raising EBITDA margins to 20–25% by Year 3.

Investment Case

Breakeven is expected within 24 months, with EBITDA margins improving as utilization scales and complementary revenue streams grow. Clipper Air is positioned as both a prestige brand and a practical corporate solution for Korean companies expanding across Asia and the United States.

Exit opportunities for investors include structured equity buyback programs or an eventual IPO. With first-mover advantage in Korea's private aviation sector, Clipper Air represents a unique blend of prestige, growth, and profitability aligned with Korea's global business expansion.