



The Corner

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SpaceX IPO: Counting Down to Launch

SpaceX Looks To Make Market History With One Of The Largest IPOs Ever

SpaceX officially filed its long-awaited IPO prospectus with the SEC on May 20, setting the stage for what could become one of the largest public offerings in history. At a proposed valuation of approximately \$1.75 trillion, the company would immediately rank among the most valuable publicly traded firms in the world.¹ While many investors know SpaceX primarily for its rockets and ambitious plans for space exploration, the filing presents a broader business spanning launch services, satellite communications, and artificial intelligence infrastructure. As a result, the IPO may be relevant not only to investors considering participation in the offering, but also to those with exposure

to actively managed portfolios, index funds, and exchange-traded funds.

The SpaceX story is unusual because it combines businesses at very different stages of development. Launch services and Starlink represent established operations generating billions of dollars in revenue, while initiatives such as Starship and AI infrastructure reflect substantial ongoing investment in future capabilities. The company's Form S-1 provides investors with their first comprehensive look at how these businesses fit together, how they contribute to the company's financial results, and how ownership and control will be structured following the offering.

¹ Reuters, *US funds set aside cash as SpaceX and OpenAI prepare to go public, analysts say*, May 27, 2026.



More Than a Rocket Company

For many investors, SpaceX is synonymous with rocket launches. Since its founding in 2002, the company has grown into one of the world's leading commercial space transportation providers, routinely delivering satellites, cargo, and astronauts into orbit. The Falcon family of rockets and Dragon spacecraft remain central to the company's operations and helped establish SpaceX as a major participant in the global space industry.

The company's IPO filing presents a business that extends beyond launch services. Today, SpaceX is organized around three reportable segments: **Space**, **Connectivity**, and **AI**.

The **Space** segment includes the company's launch operations and spacecraft programs, including Falcon, Dragon, and Starship. Falcon and Dragon support a growing number of commercial and government missions, while Starship represents the company's next-generation launch system currently under development.

The **Connectivity** segment consists primarily of Starlink, the company's satellite broadband network. By combining thousands of satellites in low-Earth orbit with customer ground equipment, Starlink provides internet connectivity across a broad geographic footprint, including many locations where traditional terrestrial infrastructure may be limited or unavailable.

The **AI** segment was created following the acquisition of xAI in February 2026 and includes artificial intelligence model development, computing infrastructure, Grok, and the X social media platform. The addition of xAI expanded SpaceX's reach into another rapidly developing area of technology and infrastructure.

While these businesses operate in distinct markets, the filing describes a company increasingly focused on transportation, connectivity, and computing infrastructure. Understanding how those businesses fit together—and how they contribute to the company's financial results—helps explain why the IPO has attracted attention from investors well beyond the aerospace sector.

Starlink, Starship and the Economics of SpaceX

While SpaceX remains best known for its rockets, the company's financial profile is increasingly shaped by businesses beyond launch services. The IPO filing shows a company balancing mature operations that generate

substantial revenue with newer initiatives that continue to

require significant investment.

At the center of that story is **Starlink**. Since launching commercial service in 2020, the satellite broadband network has grown into one of the largest communications platforms of its kind. As of March 31, 2026, the company reported approximately 10.3 million subscribers across 164 countries, territories, and other markets. The network is supported by roughly 9,600 satellites operating in low-Earth orbit.

Starlink's importance extends beyond its scale. Unlike launch services, which generate revenue on a mission-by-mission basis, broadband connectivity provides an ongoing relationship with subscribers. During 2025, the Connectivity segment generated \$11.4 billion in revenue and \$4.4 billion in operating income, making it the company's largest business segment by both measures.

The Space segment presents a different financial profile. While launch services remain a significant source of revenue, management continues to invest heavily in Starship, the company's next-generation launch system. According to the filing, SpaceX has invested more than \$15 billion in Starship development to date. Production and manufacturing costs associated with the program became the largest expense category within the Space segment during 2025, reflecting the scale of ongoing development efforts.

The company's newest segment, AI, reflects a similar investment-intensive approach. Created following the acquisition of xAI, the business generated revenue during the first quarter of 2026 but reported significant operating losses as SpaceX expanded computing infrastructure, data-center capacity, and related technology investments. Management describes artificial intelligence infrastructure as an area of continued strategic focus.

These differing financial profiles are reflected in the company's overall results. For 2025, SpaceX reported revenue of approximately \$18.7 billion and positive Adjusted EBITDA of approximately \$6.6 billion. At the same time, the company reported a GAAP operating loss and continued to deploy substantial amounts of capital across Starship, AI infrastructure, and other growth initiatives.

The result is a company operating businesses at different

stages of development. Connectivity generated the majority of revenue and profitability during the periods presented, while investments in Starship and AI infrastructure remained significant. Understanding that balance between



established operations and ongoing development programs is central to understanding the financial story presented in the IPO filing.

Why Investors Are Paying Attention

The significance of the SpaceX IPO extends beyond the company itself. Because of its size, visibility, and proposed valuation, the offering has sparked discussion about its potential impact on investors, public markets, and the broader space industry.

One immediate effect has been increased investor interest in publicly traded space-related companies. Following the filing, shares of several companies operating in launch services, satellite communications, and related industries moved higher as investors reassessed the sector's growth prospects. Reuters reported that some market participants view the IPO as a catalyst that could bring additional investor attention and capital to space-related businesses more broadly.²

The offering has also generated discussion about potential inclusion in major equity indexes. Recent rule changes adopted by certain index providers could accelerate the addition of newly public mega-cap companies to widely followed benchmarks, potentially making SpaceX eligible for inclusion sooner than would have been possible under prior rules.³

For passive investors, index inclusion can have important implications. Admission to major benchmarks may increase institutional ownership over time as index funds and exchange-traded funds adjust their holdings. Reuters also reported that some large asset managers have already begun preparing for a potential wave of large public offerings, including SpaceX and other highly valued private companies expected to pursue public listings.⁴

The IPO has also attracted attention because of what it may signal about the broader private-company market. After several years in which many high-profile technology companies remained private for longer periods, SpaceX represents one of the first truly mega-cap private businesses to seek public ownership. As a result, investors are closely watching the offering for indications about future listings from other large private companies.

The importance of the transaction extends beyond whether investors participate in the IPO itself. Given the company's

scale and visibility, SpaceX may eventually become relevant to a broad range of portfolios through actively managed funds, index funds, exchange-traded funds, and other investment vehicles. Understanding the company, therefore, may prove as important as understanding the offering.

What Investors Should Know

As with any initial public offering, understanding the business is only part of the equation. The SpaceX filing also outlines several governance and risk considerations that prospective investors should understand.

Following the offering, SpaceX will maintain a dual-class share structure consisting of Class A and Class B common stock. Public investors purchasing Class A shares will receive one vote per share, while Class B shares will carry ten votes per share. As a result, Elon Musk and certain significant investors are expected to retain substantial voting control following the IPO, and the company will qualify as a "controlled company" under Nasdaq rules.

The filing also identifies a number of business and operational risks. Among the most significant are the company's continued investment requirements, the execution challenges associated with Starship development, regulatory and licensing requirements across multiple jurisdictions, increasing competition in launch services, communications, and artificial intelligence, and the company's dependence on Elon Musk's leadership and strategic direction.

Investors should also recognize that SpaceX continues to operate capital-intensive businesses. Although the company generated substantial revenue during the periods presented, management expects significant ongoing investment across Starship, AI infrastructure, satellite deployment, and related growth initiatives.

Finally, the IPO itself will be subject to customary lock-up provisions that restrict the sale of shares by existing shareholders for specified periods following the offering. According to the filing, most existing shareholders will be subject to staggered lock-up periods, while Elon Musk and certain significant investors will be subject to longer restrictions on share sales.

Prospective investors should review the prospectus carefully, including the Risk Factors section.

²Reuters, *US Space Stocks Rise on SpaceX IPO Hype*, May 27, 2026.

³Reuters, *US Funds Set Aside Cash as SpaceX and OpenAI Prepare to Go Public*, May 27, 2026.

⁴Reuters, *US Funds Set Aside Cash as SpaceX and OpenAI Prepare to Go Public*, May 27, 2026.

Final Thoughts

The SpaceX IPO offers investors their first detailed look at a company that has evolved well beyond its origins as a launch provider. The filing describes a business operating across commercial space transportation, satellite communications, and artificial intelligence infrastructure, with each segment contributing differently to the company's overall financial profile.

For many investors, Starlink may represent the most established component of the business today, while Starship and the AI segment reflect substantial ongoing investment in future capabilities. Together, these businesses help explain why SpaceX has attracted significant attention from both institutional and individual investors.

The preliminary prospectus is dated May 20, 2026. Roadshows are expected to begin on June 4, pricing is anticipated around June 11, and the company's shares could begin trading as early as June 12. Although the offering timeline and final terms remain subject to change, the filing marks an important milestone for one of the largest and most closely watched private companies to enter the public markets.

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Primary Source:

Space Exploration Technologies Corp. (SpaceX). Preliminary Form S-1 prospectus for registration of securities under the Securities Act of 1933. Filed with the U.S. Securities and Exchange Commission, EDGAR database, 20 May 2026.
<https://www.sec.gov/Archives/edgar/data/1181412/000162828026036936/spaceexplorationtechnolog.htm>

Sources Consulted:

Bloomberg & Reuters

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