



SpaceX and the Modern Space Economy

Space
Exploration
Technologies

Aerospace

Founded:
2002

Funding to Date:
\$5.24B

Space Exploration Technologies ("SpaceX") is a private space and communications company operating across launch services, satellite broadband, and government missions. Founded in 2002 and headquartered in Hawthorne, California, the company has become the world's largest launch provider and the operator of the largest low-Earth-orbit satellite network. SpaceX serves a broad range of commercial and government customers, with revenue generated from launch activity, satellite connectivity, and long-term defense and national security contracts. The company's integrated approach to launch and satellite operations has supported high mission cadence and global coverage, while continued investment across its platforms positions the business for further expansion over time.

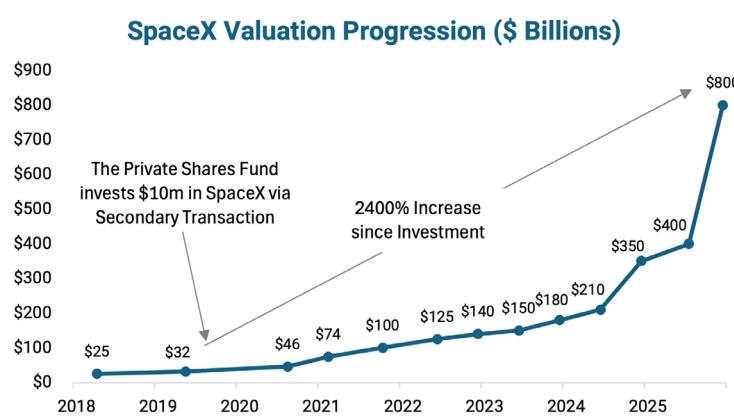
Recent reporting has renewed discussion around a potential SpaceX IPO. While no formal plans have been announced, the scale being discussed would place it among the largest public offerings ever, underscoring the significance of SpaceX as a global space, communications, and national security platform.

1. THE PRIVATE SHARES FUND PERSPECTIVE

As an investor in SpaceX, The Private Shares Fund has participated in the company's evolution as both a late-stage technology leader and a model for value creation in private markets. As of 12/31/25, it is the Fund's largest holding, and we believe SpaceX represents the established, innovation-focused companies that define the Fund's investment approach.

When the Fund first invested in SpaceX in 2019, the company was already a proven operator in launch services and an emerging force in broadband. The position aligned with the Fund's strategy of investing in mature, innovation-driven private companies – businesses that demonstrate visible revenue, durable margins, and long-term optionality.

SpaceX's combination of primary financings and periodic tender offers since then have provided market-based pricing indications, reflecting how operational performance can translate into rising enterprise value. For investors, these events illustrate one of the defining advantages of high-quality private exposure: observable, data-driven appreciation without reliance on daily market volatility.



More broadly, SpaceX embodies the Fund's conviction that the most transformative technologies often mature privately before reaching public markets. SpaceX's combination of recurring revenue, vertical integration, and measurable valuation progress demonstrates how private-market infrastructure investments can deliver sustained growth over multi-year horizons.

Sources: 2018 and 2019 data per Pitchbook; 2020 through 2025 data per Section 6 herein



2. BUILDING THE INFRASTRUCTURE FOR A SPACE ECONOMY

Over the past two decades, SpaceX has grown from an ambitious engineering project into a central player in the global technology landscape. Today it operates at the intersection of aerospace, telecommunications, and logistics. Its integrated model, spanning launch, broadband, and defense communications, brings together innovation and scale in a way few companies have matched.

The company now stands at the center of a fast-growing global space economy that analysts expect could exceed \$1 trillion by 2040.¹ Its network of rockets, satellites, and data systems supports communications, transportation, and defense capabilities worldwide.

3. INTEGRATED DRIVERS OF GROWTH

Launch and Transportation

SpaceX's Falcon 9 rocket transformed orbital access by proving that reusability can work at scale. The ability to land and relaunch boosters has reduced cost per kilogram to orbit approximately 75% compared to traditional expendable systems.²

In the first half of 2025, SpaceX performed more than 80 orbital launches, representing over 55% of global launch activity.³ Its heavy-lift Falcon Heavy and crewed Dragon spacecraft expand the company's offerings across commercial, scientific, and governmental missions, while the fully reusable Starship vehicle—currently in testing—aims to deliver payloads exceeding 100 tons and enable lunar and Mars transport later this decade. These advances have turned SpaceX into both a launch service provider and a platform for future deep-space logistics.



Falcon Heavy lifts off from Kennedy Space Center
Image credit: www.spacex.com/vehicles/falcon-heavy

Starlink Broadband

Launched in 2019, Starlink has become SpaceX's primary driver of growth. It operates the world's largest low-Earth-orbit satellite constellation, exceeding 8,000 active satellites⁴ and provides broadband connectivity to residential, enterprise, aviation, and maritime customers in over 100 countries.⁵

Analysts estimate Starlink generated \$8–9 billion in 2024 revenue [6], surpassing SpaceX's launch services for the first time. Its subscription model delivers recurring revenue and diversifies the company away from the cyclical launch market.

Starlink's enterprise and government segments are also expanding rapidly. Aviation and maritime connectivity contracts, as well as government agreements for emergency communications, now contribute significantly to overall growth. SpaceX now leads the industry in launch and spacecraft production and is quickly establishing itself as one of the world's leading vertically integrated communications infrastructure providers.

1 -Morgan Stanley: www.morganstanley.com/Themes/global-space-economy

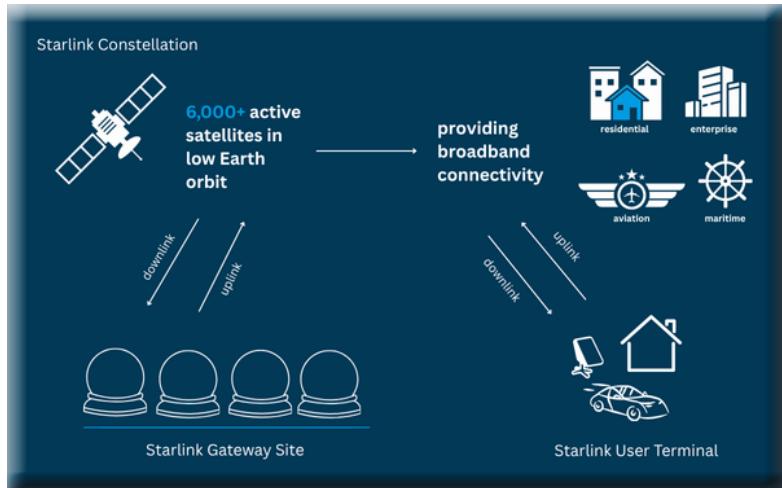
2 - Patent PC: www.patentpc.com/blog/reusable-rockets-vs-disposable-rockets-market-trends-and-cost-reduction-stats

3 - BryceTech, "Global Orbital Space Launches," Q1 and Q2 2025. www.brycetech.com/reports/report-documents/bryce-briefing-2025-Q1/ and www.brycetech.com/reports/report-documents/bryce-briefing-2025-Q2/

4 - Space.com: www.space.com/spacex-starlink-satellites.html

5 - CNet: www.cnet.com/home/internet/starlink-internet-is-available-in-over-100-countries/

6 - Payload Space: www.payloadspace.com/estimating-spacexs-2024-revenue/



SpaceX's \$17 billion acquisition of EchoStar's spectrum enhances its independence in direct-to-device services, expanding beyond its T-Mobile partnership and giving the company greater control over its Starlink network. As Gwynne Shotwell, SpaceX's President and COO, explained, Starlink's first-generation Direct-to-Cell satellites have already connected millions "during natural disasters ... or when they would have previously been off the grid," and with exclusive spectrum, the next generation will deliver "a step change in performance" and broader global coverage.⁷

Starshield and Government Services

Building on Starlink's platform, Starshield offers encrypted, defense-grade satellite communications and imaging capabilities for the U.S. government and allied agencies. In 2021, Starshield secured multiyear government contracts, including a \$1.8 billion classified program with the National Reconnaissance Office⁸ and a \$70 million U.S. Space Force contract for specialized satellite communications.⁹ These engagements provide stable, long-term revenue streams and strengthen SpaceX's alignment with national-security priorities.

Manufacturing and Vertical Integration

A major competitive advantage for SpaceX lies in its vertical integration. The company designs and manufactures nearly every major component—from rocket engines and avionics to satellites and user terminals—all at its domestic facilities in California, Texas, and Washington.

This structure gives SpaceX control over production, costs, and supply chains. Its Hawthorne, California headquarters and Starbase, Texas site combine research, engineering, and manufacturing, while the Redmond, Washington facility builds Starlink satellites on fast, high-volume lines. The company functions more like an integrated manufacturer than a traditional aerospace contractor, turning out new hardware and design updates in a matter of months instead of years.

Operational Scale and Financial Performance

SpaceX has reached a scale rarely seen in the private sector. By combining industrial capability with recurring revenue and steady reinvestment in technology, it has built a growth model that is unmatched in almost any company in the world, public or private.

7- PR News Wire: www.prnewswire.com/news-releases/echostar-announces-spectrum-sale-and-commercial-agreement-with-spacex-302548650.html

8 - Reuters, 2024: www.reuters.com/technology/space/musks-spacex-is-building-spy-satellite-network-us-intelligence-agency-sources-2024-03-16/

9 -CNBC, 2023: www.cnbc.com/2023/09/27/spacex-wins-first-pentagon-contract-for-starshield.html

Revenue expanded from roughly \$2 billion in 2018¹⁰ to about \$13 billion in 2024⁶, and is projected at approximately \$15.5 billion in 2025¹¹ according to public statements by CEO, Elon Musk. Musk claims SpaceX's revenue will exceed NASA's budget in 2026 to over \$18.8 billion¹², as Starlink and defense businesses continue to mature.

Year	Est./Projected Revenue (USD Billions)	Primary Driver / Context
2022 ¹³	≈ 4.6	Starlink rollout accelerates and launch cadence expands
2023 ¹⁴	≈ 8.7	Continued Starlink adoption and increasing global launches
2024 ⁶	≈ 13.1	Starlink broadband dominates revenue mix
2025E ¹¹	≈ 15.5	Ongoing Starlink growth supported by steady launch activity
2026E ¹²	+18.8	Projected Starship deployment and growing defense contracts

2025 and 2026 estimated data may not be realized.

Starlink reportedly achieved breakeven cash flow in 2023.¹⁵ driven by reusable hardware and rising Starlink subscriptions. Profitability allows the company to self-fund Research and Design (R&D), reducing its dependence on external capital, which is extremely unusual for a firm still privately held.

4. ECONOMIES OF SCALE

SpaceX's advantage comes from the way it connects design, testing, and production. Flight data feeds directly back into engineering decisions, manufacturing teams implement changes quickly, and each mission helps refine both process and cost. That integration drives faster innovation, lower expenses, and operational learning that builds over time .

Integration drives faster innovation, lower expenses and operational learning.

Reusability and Reliability

Falcon 9 captures how SpaceX learns from every flight, turning data into better hardware and lower costs. Each recovered booster provides engineering data that informs new design and refurbishment techniques. Turnaround times have fallen from months to weeks, and individual boosters have exceeded 25 missions.¹⁶ This capability has turned what was once a one-use asset into a repeatable, cash-efficient platform.

10 - CNBC, 2019: www.cnbc.com/2019/05/20/spacex-revenue-2-billion-from-rockets-last-year-jefferies-estimate.html

11 - Reuters, 2025: www.reuters.com/science/spacex-will-record-revenue-about-155-billion-2025-elon-musk-says-2025-06-03/

12 - Morningstar: www.morningstar.com/news/dow-jones/202506036792/spacex-revenue-to-exceed-nasas-budget-in-2026-elon-musk-says

13 - CNBC, 2023: www.cnbc.com/2023/08/17/spacex-reported-a-profit-in-the-first-quarter-wsj-says.html

14 - Payload Space: www.payloadspace.com/estimating-spacexs-2023-revenue/

15 - CNBC, 2023: www.cnbc.com/2023/11/02/elon-musk-spacex-starlink-breakeven-cash-flow.html

16 - Yahoo Tech: tech.yahoo.com/science/articles/spacex-rocket-sets-reuse-record-122013047.html



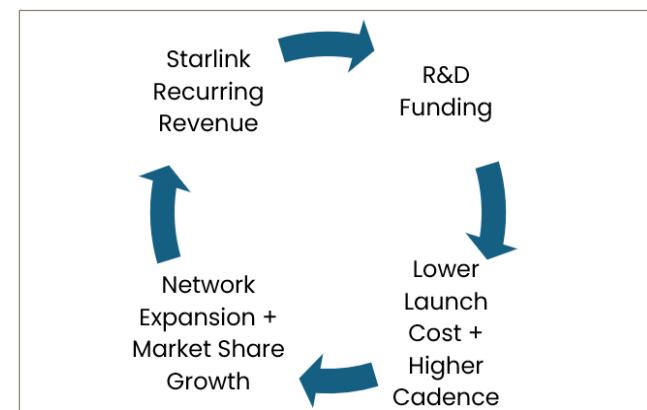
The Private Shares Fund

Data and Software Integration

Every launch generates vast amounts of flight data. SpaceX analyzes that information to improve flight paths, engine performance, and satellite network efficiency. Advanced analytics and predictive modeling help identify when parts will need maintenance, applying the fast-learning cycles typical of Silicon Valley software development to aerospace hardware.

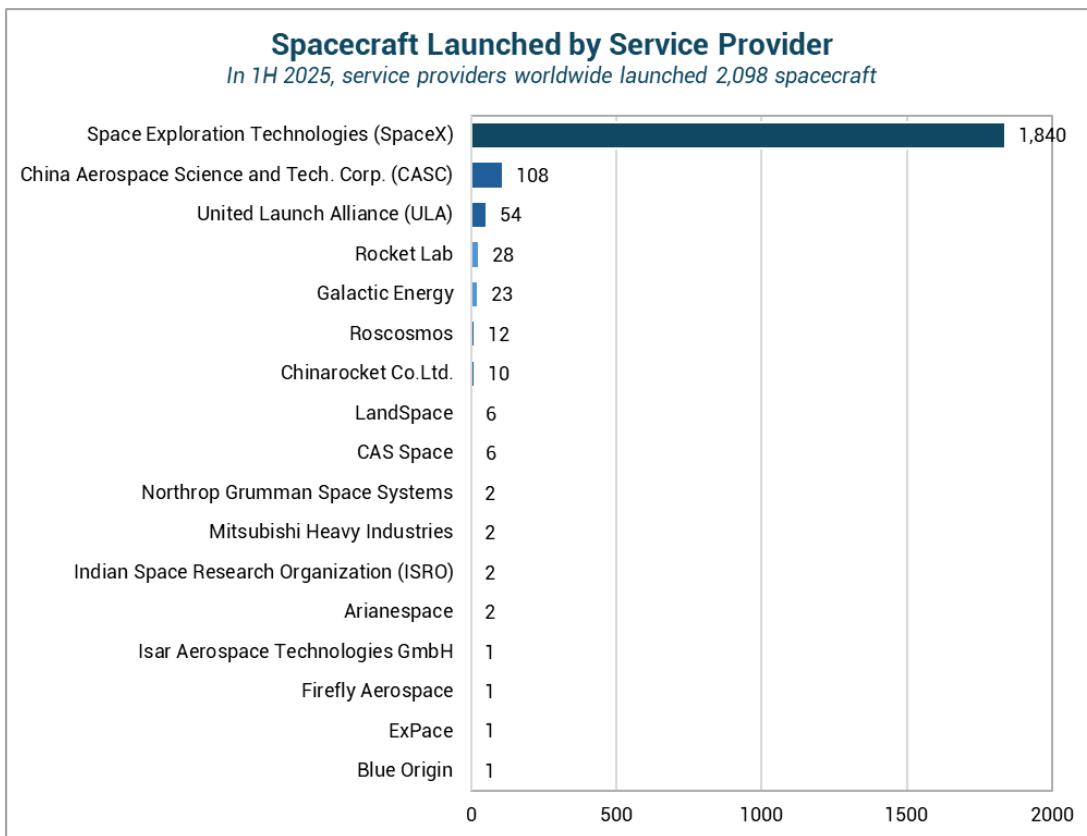
How Innovation Converts to Growth

Recurring cash flow from Starlink funds research and development for Starship, propulsion upgrades, and next-generation satellites. The cycle drives reliability, lowers costs, and deepens SpaceX's lead in key markets. Its technology improvements translate quickly into stronger margins and operational scale.



5. STRATEGIC NATIONAL IMPORTANCE

SpaceX's scale now holds strategic importance for the United States and its position in the global space economy. In the first half of 2025, U.S. launch providers conducted 96 orbital launches, compared with 36 from China. Across that period, SpaceX accounted for more than 80 percent of all U.S. missions.³ Without SpaceX, total American orbital activity would fall below China's levels.



Source: Bryce Tech Orbital Space Launch Briefing, Q1 2025 and Q2 2025

The company's infrastructure — spanning launch, satellite communications, and national security applications — has become critical to maintaining global connectivity and competitiveness. Its Starlink and Starshield programs generate meaningful commercial revenue while providing secure, redundant communications that support defense operations, disaster response, and connectivity in remote regions.

In 1H 2025, SpaceX accounted for more than 80% of all U.S. space missions.³

SpaceX's reliability has also changed how U.S. agencies and private operators plan missions. NASA, the Department of Defense, and commercial satellite companies now rely on its launch cadence and cost efficiency to maintain consistent access to orbit. This consistency has allowed the U.S. to expand space-based operations faster and more sustainably than any other nation.

As competition from state-backed programs intensifies, especially in China, SpaceX shows how private innovation can strengthen national capability. The company's success demonstrates how commercial scale and technical leadership are now essential to sustaining U.S. leadership in space.

6. VALUATIONS, TENDER ACTIVITY AND PATHWAYS TO LIQUIDITY

Across the private-technology landscape, leading companies are remaining private for longer, as deep late-stage capital and active secondary markets reduce reliance on early IPOs. SpaceX has followed this path. In its earlier growth phase, the company raised traditional venture capital through large private rounds, notably in 2020, 2021, and 2022, which established valuation benchmarks and attracted a broad set of long-term institutional investors.

As the business has scaled, SpaceX has increasingly relied on periodic tender offers as its primary mechanism for liquidity and price discovery. These tenders allow employees and existing shareholders to sell shares while providing transparent, market-based pricing without the need for primary capital raises. Over time, they have become the clearest way the company's enterprise value is demonstrated in the private markets.

Valuation increases have consistently tracked underlying execution rather than market sentiment. Step-ups have followed tangible progress across launch cadence, the growth of Starlink into a large recurring-revenue business, and expanding government and defense engagements. This pattern reflects sustained investor demand and confidence in SpaceX's fundamentals. A similar execution-driven valuation dynamic is increasingly evident across leading private AI and infrastructure companies, where adoption milestones and operating scale are driving value well ahead of public listings.

Potential IPO

Recent reporting has brought renewed attention to the possibility of a SpaceX IPO. Market commentary has often centered on a potential valuation around \$1.5 trillion¹⁷, reflecting the scale the company has reached across launch, satellite communications, and national security infrastructure. While current IPO discussions often reference valuations around \$1.5 trillion, the longer-term opportunity for SpaceX could be meaningfully larger, given the scope of the platform and the role it plays across multiple large and long-duration markets.

Commentary from several long-term investors has highlighted views that look past near-term IPO valuations, pointing to SpaceX's broad platform and long-duration opportunity as factors that could support a larger long-term valuation



Starbase, home to SpaceX Headquarters.
Image credit: www.spacex.com/vehicles/starship

17 - CNBC, 2025: www.cnbc.com/2025/12/11/musk-says-spacex-report-of-2026-ipo-is-accurate.html

perspective. These perspectives tend to focus on the company's expanding role across launch, satellite communications, and government missions, and suggest that traditional public-market comparisons may not fully reflect the scale of the opportunity.¹⁸

An IPO of this size would be notable beyond liquidity for existing shareholders. It would rank among the largest public listings ever and introduce a vertically integrated space infrastructure platform to public investors. Given SpaceX's position across launch, communications, and national security missions, a listing of this scale could shape how space-related businesses are viewed and valued in the public markets.

As the Fund's largest position (as of December 31, 2025), SpaceX would be a significant focus in any public listing scenario. More broadly, with aerospace representing the Fund's largest sector exposure at approximately 21% of the portfolio (as of December 31, 2025), a meaningful portion of the portfolio is exposed to developments and investor sentiment across the space ecosystem. In addition to SpaceX, the Fund holds a number of space-adjacent businesses, as well as later-stage technology and infrastructure companies, that could be influenced by increased attention and evolving public-market conditions.

Date	Reported Valuation (USD Billions)	Type	Milestone Context
Aug. 2020 ¹⁹	≈ 46	Fundraise	Early Starlink deployment and demonstrated Falcon 9 reusability
Feb. 2021 ¹⁹	≈ 74	Fundraise	Expansion of Starlink operations and continued Falcon 9 launch cadence
Oct. 2021 ²⁰	≈ 100	Tender	Broader commercial and government engagement through Starlink and Dragon programs
Jun. 2022 ²¹	≈ 125	Fundraise	Scaling of Starlink service and global launch demand
Dec. 2022 ²²	≈ 140	Tender	Advancing Starship development and network growth
Jun. 2023 ²³	≈ 150	Tender	Expansion of enterprise connectivity offerings and Starship testing progress
Dec. 2023 ²⁴	≈ 180	Tender	Introduction of Starshield and growth in government partnerships
Jun. 2024 ²⁵	≈ 210	Tender	Continued Starlink adoption and progress toward Starship operational capability
Dec. 2024 ²⁵	≈ 350	Tender	Broader commercial demand and strengthening private-market interest
Jul. 2025 ²⁶	≈ 400	Tender	Ongoing global expansion across Starlink, Starshield, and launch services
Dec. 2025 ²⁷	≈ 800	Tender	Sustained Starlink monetization, expanding defense applications, and continued launch dominance

18 - HeyGoTrade, 2025: www.heygotrade.com/en/news/spacex-2026-ipo-eyes-1-5-trillion-valuation/

19 - CNBC, 2021: www.cnbc.com/2021/02/16/elon-musks-spacex-raised-850-million-at-419point99-a-share.html

20 - CNBC, 2021: www.cnbc.com/2021/10/08/elon-musks-spacex-valuation-100-billion.html

21 - Reuters, 2022: www.reuters.com/markets/us/elon-musks-spacex-is-poised-become-most-valuable-us-startup-2022-05-17/

22 - Interesting Engineering: www.interestingengineering.com/innovation/spacex-tender-offer-140-billion

23 - Reuters, 2023: www.reuters.com/markets/deals/spacex-tender-offer-values-company-about-150-billion-bloomberg-news-2023-06-23/

24 - CNBC, 2023: www.cnbc.com/2023/12/13/spacex-value-climbs-to-180-billion-higher-than-boeing-verizon.html

25 - CNBC, 2024: www.cnbc.com/2024/12/11/spacex-valuation-surges-to-350-billion-as-company-buys-back-stock.html

26 - Tech Crunch, 2025: www.techcrunch.com/2025/07/08/spacex-in-talks-to-raise-new-funding-at-400b-valuation/

27 - Reuters, 2025: www.reuters.com/business/spacex-sets-800-billion-valuation-bloomberg-news-reports-2025-12-13/



Potential Liquidity Outcomes

Although SpaceX does not require a public listing to fund operations, some form of public liquidity event remains the most likely long-term outcome. Two principal pathways have drawn consistent attention from investors and analysts:

1. Full Company IPO

A full listing of SpaceX would represent one of the largest technology IPOs ever. It would provide broad liquidity for shareholders and establish a public valuation benchmark while opening access for new investors. However, going public would also bring quarterly-reporting obligations and regulatory oversight that might constrain SpaceX's long-range engineering agenda.

2. Starlink Spin-Off or Public Listing

Multiple reports have indicated that SpaceX may eventually spin off Starlink into a separate public entity.^{28,29} Such a move would allow markets to value the broadband business – characterized by recurring revenue and high margins – independently from the capital-intensive space launch segment. A Starlink IPO could also unlock capital for continued infrastructure expansion while enabling SpaceX to retain majority control.

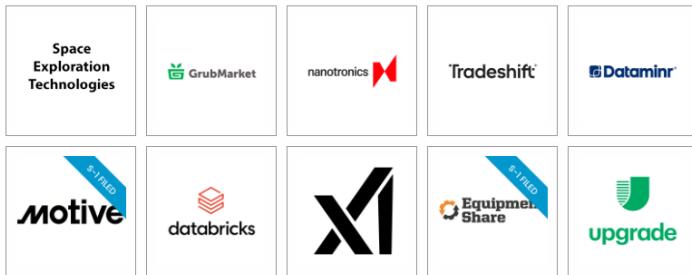
While timing is uncertain, either of these outcomes would represent a major inflection point for investors and for the broader private-to-public transition of late-stage technology companies.

Whether through a public listing or continued private growth, SpaceX has already reshaped expectations for what private companies can achieve at scale. Its success underscores how investors can increasingly share in that growth and upside while companies remain private.

28 - Reuters, 2021: www.reuters.com/technology/musk-says-starlink-go-public-once-cash-flow-is-more-predictable-2021-06-24/
29 - CNBC, 2025: www.cnbc.com/2022/10/19/elon-musks-spacex-could-spin-off-starlink-in-ipo-by-2025-analysts.html



THE PRIVATE SHARES FUND TOP 10 HOLDINGS AS OF 12/31/25*



*Represents 47.6% of Fund holdings as of December 31, 2025. Holdings are subject to change. Not a recommendation to buy, sell, or hold any particular security. **Current and future holdings are subject to risk.** To view the Fund's complete holdings, visit privatesharesfund.com/portfolio. Fund holdings are updated frequently on the website. For the most current portfolio information, visit www.privatesharesfund.com

RISKS AND DISCLOSURES

As of December 31, 2025, SpaceX represented 13.6% of the Fund's portfolio.

SpaceX is a privately held company that does not trade on any national securities exchange, and there is no guarantee that its shares will ever be traded on any national securities exchange.

The views expressed in this material reflect those of the Fund's Investment Advisor as of the date this is written and may not reflect its views on the date this material is first published or anytime thereafter. These views are intended to provide general information, and do not constitute investment advice or recommendation to buy or sell any security.

All current and future holdings of the Fund are subject to risk and to change. The information provided is about one security held by the Fund. As of December 31, 2025, there were 78 holdings in the Fund. A decision to invest in the Fund should consider more factors than just one holding in its portfolio.

Enterprise value is a measure of a company's total worth, calculated as market capitalization plus total debt, minus cash and cash equivalents.

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus with this and other information about The Private Shares Fund (the "Fund"), please download [here](#), visit the Fund's website at PrivateSharesFund.com or call 1-855-551-5510. Read the prospectus carefully before investing.

The Private Shares Fund is a closed-end interval fund. Investment in the Fund involves substantial risk. The Fund is not suitable for investors who cannot bear the risk of loss of all or part of their investment. The Fund is appropriate only for investors who can tolerate a high degree of risk and do not require a liquid investment. All investing involves risk including the possible loss of principal.

Shares in the Fund are highly illiquid, and can be sold by shareholders only in the quarterly repurchase program of the Fund which allows for up to 5% of the Fund's outstanding shares at NAV to be redeemed each quarter. Due to transfer restrictions and the illiquid nature of the Fund's investments, you may not be able to sell your shares when, or in the amount that, you desire. The Fund intends to primarily invest in securities of private, late-stage, venture-backed growth companies. There are significant potential risks relating to investing in such securities. Because most of the securities in which the Fund invests are not publicly traded, the Fund's investments will be valued by Liberty Street Advisors, Inc. (the "Investment Adviser") pursuant to fair valuation procedures and methodologies adopted by the Board of Trustees, as set forth in the prospectus. As a consequence, the value of the securities, and therefore the Fund's Net Asset Value (NAV), may vary.

There are significant potential risks associated with investing in venture capital and private equity-backed companies with complex capital structures. The Fund focuses its investments in a limited number of securities, which could subject it to greater risk than that of a larger, more varied portfolio. There is a greater focus in technology securities that could adversely affect the Fund's performance. The Fund's quarterly repurchase policy may require the Fund to liquidate portfolio holdings earlier than the Investment Adviser would otherwise do so and may also result in an increase in the Fund's expense ratio. Portfolio holdings of private companies that become publicly traded likely will be subject to more volatile market fluctuations than when private, and the Fund may not be able to sell shares at favorable prices. Such companies frequently impose lock-ups that would prohibit the Fund from selling shares for a period of time after an initial public offering (IPO). Market prices of public securities held by the Fund may decline substantially before the Investment Adviser is able to sell the securities.

The Fund may invest in private securities utilizing special purpose vehicles ("SPV's"), private investments in public equity ("PIPE") transactions where the issuer is a special purpose acquisition company ("SPAC"), and profit sharing agreements. The Fund will bear its pro rata portion of expenses on investments in SPVs or similar investment structures and will have no direct claim against underlying portfolio companies. PIPE transactions involve price risk, market risk, expense risk, and the Fund may not be able to sell the securities due to lock-ups or restrictions. Profit sharing agreements may expose the Fund to certain risks, including that the agreements could reduce the gain the Fund otherwise would have achieved on its investment, may be difficult to value and may result in contractual disputes. Certain conflicts of interest involving the Fund and its affiliates could impact the Fund's investment returns and limit the flexibility of its investment policies. This is not a complete enumeration of the Fund's risks. Please read the Fund prospectus for other risk factors related to the Fund.

The Fund is distributed by FORESIDE FUND SERVICES, LLC.