SAINTS

» Q2 2026

SpaceX, the IPO of a generation, from a venture secondaries perspective

What the Largest IPO in History Tells Us About the Cost of Selling Early, the Power of Continuation Vehicles, and the Future of the Secondary Market

A NOTE ON TIMING — AND HONESTY

Last week, SpaceX priced IPO at $135 per share — 555.6 million shares, $75 billion raised, a valuation of approximately $1.75 trillion. Immediately the stock rose on its first day of trading. This is, by any measure, the largest IPO in the history of capital markets.

Saints Capital had multiple opportunities to invest in SpaceX through the secondary market between 2017 and 2022 and beyond. We evaluated the position seriously and passed during that time frame. That was a mistake, and we should acknowledge it plainly rather than pretend it didn't happen. But the nature of the mistake matters — and understanding it illuminates something important about how the secondary market works and what it takes to underwrite a position like SpaceX.

Ken Sawyer

» Managing Partner & Co-Founder
ken@saintscapital.com

Additional Contact

» info@saintscapital.com

Here is what we saw when we looked at SpaceX in 2017–2021: a company doing approximately $2 billion in annual revenue, with a four-year revenue CAGR of just 8% from 2017 to 2021, burning cash, with a satellite internet business (Starlink) that had 10,000 beta users in 2021. Even in 2022, after we looked at the opportunity, it generated just $1.4 billion in 2022 revenue — roughly 90% below Musk's own 2015 projection of $12 billion for that year. The launch business was mature and growing slowly. The company was asking secondary buyers to pay $46–127 billion for the company — implying revenue multiples of 23–28x on a business that was not demonstrably accelerating. On the financials alone, the price was difficult to underwrite.

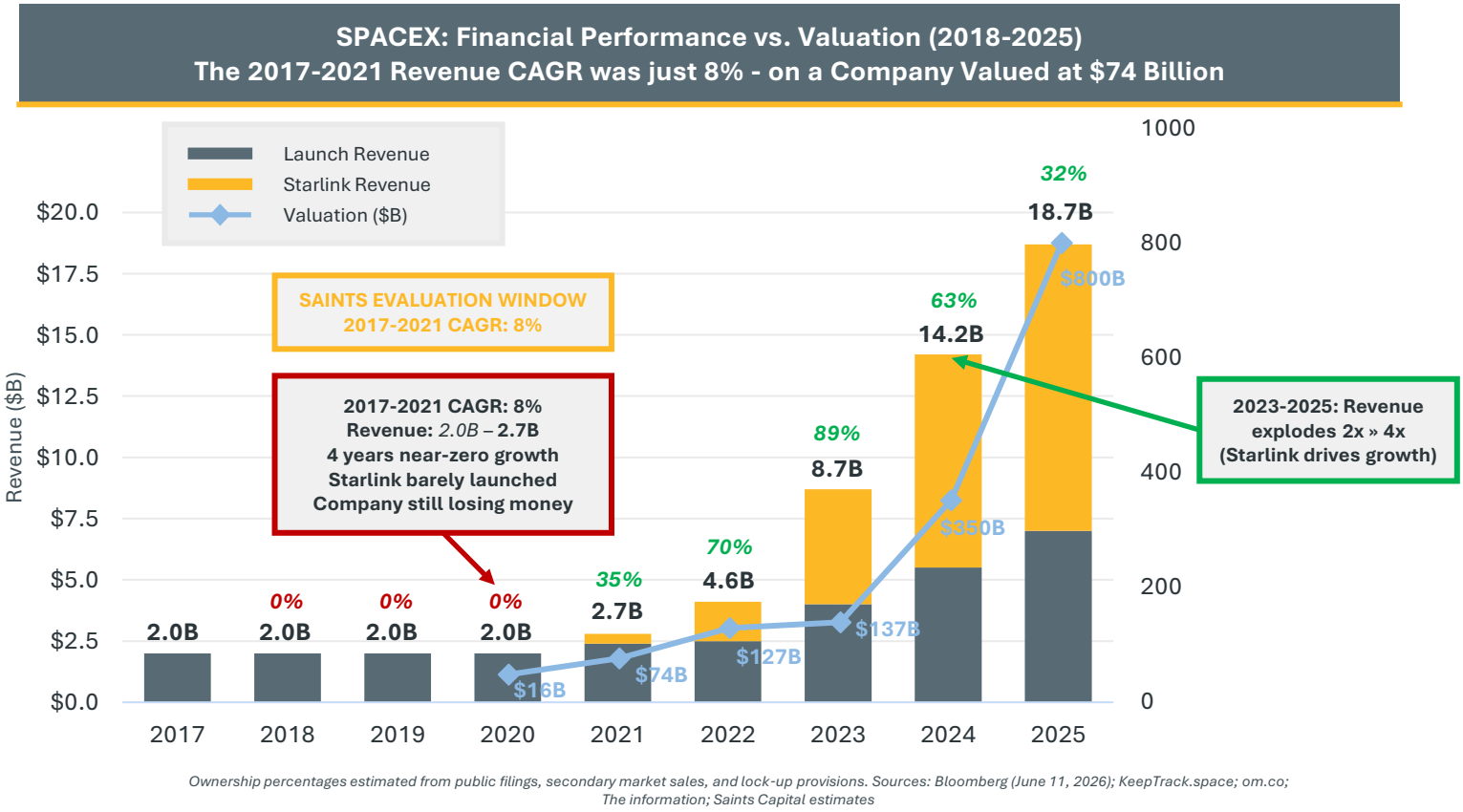
What the buyers who said yes had that we did not was not better financial analysis. It was a willingness to bet on Elon Musk — on the probability that Starlink would eventually reach the scale Musk envisioned, that the launch economics would continue to improve, and that the combined platform would justify valuations that the near-term numbers simply did not support. That bet paid off spectacularly. We undervalued the CEO for sure. But as we will show in this paper, while we missed a big multiple, we may not have missed as much IRR as the headlines suggest — and the real lesson of SpaceX for the secondary market is not about one company. It is about what happens to the thousands of funds that held SpaceX and needed to provide liquidity to their LPs without the infrastructure of GP-led continuation vehicles.

$2.3B	8%	$1.4B
SpaceX revenue in 2021 — during the secondary buying window *WSJ confirmed*	Revenue CAGR 2017–2021 — on a company valued at $74 billion *Saints Capital analysis*	Starlink 2022 revenue vs. Musk's $12B target for that year *WSJ, September 2023*

WHAT THE NUMBERS ACTUALLY SHOWED: SPACEX'S FINANCIAL PERFORMANCE

The Case That Was Hard to Make on the Spreadsheet

Before we discuss what investors made, we should understand what they were looking at when they invested. The SpaceX pre-2021 was not the SpaceX of today. Revenue was growing, but modestly. Starlink was a vision, not a business. And the valuation was climbing far faster than the financials could justify.



Ownership percentages estimated from public filings, secondary market sales, and lock-up provisions. Sources: Bloomberg (June 11, 2026); KeepTrack.space; om.co; The information; Saints Capital estimates

Figure 1: SpaceX Financial Performance vs. Valuation (2017–2025)
Source: WSJ (2022 revenue confirmed at $4.6B); Payload Space (2023 analysis); Sacra (2024–2025). Starlink revenue from company disclosures. Valuations reflect primary rounds and company tender offers.

The four-year revenue CAGR from 2017 to 2021 was just 8%. Eight percent. On a company that was being priced at $74 billion by early 2021. Revenue went from $2.0 billion to $2.7 billion over four years — essentially flat. For context, the S&P 500 grew revenues at roughly the same rate over that period. This was not a hypergrowth story. It was a mature government contractor with a satellite internet vision that had yet to show up in the numbers. Second, Starlink generated almost nothing through 2021 — just $200 million from its beta program — even as the company was raising capital at a $74 billion valuation. Third, even the 2022 revenue of $4.6 billion fell dramatically short of Musk's own projections: a 2015 investor presentation projected Starlink alone at $12 billion by 2022. The actual figure was $1.4 billion. Datacenters in space wasn't discussed; AI models wasn't considered. This was a great, but slow growing launch business – and its growth was dependent on a business that had yet to take off.

The explosion in financial performance came later — 2023 to 2025 — when Starlink's subscriber base surged from 1 million to 10 million users, driving revenue from $4.6 billion to $18.7 billion in three years. By that point, the secondary buying window had changed. The investors who bought SpaceX secondary in 2020–2022 were not buying the financial performance. They were buying Elon Musk's track record and the option value of Starlink achieving global scale. That option was deeply out of the money on the financials — and it came in – and the prices of secondaries increased. We tried again in 2024, and actually had an LOI executed, and then a rapid succession of higher rounds and announcements of IPO plans and we were again too little and too late, and the deal collapsed. We should note here that the revenue numbers are from publicly disclosed information – they are estimates and not the actual numbers which we are not sharing publicly.

THE NUMBERS: WHAT SPACEX ACTUALLY RETURNS TO THE VC INDUSTRY

Sizing the Wealth Creation

The IPO price of $135 per share on a basis values the company at approximately $1.75 trillion. Elon Musk owns approximately 42% of the equity with 79% of voting control. The remaining 58% of equity — worth roughly $1.015 trillion — belongs to institutional investors, sovereign wealth funds, strategic partners, and employees.

The following is Saints Capital's best estimate of the value accruing to external institutional investors at the IPO price. These are estimates based solely on public information — SpaceX's cap table is not fully public, and we have been careful to use only publicly disclosed round details, secondary market reporting, and Bloomberg's investor-specific coverage published today. The numbers are directionally accurate but should not be treated as precise; actual values may differ based on information we may have received confidentially as a prospective buyer but have not used here:

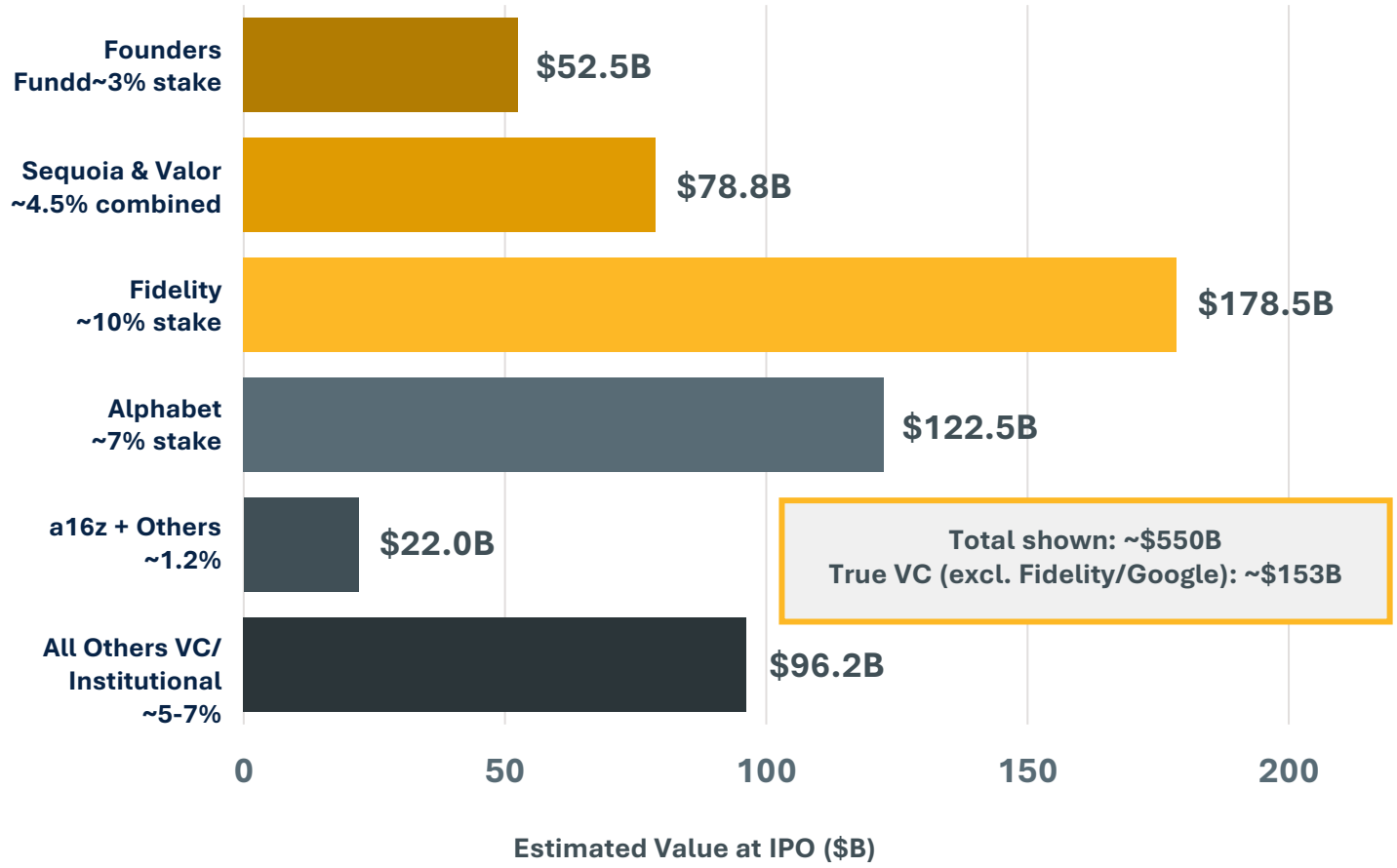
Investor	Approx. Stake	Est. Value at IPO	Investment	Approx. MOIC
Founders Fund	~3%	~$52.5B	~$600M total	~87x
Fidelity Investments	~10.2%	~$178.5B	~$3–5B across rounds	~35–60x
Alphabet (Google)	~7%	~$122.5B	~$900M (2015)	~136x
Sequoia Capital	~2–3%	~$44B	~$1B+	~40–44x
Valor Equity Partners	~2–3%	~$52B	~$500M+	~100x+
Andreessen Horowitz	~0.5–1%	~$13B	~$750M (2023)	~17x
Baillie Gifford	~1%	~$17.5B	~$300M+	~58x
EchoStar (strategic)	~1.5%	~$27B	$8.5B stock (2024)	~3x
Other SWF / Institutional	~5–7%	~$96B	Various	Various
Employees (aggregate est.)	~15–18%	~$280B	Comp / Exercise	N/A

Source: Bloomberg (June 11, 2026); KeepTrack.space; om.co Silicon Valley's Biggest Payday Yet; Saints Capital estimates. All values at $135/share IPO price.

The aggregate value to all external institutional investors — excluding Musk and excluding employees — is roughly $550 billion at the IPO price. Of that, the portion accruing to traditional venture capital funds (as distinct from crossover funds, sovereign wealth, and mutual funds) is approximately $150–175 billion, concentrated primarily in Founders Fund, Valor, Sequoia, and a16z.

To put this in perspective: the entire US venture capital industry deployed approximately $170 billion in all of 2025. SpaceX's IPO will return more to traditional VC funds than the industry's entire annual investment pace — from a single company that went public after 24 years as a private enterprise.

SPACEX IPO: ESTIMATED VALUE CREATED FOR EXTERNAL INSTITUTIONAL INVESTORS
(1.75T VALUATION, 135/SHARE)



Ownership percentages estimated from public filings, secondary market sales, and lock-up provisions. Sources: Bloomberg (June 11, 2026); KeepTrack.space; om.co; The information; Saints Capital estimates

Figure 2: Estimated Value Created for External Institutional Investors at the $1.75T IPO
Source: Saints Capital estimates based on Bloomberg, KeepTrack.space, and public round disclosures. June 11, 2026.

THE IRR ANALYSIS: HOW DID INVESTORS ACTUALLY DO?

Methodology: Dollars Invested vs. IPO Stake Value

The media coverage of SpaceX's IPO will naturally focus on multiples: 87x for Founders Fund, ~100x for Valor, ~44x for Sequoia. These are extraordinary numbers. But IRR — the annualized return on capital — is what actually measures whether an investment outperformed the alternatives.

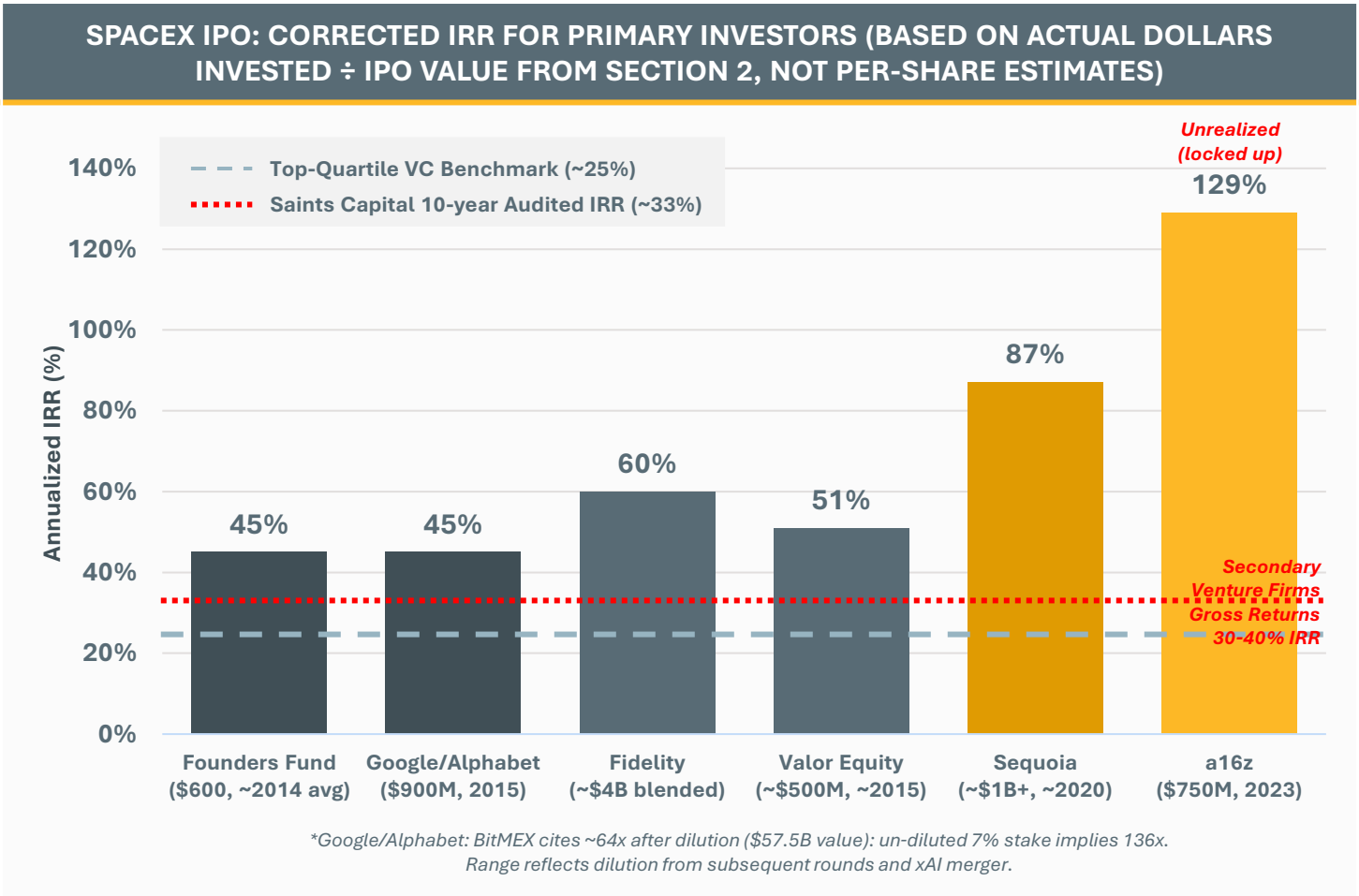


Figure 3: SpaceX IPO — IRR for Primary Investors (Dollars Invested vs. IPO Stake Value)

Source: MOIC = Section 2 IPO stake value ÷ total investment. IRR = MOIC^(1/hold years) − 1. Saints Capital estimates based on several venture secondary firms returns, June 2026.

What the Numbers Tell Us

Founders Fund's $600 million blended investment generates approximately 87.5x on a 12-year average hold — approximately 45% annualized IRR. This is one of the great outcomes in venture capital history in both MOIC and IRR terms. The 2008 initial $20 million tranche alone, at a fraction of a cent per share on a fully diluted basis, represents a multi-hundred-times return on that specific tranche.

Google's $900 million 2015 investment generates approximately 71x after dilution (per BitMEX's estimate) — approximately 45% annualized IRR over 11.5 years. Fidelity, which invested across multiple rounds including in 2020 when the financials were still unimpressive, generated approximately 45x on a blended basis — approximately 60% IRR over an 8-year average hold.

But later investors did even better from an IRR perspective than the early investors – despite much of the allegory in Silicon Valley regarding how important it is to be early. Many Secondary funds and secondary buyers actually had very similar IRR performance to most of the early investors. That is a GP narrative as the carry is much higher from early-stage investments but the actual IRR to investors in the case of SpaceX was lower. Hard to quibble, of course, about 45% IRR, but the later investors like Sequoia's concentrated exposure in 2019–2021 generated approximately 44x over 6 years — approximately 87% IRR. And as noted by my friend Dave Spector who was at Sequoia much earlier when SpaceX was raising earlier rounds – Sequoia passed – they lost out on multiple but did better from an IRR perspective. And, even better from an IRR perspective, Andreessen Horowitz entered at $137 billion in January 2023 and holds approximately $13 billion at IPO — approximately 17x and 129% annualized IRR over 3.4 years. That figure is locked up and unrealized but could be higher. If a16z exits at $135 per share after lockup, it is an exceptional short-duration return. If they exit at current trading values, it will be even better.

Again, the actual returns for these investors is not what we are sharing above but based on public information calculations and not entirely correct but good directionally.

THE SECONDARY MARKET: BUYERS, SELLERS, AND THE TRUE COST OF EARLY LIQUIDITY

The Tender Offer Machine

Beginning around 2020 and accelerating sharply after 2022, SpaceX began running company-organized secondary tender offers approximately twice per year. These offers served two purposes: providing liquidity to employees and early investors who wanted or needed to monetize vested equity and establishing ever-higher price benchmarks for the company's growing valuation. By the time of the IPO, SpaceX had conducted approximately eight to ten tender offers, with aggregate transaction volume estimated at $3–5 billion across all rounds.

An important distinction is worth drawing: the sellers in these tenders were overwhelmingly employees — engineers, executives, and early staff cashing out portions of vested equity. The buyers were the institutional investors and funds that had been authorized by SpaceX to participate. Firms like Andreessen Horowitz, Gigafund, and others were specifically approved by SpaceX to buy shares in these tenders. Most of the traditional VC firms on the primary cap table — Founders Fund, Sequoia, Valor — held their positions and did not participate as sellers in the tenders.

For the institutional buyers who participated in the tenders, the IRR to today's IPO price ranges from spectacular to extraordinary, depending entirely on when they bought:

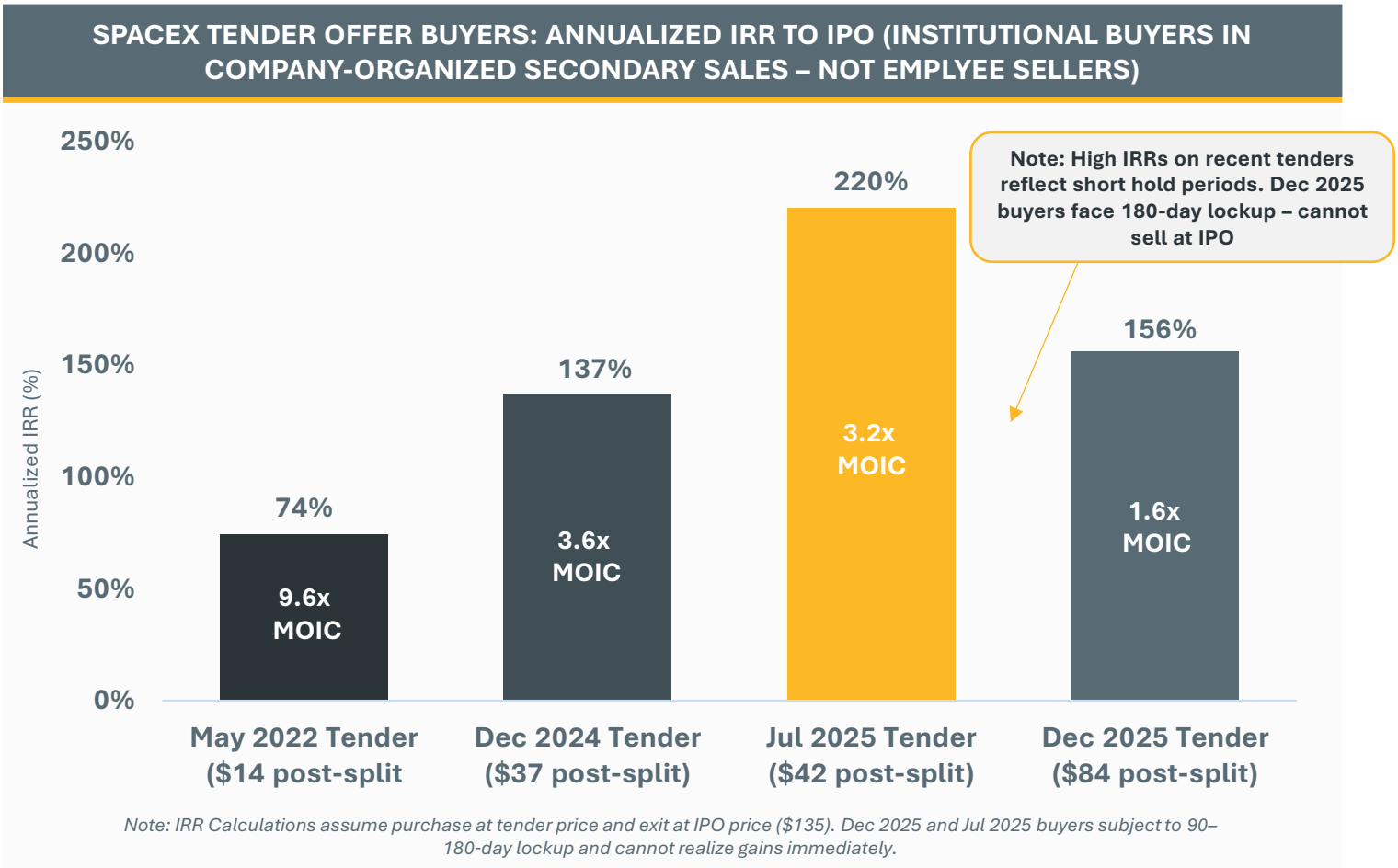


Figure 4: SpaceX Tender Offer Buyers — Annualized IRR to IPO ($135/share)
Source: Saints Capital IRR calculations. Entry prices reflect company-organized tender offer prices. Lockup provisions noted.

A Critical Nuance: IRR vs. Realized Returns

The extraordinarily high annualized IRRs for the December 2024 (137%), July 2025 (220%), and December 2025 (156%) tender buyers require important context. These figures are mathematically correct, but most of these investors cannot yet sell. SpaceX has imposed a phased lockup structure on pre-IPO holders: the first tranche of 20% of eligible shares becomes available after Q2 earnings; additional tranches unlock at 70, 90, 105, 120, and 135 days; all shares are eligible after 180 days. For the December 2025 tender buyers who paid $84/share — roughly equivalent to the $421/share tender price — the 1.6x mark-to-market gain exists on paper today but will not be realized until the lockup unwinds through year-end — and of course the returns could be even higher if the stock stays at its current levels or higher.

The May 2022 tender is the cleanest comparison for a fully liquid, realized return: an institutional buyer who purchased SpaceX shares at $70/share ($14 equivalent) in May 2022 and can sell at $135 tomorrow morning has generated a 9.6x return over four years — a 74% net IRR. That is an extraordinary outcome by any standard and one of the best four-year returns generated by any secondary investment in the history of private markets.

What It Cost to Sell Early

The most instructive lesson from the SpaceX secondary market is what it cost investors to take liquidity early using a traditional simple model of selling a single asset on the secondary market – absent any CV type of structure. Consider a buyer who purchased SpaceX shares at the May 2022 tender at $14/share. If they sold at the December 2024 tender at $37/share, they generated 2.6x over 2.5 years — a 40% IRR. A strong return by any measure. But the investor who bought at the same $14 in May 2022 and held to the IPO at $135 generated 9.6x over four years — a 74% IRR. The gap between the two outcomes: 34 percentage points of annual return, and a wealth difference of 3.7x versus 9.6x.

The same dynamic plays out across every tender window. A buyer who paid $37 at the December 2024 tender and sold at the July 2025 tender at $42 generated a modest 1.1x over seven months — a 23% annualized return. That same buyer holding to the IPO at $135 generated 3.6x in 18 months — a 137% annualized IRR. In each case, patience that was available only to investors with the right fund structure and LP alignment was rewarded dramatically. But note such a huge value increment that was generated in the past 18 months – due to new business opportunities – AI, Datacenters, etc. more so than the launch business or even Starlink whose growth continued but didn't compound.

For primary investors — the Founders Funds, Sequoias, and Valors of the world — the numbers are even more striking. As shown in Section 3, these investors generated 44–87x on their capital by holding to IPO. A GP who sold a primary position in the 2022 tender to provide LP distributions took a fraction of that outcome. The decision was often rational given fund life constraints. It was never optimal given the peculiarities of the underlying asset.

WHEN WAS IT RATIONAL TO SELL? THE 10-YEAR FUND PROBLEM

The GP's Impossible Dilemma

Before we criticize early sellers, we need to understand their constraints. The institutional architecture of venture capital created a structural problem that made selling SpaceX rational — even optimal — for many fund managers, despite the fact that it meant leaving extraordinary value on the table.

Consider a fund that invested in SpaceX's 2002 Series A or Series B in 2005 and even the Series C in 2008. By 2020 all of those investors had funds that were over ten years old – and some of them 20 years old! LPs have been waiting a over a decade for distributions from this prized asset. The GP has likely already used two or three one-year extensions. The advisory committee is asking difficult questions.

In this context, a GP who sold SpaceX shares in the May 2022 tender at $14/share was not making a bet against SpaceX. They were making a pragmatic decision to return capital to LPs, demonstrate distribution activity, and preserve the GP-LP relationship for the next fundraise. From the LP's perspective, getting a 14x and 14+% IRR from Craft who invested in the A or a 21x and 19+% IRR from Founders fund first investment — would have been a satisfying return, particularly given the future challenges on liquidity in the venture ecosystem.

THE CONTINUATION VEHICLE: THE TOOL THAT WOULD HAVE CHANGED EVERYTHING

How a CV Solves the SpaceX Problem

A continuation vehicle is a GP-led secondary transaction in which the fund manager transfers one or more assets from an existing fund into a new vehicle — often managed by the same GP or by a secondary specialist like Saints Capital. LPs in the legacy fund choose to either take liquidity at a negotiated price with a fairness opinion and sometimes a banker-led process, or roll their interest into the new vehicle. New secondary capital comes in to provide the liquidity. And the GP rolls their carried interest into the CV, maintaining alignment with the asset.

Applied to SpaceX, the math is transformative. Consider the same $50 million SpaceX position in a 2015-vintage fund. At each of the tender offer dates, the GP faced a choice: sell outright on the secondary market, or structure a continuation vehicle. The difference in GP economics is staggering:

THE CONTINUATION VEHICLE ADVANTAGE GP CARRY ON A $50M SPACEX POSITION – OUTRIGHT SALE VS. CV – HOLD TO IPO

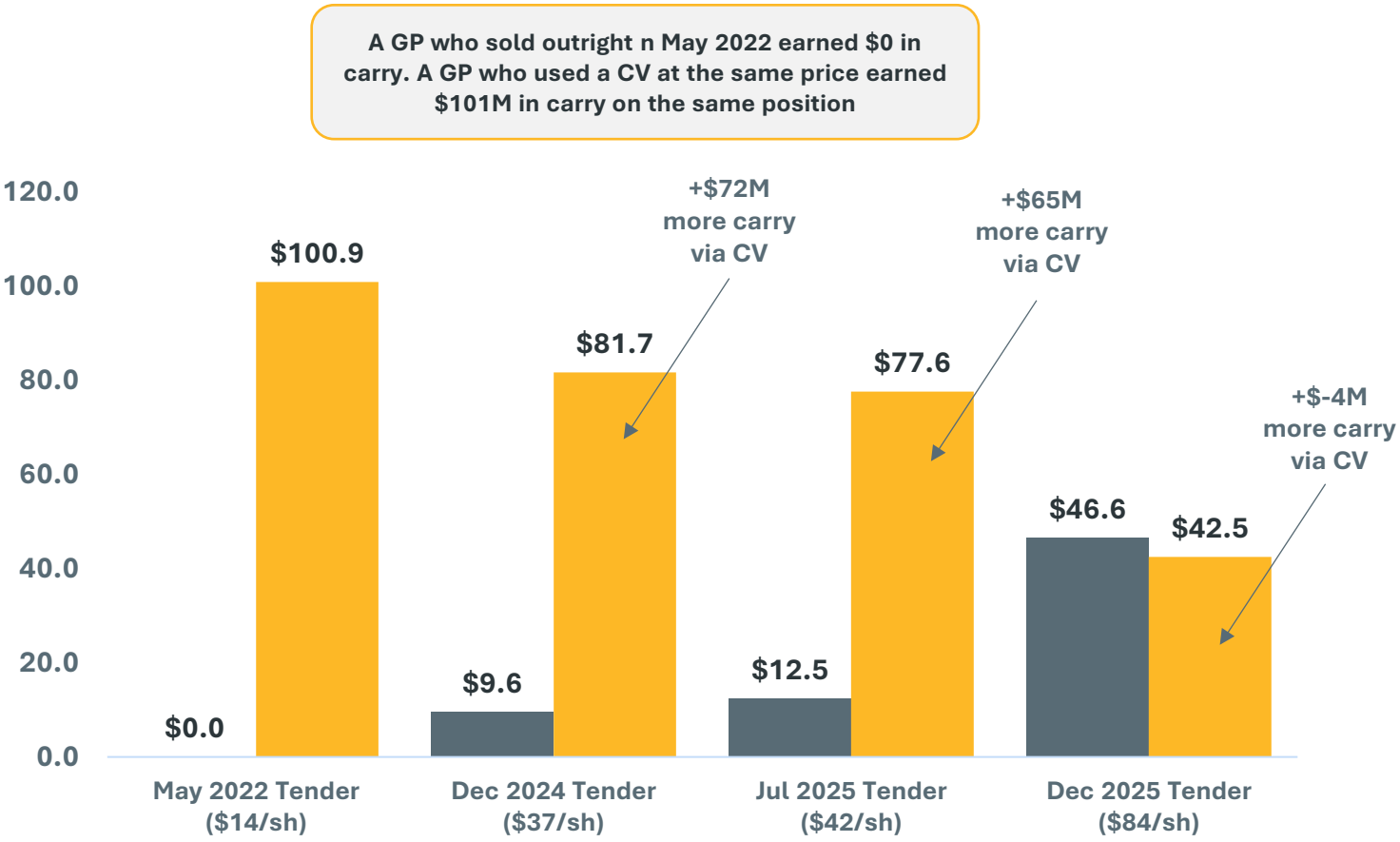


Figure 7: The Continuation Vehicle Advantage — GP Carry on a $50M SpaceX Position
Source: Assumptions: $50M invested in SpaceX Series F (Jan 2015) at $12/share. 4.17M shares. 20% carried interest. 8% preferred return. CV provides LP liquidity at tender price; GP rolls carry; CV exits at $135 IPO price. Saints Capital analysis.

The Numbers Are Stark

If the GP had sold the SpaceX position outright in May 2022 at $14/share to provide LP distributions, the return would have been zero after accounting for management fees and expenses — generating very little, if any, carried interest for the GP on a position that was ultimately worth $563 million. Zero. The GP did a considered thing for their LPs and earned nothing for it.

If instead the GP had structured a continuation vehicle at the same May 2022 price — providing LPs with exactly the same $58 million in liquidity they would have received from an outright sale — but rolled their carry into the CV, the GP would have earned $101 million in carried interest when the CV exited at the IPO. Same LP outcome. Same timing of LP liquidity. $101 million more in GP economics.

Even at the December 2024 tender — a much later and more favorable price — the CV advantage is $72 million ($81.7M vs. $9.6M). At the July 2025 tender, it is $65 million ($77.6M vs. $12.5M). Only at the December 2025 tender — just six months before the IPO, with the share price already at $84 — do the outright and CV outcomes begin to converge.

Timing	Outright Sale GP Carry	CV → IPO GP Carry	GP Carry Difference	LP Outcome
May 2022 tender ($14/sh)	$0	$100.9M	+$100.9M	Identical: $58.3M liquidity
Dec 2024 tender ($37/sh)	$9.6M	$81.7M	+$72.1M	Identical: $154.3M liquidity
Jul 2025 tender ($42/sh)	$12.5M	$77.6M	+$65.1M	Identical: $175.1M liquidity
Dec 2025 tender ($84/sh)	$46.6M	$42.5M	–$4.1M	Identical: $350.3M liquidity

Source: Saints Capital carry analysis. Based on $50M invested at $12/share, 4.17M shares, 20% carry, 8% preferred return. CV LP liquidity equals outright sale proceeds.

What the LP Gets in a CV

It is essential to emphasize: in every scenario above, the LP who wanted liquidity received exactly the same amount of cash, at exactly the same time, whether the GP sold outright or structured a CV. The LP who wanted out at $14/share in May 2022 received $14/share in both cases. The LP who wanted out at $37/share in December 2024 received $37/share in both cases. The CV does not disadvantage the exiting LP in any way.

What the CV does is offer the rolling LP a choice: stay invested alongside the GP and the incoming secondary capital, with the prospect of further appreciation. The LP who rolled in a hypothetical May 2022 CV at $14/share and held to the IPO at $135/share would have generated a 9.6x return on their rolled interest — a 74% IRR over four years. Even the LP who rolled at the December 2024 CV and held to IPO would have made 3.6x in 18 months.

The continuation vehicle does not eliminate the tension between liquidity and long-term returns. It resolves it. LPs who need cash take cash. LPs who want upside keep upside. And the GP — the person with the deepest knowledge of the asset and the strongest conviction in its trajectory — maintains alignment through their carried interest rather than watching the biggest outcome in their fund's history happen after they've already sold.

WHY CVs DIDN'T EXIST FOR SPACEX: THE INFRASTRUCTURE GAP

None of the SpaceX VC investors structured a continuation vehicle for their SpaceX position.

Why not? Several reasons:

- GP-led secondaries were a niche tool in 2020–2022, primarily used in buyout funds — venture GPs had little familiarity with the process and no cultural precedent for it
- Most venture GPs operate under the VCOC exemption and are not RIA-registered — they lacked the regulatory infrastructure to serve as GP on a continuation vehicle
- Most of the earliest investors were Elon Musk loyalists – Founders Fund and Valor in particular. These funds faced less liquidity pressure given their performance and didn't want to be seen by Elon as not believing in the future
- There were very few experienced venture-focused GP-led secondary specialists to serve as counterparty

Had the CV infrastructure that exists today existed in 2022, the GPs who held SpaceX could have provided their LPs with full liquidity while preserving hundreds of millions of dollars per fund in additional carried interest. That is the opportunity cost of a missing market.

> *"Venture capital is essentially making a single bet: that the next SpaceX, the next OpenAI, is in someone's portfolio right now. The funds that made that bet early and held are about to prove it – if they held for 20 years. For GPs managing those funds they will increasingly explore CVs to provide LP liquidity versus selling their stake. The funds without the SpaceX's of the world will need even more help."*
>
> — Ken Sawyer, Saints Capital

Saints Capital and the GP-Led Opportunity

For Saints Capital, the SpaceX moment is validation of the thesis we have spent decades building. The venture ecosystem is generating wealth at a scale that is genuinely historic. But that wealth is concentrating — in a small number of companies, in a small number of funds, and in the LPs smart enough to stay committed through the inevitable periods of illiquidity and uncertainty. The funds that found SpaceX 20 years ago likely will need to look for CV solutions in years 10-20; and those funds that don't have a SpaceX have even a greater need for a solution. We are in the business of providing them.

With $1.7 trillion in unrealized NAV in funds vintage 2019 or earlier, nearly two-thirds of all private unicorns founded over 10 years ago, and LP patience exhausted after four years of below-historical distributions, the pipeline for GP-led secondary transactions has never been larger. SpaceX's IPO will accelerate LP expectations for the asset class. It will also accelerate the conversations we are already having with GPs who need creative solutions to provide their LPs with a path to liquidity.

One rocket company. One trillion dollars. And a secondary market that is just getting started.

METHODOLOGY AND DISCLOSURES

IRR calculations assume investment at the entry price shown and exit at the IPO price of $135 per share on June 12, 2026. Primary round entry prices are estimated based on publicly disclosed post-money valuations and total shares outstanding at each round, sourced from PitchBook, KeepTrack.space, and Bloomberg. Tender offer prices are based on company-organized secondary transaction prices as reported by Bloomberg, CNBC, and Forge Global. Ownership percentages are estimates from public sources and may differ materially from actual holdings. This analysis was prepared on the evening of June 11, 2026 using information available at that time.

ABOUT SAINTS CAPITAL

Saints Capital is a venture-focused secondary investment firm specializing in GP-led transactions. With over 35 GP-led transactions executed across our history, we are among the most experienced GP-led venture secondary investors in the world. Saints Capital is a registered SEC Registered Investment Advisor (RIA), enabling us to serve as continuation fund GP and provide complete GP-led transaction services to venture capital managers seeking liquidity solutions for their limited partners.