



Space Exploration Technologies Corp.

(a Texas corporation, registered in Austin, Texas, United States of America)

Prospectus for the public offering to retail investors

Maximum number of shares of offered Class A common stock, par value \$0.001 per share:

55,555,555

International Securities Identification Number (ISIN): US84615Q1031

Nasdaq Trading Symbol: SPCX

Maximum price per share: \$162.00

This document constitutes a prospectus for the purposes of Article 6 of Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”) relating to the public offering of a maximum number of 55,555,555 shares of Class A common stock, par value \$0.001 per share (“**Class A common stock**”), of Space Exploration Technologies Corp. (the “**Company**” or “**SpaceX**” and, together with its consolidated subsidiaries, “**SpaceX Group**”, “**we**”, “**us**” or “**our**”) to individual persons or legal entities which do not qualify as qualified investors within the meaning of Article 2 point (e) of the Prospectus Regulation (“**retail investors**”) and which are resident or located in the Federal Republic of Germany (“**Germany**”), the Kingdom of Denmark (“**Denmark**”), the French Republic (“**France**”), the Netherlands (“**the Netherlands**”), the Kingdom of Norway (“**Norway**”), the Kingdom of Spain (“**Spain**”) and the Kingdom of Sweden (“**Sweden**”) (the “**European retail offering**”). Further details regarding the investor eligibility criteria are set forth in this prospectus. This prospectus has been approved by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, or “**Bafin**”) as competent authority under the Prospectus Regulation. Bafin only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Bafin’s approval should not be considered as an endorsement of the Company nor of the quality of the offered shares of Class A common stock. Investors should make their own assessment as to the suitability of investing in the securities.

The Company has requested Bafin to notify the approved prospectus in accordance with Article 25 of the Prospectus Regulation, with a certificate of approval attesting that this prospectus has been prepared in accordance with the Prospectus Regulation, the Danish supervisory authority *Finanstilsynet*, the Dutch supervisory authority *Autoriteit Financiële Markten (AFM)*, the French supervisory authority *Autorité des Marchés Financiers (AMF)*, the Norwegian supervisory authority *Finanstilsynet - Financial Supervisory Authority*, the Spanish supervisory authority *Comisión Nacional del Mercado de Valores (CNMV)* and the Swedish supervisory authority *Finansinspektionen (FI)*.

The European retail offering contemplated by this prospectus is part of a global offering consisting of: (i) a public offering in the United States of America (the “**United States**”) (the “**U.S. offering**”), (ii) the European retail offering, (iii) a public offering in Australia, (iv) a public offering in certain provinces and territories of Canada, (v) a public offering in Japan, (vi) a public offering in the United Kingdom, (vii) a public offering in Switzerland to individual persons or legal entities which do not qualify as professional clients within the meaning of the Swiss Financial Services Act (“**FinSA**”) and on the basis of this prospectus as filed with a Swiss prospectus office for automatic acceptance in accordance with article 54(2) of the FinSA, and (viii) private placements (the offerings contemplated under (ii) through (viii) collectively, the “**international offering**”, and together with the U.S. offering, the “**global offering**”).

The European retail offering comprises a maximum of 55,555,555 newly issued shares of Class A common stock (the “**European retail shares**”). The global offering initially comprises: (i) 55,555,555 newly issued shares of Class A common stock (the “**base shares**”), including the European retail shares, and (ii) up to 83,333,333 newly issued additional shares of Class A common stock to cover potential over-allotments (the “**additional shares**”). The European retail shares form a tranche within the global offering. Any shares offered in the global offering which do not form part of the European retail tranche are offered in any Member State of the European Economic Area (the “**EEA**”) solely in circumstances falling within the scope of application of Article 1(4) of the Prospectus Regulation.

Under U.S. Securities laws, the Company has the ability to upsize the U.S. offering, and thereby increase the number of shares offered in the U.S. offering, by filing an amendment to the registration statement filed with the United States Securities and Exchange Commission (the “**SEC**”) prior to the effectiveness of such registration statement. In addition, under

Rule 462(b) under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) governing the U.S. offering, the Company may register additional securities under its registration statement filed with the SEC by way of an amendment referred to as an automatically effective post-effective amendment in an amount and at a price that together represent no more than 20% of the maximum aggregate offering price, calculated as the gross proceeds to be received by the Company for the issuance of the offered base shares at the expected offering price together with the additional shares. Consequently, the total number of shares offered in the global offering may increase. However, there will be no increase of the number of shares offered in the European retail offering if the number of shares offered in the global offering is increased.

If and to the extent the European retail shares are not subscribed for by eligible retail investors or if the Company and the European underwriters (as defined below) decide to reduce the number of offered European retail shares or set a final amount of European retail shares offered below the maximum number of shares offered under this prospectus, the European retail shares not subscribed for or no longer offered under this prospectus, respectively, may be offered and sold in the global offering, provided that in any Member States of the EEA they will be offered solely in circumstances falling within the scope of application of Article 1(4) of the Prospectus Regulation.

For purposes of the U.S. offering, an expected offering price of \$135.00 has been set. For purposes of the European retail offering, the maximum offering price has been set at \$162.00. Eligible retail investors placing orders below \$135.00, the expected price for the U.S. offering, should not expect to receive an allocation in the European retail offering.

The final public offering price will be a single price per share of Class A common stock applicable to all investors across the entire global offering, including this European retail offering.

The Company has applied to list its Class A common stock on the stock markets of Nasdaq Stock Market LLC (the “**Nasdaq**”) and Nasdaq Texas, Inc. (“**Nasdaq Texas**”) under the trading symbol “**SPCX**”.

Joint Lead Book-Running Managers

**Goldman Sachs
Bank Europe SE**

Morgan Stanley

BofA Securities

Citigroup

J.P. Morgan

Joint Book-Running Managers

Deutsche Bank

**UBS Investment
Bank**

Société Générale

ING

Santander

The date of the prospectus is June 5, 2026.

The validity of this prospectus will expire with the closing of the offering period for the Company’s shares of Class A common stock, which is expected to occur on or about June 11, 2026, and no obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will apply when this prospectus is no longer valid.

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SUMMARY OF THE PROSPECTUS

A. – Introduction and Warnings

This prospectus relates to shares of Class A common stock, par value \$0.001 per share (“**Class A common stock**”), of Space Exploration Technologies Corp. (the “**Company**” or “**SpaceX**” and, together with its consolidated subsidiaries, “**SpaceX Group**”, “**we**”, “**us**” or “**our**”), 1 Rocket Road, Starbase, Texas 78521, United States of America (“**United States**”), legal entity identifier (“**LEI**”) 549300B9WLO96RQCXP87, www.spacex.com. The Company has applied to list its Class A common stock on Nasdaq Stock Market LLC (the “**Nasdaq**”) and Nasdaq Texas, Inc. (“**Nasdaq Texas**”) having the trading symbol “**SPCX**” and the International Securities Identification Number (“**ISIN**”) US84615Q1031.

The public offering in the Federal Republic of Germany (“**Germany**”), the Kingdom of Denmark (“**Denmark**”), the French Republic (“**France**”), the Netherlands (“**the Netherlands**”), the Kingdom of Norway (“**Norway**”), the Kingdom of Spain (“**Spain**”) and the Kingdom of Sweden (“**Sweden**”) (the “**European retail offering**”) contemplated by this prospectus is part of a global offering consisting of: (i) a public offering in the United States (the “**U.S. offering**”), registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) pursuant to a registration statement on Form S-1 filed with the United States Securities and Exchange Commission (“**SEC**”), (ii) the European retail offering, (iii) a public offering in Australia, (iv) a public offering in certain provinces and territories of Canada, (v) a public offering in Japan, (vi) a public offering in the United Kingdom, (vii) a public offering in Switzerland to individual persons or legal entities which do not qualify as professional clients within the meaning of the Swiss Financial Services Act (“**FinSA**”) on the basis of this prospectus as filed with a Swiss prospectus office for automatic acceptance in accordance with article 54(2) of the FinSA and (viii) private placements (the offerings contemplated under (ii) through (viii) collectively, the “**international offering**”, and together with the U.S. offering, the “**global offering**”). The European retail offering comprises a maximum of 55,555,555 newly issued shares of Class A common stock (the “**European retail shares**”). The global offering initially comprises: (i) 555,555,555 newly issued shares of Class A common stock (the “**base shares**”), including the European retail shares, and (ii) up to 83,333,333 newly issued additional shares of Class A common stock to cover potential over-allotments (the “**additional shares**”). The European retail shares form a tranche within the global offering. Any shares offered in the global offering which do not form part of the European retail tranche are offered in any Member State of the European Economic Area (“**EEA**”) solely in circumstances falling within the scope of application of Article 1(4) of the Prospectus Regulation (as defined below).

The European retail offering contemplated by this prospectus is solely made by the Company together with Goldman Sachs Bank Europe SE, Marienturm, Taunusanlage 9-10, 60329 Frankfurt am Main, Germany, LEI 8IBZUGJ7JPLH368JE346 (“**Goldman Sachs**”), Morgan Stanley Europe SE, Große Gallusstraße 18, 60312 Frankfurt am Main, Germany, LEI 54930056FHWP7GIWYY08 (“**Morgan Stanley**”); BofA Securities Europe SA, 51 rue La Boétie, 75008 Paris, France, LEI 549300FH0WJAPEHTIQ77 (“**BofA Securities**”); Citigroup Global Markets Europe AG, Börsenplatz 9, 60313 Frankfurt am Main, Germany, LEI 6TJCK1B7E7UTXP528Y04 (“**Citigroup**”); J.P. Morgan SE, Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Germany, LEI 549300ZK53CNGEEI6A29 (“**J.P. Morgan**”); Deutsche Bank Aktiengesellschaft, Taunusanlage 12, 60325 Frankfurt am Main, Germany, LEI 7LTWFZYICNSX8D621K86 (“**Deutsche Bank**”); ING Bank N.V., Bijlmerdreef 106, 1102 CT Amsterdam, The Netherlands, LEI 3TK20IVIUJ8J3ZU0QE75 (“**ING**”); Banco Santander, S.A., Paseo de Pereda, 9-12, Santander, Spain, LEI 5493006QMFDDMYWIAM13 (“**Santander**”); and Société Générale, 29 boulevard Haussmann, 75009 Paris, France, LEI 02RNE8IBXP4R0TD8PU41 (“**Société Générale**”, and, together with Goldman Sachs, Morgan Stanley, BofA Securities, Citigroup, J.P. Morgan, Deutsche Bank, ING and Santander, the “**European underwriters**”). Each of the Company and the European underwriters assumes responsibility for the contents of this prospectus.

On June 5, 2026, the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, or “**Bafin**”), Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, Germany, www.bafin.de, approved this prospectus as the competent authority under Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”). The Company has requested Bafin to notify the approved prospectus in accordance with Article 25 of the Prospectus Regulation, with a certificate of approval attesting that this prospectus has been prepared in accordance with the Prospectus Regulation, to the Danish supervisory authority *Finanstilsynet*, the Dutch supervisory authority *Autoriteit Financiële Markten (AFM)*, the French supervisory authority *Autorité des Marchés Financiers (AMF)*, the Norwegian supervisory authority *Finanstilsynet - Financial Supervisory Authority*, the Spanish supervisory authority *Comisión Nacional del Mercado de Valores (CNMV)* and the Swedish supervisory authority *Finansinspektionen (FI)*.

This summary should be read as an introduction to this prospectus. Investors should base any decision to invest in the shares on the consideration of this prospectus as a whole. Investors in the shares could lose all or part of their invested capital. Where a claim relating to the information contained in this prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating this prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled this summary, including any translation thereof, but only where this summary is misleading, inaccurate or inconsistent, when read together with the other parts of this prospectus, or where it does not provide, when read together with the other parts of this prospectus, key information in order to aid investors when considering whether to invest in the shares.

B. – Key Information on the Issuer

B.1 – Who is the Issuer of the Securities?

Registration and Applicable Laws – Space Exploration Technologies Corp. has its principal executive offices in Starbase, Texas, United States, and the LEI is 549300B9WLO96RQCXP87. The Company is formed under the laws of the State of Texas, United States as a Texas corporation.

Principal Activities – We design, manufacture, launch, and operate products and services built on cutting-edge technologies, including, in our view, the world’s most advanced rockets and spacecraft. We also operate a high-speed, low-latency global broadband data and communications network powered by approximately 9,600 Starlink broadband and mobile satellites in Low-Earth Orbit. In addition, we are rapidly constructing AI compute infrastructure – starting on Earth with the goal of extending to space – at industry-leading pace and cost efficiency.

- **Space.** We offer launch services to commercial, civil, and government customers through our reusable Falcon 9 and Falcon Heavy rockets for satellite, cargo, and crew missions. We are the primary launch provider for the U.S. government.
- **Connectivity.** Our Connectivity business includes Starlink Consumer Broadband, Enterprise Solutions, Government Solutions, and Starlink Mobile.
- **AI.** We operate a highly vertically integrated AI platform which includes our AI compute infrastructure, truth-seeking frontier model, and consumer and enterprise applications.

Our core strengths include:

- Global leadership in orbital launch services;
- Unrivaled satellite and connectivity platform across design, manufacturing, deployment, and operations;
- Truth-seeking AI model enhanced by real-time data;
- Extreme vertical integration enabling high velocity and superior cost efficiency at scale;
- Unique ability to scale new trillion-dollar markets across Space, Connectivity, and AI;
- Business models that are incredibly difficult to replicate; and
- Our mission-driven culture and world-class talent.

Major Shareholders – As of the date of this Prospectus, Elon Musk holds 12.2% of the Class A common stock and 93.3% of the Class B common stock of the Company. As a result, Elon Musk holds 84.3% of the voting rights of the Company.

Controlling Shareholders – As of the date of this prospectus, the Company is controlled by Elon Musk. Following the completion of the global offering and assuming the sale of all base shares and an initial public offering price of \$135.00 per share (the expected price for the U.S. offering), Elon Musk will hold approximately 83.6% of the voting power of our common stock (or 83.5% if the underwriters exercise their option to purchase the additional shares in full) immediately after the offering through his ownership of 849,494,440 shares of our Class A common stock and 5,219,053,075 shares of our Class B common stock, which comprises approximately 91.6% of our Class B common stock. Under our charter, the holders of our Class B common stock will have the right to elect a majority of our board (such directors, the “**Class B Directors**”), for so long as any shares of Class B common stock remain outstanding. As the holder of a majority of our shares of Class B common stock, Mr. Musk will be able to elect, remove or fill any vacancy among the Class B Directors. In addition, for so long as he beneficially owns more than 50% of the voting power of our common stock, Elon Musk will control the voting power over the selection of our board. As a result, Elon Musk will have the power to control the outcome of matters requiring shareholder approval, including election of all our directors, and to control our business and affairs.

Key Executive Officers – The Company’s executive officers are Elon Musk, Gwynne Shotwell and Bret Johnsen.

Auditors – The Company’s auditor is PricewaterhouseCoopers LLP, 601 South Figueroa Street, Suite 900, Los Angeles, California, 90017, United States.

B.2 – What is the Key Financial Information regarding the Issuer?

Unless indicated otherwise, all financial information presented in the tables below is shown in millions of U.S. dollar (in \$ million). Certain financial information has been rounded according to established commercial standards. Where financial information in the following tables is labelled as “audited”, this information was taken from the audited consolidated financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, where financial information is labelled as “unaudited”, this information was not taken from the audited consolidated financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, but was taken from the unaudited consolidated interim financial statements as of and for the quarter ended March 31, 2026, or the accounting records or internal reporting system of SpaceX Group, or is based on calculations of figures from the aforementioned sources.

Key Financial and Operating Data

Selected Data from the Consolidated Statements of Operations and other financial data

(audited, unless otherwise indicated) (in \$ millions, unless otherwise indicated)	Three Months Ended March 31,		Year Ended December 31,		
	2026*	2025*	2025	2024	2023
Revenue	\$4,694	\$4,067	\$18,674	\$14,015	\$10,387
Total costs and expenses	6,637	4,040	21,263	13,549	13,892
Year-on-year revenue growth*	\$627	n/a	\$4,659	\$3,628	n/a
Income (loss) from operations	(1,943)	27	(2,589)	466	(3,505)
Net income (loss)	\$(4,276)	\$(528)	\$(4,937)	\$791	\$(4,628)
Net income (loss) attributable to shareholders – basic and diluted	\$(4,947)	\$(528)	\$(4,937)	\$18	\$(4,628)

Net income (loss) per share of common stock attributable to common shareholders⁽¹⁾

Basic ⁽¹⁾	\$(1.27)	\$(0.18)	\$(1.69)	\$0.01	\$(1.68)
Diluted ⁽¹⁾	\$(1.27)	\$(0.18)	\$(1.69)	\$0.00	\$(1.68)

* Unaudited.

(1) Presented in \$ per share.

Selected Data from the Consolidated Balance Sheets

(audited, unless otherwise indicated) (in millions)	March 31,	December 31,			
	2026*	2025	2024	2023	
Total assets	\$102,094	\$92,079	\$57,062		n/a
Total shareholders' equity	\$34,533	\$2,573	\$4,863		n/a

* Unaudited.

Selected Data from the Consolidated Statements of Cash Flows

(audited, unless otherwise indicated) (in millions)	Three Months Ended March 31,		Year Ended December 31,		
	2026*	2025*	2025	2024	2023
Net cash provided by operating activities..	\$1,047	\$727	\$6,785	\$5,776	\$4,520
Net cash used in investing activities	\$(16,724)	\$(4,170)	\$(19,575)	\$(10,796)	\$(4,867)
Net cash provided by financing activities..	\$7,125	\$354	\$26,350	\$11,830	\$422

* Unaudited.

Selected Alternative Performance Measures

(unaudited) (in millions)	Three Months Ended March 31,		Year Ended December 31,		
	2026	2025	2025	2024	2023
Adjusted EBITDA ⁽¹⁾	\$1,127	\$1,730	\$6,584	\$5,350	\$3,821
Space Segment Adjusted EBITDA ⁽²⁾	\$(351)	\$224	\$653	\$1,154	\$997
Connectivity Segment Adjusted EBITDA ⁽²⁾	\$2,087	\$1,618	\$7,168	\$3,849	\$1,602
AI Segment Adjusted EBITDA ⁽²⁾	\$(609)	\$(112)	\$(1,237)	\$347	\$1,222

(1) Adjusted EBITDA is defined as net income (loss) excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) impairment, (iv) restructuring charges, (v) interest expense, (vi) interest income, (vii) other income (expense), net and (viii) provision for income taxes.

(2) Segment Adjusted EBITDA is defined as segment income (loss) from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) restructuring charges, and (iv) impairment.

B.3 – What are the Key Risks that are Specific to the Issuer?

- Any failure or delay in the development of Starship at scale or in achieving the required launch cadence, reusability and capabilities thereafter would delay or limit our ability to execute our growth strategy, including the deployment of next-generation satellites, global satellite-to-mobile connectivity, and orbital AI compute, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.
- Any delays or difficulties in obtaining, maintaining or renewing required regulatory approvals and licenses required for our space-related activities, including U.S. Federal Aviation Administration launch and reentry licenses, would materially delay or disrupt our operations, harm our business, or limit our ability to execute our business strategy.
- Any delays or difficulties in obtaining, maintaining or renewing required communications licenses and spectrum authorizations for our satellite connectivity services, including international and Federal Communications Commission satellite spectrum licenses, could materially delay or disrupt our operations, harm our business, or limit our ability to execute our business strategy.
- Our AI products and X platform are subject to complex and evolving U.S. and foreign laws and regulations that are subject to change and uncertain interpretation, and we could be required to make changes to our products and business practices, and be exposed to monetary penalties, increased cost of operations, declines in user growth or engagement, or loss of customers, or other harm to our AI products and X platform.
- Our Starlink and other satellite services are subject to complex and evolving U.S. and foreign laws and regulations, particularly relating to data privacy, cybersecurity, and telecommunications.
- Our business strategy depends on successfully designing, developing, and deploying our products and services, as well as related platforms, infrastructure, and other strategic initiatives, at an unprecedented scale, which presents significant execution, cost, and timing risks.

- We have experienced, and will likely continue to experience, launch delays and failures that could materially and adversely affect our business, financial condition, results of operations, and future prospects.
- Our satellites, launch vehicles, and other space-related technologies operate, and in the case of orbital AI compute, will operate, in the harsh and unpredictable environment of space, exposing them to a wide and unique range of space-related risks that could cause them to malfunction or fail, and any such malfunction or failure could materially and adversely affect our business, financial condition, results of operations, and future prospects.
- The continued proliferation of satellite constellations in Low-Earth Orbit, as well as the risk of collisions with space debris or other spacecraft, could limit or impair our launch flexibility and satellite deployment, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.
- Interruptions in the operation of critical satellite network, ground station, launch, manufacturing, or spacecraft or data center infrastructure could result in significant downtime, operational delays or loss of service, each of which could materially and adversely affect our business, financial condition, results of operations, and future prospects.
- Manufacturing, testing and launching rockets, satellites, and spacecraft, including our efforts to reuse rockets and spacecraft, involve inherent risks that could result in human injury or death, property damage and environmental damage or other adverse environmental impacts due to accidents or equipment failures. Any such events could result in substantial losses, including reputational harm and legal liability, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.
- Although we are focused on the vertical integration of our businesses, we depend on third parties to manufacture and supply certain key components necessary for the provision of our launch, connectivity, and AI services, and any supply shortages or disruptions or failures in their performance could materially and adversely affect our business, financial condition, results of operations, and future prospects.

C. – Key Information on the Securities

C.1 – What are the Main Features of the Securities?

Number and Nature of Shares – All of the 555,555,555 shares offered in the global offering (including the 55,555,555 European retail shares subject to this prospectus) are Class A common stock, par value \$0.001 per share. Upon completion of the offering, the authorized capital stock of the Company will consist of 36,132,150,000 shares of Class A common stock, par value \$0.001 per share, of which 7,380,196,910 shares will be issued and outstanding (or 7,463,530,243 shares if the underwriters exercise their option to purchase additional shares in full), 6,125,000,000 shares of Class B common stock, par value \$0.001 per share, of which 5,695,668,265 shares will be issued and outstanding, 10,000,000,000 shares of Class C common stock, par value \$0.001 per share, of which no shares will be issued and outstanding, and 2,400,000,000 shares of preferred stock, par value \$0.001 per share, of which no shares will be issued and outstanding. The number of shares of the Company's Class A and Class B common stock that will be outstanding after the global offering is based on 6,824,641,355 shares of Class A common stock and 5,695,668,265 shares of Class B common stock outstanding as of March 31, 2026, after giving effect to, pursuant to the terms of the Company's certificate of formation in effect as a private company prior to the global offering, the reclassification of all of the outstanding shares of its Class C common stock into an aggregate of 494,050,675 shares of Class A common stock and the conversion of the outstanding shares of all its preferred stock into an aggregate of 3,448,110,450 shares of our Class A common stock and 3,274,452,900 shares of its Class B common stock.

After giving effect to the sale of all base shares in the global offering, holders of Class A common stock will hold 11.5% of the combined voting power of our outstanding common stock (or 11.6% if the underwriters exercise their option to purchase additional shares in full), and holders of Class B common stock will hold 88.5% of the combined voting power of our outstanding common stock (or 88.4% if the underwriters exercise their option to purchase additional shares in full).

Trading Symbol, ISIN and Denomination – The Nasdaq and Nasdaq Texas trading symbol of the shares of Class A common stock is "SPCX", the ISIN is US84615Q1031 and the shares are denominated in U.S. dollar.

Rights Attached to the Shares, Relative Seniority and Transferability – Subject to the prior rights of holders of all classes and series of the Company's capital stock at the time outstanding having prior rights as to dividends, the holders of shares of Class A common stock and Class B common stock will be entitled to receive such dividends as may be declared from time to time by the board. Any dividends paid to the holders of shares of Class A common stock and Class B common stock will be paid pro rata, on an equal priority, pari passu basis.

Each share of Class A common stock will entitle its holder to one vote per share. Each share of Class B common stock will entitle its holder to 10 votes per share. Class A shareholders and Class B shareholders will vote together as a single class on all matters to be voted on by shareholders under our charter, except the holders of our Class B common stock will have the right to elect a majority of our board and have certain other voting rights as a class. Each share of Class B common stock will be convertible at any time at the option of the holder into one share of our Class A common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon certain transfers of that share of Class B common stock, whether or not for value, except for certain permitted transfers.

Upon the Company's liquidation, dissolution or winding up, holders of shares of Class A common stock and Class B common stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preference of any then outstanding shares of capital stock of the Company. The offered shares of Class A common stock are freely transferable.

Dividend Policy – The Company currently anticipates that it will retain all future earnings, if any, to finance the growth of our business. The Company does not anticipate declaring or paying any cash dividends to holders of its common stock in the foreseeable future.

C.2 – Where will the Securities be traded?

The Company has applied to list its Class A common stock on Nasdaq and Nasdaq Texas under the symbol “SPCX”. Application to trading of the Company’s Class A common stock to any other trading venue is not planned.

C.3 – What are the Key Risks that are Specific to the Securities?

- Conflicts of interest could arise in the future between us, on the one hand, and Mr. Musk and entities owned by or affiliated with him, on the other hand, concerning among other things, business transactions, potential competitive activities or other business opportunities.
- Certain of our directors and key employees may have conflicts of interest because they are also employees or directors of affiliates of Mr. Musk or other large shareholders. The resolution of these conflicts of interest may not be in our or your best interests.
- Upon completion of the offering, Mr. Musk will serve as our Chief Executive Officer, Chief Technical Officer, and Chairman of our board and control the election of our directors, and our dual class structure concentrates voting control with Mr. Musk and other holders of our Class B common stock. This will limit or preclude your ability to influence corporate matters and the election of our directors.

D. – Key Information on the Offering of the Securities and the Admission to Trading

D.1 – Under which Conditions and Timetable can I invest in this Security?

Scope of the European retail offering..... The European retail offering consists of public offerings of the European retail shares in Germany, Denmark, France, the Netherlands, Norway, Spain and Sweden.

The European retail offering contemplated by this prospectus forms a tranche within the global offering.

Under U.S. Securities laws, the Company has the ability to upsize the U.S. offering, and thereby increase the number of shares offered in the U.S. offering, by filing an amendment to the registration statement filed with the SEC prior to the effectiveness of such registration statement. In addition, under Rule 462(b) under the U.S. Securities Act governing the U.S. offering, the Company may register additional securities under its registration statement filed with the SEC by way of an amendment referred to as an automatically effective post-effective amendment in an amount and at a price that together represent no more than 20% of the maximum aggregate offering price, calculated as the gross proceeds to be received by the Company for the issuance of the offered base shares at the expected price for the U.S. offering together with the additional shares. Consequently, the total number of shares offered in the global offering may increase. However, there will be no increase of the number of shares offered in the European retail offering if the number of shares offered in the global offering is increased.

If and to the extent the European retail shares are not subscribed for by eligible retail investors or if the Company and the European underwriters decide to reduce the number of offered European retail shares or set a final amount of European retail shares offered below the maximum number of shares offered under this prospectus, the European retail shares not subscribed for or no longer offered under this prospectus, respectively, may be offered and sold in the global offering, provided that in any Member States of the EEA they will be offered solely in circumstances falling within the scope of application of Article 1(4) of the Prospectus Regulation.

Maximum Offering Price..... \$162.00 per share of Class A common stock.

For purposes of the U.S. offering, an expected price of \$135.00 has been set. For purposes of the European retail offering, the maximum offering price has been set at \$162.00.

Investors placing orders below \$135.00, which is the expected price for the U.S. offering, should not expect to receive an allocation in the European retail offering.

Depending on the jurisdiction and bank or financial intermediary, retail investors may or may not be able to indicate a price limit for orders or place unlimited orders. Orders without indicated price limit or unlimited orders submitted by retail investors will be valid up until the maximum public offering price.

The final public offering price will be a single price per share of Class A common stock applicable to all investors across the entire global offering, including this European retail offering.

The final public offering price will be exclusive of tax on stock exchange transactions or other

taxes, and of costs (including exchange rate conversion fees), if any, charged by financial intermediaries (other than the European underwriters) for the placement of purchase orders.

The Company will publish the final public offering price in accordance with Article 17(2) of the Prospectus Regulation on or about June 11, 2026, by means of a notice to be published in electronic form on the Company's website at <https://www.spacexipo.com>.

Offer Period	The European retail offering allows eligible retail investors to submit purchase orders for the offered European retail shares during a period which commences on June 5, 2026 following publication of the prospectus and, in Denmark, France, the Netherlands, Norway, and Spain, following the notification into the respective country, and is expected to end on or about June 11, 2026 6:00 p.m. (Central European Summer Time) (12:00 p.m./noon (Eastern Daylight Time)) (the " offer period "). With regard to the retail offering in Sweden, the offer period is expected to commence on June 6, 2026. With regard to the retail offering in Switzerland, the offer period is expected to commence following the filing of this prospectus with a Swiss prospectus office on June 5, 2026.
Allocation Plan	The global offering of the shares of Class A common stock by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part, at their discretion, provided that the following criteria will be observed.
Directed Share Program.....	At the Company's request, the underwriters have reserved up to 5% of the shares of Class A common stock offered in the global offering for sale at the initial public offering price through a directed share program to certain employees and persons selected based on the discretion of the Company's executive officers, which may include parties with whom the Company has a business relationship and friends and family of the Company's executive officers. If purchased by these persons, these shares will not be subject to lock-up restriction. The number of shares of Class A common stock available for sale to the general public will be reduced by the number of reserved shares sold to these persons. Any reserved shares not purchased by these persons will be offered by the underwriters to the general public on the same basis as the other shares of Class A common stock offered in the global offering other than in the European retail offering.
Maximum Allocation to Discretionary Accounts	With respect to the global offering, the underwriters have informed the Company that they do not intend sales to discretionary accounts (i.e., customer accounts for which the underwriters (by virtue of being broker-dealers and holding customer funds) have investment authority to buy shares on their client's behalf (without requiring express client approval)) to exceed 5% of the total number of shares of Class A common stock offered by them.
Option to Purchase Additional Shares.....	The Company will grant to the underwriters in the underwriting agreement an option, exercisable for 30 days from the date of the underwriting agreement, to purchase up to 83,333,333 additional shares of Class A common stock at the final offering price, less underwriting discounts and commissions for the purposes of covering any over-allotments made through short sales.
Trading and Closing.....	Trading on Nasdaq and Nasdaq Texas is expected to commence on or about June 12, 2026. Delivery of shares to the respective accounts of the several underwriters is expected to be made on or about June 15, 2026. Book-entry delivery of the allotted shares of Class A common stock to investors participating in the European retail offering against payment of the final public offering price is expected to take place as soon as practicable thereafter.
Dilution of New Shareholders..	\$126.13 per share, or 93.4%.
Accretion of Existing Shareholders	\$5.55 per share, or 167.2%.
Total Expenses.....	The costs and expenses related to the global offering, other than underwriting discounts and commissions, are estimated to total \$54,508,000 and will be borne by the Company.
Expenses Charged to eligible retail investors.....	Eligible retail investors will not be charged expenses by the Company or the European underwriters (in their capacity as underwriters). Investors may, however, have to bear customary transaction and handling fees charged by their brokers or other financial institutions through which they order and/or hold their securities, including exchange rate conversion fees, and customary security commissions may apply.

D.2 – Who is the Offeror and the Person asking for Admission to Trading?

Offerors.....	In addition to the Company, the shares of Class A common stock offered in the European retail offering are being offered by the European underwriters. Goldman Sachs Bank Europe SE is a European company (<i>Societas Europaea (SE)</i>) incorporated in and operating under the laws of Germany, with its registered seat in Frankfurt am Main, Germany. Morgan Stanley Europe SE is a European company (<i>Societas Europaea (SE)</i>) incorporated in and operating under the laws of Germany, with its registered seat in Frankfurt am Main, Germany. BofA Securities Europe S.A. is a French stock corporation (<i>société anonyme</i>), incorporated in and operating under the laws of France, with its registered seat in Paris. Citigroup Global Markets Europe AG is a

German stock corporation (*Aktiengesellschaft*) incorporated in and operating under the laws of Germany, with its registered seat in Frankfurt am Main, Germany. J.P. Morgan SE is a European company (*Societas Europaea* (*SE*)) incorporated in and operating under the laws of Germany, with its registered seat in Frankfurt am Main, Germany. Banco Santander S.A. is a Spanish public limited company (*sociedad anónima*), incorporated in and operating under the laws of Spain, with its registered seat in Santander, Spain. Deutsche Bank Aktiengesellschaft is a German stock corporation (*Aktiengesellschaft*) incorporated in and operating under the laws of Germany, with its registered seat in Frankfurt am Main, Germany. ING Bank N.V. is a Dutch public limited liability company (*naamloze vennootschap*), incorporated in and operating under the laws of the Netherlands, with its registered seat in Amsterdam, Netherlands. Société Générale is a French stock corporation (*société anonyme*), incorporated in and operating under the laws of France, with its registered seat in Paris, France.

Admission to Trading There will be no admission to trading on a regulated market within the meaning of Article 2 point (j) of the Prospectus Regulation. The Company has applied to list its Class A common stock on Nasdaq and Nasdaq Texas on or about June 12, 2026 under the symbol “SPCX”.

D.3 – Why is this prospectus being Produced?

Reasons for the Global Offering..... The Company intends to pursue the global offering to receive the net proceeds from the sale of the shares of Class A common stock.

Net Proceeds The Company expects to receive approximately \$74.4 billion of net proceeds from the global offering if all base shares are sold (thereof approximately \$7.4 billion attributable to the European retail offering if the maximum number of 55,555,555 shares are sold thereunder) or approximately \$85.7 billion if the underwriters exercise their option to purchase additional shares of Class A common stock in full, based upon the expected initial public offering price of \$135.00 per share (which is the expected price set for the U.S. offering), after deducting underwriting discounts and commissions and estimated offering expenses payable by the Company.

Use of Proceeds..... The Company intends to use the net proceeds from the global offering to fund its growth strategy, including the expansion of its AI compute infrastructure, enhancements to its launch infrastructure and launch vehicles, increases in the scale and capacity of its satellite constellations, and any remaining amounts for general corporate purposes.

If we do not refinance our unsecured bridge term loan facility in an aggregate principal amount of \$ 20,000 million with proceeds from notes offerings, bank borrowings, or other financial arrangements, we may use cash in an amount equal to a portion of the net proceeds from the global offering, or none at all, to refinance such bridge term loan facility.

Underwriting Agreement..... If the global offering is successful, the Company expects to enter into an underwriting agreement with the joint book-running managers and representatives of the underwriters in the global offering, acting on behalf of the underwriters, on or about June 11, 2026 after the end of the offer period. As of the date of this prospectus, the underwriters have not agreed to underwrite the shares of Class A common stock offered in the global offering and in the European retail offering on a firm commitment basis, and are under no obligation to enter into the underwriting agreement. However, if the global offering is successful and a final public offering price is set, the Company expects the underwriters to underwrite the shares of Class A common stock finally placed in the global offering on a firm commitment basis. Under the terms and subject to the conditions in the underwriting agreement, the underwriters are expected to severally agree to purchase, and the Company expects to agree to sell to them, severally, all shares of Class A common stock finally placed in the global offering.

Material Conflicts of Interest... There are no material conflicts of interest with respect to the global offering, including the European retail offering.

1. RISK FACTORS

This prospectus relates to the European retail offering of shares of Class A common stock in SpaceX. An investment in the shares of Class A common stock of SpaceX is subject to risks. In considering whether to invest in the shares of Class A common stock, investors should carefully consider the following risks in this prospectus. According to Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC, as amended, the risk factors featured in a prospectus must be limited to risks which are specific to the issuer and/or to the securities and which are material for taking an informed investment decision. Therefore, the following risks are only those risks that are specific to SpaceX Group and to SpaceX's shares of Class A common stock and, based on SpaceX's current assessment, material for making an informed investment decision.

The following risk factors are categorized into categories based on their respective nature. Within each such category, the order of risk factors is based on SpaceX's current assessment with respect to the probability of occurrence and expected magnitude of the negative impact of such risk factors. In each category, the two most material risk factors are mentioned first according to the current assessment based on the probability of their occurrence and the expected magnitude of their negative impact. Consequently, the value of the shares of Class A common stock of SpaceX could decrease as a result of the occurrence of any of these risks, and prospective investors could lose all or part of their investment. The risks mentioned may materialize individually or cumulatively.

1.1 Risks Related to Our Space Segment

1.1.1 *Any failure or delay in the development of Starship at scale or in achieving the required launch cadence, reusability and capabilities thereafter would delay or limit our ability to execute our growth strategy, including the deployment of next-generation satellites, global satellite-to-mobile connectivity, and orbital AI compute, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.*

If we are unable to successfully complete the development, testing, and deployment of Starship – a fully reusable, super heavy-lift launch vehicle – at scale in accordance with our anticipated schedule, or at all, or if we are unable to achieve sufficient launch cadence, reusability, and capability, our ability to execute our growth strategy (such as the deployment of our next-generation V3 satellites, V2 satellite-to-mobile connectivity, and providing orbital AI compute infrastructure) would be materially and adversely affected. The commercial deployment of Starship, particularly at scale, is subject to substantial risks and uncertainties inherent in the development of new and complex technologies and systems. Delays or challenges in the Starship program have in the past occurred, and may occur in the future due to a variety of factors, including unforeseen technical challenges, supply chain disruptions, manufacturing difficulties, delays in the development, construction or commissioning of launch and fueling infrastructure (such as launch pads, air separation units and other propellant production systems), unavailability of such launch and fueling infrastructure (including launch pads) in sufficient number and in operable condition (including as a result of mishaps), loss or damage to the vehicle or other components, regulatory hurdles, or the need for additional design modifications. If we are required to undertake unanticipated redesigns, conduct additional testing, replace lost vehicles or components, or address operational setbacks, we may experience delays and incur significant additional costs, or be forced to reallocate critical resources from other projects. If our launch pads are not available for an extended period of time for any reason, we may not be able to achieve our development, testing and deployment goals. Such delays could have cascading effects on our ability to achieve the scale we need to timely achieve future objectives. In addition, a critical part of our growth strategy involves increasing our launch cadence, reusability and capability, including increasing our payload per launch. This will require, among other things, the successful development and operation of reusable launch vehicles, substantially increased access to raw materials and components like steel, fuel and propellant, the construction of additional facilities and securing of additional launch sites or rights to additional launches from existing sites, and navigating complex and evolving regulatory requirements and environmental and technological issues as we seek to increase our launch cadence. Our rocket programs have historically required substantial time and resources to reach the cadence and cost thresholds necessary for commercial viability, and the development of Starship may face similar or greater challenges. Any significant delay in achieving key development milestones, obtaining the necessary regulatory approvals or increasing and maintaining our launch cadence, reusability, and capability would impede the expansion of our service offerings, defer anticipated revenue streams, and negatively impact our growth trajectory and competitive positioning in rapidly evolving markets.

Our ability to execute our growth strategy is highly dependent on Starship. If we are unable to achieve the commercial development, anticipated performance, launch cadence, or cost efficiencies associated with Starship within expected timeframes, our ability to deploy next-generation V3 satellites, V2 Mobile satellites, and orbital AI compute infrastructure at scale, reduce capital and operating costs (including cost per token), realize projected revenue growth, and retain existing customers from these initiatives could be materially and adversely affected. This includes our expectations with respect to completion of flight testing of Starship and commencement of payload delivery to orbit. Our current operational rockets, including Falcon 9 and Falcon Heavy, are not capable of deploying V3 satellites and V2 Mobile satellites.

In addition, our ability to pursue new initiatives and capture emerging business opportunities – particularly those requiring high launch cadence, large payload capacity, or advanced in-space capabilities, such as lunar operations and interplanetary missions – depends on the timely and successful deployment of Starship and achieving our targeted launch cadence. Achieving our targeted launch cadence will require significant progress on several key milestones and the continued investment of significant capital resources. These include: securing additional land and developing high-rate launch sites and supporting infrastructure across multiple locations; scaling production of Starship vehicles and Raptor engines; constructing propellant production facilities, including air separation units and methane liquefaction plants co-located with launch sites; securing sufficient power supply; and obtaining the necessary regulatory approvals, particularly from the U.S. Federal Aviation Administration (the “FAA”), to support a high launch cadence while addressing public safety and environmental considerations. We face a number of material challenges and uncertainties in achieving these milestones, such as achieving reliable high-cadence return-to-launch-site operations for the full vehicle stack, developing durable reusable heat shields capable of withstanding repeated high-velocity reentries, ensuring rapid refurbishment and high-rate reusability of engines and other vehicle components, managing public and regulatory tolerance for anomalies during the transition to frequent operational flights, securing sufficient power for both manufacturing and launch operations, and obtaining timely regulatory approvals from the FAA and other agencies. Orbital refueling involves technical complexities associated with cryogenic propellant transfer in microgravity, propellant settling, and boil-off management and is required for lunar and interplanetary objectives.

If Starship does not achieve full reusability or rapid turnaround, we may experience higher per-launch costs, slower deployment timelines for our large-scale constellations (including our orbital AI compute program), delayed revenue growth, and increased overall capital requirements, and our brand and reputation may suffer. AI compute satellites at scale need full Starship reusability to be economically compelling. Without full reusability and rapid turnaround, Starship would still be capable of enabling progress on our next-generation Starlink, satellite-to-mobile, initial lunar objectives, and early AI compute satellite deployments, but such progress would be at a slower pace and higher cost. Any inability to deliver Starship to market as planned could constrain our participation in new or expanding addressable markets, limit our competitive differentiation, and hinder our efforts to attract and retain customers. We may be unable to achieve our objectives with respect to Starship within the expected timeframes, if at all. Delays or setbacks could materially impact our strategic plans. The occurrence of any of these risks could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.1.2 Any delays or difficulties in obtaining, maintaining or renewing required regulatory approvals and licenses required for our space-related activities, including U.S. Federal Aviation Administration launch and reentry licenses, would materially delay or disrupt our operations, harm our business, or limit our ability to execute our business strategy.

Our launch services are subject to extensive regulation in the United States and internationally. We must secure and maintain numerous governmental approvals to launch our rockets and conduct related launch and reentry activities. Any failure or significant delay in obtaining required licenses and permits or failure to maintain them could disrupt our operations, constrain our growth, and adversely affect our ability to serve our customers. Our plans to deploy large-scale orbital infrastructure, including orbital AI compute systems, will require the operation of very large satellite constellations, potentially numbering up to one million satellites. These plans will depend on obtaining a wide range of domestic and international approvals, including spectrum authorizations, orbital debris mitigation approvals, and coordination and authorization requirements relating to space situational awareness and international regulatory regimes, and we may not obtain such approvals on acceptable timelines, terms, or at all.

We depend on timely approvals from the FAA to conduct our launch operations. If we do not receive FAA launch licenses or related approvals on the schedules we anticipate or if we are subject to regulatory delays, we could be forced to delay or cancel planned launches, which could cause missed customer commitments, increased costs, and underutilization of our launch resources. Obtaining a launch license involves rigorous safety

and environmental reviews, and unforeseen issues in meeting these requirements or additional conditions imposed during the review process could also impact our launch timelines. For example, current FAA regulations do not permit return-to-launch-site reentries for Starship, requiring us to obtain a waiver from the FAA, which is not guaranteed and could delay or restrict such operations. Following an anomaly, mishap, or failure, the FAA or other authorities may require investigations, impose corrective actions, or restrict or delay our ability to conduct launch operations. For example, several Starship flight tests (including the 12th) have resulted in FAA mishap determinations and SpaceX-led investigations, with Starship's return to flight conditioned on the FAA determining that any system, process, or procedure related to the mishap does not affect public safety, along with approving and verifying the implementation of any required corrective actions. We have in the past been, and may in the future become, subject to such actions, impacting our ability to increase launch cadence. The regulatory framework governing commercial launches may also evolve over time. The FAA or other authorities could introduce new or more stringent requirements for launch licensing – for instance, heightened safety standards, environmental mitigation measures, or other operational restrictions – that could require us to invest in new technologies, adjust our procedures, or otherwise incur additional compliance burdens. Moreover, as the frequency of our launches and industry activity overall continues to grow, the FAA's resources may become strained, which could lead to longer application processing times and other difficulties obtaining FAA licenses. Any significant delay in receiving required FAA licenses, the imposition of onerous new licensing conditions, or failure to obtain an approval for a key launch, could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.1.3 We have experienced, and will likely continue to experience, launch delays and failures that could materially and adversely affect our business, financial condition, results of operations, and future prospects.

Launch vehicle underperformance, propulsion anomalies, structural failures, software errors, or other malfunctions could result in launch delays or partial or total mission failures, including the loss of satellites, launch pads, vehicles, or payloads. The occurrence of mission failures or other significant operational disruptions could also expose us to litigation as well as increased scrutiny from regulatory authorities, lead to the imposition of additional compliance requirements, and adversely affect our brand and reputation, and our ability to obtain future licenses, permits, or government contracts. We do not typically obtain insurance coverage for our satellites, payloads, or launch vehicles, and as a result we bear the full financial cost of any such losses. Repeated anomalies or high visibility mission failures could also negatively affect our brand, reputation, ability to win new business, and our customers' ability to procure launch and in-orbit insurance at competitive rates (to the extent we decide to pursue it). Such repeated anomalies or mission failures could also result in, regulators delaying, conditioning or denying approvals, waivers or licenses required for future launches or reentries, which could reduce our launch cadence and delay the deployment of our satellites and other services. In the past, certain of our launch vehicles have experienced partial or total mission failures, including anomalies that resulted in launch pad destruction, the loss of payloads and damage to launch vehicles. In certain circumstances, mission failures could result in debris from our launch vehicles causing significant damage to persons or property on the ground as well as environmental damage. Similar or other failures may occur with future launches. In addition, satellites may be deployed into incorrect or suboptimal orbits due to vehicle performance issues, separation events, or guidance, navigation and control errors. Incorrect orbital placement can materially reduce a satellite's operational life, impair performance, increase fuel consumption, or render the satellite unusable.

The occurrence of any of these risks could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.1.4 Our services are subject to risks related to supplying services to the U.S. government.

Supplying services to the U.S. government subjects us to unique risks, including compliance with complex regulations, vulnerability to changes in government priorities or funding levels, and exposure to contractual disputes or audits. In 2025, approximately one-fifth of our revenue was attributable to agencies within the U.S. federal government. As a contractor to various U.S. government agencies, we are subject to extensive federal procurement regulations, including the Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS), as well as other rules governing cost accounting, cybersecurity, ethics, and national security. These regulations impose stringent requirements on our operations, business practices, and reporting, and noncompliance could result in civil or criminal penalties, suspension or debarment from government contracting, or loss of existing or future business. These requirements, although customary in U.S. government contracts, increase our performance and compliance costs. These costs might increase in the future. For those reasons and in order to achieve our orbital compute goals, we may prioritize our own launch payloads over additional U.S. government contracts or third-party customers. This prioritization of launch

capacity may limit revenue growth in our Space segment, and impact our relationship with regulators, and could invite litigation from customers or competitors. In addition, government contracts are susceptible to unilateral termination, reduction in scope, or delays at the government's convenience, which may occur due to shifting budgetary priorities, changes in defense or space policy, or the reallocation of funding to other programs. The termination or reduction of funding for a government program could result in a loss of anticipated future revenue attributable to that program. The actual receipt of revenue on awards may never occur or may change because a program schedule could change or the program could be canceled, or a contract could be reduced, modified, or terminated early. In addition, in certain circumstances, governments or other customers may be reluctant to rely on our satellite connectivity or defense-related services if they believe the availability of such services could be restricted or suspended based on geopolitical considerations, conflicts, sanctions, or other policy determinations, which could adversely affect our ability to win or retain contracts. In addition, our significant business relationships with U.S. defense and government agencies may cause us to be perceived as closely aligned with the U.S. government or military. This perception could discourage certain consumers, enterprises, or foreign governments from purchasing our products and services which could adversely affect our sales in the United States and internationally. We and our facilities could also be targeted by foreign adversaries and non-state actors due to such perception. Government customers may also subject our contracts to rigorous audits and investigations, which can result in disputes regarding contract performance, cost allowability, or compliance with applicable laws and regulations. Adverse audit findings or contractual disputes could lead to repayments, financial penalties, or restrictions on our ability to compete for future contracts.

Certain of our government contracts also require that we maintain facility security clearances and that certain of our employees obtain and maintain personnel security clearances. Obtaining and maintaining these clearances involves a lengthy and uncertain process and depends on factors outside of our control, and we may experience delays in receiving required clearances or be unable to hire or retain a sufficient number of employees with the necessary clearances to perform under certain contracts. If we are unable to obtain or maintain required facility or personnel security clearances, we may be unable to bid on, win, or perform certain classified programs, and existing contracts could be terminated or not renewed, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

Further, our business is subject to economic sanctions and trade embargo laws, various import regulations, including tariffs, and stringent U.S. import and export control laws. Any failure by us to comply with any of the foregoing could result in our debarment from government contracts, limitations on our ability to enter into contracts with the U.S. government, civil or criminal penalties, fines, investigations, more onerous compliance requirements, or loss of export privileges, and any inability to obtain or maintain required security clearances or any failure to comply with applicable procurement, export control, or sanctions requirements, could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.1.5 We derive significant revenue from U.S. government contracts that are subject to competitive bidding, funding approvals and other government budgetary processes, which factors could adversely affect our business, financial condition, results of operations, and future prospects.

We derive significant revenue from U.S. government contracts that were awarded through a competitive bidding process. Competitive bidding presents a number of risks, including: the need to bid on programs in advance of the completion of their design, which may result in unforeseen technological difficulties and cost overruns; the substantial cost and managerial time and effort that must be spent to prepare bids and proposals for contracts that may not be awarded to us; the need to estimate accurately the resources and cost structure that will be required to service any contract we are awarded; and the expense and delay that may arise if interested parties or our competitors protest or challenge contract awards made to us pursuant to competitive bidding, and the risk that any such protest or challenge could result in the delay of our contract performance, the distraction of management, the resubmission of bids on modified specifications, or in termination, reduction or modification of the awarded contract.

Our business with governmental entities is subject to changes in policies, priorities, regulations, mandates, and funding levels, any of which could materially impact our operations and financial results. U.S. government program funding is subject to Congressional appropriations on a fiscal year basis even though contract performance may take more than one year. As a result, at the outset of a major program, the contract is usually incrementally funded and additional funds are normally committed to the contract only as Congress makes appropriations in future fiscal years. U.S. government contracts may also be undefinitized at the time of the start of performance. Under undefinitized contract actions, the U.S. government has the ability to unilaterally definitize contracts and, absent a successful appeal of such action, the unilateral definitization of the contract would obligate us to perform under terms and conditions imposed by the U.S. government. Such unilaterally imposed contract

terms could include less favorable pricing or terms and conditions more burdensome than those negotiated in other circumstances. U.S. government contracts typically involve long lead times for design and development and are subject to significant changes in contract scheduling.

Additionally, the U.S. government's budget deficit and the national debt, as well as any inability of the U.S. government to complete its budget process for any government fiscal year and consequently having to shut down or operate on funding levels equivalent to its prior fiscal year pursuant to a "continuing resolution," could have a material and adverse impact on our business, financial condition, results of operations, and future prospects. Moreover, if we fail to establish and maintain important relationships with U.S. government agencies, our ability to successfully maintain and develop new business could be materially and adversely affected. The current political environment in the United States is highly polarized, and shifts in the composition of the U.S. Congress or changes in the presidential administration can result in significant changes in government spending priorities, regulatory posture, and the allocation of contracts and resources across industries and programs. Our relationships with U.S. government agencies and the favorability of the regulatory and procurement environment in which we operate may be affected by which political party controls the presidency or one or both chambers of the U.S. Congress. As a result, current government relationships, contracts, or levels of funding may not be maintained, and any significant adverse developments could have a material and adverse impact on our growth and competitive position.

In addition, our Space segment revenue is primarily derived from fixed-price contracts, under which we agree to deliver specified products or services at a predetermined price regardless of the actual costs incurred. As a result, if we experience cost overruns on these contracts, including from factors outside our control, we are required to absorb the excess costs, which may reduce profitability or result in losses, strain cash flows, and impact our ability to invest in future growth. Any unanticipated increases in labor, material, or other direct or indirect costs – including those arising from inflation, supply chain disruptions, design changes, regulatory requirements, or unforeseen technical challenges – must be borne by us. When these overruns occur, our margins on affected contracts may be significantly reduced or eliminated, which could adversely affect our business, financial condition, results of operations, and future prospects. Additionally, absorbing excess costs may limit our ability to allocate resources to other strategic initiatives, delay investment in research and development, or constrain our capacity to pursue new business opportunities. In addition, we sometimes receive advanced payments and billings in excess of the amount of revenue we recognize, which we record as deferred revenue. As a result, our cash flows may be subject to fluctuation across periods in a manner that may be unrelated to our underlying performance.

1.2 Risks Related to Our Connectivity Segment

1.2.1 Any delays or difficulties in obtaining, maintaining or renewing required communications licenses and spectrum authorizations for our satellite connectivity services, including international and Federal Communications Commission satellite spectrum licenses, could materially delay or disrupt our operations, harm our business, or limit our ability to execute our business strategy.

Our satellite connectivity services are subject to extensive regulation in the United States and internationally. Obtaining and maintaining communications licenses and approvals from U.S. and foreign regulatory authorities is critical to our connectivity services. Our satellite connectivity, including our global satellite-to-mobile connectivity services under Starlink Mobile, depend on access to radio frequency spectrum and authorizations from the Federal Communications Commission ("FCC") in the United States and telecommunications regulators in other countries. Without these licenses and approvals, we generally cannot offer connectivity services in a given market. Acquiring the necessary authorizations can be a complex and time-consuming process, often involving technical coordination, public-interest or national security reviews, and cross-border considerations, including in certain jurisdictions where regulatory processes may be influenced by protectionist policies or preferences. Spectrum access itself is limited and highly regulated. In September 2025, we announced a definitive agreement with EchoStar Corporation ("**EchoStar**") to purchase its AWS-4 and H-Block Licenses (as defined below). The Spectrum Transaction (as defined below) was approved by the FCC on May 12, 2026 and is subject to other closing conditions prior to completion. We expect the Spectrum Transaction to close in November 2027. These conditions may not be satisfied or waived in a timely manner, or at all. Even if the transaction is completed, our purchase of licenses from EchoStar may not be sufficient to meet our growing need for spectrum licenses and we may be unable to find other parties to provide us with additional spectrum licenses on terms acceptable to us, or at all. We may in the future pursue additional acquisitions, leases, or other arrangements relating to spectrum rights in order to support the expansion of our connectivity services, and there can be no assurance that we will be able to enter into or complete any such transactions or arrangements on acceptable terms, or at all. Any such future transactions or arrangements could require significant capital commitments, ongoing payment obligations, and regulatory approvals. In addition, we must secure the global

right to use the spectrum acquired from EchoStar from a number of international telecommunications regulators in order to make our V2 satellite-to-mobile services usable worldwide, and such authorizations may not be granted on acceptable terms, or at all. Moreover, our rights to use certain frequencies are coordinated through the International Telecommunication Union (“ITU”) and are subject to international agreements to prevent harmful interference. We must comply with ITU rules and coordination procedures, and changes in international spectrum allocations or adverse decisions in global regulatory forums could also reduce the frequencies available to us or attach conditions that degrade our network’s performance. Additionally, third parties have in the past, and may in the future, obtain spectrum rights for the purpose of blocking market entry.

Regulatory regimes for communications services vary widely across different countries and are continuously evolving. Each country may impose its own licensing conditions and operating requirements on satellite internet providers – for example, mandates to partner with a local entity, to host certain infrastructure within its borders, or to adhere to specific standards relating to data privacy and cybersecurity (including data localization) and, in some cases, regulators may deny, delay or decline to grant authorization for us to operate or use our spectrum in their jurisdiction at all. Regimes in certain of our target markets may also favor incumbent or legacy telecommunications companies, which may impede, delay, or prevent our ability to enter such markets. Compliance with the different requirements of applicable regulatory regimes can be challenging and costly, and any failure to comply with local laws and regulations could lead to penalties or the loss of our authorization to operate in that region. Furthermore, communications regulatory authorizations often require periodic renewal and ongoing compliance with conditions such as deployment milestones, fee payments, and interference mitigation obligations. If we are unable to obtain, retain, and renew the necessary spectrum rights and service licenses on acceptable terms in each of our target markets, or if regulatory bodies significantly delay our authorizations or impose burdensome requirements, our ability to expand and continue our connectivity services would be jeopardized, which would materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.2.2 Our Starlink and other satellite services are subject to complex and evolving U.S. and foreign laws and regulations, particularly relating to data privacy, cybersecurity, and telecommunications.

Our Starlink and other satellite services are subject to a variety of laws and regulations in the United States and abroad covering cybersecurity, privacy, data use, data combination, data protection, data security, data retention and deletion, data localization and storage, and data disclosure to law enforcement agencies. As a satellite internet and communications provider, we collect and otherwise process various kinds of data in connection with our services, such as customer personal information, account registration information, device identifiers, network and connectivity data, and government information. These laws and regulations govern how we handle such information, and they may, among others, impose requirements relating to cybersecurity and privacy governance, data security measures, data security breach notification, cross border data transfers, and customer consent obligations.

In particular, the California Consumer Privacy Act (as amended), the European Union’s General Data Protection Regulation (“GDPR”) (and its equivalent in the United Kingdom) and other data privacy laws and regulations impose stringent and burdensome requirements in connection with the processing of personal information and include significant penalties for non-compliance. Additionally, as a government contractor, we are also subject to the Department of War’s Cybersecurity Maturity Model Certification requirements, which requires companies that do business with the Department of War to, depending on the level of scrutiny required, meet or exceed certain specified cybersecurity standards to be eligible for new contract awards. Many of these laws and regulations are subject to change and uncertain interpretation, and their application may vary significantly across jurisdictions. Compliance may require us to modify our policies, procedures, and controls, and increase our compliance costs and operational complexity. We may post public privacy policies and other statements regarding our collection, storage, sharing and other processing of personal information, and any actual or perceived failure to comply with such privacy policies and other statements, as well as the foregoing data privacy and cybersecurity laws and regulations, may subject us to enforcement actions, investigations, litigation, reputational harm or requirements to modify or cease our business practices.

1.2.3 The continued proliferation of satellite constellations in Low-Earth Orbit, as well as the risk of collisions with space debris or other spacecraft, could limit or impair our launch flexibility and satellite deployment, which could adversely affect our business, financial condition, results of operations, and future prospects.

The continued proliferation of Low-Earth Orbit (“LEO”) constellations can increase the risk of collisions with space debris or other spacecraft if operators fail to adhere to responsible space safety, debris mitigation, or

coordination practices. Our growth strategy depends, in part, on continuing to launch additional satellites into LEO. As the number of satellites and other objects in LEO continues to grow, the probability of accidental collisions, fragmentation events, or other in-orbit incidents increases, which could result in the loss or degradation of our satellites, increased costs for collision avoidance maneuvers, or the need to replace or reposition assets on an accelerated schedule. Not all satellite operators or other space actors adhere to the same rigorous space safety, debris mitigation, or coordination practices that we adhere to, which may increase the likelihood of congestion, conjunctions, or other operational risks outside of our control and, in extreme cases, could contribute to fragmentation events or cascading debris effects that further increase collision risks in LEO.

In addition, some domestic and international authorities have applied heightened regulatory scrutiny as interest in utilizing LEO for satellite operations has increased. Debris mitigation regulations may emerge if congestion increases. Failure to meet debris requirements could result in monetary penalties or loss of licensing authority, which would adversely affect our satellite constellation deployment and expansion plans, and future regulatory actions could impose more restrictive operational, deployment, or debris mitigation requirements that could limit our ability to launch or operate satellites in LEO. In addition, there is a burgeoning effort to further regulate LEO, Mid-Earth Orbit (“MEO”), and geostationary orbit (“GEO”) and establish liability regimes for operators, including regimes similar to those under the Comprehensive Environmental Response, Compensation and Liability Act, which imposes strict liability for environmental contamination or remediation costs, as well as growing concern over the potential environmental effects of emissions and other byproducts from rocket launches in Earth’s upper atmosphere.

Furthermore, any damage to our satellites or impairment of their functionality resulting from collisions with space debris or other spacecraft could materially and adversely affect our ability to deliver reliable services to our customers, harm our reputation, and expose us to potential contractual liabilities or insurance claims. The growing challenges associated with space debris management may require us to invest in additional technologies or processes to safeguard our assets and maintain compliance with evolving regulatory frameworks.

The occurrence of any of these risks may adversely affect our business, financial condition, results of operations, and future prospects.

1.2.4 Our ability to expand our Starlink consumer and enterprise connectivity services depends on our ability to increase market awareness and acceptance of connectivity through Starlink, and any failure to do so could materially and adversely affect our business, financial condition, results of operations and future prospects.

Our ability to expand our Starlink consumer and enterprise connectivity services depends on our ability to increase market awareness and acceptance of connectivity through Starlink. We may be unable to increase awareness. In particular, such efforts may not be successful if we are unable to offer Starlink services at competitive prices. Additionally, constraints in the distribution of user terminals could delay service activations, increase costs, or otherwise limit our ability to scale such services as anticipated. Consumer acceptance may also be hindered by the presence of well-established terrestrial broadband alternatives, as well as lingering perceptions regarding service reliability, latency, and the complexity of satellite-based internet compared to traditional fixed-line solutions.

1.2.5 The expansion of our satellite-to-mobile connectivity services depends substantially on our ability to secure and maintain partnerships with mobile network operators and on the adoption of necessary hardware and software modifications by device manufacturers, and any failure to do so could materially and adversely affect our business, financial condition, results of operations and future prospects.

The expansion of our global satellite-to-mobile connectivity offerings depends substantially on our ability to enter into and maintain successful partnerships with telecommunications carriers and spectrum licensees globally, and to obtain country-specific authorizations to offer such connectivity using satellite spectrum bands for which we have international coordination rights. In the United States, we expect to be able to provide 5G-like connectivity to a meaningful portion of existing unmodified devices through our Starlink Mobile Gen2 service utilizing our V2 Mobile satellites, either by operating on spectrum leased to us by mobile network operator (“MNO”) partners or by utilizing our own domestic spectrum holdings. However, achieving full 5G NR-NTN compliance and optimal performance would likely require handset manufacturers to implement hardware and software modifications, primarily to the radio-frequency front end, in future devices. The spectrum frequencies in the FCC licenses to be acquired from EchoStar are standardized for terrestrial 5G mobile broadband (3GPP bands n66 and n70). But the 5G NR-NTN bands for these same frequencies, such as n252 and n256, are not currently

supported by RF front-end hardware for the provision of 5G-like service in any commercially available mobile devices. We do not have direct contractual arrangements with handset manufacturers; instead, we expect MNO partners, as major purchasers of mobile devices, to encourage or drive such adoption. There can be no assurance that these modifications will be adopted on our preferred timeline, or at all.

Internationally, we face similar constraints until handset manufacturers implement hardware and software modifications to support the international spectrum authorizations to be obtained from EchoStar. As a result, our near-term international service strategy depends on our ability to establish MNO spectrum partnerships on a market-by-market basis, which does not require device hardware modifications but is subject to the successful negotiation and execution of commercial agreements in each jurisdiction. Until device manufacturers incorporate support for our international spectrum bands into future handsets, we will be unable to offer 5G-like direct-to-consumer service on our own international spectrum.

The provision of our satellite-to-mobile services also requires regulatory approvals from the FCC and foreign regulatory authorities. Our Gen1 service, utilizing our existing constellation of V1 mobile satellites, is fully licensed in the United States but requires additional country-by-country approvals to operate internationally. We have signed MNO partnerships for our Gen1 service in approximately 30 countries. These partnerships represent commercial agreements with carriers but do not, by themselves, provide the regulatory approvals necessary to offer service. In addition to at least one MNO partnership, we have obtained required approvals to offer commercial Gen1 service in the United States, Canada, the United Kingdom, Japan, and Australia, as well as in several additional countries.

Our Gen2 service, which will utilize 2 GHz S-band spectrum and a new satellite constellation, requires a license transfer, a constellation license, and spectrum usage approvals in each country in which we seek to operate. For the United States, we have received the relevant license transfer approval from the FCC, and we expect to receive the remaining necessary regulatory authorizations in the second or third quarter of 2026. While these authorizations would be sufficient from a United States regulatory perspective, we still require our V2 Mobile satellites to be in orbit and must complete the acquisition of the relevant spectrum from EchoStar before we can commence our planned commercial Gen2 service in the United States. Internationally, we have filed applications in nearly every country in which we intend to operate our Gen2 service, and approvals have been granted in a limited number of these jurisdictions to date. Each jurisdiction presents its own regulatory process and timeline, and we cannot predict when or whether approvals will be granted in any given market. Subject to regulatory approvals, we are receiving from EchoStar certain assets and authorizations that provide very senior ITU priority for international frequency coordination for our V2 Mobile constellation. Until such approvals are obtained, we also signed a coordination agreement with EchoStar to obtain the protection of its senior ITU priority rights until the authorizations transfer. However, some countries have signaled through public consultations or other actions that they are considering ignoring or diminishing ITU priority as a mechanism to decide which operators are licensed to operate in their country. Several countries and regions have open inquiries that invite input on whether factors other than ITU priority (such as whether the operator originates from the country) should govern the issuance of spectrum licenses, and we cannot be certain the outcome of these proceedings. Delays or failures to obtain necessary approvals could materially delay the deployment and commercialization of our Gen2 service.

The failure to enter into or successfully maintain such partnerships, or the failure of device manufacturers to adopt the necessary hardware modifications, or the failure to obtain required regulatory approvals, could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.3 Risks Related to Our AI Segment

1.3.1 Our ability to scale our AI products relies on our terrestrial and future orbital AI compute infrastructure, which depends on the availability of power, water, AI processors, and other critical components, and telecommunications services, and any shortages or disruptions thereof would materially and adversely affect our business, financial condition, results of operations, and future prospects.

Our ability to scale our data center infrastructure, which supports our AI segment, is increasingly constrained by the availability of power and water at economically feasible prices, long lead times, availability of materials, and changing regulatory requirements. For example, energy supply is constrained globally due to the significant increase in demand for, and limited availability of, energy to power AI compute, and significant water resources may be required for cooling large-scale data center operations. Securing this capacity can involve entering into complex, long-lead-time arrangements or proceeding with alternative sources of power generation,

and water availability has become a critical consideration in data center site selection, development and operations. We currently rely significantly on natural gas and gas turbine technology to power our data center operations. As such, our ability to scale our infrastructure depends in part on our continued access to natural gas supply at economically feasible prices, the availability of gas turbines and related equipment, and the maintenance of a regulatory environment that permits and supports the use of natural gas for large-scale power generation. In addition, water scarcity, drought conditions, competition for local water resources, or regulatory restrictions on water use could limit our ability to obtain sufficient water for cooling, constrain data center cooling capacity, increase our costs, delay or limit expansion of our data center infrastructure, or require us to implement alternative cooling technologies that may be more costly or less available. Our AI products also rely on graphics processing units (“GPUs”) and other processors, servers, network equipment and other critical components sourced from third-party suppliers for use in our data centers. Manufacturing and supply of servers and network equipment for our technical infrastructure, particularly for GPUs and other specialized components, is limited to a small number of qualified suppliers. We do not have any long-term or other material contractual arrangements with our direct chip suppliers, instead procuring all of our GPUs on a purchase-order basis. Our direct chip suppliers are dependent on a concentrated group of advanced semiconductor fabrication facilities, or “fabs.” Any disruption to our upstream supply chain, including fab capacity constraints, manufacturing issues, shortages of raw materials such as silicon wafers or rare earth elements, geopolitical tensions affecting fab operations, or natural disasters impacting key fabrication regions, could limit our chip suppliers’ ability to fulfill our orders, which could have a material adverse effect on our business, financial condition, and results of operations. Our ability to achieve orbital AI at scale depends on our ability to access a sufficient number of AI chips, significantly more than are currently available to us. While we expect to construct Terafab to address such supply constraints, Terafab may not be successful, in which case we may not have other sources of sufficient AI chips to meet our orbital AI compute demands. While Terafab is intended to expand our internal chip manufacturing capabilities and alleviate potential future AI chip shortages at SpaceX, particularly as we pursue orbital AI at scale, we expect to continue sourcing a significant portion of our compute hardware from third-party suppliers, and we may not be able to achieve our objectives with respect to Terafab within the expected timeframes, or at all. While we have a framework agreement with Tesla, neither Tesla nor Intel are obligated to remain a part of the project, and we may not enter into any such definitive agreements. Our AI segment also relies on services from third-party telecommunications providers, including connectivity to the cloud, and internet bandwidth suppliers to provide uninterrupted and error-free services through their networks. We may be unable to obtain AI processors or other necessary components or telecommunications services at prices or volumes that are acceptable to us or in a timely manner. Our suppliers and telecommunications and internet service providers also serve other customers, including certain of our competitors, and such suppliers or providers may prioritize capacity for such other customers, increase prices on short notice, require onerous prepayments, or reduce or delay deliveries to us. Any failure by our suppliers and service providers to meet our cost, quality, volume, or delivery requirements, or any shortage or disruption in the supply of chips, telecommunications services or other components required for our AI segment, or any inability to secure sufficient power or water resources for data center operations, could result in service disruption or outages, delay critical data center or network infrastructure upgrades or expansions, impair our ability to train our AI models and meet customer demand for our AI segment products and materially and adversely affect our business, financial condition, results of operations and future prospects.

We also rely on third-party cloud compute providers for a portion of the compute used for our AI segment and may from time to time rely on third-party data center providers, which exposes us to several risks that are beyond our direct control, including vulnerability to outages, cooling capacity constraints, performance issues, and cyberattacks. We have non-cancellable, multi-year capacity commitments to cloud compute providers, requiring payment regardless of usage. A termination or lapse in service from third-party cloud compute and data center providers could expose us to service interruptions, significant delays, and additional expenses to re-architect products for a different provider. Additionally, in the event of nonperformance by us or our providers, or an industry downturn, we may incur liabilities, have excess capacity that we cannot easily redeploy, and fail to receive payments from our counterparties or customers.

The occurrence of any of these risks could adversely affect our business, financial condition, results of operations, and future prospects.

1.3.2 *If the recommendations, forecasts, content, analyses or other output that our AI technologies, including Grok, assist in producing are or are alleged to be deficient, inaccurate, harmful, illegal, or used for an improper purpose, we could continue to be subjected to claims and investigations, and we could be subjected to legal liability and brand, reputational, or competitive harm.*

AI technologies, the models, algorithms, prompts and datasets on which they rely, and the recommendations, forecasts, analyses or other output that such AI technologies assist in producing, may be flawed,

insufficient, of poor quality, rely upon incorrect, inaccurate, harmful or illegal data, reflect unwanted forms of bias, hallucinate, misrepresent, mislead or contain other errors or inadequacies, any of which may not be easily detectable. Although we devote significant resources to develop, test, and maintain our AI technologies, we may not be able to identify or resolve all AI-related issues, deficiencies, and failures before they arise. AI technologies have been known to produce mischaracterized or “hallucinatory” inferences or outputs, and certain of our AI products, such as Grok, have been alleged to be susceptible to “data poisoning” in the past. We may not have insight into, or control over, the practices of third parties who may utilize our AI technologies. As such, third parties have in the past used, and may in the future use, such AI technologies for improper purposes, including through the dissemination of illegal, inaccurate, defamatory or harmful content, intellectual property infringement or misappropriation, furthering bias or discrimination, cybersecurity attacks, including spear phishing and social engineering attacks, data privacy violations, other societal harms, including activities that threaten people’s safety, financial security, or mental well-being on- or offline, or to develop competing technologies. Inappropriate or controversial data practices by data scientists, engineers, and end users of AI technologies, including our AI segment’s systems, could impair the acceptance of AI technologies generally, including our AI products. If the recommendations, forecasts, content, or analyses that our AI technologies assist in producing are or are alleged to be deficient, inaccurate, offensive, illegal, or otherwise harmful, we could be subjected to claims and investigations, and we could be subjected to legal liability and brand, reputational or competitive harm. We have in the past been, and may in the future be, subject to regulatory investigations and litigation related to such claims regarding our recommendations, forecasts, content or analyses. Also please refer to “1.4.1 Our AI products and X platform are subject to complex and evolving U.S. and foreign laws and regulations regarding privacy, cybersecurity, data use, data combination, data protection, content, AI, competition, youth protection, safety, consumer protection and notification, advertising, e-commerce, sanctions, export controls, and other matters. Many of these laws and regulations are subject to change and uncertain interpretation, and we could be required to make changes to our products and business practices, and be exposed to monetary penalties, increased cost of operations, declines in user growth or engagement, or loss of customers, or other harm to our AI products and X platform.” In addition, if we do not have sufficient rights to use the models, algorithms, prompts and datasets on which our AI technologies rely, or the recommendations, forecasts, content, analyses or other output that our AI technologies assist in producing, we could also incur liability through the violation of applicable laws and regulations, third-party intellectual property, privacy or other rights, or contracts to which we are a party. Furthermore, failure to properly disclose the use of consumer-facing AI technologies may result in consumer protection or regulatory enforcement activity. Use of AI technologies, including our AI products, may result in disruptions in, or unauthorized access to, users’ computer systems, which could also lead to the unauthorized disclosure of sensitive (including classified), proprietary, confidential or personal information, new potential cyberattack methods for third parties or an increase in the frequency, sophistication or intensity of cyberattacks. Moreover, if AI technologies are perceived to be significantly disruptive to society, it could lead to governmental or regulatory restrictions or prohibitions on their use, societal concerns or unrest, or both, any of which could materially and adversely affect our ability to develop, deploy, or commercialize AI technologies and execute our business strategy. Our implementation of AI technologies, including through our AI segment’s systems, could result in legal liability, regulatory action, operational disruption, brand, reputational or competitive harm, or other adverse impacts.

1.3.3 *Our AI segment is recently formed, is still being fully integrated and optimized, operates in a rapidly evolving industry and is subject to significant execution, competitive and operational risks.*

We acquired xAI in February 2026 as the foundational platform for our AI segment and as part of our ambitious vertical integration strategy intended to combine artificial intelligence capabilities with our established Space and Connectivity businesses. Prior to its acquisition by the Company, xAI itself was an early-stage company. As a result, our AI segment remains in a relatively early stage of organizational and operational maturity and is subject to integration, scaling and execution risks.

The successful integration of acquired businesses, technologies, strategic partners, and employees is inherently complex, costly and time-consuming, and may result in operational inefficiencies, delays, disruptions, increased costs, loss of knowledge and diversion of management attention. As is common in large acquisitions, we have had to take significant steps to integrate xAI’s operations into our broader corporate structure as part of our AI segment, including putting in place the management team and organizational structure needed to execute at the scale and pace our strategy demands, as well as controls and procedures appropriate for a larger organization like ours. Many of these steps are not yet complete.

We have undertaken, and continue to undertake, changes in personnel, strategic partnerships, infrastructure-sharing arrangements, organizational restructurings, acquisitions and other integration initiatives intended to accelerate development of our AI capabilities, compute infrastructure and commercial offerings.

Management believes these initiatives may create long-term strategic advantages through the combination of engineering talent, compute infrastructure, proprietary data, software capabilities and integrated operational platforms across the Company's businesses, among others. However, the successful integration of acquired businesses, management teams, employees, strategic partners, technologies and evolving product architectures is inherently complex, costly and time-consuming and may result in operational inefficiencies, delays, disruptions or the failure to realize anticipated synergies or commercial benefits.

We have also pursued evolving commercial and technical strategies, including coding and software development (such as through our partnership with Cursor) and monetization of unused compute capacity (such as through our cloud compute services agreements with Anthropic PBC ("**Anthropic**")), while simultaneously continuing to invest heavily in expanding datacenter and compute capacity for our own internal AI initiatives and products. These efforts may require substantial capital expenditures and management attention and may create operational complexity relating to infrastructure allocation, prioritization of internal versus external compute usage, integration of third-party technologies and partnerships, cybersecurity, data governance and commercialization strategy. We may elect to allocate capital and resources to long-term initiatives even if alternative uses with more short-term upside are available. There can be no assurance that these initiatives will achieve their intended operational or financial objectives.

The artificial intelligence industry is highly dynamic and rapidly evolving. We face significant uncertainty relating to technological developments, changing customer preferences, evolving regulatory and legal frameworks, increasing public scrutiny, and intense competition for engineering talent, compute capacity, infrastructure, customers and capital. Some customers for compute services may not be cash flow positive and rely on external capital to fund their contractual obligations to us. In addition, the consumer AI market is characterized by rapid model iteration, frequent new entrants and intense competition for user attention; as a result, download and other usage metrics for any individual AI application, including Grok, can fluctuate significantly (including periods of decreased Grok app downloads and user activity) in response to competitor model releases, product update cycles, and broader shifts in user behavior. As a result of these market dynamics, we may need to modify our AI strategy, organizational structure, infrastructure deployment and capital allocation decisions in response to technological change, competitive pressures, regulatory developments or commercial adoption trends. Initiatives that management believes are strategically beneficial over the long term may nevertheless experience near-term operational disruptions, integration inefficiencies, product delays, technical setbacks, leadership turnover, employee attrition, infrastructure constraints, increased costs or uneven customer adoption during periods of transition or rapid scaling.

Management believes that our recent organizational restructuring efforts, infrastructure investments and strategic collaborations position the AI segment favorably for long-term growth and are consistent with the maturation process of rapidly scaling AI platforms and optimization of acquired companies. However, there can be no assurance that we will successfully integrate acquired businesses and technologies, retain key personnel, execute our AI strategy within anticipated timeframes, achieve meaningful commercial adoption, generate anticipated revenues or returns on investment, or compete effectively in a rapidly evolving and increasingly competitive and consolidated AI market. If we are unable to successfully execute our AI strategy, our business, financial condition, results of operations and prospects could be materially adversely affected.

1.3.4 Our AI segment is capital intensive, has incurred significant operating losses, and operates in a nascent and rapidly evolving market in which the potential of AI remains uncertain.

AI is a nascent and rapidly evolving technology, and although we believe AI holds significant promise for consumers and enterprises, its long-term impact will depend on the degree to which AI products and services prove to be broadly useful in real-world applications. The demand for AI solutions may not develop or be sustained at the levels we anticipate, or at all. While industry interest in AI has grown substantially, the commercial value proposition of frontier AI models remains largely unproven, and long-term market acceptance of our AI products and services is uncertain. Developing, training, and providing inference for frontier AI models requires substantial and growing capital expenditures, including investments in specialized computing hardware, data center infrastructure, energy procurement, and technical personnel, and we expect these costs to continue to increase for the foreseeable future. In addition, we plan to allocate substantial capital to build our AI compute infrastructure, and we expect a multi-year investment horizon before these deployments translate into sustained positive AI Segment Adjusted EBITDA (as defined below). Our AI segment has incurred significant operating losses since inception, and we may not achieve profitability in this segment, or, if achieved, sustain it, and the returns on our AI investments may be inadequate to justify the capital deployed. Furthermore, the continued improvement of AI model capabilities has historically depended in part on scaling laws, the empirical observation that model performance improves with increased compute, data, and model size, but there is uncertainty as to how long these

scaling relationships will continue to hold. As a result of these factors, our AI segment may not achieve the growth or returns we expect, which could adversely affect our business, financial condition, results of operations, and future prospects.

1.4 Risks Related to Legal Matters and Regulation

1.4.1 Our AI products and X platform are subject to complex and evolving U.S. and foreign laws and regulations regarding privacy, cybersecurity, data use, data combination, data protection, content, AI, competition, youth protection, safety, consumer protection and notification, advertising, e-commerce, sanctions, export controls, and other matters. Many of these laws and regulations are subject to change and uncertain interpretation, and we could be required to make changes to our products and business practices, and be exposed to monetary penalties, increased cost of operations, declines in user growth or engagement, or loss of customers, or other harm to our AI products and X platform.

Our AI products and X platform are subject to a variety of laws and regulations in the United States and abroad, including privacy, cybersecurity, data use, data combination, data protection and personal information, the provision of our services to younger users, biometrics, encryption, rights of publicity and related concepts, content, integrity, intellectual property, advertising, marketing, distribution, data security, data retention and deletion, data localization and storage, data disclosure, AI and machine learning, electronic contracts and other communications, competition, protection of minors, consumer protection, sanctions, export controls, and notification, civil rights, accessibility, product liability, e-commerce, taxation and online payment services, as well as contractual requirements imposed by app stores, payment processors, and other partners. The introduction of new products or services, expansion of our activities in certain jurisdictions, or other actions that we may take may subject us to additional laws, regulations, or other government scrutiny and, in some cases, such laws, regulations, or government scrutiny may limit or delay our ability to introduce new products or services or expand our activities in certain jurisdictions. Particularly, our leadership position in various markets, especially in orbital launch services,¹ could subject us to heightened regulatory scrutiny under competition laws. In addition, these U.S. and foreign laws and regulations may impose different obligations from each other. As a result of these laws, regulations, and requirements, we are exposed to the risk of significant fines and penalties or other adverse consequences, such as changes to our products, services, or business practices.

Our social media and AI-related activities expose us to a variety of risks related to harmful, misleading or illegal content, accuracy, misinformation and deepfakes, bias, discrimination, toxicity, sycophancy, AI deception, consumer protection and notification, products liability, intellectual property infringement or misappropriation, defamation, data privacy, cybersecurity, and sanctions and export controls. Social media and AI are the subject of increasing legislative and regulatory activity by various governmental and regulatory agencies in jurisdictions around the world, which are applying, or are considering applying, platform moderation, intellectual property, product liability, data privacy, age restrictions, data disclosure, cybersecurity, export controls, consumer protection, or other existing laws and regulations or new general legal frameworks to AI (such as the EU's AI Act, California's Frontier Artificial Intelligence Act and New York's Responsible AI Safety and Education Act). In the United States, an increasing amount of legislative and regulatory activity regarding AI is taking place at the state level. Various other jurisdictions have enacted or are considering enacting regulations focused on AI. Restrictions under such laws or regulations, if implemented, could increase the costs and burdens to our AI segment and its customers, delay or halt deployment of new systems using our AI segment's products, require us to modify, restrict, or discontinue certain features (including less constrained modes), and reduce the number of new entrants and customers, negatively impacting our AI segment's business and financial results. If we do not adequately address concerns and regulations relating to the responsible use of AI, public confidence in AI could be undermined, adoption of our AI products and services could slow, and we may suffer reputational or financial harm.

Certain of our AI products, including Grok, offer features or modes designed to generate more candid, direct, or less reserved or irreverent outputs, such as "Spicy" Imagine Mode and "Unhinged" Voice Mode. These features are intended to provide users with greater flexibility and control in how they use our tools. Because these modes may be more irreverent and harsher than our standard offerings, they present heightened risks, including reputational harm, the generation of potentially explicit content and misinformation or deceptive outputs, potential nonconsensual or exploitative imagery, intellectual property infringement, or content that could be viewed as exploitative, harmful, harassing, abusive, or discriminatory. The availability of such features may also increase the risk of regulatory scrutiny, enforcement actions, litigation, or claims of harm, as well as reputational damage,

¹ Source: McDowell, Satellite Statistics.

user or advertiser backlash, or limitations on our ability to distribute or monetize our products in certain jurisdictions or through certain partners.

In addition, various regulatory authorities and agencies around the world are actively investigating and making inquiries relating to social media or the use of AI concerning a variety of matters, including investigations and inquiries relating to harmful or illegal content, recommendations, advertising, and consumer protection and notification, which have resulted in, and may in the future result in additional or further investigations and proceedings being brought against us. Certain features that enable more user-directed or less constrained outputs may increase the risk of regulatory scrutiny. For example, are subject to investigations and inquiries from regulators and law enforcement authorities in the United States and internationally concerning allegations that our AI products were used to create nonconsensual explicit images or content representing children in sexualized contexts, and similar matters. We are subject to ongoing litigation, including putative class action lawsuits, relating to such allegations, and we may be subject to additional litigation in the future concerning these types of allegations. These regulatory inquiries, including those related to misuse of our AI products, such as Grok, and those related to the X platform, could expose us to additional investigations, proceedings, and litigation, regulatory sanctions (including loss of access to certain markets, which has occurred in the past), liability and adverse publicity.

For example, in February 2026, the Irish Data Protection Commission, our AI segment's privacy regulator in Europe, launched a large-scale inquiry to determine whether our AI segment has complied with its obligations under the GDPR. This inquiry involves the processing of personal data of European Union data subjects, including children, using generative AI functionality associated with the Grok model within the X platform. In the United States, the Federal Trade Commission has undertaken an inquiry into the chatbots of our AI segment and other major technology companies to understand how these companies have evaluated the safety of their chatbots when acting as companions to children and teens. Regulatory requirements applicable to online platforms and content moderation, and to AI systems, could require us to implement costly compliance measures, restrict certain features or jurisdictions, or expose us to significant fines, liability, penalties, or operational constraints. We are also subject to developer agreements and guidelines imposed by third-party app stores, such as the Apple App Store and Google Play Store. Failure to comply with these agreements and guidelines, including those relating to content, could result in the suspension or removal of our mobile applications from such app stores. Any such suspension or removal could materially limit our ability to distribute our mobile applications, and adversely affect our business, results of operations, and financial condition.

Authorities around the world have adopted or are considering adopting a number of legislative and regulatory proposals concerning data protection and privacy. Additionally, the increasing adoption of AI technologies, which often rely on the collection of large amounts of data and use of such data to train, fine-tune or otherwise develop AI models, has led data protection authorities around the world to consider and adopt new and evolving interpretations of data protection laws, imposing specific obligations with respect to the processing of personal data, including required notices, consents and opt-outs. Adverse legal rulings, legislation or regulations related to such data privacy matters may result in fines and orders requiring that we change our practices, which could have an adverse effect on how we provide services. These compliance obligations could also cause us to incur substantial costs or harm the quality and operations of our products and services in ways that harm our business. Further, we are subject to evolving laws and regulations that dictate whether, how, and under what circumstances we can transfer, receive or otherwise process personal data. The validity of various data transfer mechanisms we currently rely upon remains subject to legal, regulatory and political developments globally, which may require us to adapt our existing arrangements. Evolving data protection laws and regulations such as the GDPR and ePrivacy Directive, and regulatory actions affecting our AI segment may restrict or adversely affect the X platform's advertising services, Grok's development and training, or the ability to offer certain products and services in certain jurisdictions.

We are also subject to tax laws, regulations, and policies of the U.S. federal, state, and local governments and of comparable taxing authorities in foreign jurisdictions where we conduct business. Changes in tax laws or in their interpretation or enforcement could result in fluctuations in our effective tax rate, exposure to new or additional tax liabilities, or adversely affect our after-tax profitability or financial position. These U.S. federal and state, EU, and other international laws and regulations, which in some cases can be enforced by private parties in addition to government entities, are constantly evolving and can be subject to significant change. As a result, the application, interpretation, and enforcement of these laws and regulations are often uncertain, particularly in the new and rapidly evolving industry in which we operate, and may be interpreted and applied inconsistently from jurisdiction to jurisdiction and inconsistently with our current policies and practices. For example, regulatory or legislative actions or litigation concerning the manner in which we display content to our users, moderate content, provide our services to younger users, or are able to use data in various ways, including for advertising, have in

the past and could in the future adversely affect user growth and engagement, affect the manner in which we provide our services, or adversely affect our financial results, including by imposing significant fines that increasingly may be calculated based on global revenue. For example, the UK's Online Safety Act 2023 and Australia's Online Safety Amendment (Social Media Minimum Age) Act 2024 impose risk mitigation and age-related requirements on certain online platforms. These laws and regulations, as well as any associated claims, inquiries, or investigations or any government actions, have led to, and may in the future lead to, unfavorable outcomes including increased compliance costs, changes to our products, loss of revenue, delays or impediments in the development of new products, negative publicity and reputational harm, increased operating costs, diversion of management time and attention, and remedies that harm our business, including fines, damages, or orders that we modify or cease existing business practices. In addition, our AI products and the X platform have historically been, and may continue to be, subject to claims and investigations relating to misinformation and deepfakes, defamation, intellectual property infringement or misappropriation, data privacy, cybersecurity, employment matters, advertising practices, and user harms; defending such matters could be costly and divert management attention.

These laws and regulations continuously evolve over time, and we may not be able to anticipate their interpretation, implementation or enforcement. If we fail to comply with new or changed laws or regulations, we might be subject to fines, penalties and other adverse consequences, which could adversely affect our business, financial condition, results of operations, and future prospects.

1.4.2 From time to time, we are involved in litigation, investigations, and other regulatory proceedings which could be costly, time-consuming, and divert management attention, materially and adversely affecting our business, financial condition, results of operations, and future prospects.

From time to time, we have been and may in the future become involved in various legal proceedings relating to a variety of matters, including intellectual property, commercial, regulatory, product liability, employment, personal injury, class action, employee or contractor health and safety, environmental, whistleblower, securities and other litigation and claims, and governmental and other regulatory investigations and proceedings, including tax examinations. Additionally, our share price may be volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities litigation, including class action litigation. Such matters could be costly, time-consuming, and divert management's attention from executing our strategic initiatives and operating our business. The industries in which we operate have historically experienced significant litigation and regulatory scrutiny, and with our public profile, expanding operations and the novel nature of some of our offerings, including our AI solutions, we may face an increased risk of such actions. Litigation and regulatory proceedings are inherently unpredictable. Any adverse judgments, settlements, or regulatory penalties could result in substantial financial costs, reputational harm, and operational disruptions. Certain of our hardware products are new and relatively unproven. If a product defect were to arise, especially one leading to product liability claims, we would be exposed to warranty and damage claims, which could harm our reputation and materially and adversely affect our business, financial condition, results of operations, and future prospects. Even if we prevail in these matters, the defense and resolution of litigation and regulatory proceedings may require significant resources and management attention. Additionally, the mere initiation of litigation or government inquiries, regardless of the outcome, could negatively impact investor confidence and our stock price. As we continue to innovate and pursue new commercial and government contracts, expand our product offerings, and enter new markets, the likelihood of facing legal and regulatory challenges may increase, further exposing us to these risks. The occurrence of any of these risks could adversely affect our business, financial condition, results of operations, and future prospects.

1.4.3 The global nature of our business poses risks with respect to unstable, malicious or arbitrary legal regimes and authorities.

We, particularly through Starlink, maintain global operations. As a result, we may face risks that our operations will be subject to unstable, capricious, or malicious legal regimes and authorities. The increasing militarization of space and the potential development of space-based warfare capabilities may expose our assets and operations to heightened geopolitical and security risks, including the risk that foreign governments or other actors could target our satellites or related infrastructure. Certain foreign governments have publicly discussed the potential use of anti-satellite weapons against the Starlink constellation. These and other actions by foreign governments, whether through military, regulatory or other means, may adversely affect our operations and assets. Even if we attempt to comply with known local laws, our assets (both physical, intangible and financial) may be subject to seizure or other expropriation. We may be unable to maintain operations in any jurisdiction, and, if our assets or properties are subject to seizure or other expropriation, we may be unable to recover our assets or properties. Any such legal or other governmental action could have an adverse effect on us. For example, in August

2024, Starlink received an order from Brazil's Supreme Court that froze Starlink's Brazilian financial assets and prevented Starlink from conducting financial transactions in Brazil (the "**Brazil Asset Seizure**"). The action taken by the Brazilian Supreme Court arose out of purported violations of Brazilian law by X, which at the time was not owned by us and was only affiliated with Mr. Musk. It is possible that we may be subject to actions like the Brazil Asset Seizure in the future (whether in Brazil or another country) and, regardless of whether any such action is consistent with local and international law, we may never recover assets seized in any similar action. Additionally, actions that we take to minimize the impact of actions such as the Brazil Asset Seizure to our customers, for example, by continuing to provide service without charge or otherwise altering payment processes and methods to permit customers to maintain service, may have a material impact on our financial performance. As evidenced by the Brazil Asset Seizure, we may be subject to adverse actions from governmental actors on the basis of assumptions, facts or events that are not directly related to our operations and instead relate to the actions of our directors, officers, or shareholders or operations of businesses that are affiliated with them.

1.4.4 Environmental laws, regulations, litigation, liabilities and proceedings may adversely affect our operations, including our launch operations, manufacturing activities, fuel storage and handling operations, launch facilities and ground infrastructure, and data center operations and expansion plans.

Our operations, including our launch operations, manufacturing activities, fuel storage and handling operations, launch facilities and ground infrastructure, and data center operations and expansion plans are subject to a variety of state and federal environmental laws and regulations governing matters such as air emissions, wastewater discharges and the discharge, treatment, storage, disposal and remediation of hazardous substances and wastes, including the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Clean Air Act, the Clean Water Act and permitting requirements of federal, state and local environmental authorities. Liability under these laws imposes strict liability for environmental contamination or remediation costs. Changing regulatory requirements for permits and approvals relating to operational infrastructure, including energy generation assets (e.g., renewables, generators or grid connections), manufacturing facilities, launch facilities, fuel storage and handling facilities, and data centers may cause delays, higher costs or denials, and a failure to comply with these requirements may result in fines, shutdowns or competitive harm. In addition, growing scrutiny of data centers' overall ecological footprint could lead to community opposition, fines or mandates for changing existing practices. We are or may become subject to environmental lawsuits and proceedings, and various parties have threatened or brought lawsuits that allege we are unlawfully operating natural gas-fired turbines without required permits at facilities in Southaven, Mississippi. While we have obtained such permits, the outcome of these legal actions is uncertain. Injunctive relief or the rescission of issued permits would prevent our ability to utilize power generation sources that are required for the operation of these data centers and would adversely affect our AI business. We cannot predict with certainty how future legislative or regulatory developments will affect our business, but compliance with new or modified environmental requirements could require us to incur significant unanticipated expenditures.

In addition, our launch facilities and related operations are subject to environmental permitting, land use, wetlands, coastal management and other environmental review requirements, such as the National Environmental Policy Act or related federal and state laws, that may give rise to litigation, regulatory enforcement actions or permitting disputes. Environmental groups, regulatory authorities or other stakeholders may challenge our launch activities, launch cadence, construction or expansion of facilities, fuel storage or handling practices, or other operational activities under federal, state or local environmental laws. Such actions may seek injunctive relief, civil penalties or additional environmental review and mitigation measures, any of which could delay launches, restrict operations, or increase compliance costs, which could adversely affect our business, financial condition, results of operations, and future prospects.

1.4.5 We may face substantial potential liability and operational disruptions if we violate the intellectual property rights or other rights of third parties, and if we fail to adequately protect, maintain, defend or enforce our intellectual property and other similar rights, we could lose an important competitive advantage, in each case which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

Our success and ability to compete also depends in part on our ability to operate without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. Companies in the AI and technology industries own large numbers of patents, copyrights, trademarks, and trade secrets, and frequently enter into litigation based on allegations of infringement, misappropriation, or other violations of intellectual property or other rights, including in novel areas such as those relating to AI training and AI outputs. Plaintiffs have in the past and may in the future file infringement or other litigation or administrative or adversarial actions

relating to the training or development of our AI models. The operations of our business may infringe or violate the rights of third parties, and we may be unaware of the intellectual property rights that others may claim cover some or all of our products or services. Moreover, we may not have the freedom to operate unimpeded by the patent or other rights of others. Third parties may have dominating, blocking or other patents or other rights relevant to our technology, of which we are not aware.

Intellectual property and related laws are constantly evolving, can be highly uncertain and involve complex legal and factual questions for which important principles remain unresolved. For example, in the United States and in many foreign jurisdictions, policies regarding the breadth of claims allowed in patents and scope of protections for content can be inconsistent. We cannot predict future changes in the interpretation of patent, intellectual property and other related laws or changes to patent, intellectual property and other related laws that might be enacted into law by U.S. and foreign legislative bodies.

We rely on statutory safe harbors, including those set forth in the Digital Millennium Copyright Act and Section 230 of the Communications Decency Act in the United States and the Digital Services Act (“DSA”) in the EU, to protect against liability for various activities, including linking, caching, ranking, recommending and hosting. Legislation or court rulings affecting these safe harbors may harm us and may impose significant operational challenges. There are legislative proposals and pending litigation in the United States, EU, and around the world that could diminish or eliminate safe harbor protection for websites and online platforms.

If we violate, or are alleged to have violated, the intellectual property rights of third parties, including patents, copyrights, trademarks, trade secrets, or other intellectual property rights and related rights, we may be subject to costly and time-consuming litigation, substantial financial penalties, and reputational harm, any of which could materially disrupt our operations, product development and strategic initiatives. As we continue to develop new or update existing technologies, products, and services, there is a risk that third parties may allege that our operations or offerings infringe upon their intellectual property rights. For example, we are currently a defendant in litigation alleging copyright infringement relating to the claimed use of copyrighted works to train our AI models. Other plaintiffs may file infringement or other litigation relating to the training or development of our AI models. In addition, we are currently subject to, and in the future may be subject to claims from various “non-practicing entities” or other companies that own patents and other intellectual property rights that often attempt to aggressively assert their rights in order to extract value from technology companies by threatening costly litigation or that have minimal operations or relevant product revenue and against whom our patents may provide little or no deterrence or protection. We are and may in the future be subject to additional copyright litigation or other litigation, including litigation relating to allegations that we have trained or developed our AI models on copyrighted works in a manner that infringes on copyrights, or in a manner that otherwise violates the intellectual property or other rights of third parties, or that our models produce outputs in a manner that infringes on copyrights or other intellectual property or other rights. Moreover, the impact of AI on intellectual property ownership and licensing rights, including copyrights, has not been fully addressed by U.S. or international courts or other federal, state or international laws or regulations (or by courts, laws or regulations in foreign jurisdictions), and our use of AI models may reduce our ability to protect our own intellectual property. In addition, former employers of our current, former, or future employees may assert claims that such employees have improperly disclosed to us confidential or proprietary information of these former employers. Any such claims or allegations, whether or not they have merit, could result in costly litigation, substantial damages, injunctions against the use of certain technologies, or the need to obtain licenses on unfavorable terms. In addition, certain of our contracts with customers, suppliers, and partners contain indemnification provisions that could require us to defend against infringement or other claims and pay damages or settlements, thereby increasing our financial exposure. The outcome of intellectual property litigation is inherently uncertain, and adverse judgments could materially and adversely affect our business, financial condition, results of operations, and future prospects. If we are unable to obtain necessary licenses, non-infringing substitute technologies, or otherwise mitigate these risks, we may be forced to discontinue certain products or services, delay or curtail research and development activities, or limit our expansion into new markets.

Additionally, failure to adequately protect, maintain, defend, or enforce our intellectual property – including patents, copyrights, trademarks, trade secrets, and proprietary technologies – may lead to loss of competitive advantage, weakened market position, and financial harm from unauthorized use or infringement. We rely and expect to continue to rely upon a combination of patents, trademarks, trade secrets, copyrights, confidentiality procedures, contractual commitments and other legal rights to establish and protect our intellectual property. However, the steps we take to protect our intellectual property and other rights may be inadequate due to various circumstances. We may be unable or choose not to pursue or maintain certain types of intellectual property protection or registration for our intellectual property in the United States or foreign jurisdictions, and the measures we do take may not prevent our competitors or other third parties from independently developing

products, services, and technology similar to or duplicative of our products and services. We will not be able to protect our intellectual property if we are unable to enforce our rights or if we do not detect unauthorized use of our intellectual property. In addition, our patents or other intellectual property rights may be challenged, invalidated, circumvented or rendered unenforceable, and pending and future trademark and patent applications may not be approved. While it is our policy to enter into confidentiality agreements with our employees, contractors and other third parties to limit and control access to and disclosure of our trade secrets, intellectual property and confidential information, we may fail to enter into such agreements with all relevant entities and any such agreements may be breached, or this intellectual property may otherwise be disclosed or become known to our competitors, including through hacking, theft, or other misappropriation, including by employees, which could cause us to lose any competitive advantage resulting from these trade secrets, intellectual property and proprietary information. Accordingly, the steps we have taken to protect our intellectual property may not be adequate to prevent infringement of our rights or misappropriation of our technology, trade secrets or know-how.

Additionally, to protect our intellectual property rights, we may be required to spend significant resources to monitor, defend, enforce and protect these rights. Monitoring unauthorized uses of our intellectual property is difficult and costly. We may not be able to detect unauthorized use of, or take appropriate steps to enforce, our intellectual property rights. Litigation may be necessary in the future to enforce our intellectual property rights and to protect our trade secrets, and any such litigation may be costly and time consuming, result in the diversion of time and attention of our management team, and may not be successful or could result in the impairment or loss of portions of our intellectual property. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our intellectual property rights. Despite our efforts, we may not be able to prevent unauthorized use, copy, reverse engineering, misappropriation of our technology or intellectual property rights to create technology that compete with ours, or independent development of similar technologies. Insufficient protection could force us into costly and uncertain litigation or enforcement actions, allowing competitors to launch rival products and eroding our revenue and profitability, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.4.6 Our ability to continue and expand launch and satellite operations depends upon our ability to obtain new and leverage existing U.S. export control and sanctions authorizations, and any significant changes to the geopolitical landscape or U.S. government regulatory approach to licensing could materially and adversely impact our international business operations by compromising existing licenses or limiting our ability to engage in commercial dealings in or involving geopolitically sensitive countries.

The launch and satellite operations are subject to stringent export control and economic and trade sanctions laws, including the U.S. International Traffic in Arms Regulations (“**ITAR**”), the Export Administration Regulations, and sanctions administered and enforced by the U.S. Treasury Department’s Office of Foreign Assets Control (“**OFAC**”). Under U.S. export control laws, we are required to obtain export authorizations from the Departments of Commerce or State to export or share any controlled goods, technology, or software with foreign persons, including foreign person employees, or to foreign destinations. The availability of such authorizations may be impacted by significant changes to the geopolitical landscape. The U.S. government may revise export control regulations, restrict exports to new or additional locations, or otherwise change its approach to licensing in ways that, while outside of our control, materially impact our international supply chain, existing export licenses, and business operations. For example, under the ITAR, we are required to determine the proper licensing jurisdiction and classification of products, software and technology; and obtain licenses or other forms of U.S. government authorizations to engage in certain activities related to and that support our business operations. The authorization requirements include the need to get permission to release controlled technology to foreign person employees and other foreign persons.

In addition, we are required to obtain OFAC authorization in certain situations, including to provide connectivity services or engage in other business operations in certain global markets that may be subject to economic sanctions or trade embargoes. While we have been successful in obtaining such authorizations in the past, these authorizations or licenses may be unavailable in the future. In addition, significant changes to the geopolitical landscape, such as the outbreak of armed conflict, could result in the imposition of new or expanded economic or trade sanctions that may impact or prevent our ability to provide services or otherwise operate in certain markets. Failures by us to comply with import, export control, or sanctions laws and regulations could result in civil or criminal penalties, fines, investigations, more onerous compliance requirements, loss of export privileges, debarment from government contracts, or limitations on our ability to enter into contracts with the U.S. government. Other regulators, such as the EU or UK, may also impose restrictions on our ability to operate in geopolitically sensitive countries or territories. Any loss or restriction of required export control or sanctions

authorizations, or any failure to comply with applicable laws, could result in penalties, loss of contracts, or restrictions on our operations, which could adversely affect our business, financial condition, results of operations, and future prospects.

1.4.7 Our use of open source technology could impose limitations on our ability to commercialize our space-based internet and mobile phone services, AI products, and X platform, or otherwise negatively affect our business.

We use open source technology in some of our software, including in our Starlink products and services, and in our AI segment's and X platform's software and products, and we expect to continue to use open source technology in the future. Open source technology is licensed by its authors or other third parties under open source licenses, which in some instances may subject us to certain unfavorable conditions. For example, certain open source licenses may give rise to requirements to disclose or license our proprietary source code or make available any derivative works or modifications of the open source code on unfavorable terms or at no cost. Although we monitor and have implemented policies relating to our use of open source technology to avoid subjecting our products and services to conditions we do not intend, we may be unsuccessful in such efforts and we may face allegations from others alleging ownership of, or seeking to enforce the terms of, an open source license, including by demanding release of the open source software, derivative works or modifications, or our proprietary source code that was developed using such technology, or demanding access to our software free of charge or on other unfavorable terms. These allegations could also result in litigation. Additionally, our AI products are trained on data sets that may include open source software, and it is possible that certain outputs of our AI products may be subject to open source license restrictions or obligations. The terms of many open source licenses are ambiguous and have not been interpreted by United States or foreign courts. There is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our AI segment's products. In such an event, we may be required to seek licenses from third parties to continue commercially offering our AI segment's products, to make our proprietary code generally available in source code form, to re-engineer our AI segment's products or to discontinue the sale of our AI segment's products or such other products if re-engineering could not be accomplished on a timely basis.

In addition, the use of open source technology may entail greater technical and legal risks than those associated with the use of third-party commercial software as open source licensors generally do not provide support, warranties, controls on origin of the software, indemnification or other contractual protections regarding infringement claims or the quality of the code, including the existence of security vulnerabilities. Many of the risks associated with usage of open source technology, such as the lack of warranties or assurance of title, cannot be eliminated and could, if not properly addressed, negatively affect our business. To the extent that our technologies and other business operations depend upon the successful and secure operation of the open source technology we use, any undetected errors or defects in this open source software could prevent the deployment or impair the functionality of our software, delay the introduction of new technological capabilities, result in a failure of our technologies, and injure our brand and reputation. For example, undetected errors or defects in open source software could render it vulnerable to breaches or security attacks and make our AI segment's products more vulnerable to data breaches or security attacks. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.4.8 Payment, banking, and other financial service-related activities may subject us to additional regulatory requirements, regulatory actions, and other risks that could be costly and difficult to comply with or that could harm our business.

We plan to publicly launch the Money product on the X platform (the "**Money Product**"), which will offer payment, banking and other financial services functionalities, including enabling our users to purchase tangible, virtual, and digital goods from merchants and send money to other users, among other activities. These activities will subject us to a variety of laws and regulations in the United States, Europe, and elsewhere globally, including those governing anti-money laundering and counter-terrorism financing, money transmission, stored value, gift cards and other prepaid access instruments, electronic funds transfer, virtual currency, consumer protection, charitable fundraising, global and local economic sanctions, and import and export restrictions. In addition, we could become subject to new consumer protection laws and regulations that may be adopted or amended, including those related to payment, banking, and other financial services activities as well as sharing, collection, and use of payment, banking, and other financial services-related data. Depending on how the Money Product evolves, we may also be subject to other laws and regulations including those governing gambling, cryptocurrencies, brokerage, banking, credit, and lending. In some jurisdictions, the application or interpretation of these laws and regulations is not clear. We have received certain payments licenses in the United States and other jurisdictions for our anticipated regulated payments-related products and activities. These licenses increase

flexibility in how our use of payments may evolve, help mitigate regulatory uncertainty, and will generally require us to demonstrate compliance with many domestic and foreign laws in relation to our licensed payments products and activities. Our efforts to comply with these laws and regulations may still not guarantee compliance. In the event that we are found to be in violation of any such legal or regulatory requirements, we may be subject to monetary fines or other penalties such as a cease and desist order, or we may be required to make product changes.

In addition, we will be subject to a variety of additional risks as a result of payment, banking, and other financial services transactions, including: increased costs and other resources to address errors in transactions or customer disputes; potential fraudulent or otherwise illegal activity by users, developers, employees, or third parties; restrictions on the investment of consumer funds used to transact payments; and additional disclosure and reporting requirements. We plan to publicly launch the Money Product and may in the future undertake additional payment, banking, and other financial services initiatives, which may subject us to many of the foregoing risks and additional licensing requirements. Any failure to comply with applicable legal or regulatory requirements, or any inability to obtain or maintain required licenses, may result in fines, penalties, or restrictions on our operations, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.4.9 Failure to comply with requirements to design, implement, and maintain effective internal controls could materially and adversely affect our business and stock price.

As a privately held company, we were not required to evaluate our internal control over financial reporting in a manner that meets the standards of publicly traded companies required by Section 404(a) of the Sarbanes-Oxley Act (“**Section 404**”).

As a public company, we will have significant requirements for enhanced financial reporting and internal controls. The process of designing and implementing effective internal controls is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environments and to expend significant resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. If we are unable to establish or maintain appropriate internal financial reporting controls and procedures, it could cause us to fail to meet our reporting obligations on a timely basis, result in material misstatements in our consolidated financial statements, and harm our results of operations. In addition, we will be required, pursuant to Section 404, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting in the second annual report following the completion of the offering. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing, and possible remediation. Testing and maintaining internal controls may divert our management’s attention from other matters that are important to our business. Additionally, our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting on an annual basis, beginning with our second annual report.

We are currently in the process of updating our control processes and automating certain of our procedures and systems in anticipation of becoming a public company, but our internal controls over financial reporting currently do not meet all of the standards contemplated by Section 404 that we will eventually be required to meet. Because we currently do not have comprehensive documentation of our internal controls and have not yet tested our internal controls in accordance with Section 404, we cannot conclude in accordance with Section 404 that we do not have a material weakness in our internal controls or a combination of significant deficiencies that could result in the conclusion that we have a material weakness in our internal controls. In connection with updating our control processes and the implementation of the necessary procedures and practices related to internal control over financial reporting, we have identified deficiencies and may identify deficiencies in the future that we may not be able to remediate in time to meet the deadline imposed by the Sarbanes-Oxley Act for compliance with the requirements of Section 404. In addition, we may encounter problems or delays in completing the remediation of any deficiencies identified by our independent registered public accounting firm in connection with the issuance of their attestation report. Our testing, or the subsequent testing (if required) by our independent registered public accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses. Any material weaknesses could result in a material misstatement of our annual or quarterly consolidated financial statements or disclosures that may not be prevented or detected. Any such material misstatement or failure to maintain effective internal controls may cause the market price of our Class A common stock to decline.

1.5 Risks Related to Our Corporate Structure, Ownership of our Class A Common Stock and the Offering

1.5.1 Conflicts of interest could arise in the future between us, on the one hand, and Mr. Musk and entities owned by or affiliated with him, on the other hand, concerning among other things, business transactions, potential competitive activities or other business opportunities.

Conflicts of interest could arise in the future between us, on the one hand, and Mr. Musk and entities owned by or affiliated with him, on the other hand, concerning among other things, business transactions, potential competitive business activities or other opportunities. In the normal course of business, we have engaged in a variety of transactions with some of these companies. In addition, we have previously engaged, are currently engaged, and expect to continue to engage in the future in a number of strategic collaborations with Tesla, including with respect to Macrohard and Terafab. Certain of these projects, including Macrohard and Terafab, are in the very early stages, as a result of which we and Tesla have not finalized a variety of details relating to our collaboration, including, but not limited to, financial terms, intellectual property rights, and the ultimate term of our collaboration. Furthermore, Mr. Musk and other businesses owned by or affiliated with him may now, or in the future, directly or indirectly, compete with us for investment or business opportunities.

Mr. Musk or his affiliates may become aware, from time to time, of certain business opportunities (such as acquisition opportunities or technological developments) and may direct such opportunities to other businesses in which they have invested, in which case we may not become aware of or otherwise have the ability to pursue such opportunity. In addition, Mr. Musk and his affiliates may dispose of their interests in other companies or other assets in the future, without any obligation to offer us the opportunity to purchase any of those interests or assets.

Under our charter, Mr. Musk and his affiliates are not restricted from owning assets or engaging in businesses that compete directly or indirectly with us and will not have any duty to refrain from engaging, directly or indirectly, in the same or similar business activities or lines of business as us, including those business activities or lines of business deemed to be competing with us, or doing business with any of our customers or vendors. Moreover, we have in the past entered into, and may in the future enter into, transactions with entities affiliated with Mr. Musk. We may enter into such transactions in lieu of pursuing other opportunities that some other shareholders may prefer or that may prove to be more accretive than the opportunities we elect to pursue. In any of these matters, the interests of Mr. Musk and entities owned by or affiliated with him may differ or conflict with the interests of our other shareholders. Any actual or perceived conflicts of interest with respect to the foregoing could have an adverse impact on the trading price of our Class A common stock.

1.5.2 Certain of our directors and key employees may have conflicts of interest because they are also employees or directors of affiliates of Mr. Musk or other large shareholders. The resolution of these conflicts of interest may not be in our or your best interests.

Certain of our directors and key employees may have conflicts of interest because they are also employees or directors of affiliates of Mr. Musk or other large shareholders. Such directors may have interests in, serve on the boards of, or have financial or other relationships with other companies, ventures, or initiatives that are related to or competitive with our business, including but not limited to other space or AI companies, technology ventures, satellite communications businesses, and government or commercial space contracts. These relationships and interests could create actual or perceived conflicts of interest, particularly with respect to the allocation of time, resources, business opportunities, or strategic decisions. In addition, our charter provides that, to the fullest extent permitted by applicable law, we renounce certain corporate opportunities that may be presented to Mr. Musk and certain of our directors and their respective affiliates, and such persons may have no duty to present such opportunities to us. Any actual or perceived conflicts of interest could harm our reputation, lead to disputes, divert management attention, or result in decisions that are not in the best interests of us or our shareholders, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.5.3 We are highly dependent on the continued services of Mr. Musk, our Chief Executive Officer and Chief Technical Officer, and other key personnel, and the loss or reduced involvement of one or more of these individuals could adversely affect our ability to execute our business strategy.

We are highly dependent on the continued service and performance of Mr. Musk, whose leadership, vision, and expertise are critical to the development of our technologies and the execution of our business strategy. Mr. Musk has been, and continues to be, a driving force behind our growth, innovation, and operational success.

The loss of Mr. Musk, whether due to death, disability, or otherwise, or his inability or unwillingness to continue in his current roles, could significantly disrupt our management structure, adversely affect our ability to execute our strategic plans, and negatively impact our reputation and relationships with customers, partners, and other stakeholders. Our intense, mission-driven, engineering-first culture has been a key driver of our growth and execution, and any erosion of this culture, including as a result of the loss or reduced involvement of Mr. Musk, could have a material adverse effect on our business, financial condition, results of operations, and future prospects. We do not maintain key-person life insurance on Mr. Musk. Further, although Mr. Musk devotes significant time to our businesses and is highly active in our management, he does not devote his full time and attention to our businesses and devotes time and attention to other significant roles (and may in the future serve in additional roles). For instance, Mr. Musk currently serves as “Technoking” (the informal corporate title used by Mr. Musk within Tesla and which does not represent a separate executive office, legal function or governance role) and Chief Executive Officer of Tesla and is involved in other emerging technology ventures, including Neuralink and The Boring Company. Mr. Musk has also previously served as Senior Advisor to the President of the United States. Any such loss or reduced involvement in our business could result in a material adverse effect on our business, financial condition, results of operations, and future prospects. The process of identifying and recruiting a successor with the combination of skills and experience possessed by Mr. Musk, as well as the ability to maintain the confidence of the market, could be lengthy and uncertain, and we may be unable to attract or retain a suitable replacement in a timely manner or at all.

We, Mr. Musk, and other companies Mr. Musk is affiliated with frequently receive an immense amount of media attention. The actions and statements of Mr. Musk and his affiliated ventures, whether or not directly relating to us, may draw significant public attention and scrutiny to us and could potentially have a positive or negative impact on our business, relationships with customers and regulators, or stock price.

In addition to Mr. Musk, we have key personnel who are invaluable to our businesses. We rely upon their knowledge, expertise, and leadership to develop, manufacture, launch, sell, and support our products and services. None of our key employees are bound by an employment agreement for any specific term and we may not be able to successfully attract and retain the senior leadership necessary to continue to grow our business. Our compensation arrangements, such as our equity award programs, may not always be successful in attracting new employees and retaining and motivating existing key personnel. Our success depends upon our ability to attract and retain key personnel and any failure to do so could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.5.4 A significant reduction by Mr. Musk or other existing shareholders of their ownership interest in us could adversely affect us.

We believe that Mr. Musk’s substantial ownership interest in us provides him with an economic incentive to assist us to be successful. Upon the expiration or earlier waiver of the lock-up restrictions on transfers or sales of our securities following the completion of the offering, Mr. Musk will not be subject to any obligation to maintain his ownership interest in us and may elect at any time thereafter to sell all or a substantial portion of or otherwise reduce his ownership interest in us. If Mr. Musk sells all or a substantial portion of his ownership interest in us, he may have less incentive to assist in our success, which could adversely affect our future prospects. Additionally, future resales of our Class A common stock by Mr. Musk or other existing shareholders, or the perception that such sales may occur, could cause the market price of our Class A common stock to decline significantly, regardless of our actual business performance. In particular, subject to the expiration or waiver of any applicable lock-up period, parties to the Investors’ Rights Agreement (as defined below) will have the right, subject to certain exceptions and conditions, to require us to register approximately 9.2 billion shares of Class A common stock (including shares of Class A common stock issuable upon conversion of Class B common stock) under the U.S. Securities Act, and they will have the right to participate in certain future registrations of securities by us. Registration of any of such shares would result in such shares becoming freely tradable without compliance with Rule 144 limitations upon effectiveness of the registration statement. In addition, approximately 12.2 billion shares of Class A common stock (including shares of Class A common stock issuable upon conversion of Class B common stock) will generally be available for resale under Rule 144 starting 90 days after the global offering, subject to lock-up restrictions.

1.5.5 Following the consummation of the offering, we will be a “controlled company” within the meaning of Nasdaq and Nasdaq Texas listing rules and, as a result, will qualify for and rely on exemptions from certain corporate governance requirements.

Because Mr. Musk will beneficially own 849.5 million shares of Class A common stock and 5,569.1 million shares of Class B common stock (including 350.0 million shares of Class B common stock

underlying options), which represents greater than 50% of the voting power of our common stock with respect to director elections and moreover, holders of our Class B common stock, voting separately as a class, will be entitled to elect 51% of the total number of authorized directors constituting our board (rounded up to the nearest whole number), following the completion of the offering, we will be a controlled company under the listing rules of Nasdaq and Nasdaq Texas.

Under the listing rules of Nasdaq and Nasdaq Texas, a company of which more than 50% of the voting power with respect to director elections is held by another person or group of persons acting together is a “controlled company” and may elect not to comply with certain Nasdaq and Nasdaq Texas corporate governance requirements, including the requirements that:

- a majority of such company’s board of directors consist of independent directors as defined under the listing rules of Nasdaq and Nasdaq Texas;
- director nominees be selected or recommended for board of directors’ selection by a nominating committee composed entirely of independent directors, with a written charter addressing the nominations process as required under the listing rules of Nasdaq and Nasdaq Texas;
- the compensation committee be composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities; and
- annual performance evaluations of the compensation and nominating committee be conducted.

Following the completion of the offering, we intend to utilize certain of these exemptions. As a result, we do not expect to have a compensation and nominating committee that is composed entirely of independent directors or that has a committee charter that addresses all Nasdaq and Nasdaq Texas requirements applicable to companies that are not controlled companies. Additionally, we may elect to take advantage of certain other exemptions in the future for as long as we remain a “controlled company.”

If we indeed rely on some or all of these exemptions following the completion of the offering, our Class A shareholders will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of Nasdaq and Nasdaq Texas. Certain market participants and investors may view our reliance on these governance exemptions unfavorably, which could negatively affect investor demand for, and the market price of, our common stock.

1.5.6 Our ability to provide returns to shareholders will depend on appreciation in our share price, as we do not plan to pay dividends for the foreseeable future.

The ability of investors to realize a return on their investment will depend largely on the appreciation of the price of our Class A common stock, as we do not anticipate paying dividends in the foreseeable future. We have never declared or paid any cash dividends on our common stock, and we currently intend to retain all available funds and any future earnings to support the growth and operation of our business, including investment in new technologies and commercial opportunities. As a result, investors seeking cash returns from their investment will not receive any dividend income, and the only way to realize a return may be through an increase in the market price of our Class A common stock, which may not occur. The trading price of our Class A common stock may be volatile and subject to wide fluctuations in response to various factors, including our financial condition and operating results, changes in our business or future prospects, technological innovations, announcements by us or our competitors, changes in the regulatory environment, harm to our brand and reputation, broader market or economic conditions, and the fact that a number of shares of our Class A common stock are expected to be allocated to retail investors in the global offering. Additionally, high retail investor interest in our Class A common stock may occur following the global offering, which may lead to increased volatility of the trading price. Some of these factors are outside of our control, and the trading price of our Class A common stock may not reflect our actual operating performance. Accordingly, investors may not be able to realize a gain on their investment and could lose all or part of their investment in our Class A common stock.

1.5.7 Upon completion of the offering, Mr. Musk will serve as our Chief Executive Officer, Chief Technical Officer, and Chairman of our board and control the election of our directors, and our dual class

structure concentrates voting control with Mr. Musk and other holders of our Class B common stock. This will limit or preclude your ability to influence corporate matters and the election of our directors.

Our Class B common stock will have ten votes per share; our Class A common stock will have one vote per share; and, except as summarized here, our Class A common stock will vote together with our Class B common stock on any matter submitted to the shareholders for a vote. Under our charter, holders of our Class B common stock, voting separately as a class, will be entitled to elect 51% of the total number of authorized directors constituting our board (rounded up to the nearest whole number) and will have the ability to remove those directors for as long as there is at least one share of Class B common stock outstanding. As a result, holders of our Class B common stock will have control over the composition of our board and significant influence over the outcome of matters requiring shareholder approval. This concentration of voting power will limit or preclude the ability of holders of our Class A common stock, including purchasers of Class A common stock in the offering, to influence corporate matters and the election of our directors.

Upon completion of the offering, Mr. Musk will beneficially own a majority of the outstanding shares of our Class B common stock and a majority of the voting power of the common stock (the Class A common stock and the Class B common stock voting together) and therefore will be able to elect all the members of our board. Mr. Musk, who will serve as our Chief Executive Officer and Chairman of our board under our charter and can only be removed from our board or these positions by the vote of Class B holders, as set forth in our charter, will exert significant influence over our business and affairs, which could limit or preclude the ability of holders of our Class A common stock to influence corporate matters.

Class B common stock will continue to have ten votes per share, except that, subject to exceptions for certain inter-family transfers and transfers to certain entities that qualify as “permitted transferees” (as described elsewhere in this prospectus), transfers by holders of our Class B common stock will generally result in those shares converting to Class A common stock. The conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares. If Mr. Musk retains a significant portion of his holdings of Class B common stock for an extended period of time, he could continue to control the election and removal of a majority of our board.

However, other persons will also hold shares of Class B common stock. If Mr. Musk were to sell, transfer or otherwise dispose of a sufficient number of his shares of Class B common stock such that he no longer holds a majority of the outstanding shares of Class B common stock, another holder or group of holders of Class B common stock could obtain the ability to elect and remove a majority of our board and thereby effectively control the Company. Any such change in control could result in changes to our strategic direction, management, business plans or policies that may not be aligned with the interests of holders of our Class A common stock.

In addition, our charter will provide that other than for specified class votes by the Class B common stock or any rights granted to other classes in the future, classes of stock will not be entitled to any separate class votes provided for under the Texas Business Organizations Code (the “TBOC”), including among others (i) the increase or decrease of the aggregate number of authorized shares of a class outstanding, (ii) the exchange, reclassification, or cancellation of all or part of the shares of a class, (iii) a change of shares of a class, with or without par value, into the same or a different number of shares of the same or another class, with or without par value, (iv) the creation of a new class of shares with rights and preferences equal, prior, or superior to the shares of the class and (v) cancellation or other effectuation of the dividends on the shares of the class or series that have accrued but have not been declared.

1.5.8 The TBOC and our charter include provisions that may limit shareholders’ ability to bring a cause of action against our directors or officers for certain acts or omissions in their capacity as directors or officers of the Company, including minimum share ownership for derivative proceedings and the presumption of the business judgment rule.

The TBOC and our governing documents include certain provisions that may limit our shareholders’ ability to bring certain derivative claims against our officers and directors. For example, the TBOC provides that, if a corporation has a class of stock listed on a national securities exchange, the governing documents may provide that the minimum ownership threshold for a shareholder or group of shareholders to institute or maintain a derivative proceeding is up to 3% of the outstanding shares of the corporation. Our bylaws will specify that the required ownership threshold for a shareholder or group of shareholders to institute or maintain a derivative proceeding in the right of the Company will be 3% of the outstanding shares of the Company. Based on an initial public offering price of \$135.00 (the expected price for the U.S. Offering), 3% of our outstanding shares has a total dollar value of approximately \$53 billion. A similar ownership threshold provision based on this 2025 TBOC

provision has already been challenged in court proceedings involving another Texas corporation and, although the federal district court found the provision enforceable in that case, its enforceability or governing documents containing its provisions could be subject to further challenges or interpretation. The TBOC also permits corporations to request a court, at the start of a transaction (including a related party transaction) or inquiry into a derivative claim, to determine the independence and disinterestedness of directors serving on a special committee reviewing the transaction or directors or other individuals on panels reviewing derivative claims. Subsequent challenges to independence or disinterestedness would require new facts. Our bylaws will provide that these TBOC provisions will apply to us.

In addition, Section 21.419 of the TBOC sets forth certain presumptions concerning compliance by directors and officers with respect to their duties to a corporation, including the duty of care and duty of loyalty. Specifically, in taking or declining to take any action on any matters of a corporation's business, Section 21.419, which applies to us, provides that a director or officer is presumed to have acted (i) in good faith, (ii) on an informed basis, (iii) in furtherance of the interests of the corporation and (iv) in obedience to the law and the corporation's governing documents. These provisions are described as codifying the "business judgment rule." In order to succeed in a cause of action against a director or officer, the Company or a shareholder pursuing such an action must rebut one or more of the foregoing presumptions and prove with particularity the director or officer's act or omission constituted a breach of duty as a director or officer and that such breach involved fraud, intentional misconduct, an ultra vires act or a knowing violation of law.

1.5.9 Our bylaws will impose minimum stock ownership and solicitation requirements on shareholders seeking to submit proposals for shareholder approval, which could limit the ability of our shareholders to bring matters before a meeting of shareholders.

Upon the completion of the offering, we will qualify as a "nationally listed corporation" under Section 21.373 of the TBOC, and our bylaws will provide that the shareholder proposal requirements permitted by that section will apply immediately upon qualifying as a "nationally listed corporation." As a result, except with respect to director nominations and procedural resolutions ancillary to the conduct of a shareholders' meeting, a shareholder or group of shareholders seeking to submit a proposal for approval at a meeting of shareholders will be required to satisfy specified ownership, holding-period and solicitation requirements. Under these provisions, the proposing shareholder or shareholder group must hold an amount of voting shares (determined as of the date of submission of the proposal) equal to at least 3% of our voting shares, must have held that amount continuously for at least six months before the date of the meeting and throughout the entire duration of the meeting, and must solicit holders of shares representing at least 67% of the voting power of shares entitled to vote on the proposal at the shareholder meeting. Based on an initial public offering price of \$135.00 per share (the expected price for the U.S. offering), 3% of our voting shares has a total dollar value of approximately \$53 billion. For purposes of this paragraph, "voting shares" means shares that entitle the holder of the shares to vote on the proposal. These requirements are more restrictive than the requirements that would otherwise apply absent such a bylaw provision and may make it more difficult, or in some cases impracticable, for shareholders to submit proposals for consideration at a shareholders' meeting. As a result, our shareholders may have fewer opportunities to present proposals for shareholder approval, even on matters they believe are important, which could limit shareholder influence over corporate governance and other matters. Section 21.373 of the TBOC was enacted in 2025 and, while its enforceability has not yet been challenged in court and we do not have any material concerns related to enforceability of Section 21.373 or the related bylaws provision, like many new laws, we expect the enforceability of TBOC Section 21.373 will eventually be challenged.

1.5.10 Our bylaws place restrictions on the forum, venue and procedures for legal actions or proceedings initiated by our shareholders, including certain requirements for mandatory arbitration. These provisions could limit our shareholders' ability to pursue certain claims and/or increase the cost of doing so and could also affect the procedures, rights, and remedies available to our shareholders in such legal actions or proceedings.

Our bylaws will contain a section (the "Forum Selection Bylaw") that will provide that, unless the Company consents in writing to the selection of an alternative forum, the sole and exclusive forum for the filing, adjudication, and trial of all disputes between (i) one or more shareholders and (ii) the Company or its directors, officers, or controlling persons, or any underwriter of securities issued by the Company (or controlling person thereof) relating to any of the following: (1) any derivative proceeding, meaning a civil dispute brought in the right of the Company; (2) any action based on the governance, governing documents, or internal affairs of the Company; (3) any action based on state or federal securities or trade regulation laws; (4) any action based on the alleged act(s) or omission(s) by a person in its capacity as a shareholder, controlling person, director, officer or other managerial official of the Company; (5) any action based on the alleged breach(es) by one or more

shareholders, controlling persons, directors, officers, or other managerial officials of a duty owed, in his or her capacity as such, to the Company or to any shareholder thereof; (6) an action seeking to hold a shareholder, controlling person, director, officer, or other managerial official of the Company liable for an obligation of the Company, other than on account of a written contract signed by the person to be held liable in a capacity other than as a shareholder or managerial official; and (7) any action arising out of the TBOC, will be the Texas Business Court, Eleventh Division (the “**Business Court**”) (for purposes of this summary, each, an “**Internal Dispute**”).

The selection of the Business Court as the exclusive forum for Internal Disputes may limit a shareholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, other managerial officials, or other employees, which may discourage lawsuits against us and our directors, officers, other managerial officials, and other employees. Except to the extent that the Company consents in writing, or a court of competent jurisdiction determines in a final and unappealable judgment, that an Internal Dispute is not subject to the sole and exclusive venue and forum or jurisdiction of the Business Court or arbitration (as described further below), a shareholder will not be permitted to litigate an Internal Dispute in federal court or in any state court other than the Business Court, and will not be able to avail itself of any potential advantages or procedural protections of such other forums (subject to the provisions of Section 27 of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) discussed below). Any person or entity purchasing or otherwise acquiring any interest in our shares of capital stock will be deemed to have notice of and to have consented to these provisions.

Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder, and under Section 29 of the Exchange Act, investors cannot be required to waive compliance with the substantive obligations of the federal securities laws and the rules and regulations thereunder. Nonetheless, we believe federal case law interpreting the Exchange Act provides that the requirement under Section 27 of exclusive jurisdiction in federal court may be waived under certain circumstances. The Company’s position is that the Business Court can exercise jurisdiction over claims arising under the Exchange Act, because Texas law by statutory authority expressly gives the Business Court jurisdiction over such claims. Accordingly, we believe that under our Bylaws a shareholder bringing a claim under the Exchange Act, whether directly or on a derivative basis, must bring such a claim in the Business Court (and will not have available to them federal court).

The company’s position regarding the law governing the ability to consent to the selection of a state tribunal where there is explicit exclusive federal jurisdiction for certain actions brought under the federal securities laws (including the Exchange Act) is untested, and there is risk that, if an Internal Dispute were filed under the Exchange Act or the rules and regulations thereunder in a court other than the Business Court, that court could deny a motion by the Company to transfer the action to the Business Court pursuant to the Forum Selection Bylaw. In such a case, we and/or plaintiffs may incur additional expense and uncertainty of trying a case in a different forum or the forum might be arbitration (as further discussed below).

Accordingly, the bylaws provide that to the extent that a court of competent jurisdiction (which is a court that possesses personal and subject matter jurisdiction) were to decline, in a final and unappealable judgment, to transfer an Internal Dispute to the Business Court (such Internal Dispute, an “**Other Dispute**”), such Other Dispute would be exclusively and finally settled by arbitration, pursuant to the Texas Arbitration Act, under the Expedited Procedure Provisions of the Rules of the International Chamber of Commerce (“**ICC**”), pursuant to Article 30 thereof. To be clear, absent Company consent, a shareholder would not be able to file an arbitration demand pursuant to the Dispute Resolution Clause without first obtaining a final and unappealable judgment declining to transfer that shareholder’s Internal Dispute to the Business Court. The governing law of such Other Dispute would be the federal law of the United States or the law of the State of Texas, as applicable to the issues raised in the Other Dispute, including without limitation the pleading and discovery limitations of the Private Securities Litigation Reform Act. If a court declines to transfer an Internal Dispute to the Business Court, but such court is later held not to have personal or subject matter jurisdiction with respect to such Internal Dispute, the arbitration provision would not be triggered because such action would be required to be dismissed and subsequently brought in a court of competent jurisdiction.

Given the unsettled nature of the law in this area, there is some risk that a court that has denied a motion to transfer an Internal Dispute to the Business Court pursuant to the Forum Selection Bylaw would also deny a motion to compel arbitration of such Other Dispute pursuant to the Forum Selection Bylaw. Accordingly, the Forum Selection Bylaw further provides that to the extent that a court of competent jurisdiction determines in a final and unappealable judgment that such Other Dispute cannot be compelled to arbitration pursuant to the Forum Selection Bylaw, the sole and exclusive forum for the adjudication and trial of such Other Dispute will be the United States District Court for the Southern District of Texas, Houston Division (the “**Federal Court**”).

Finally, the Forum Selection Bylaw provides that to the extent that a court of competent jurisdiction determines in a final and unappealable judgment that the Federal Court lacks jurisdiction over any such Other Dispute, the sole and exclusive forum and venue for such Other Dispute will be the state district courts of Harris County, Texas.

Regardless of the forum, venue, or procedures selected for an Internal Dispute or Other Dispute, our bylaws shall require that any Internal Dispute or Other Disputes be brought only as an individual action or derivative proceeding, and, to the fullest extent permitted by law, shall prohibit shareholders from bringing such an Internal Dispute or Other Dispute as a class action, mass action, or other form of collective action or from being consolidated or joined, in whole or in part, consistent with the Arbitration Rules (as defined below). However, the Company, at its sole option, may elect to seek consolidation or joinder of matters as consistent with the Arbitration Rules.

In addition, our bylaws will provide that any person or entity purchasing or otherwise acquiring or holding any interest in shares of stock of the Company shall be deemed to have irrevocably and unconditionally waived any right it may have to a trial by jury in any Internal Dispute. This will prevent a shareholder from requesting that a jury decide disputed issues of fact and may discourage lawsuits against us and our directors, officers, other managerial officials, and other employees.

These dispute resolution rules that our bylaws will establish for Internal Disputes, as well as the Arbitration Rules (as defined below) to the extent they will apply, are different from the procedural rules that would normally apply to the litigation of Internal Disputes in state or federal court. They may prevent a shareholder from availing itself of procedural protections that would be available under litigation in state or federal court and may render available or affect adversely the rights and remedies available to shareholders in such proceedings. Particularly in the case of arbitration, including its prohibition on class or collective actions, these dispute resolution rules may also result in greater costs being imposed on shareholders to litigate Internal Disputes, and in some cases involving lower amounts in controversy, the additional costs that may be imposed on shareholders to litigate Internal Disputes could exceed the potential recovery from such litigation.

Although we maintain that our bylaws, including the Forum Selection Bylaw (and its selection of the Business Court as the sole and exclusive forum for all actions brought under federal securities laws) accord with the law and are enforceable, it is possible that one or more provisions of our bylaws, including those regarding the exclusive forum for Internal Disputes, mandatory arbitration for Other Disputes, or waiver of the right to proceed on a class, mass, or collective basis, may be found by a court to be inapplicable or unenforceable. In addition, the mandatory arbitration provision in our bylaws could be subject to litigation or regulatory scrutiny, which could result in the provision being enjoined or in additional costs or uncertainty. In such case, we may incur additional costs or delays associated with resolving such actions, including in other jurisdictions, which could adversely affect our business, financial condition, results of operations, and future prospects.

1.5.11 Prior to the offering, there has been no public market for our Class A common stock.

Prior to the offering, there has been no public market for our Class A common stock. Future sales of our Class A common stock in the public market, or the availability of such shares for sale in the public market, could adversely affect the market price of our Class A common stock prevailing from time to time. As described below, only a limited number of shares will be available for sale shortly after the offering due to contractual and legal restrictions on resale. Nevertheless, sales of a substantial number of shares of our Class A common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price of our Class A common stock at such time and our ability to raise equity-related capital at a time and price we deem appropriate.

1.6 Risks Related to Our Operations and Industry

1.6.1 Our business strategy depends on successfully designing, developing, and deploying our products and services, as well as related platforms, infrastructure, and other strategic initiatives, at an unprecedented scale, which presents significant execution, cost, and timing risks.

Our business plan, and ultimately, the achievement of our mission, is predicated on building, commercializing, and operating products and services, as well as related infrastructure and strategic initiatives at a scale that has not previously been achieved. This objective requires us to integrate complex technologies, develop new processes and infrastructure, and coordinate across multiple suppliers, contractors, regulators, and stakeholders. Because we are attempting to execute at a scale for which there is limited precedent, we face

heightened uncertainty with respect to design, engineering, procurement, construction, commissioning, and operational performance, which is further heightened by the novel nature of the technologies underlying the products and services we intend to develop.

As a result, timelines for developing and deploying our products and services may be longer than we currently anticipate, and we may encounter delays due to, among other things, technical challenges, including those resulting from the nascent state of certain of our products and services, the unavailability or immaturity of key technologies, supply chain constraints, energy shocks, including related price volatility, labor availability, permitting and regulatory approvals, or the need to redesign or reengineer key components. In addition, the costs associated with developing and deploying our products and services and related platforms, infrastructure and strategic initiatives at scale may exceed our current estimates, including due to inflationary pressures, energy prices, unforeseen engineering complexities, the cost of developing or licensing technologies that are not yet commercially available, competitive dynamics, changes in scope, or the need for additional capital expenditures, contingency reserves or working capital.

Delays or cost overruns could impact our ability to achieve projected returns, meet contractual commitments, access additional financing on acceptable terms, or maintain investor confidence. Moreover, even if we successfully deploy our growth strategy, including Starship, Terafab, orbital AI, and the creation of the lunar economy, they may not perform as expected at scale, which could result in operational inefficiencies, increased costs, reduced revenues, or declines in our stock price. We may be unable to successfully execute our growth strategy on the anticipated timeline or within our expected cost parameters, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.6.2 Our satellites, launch vehicles, and other space-related technologies operate, and in the case of orbital AI compute, will operate, in the harsh and unpredictable environment of space, exposing them to a wide and unique range of space-related risks that could cause them to malfunction or fail, and any such malfunction or failure could adversely affect our business, financial condition, results of operations, and future prospects.

Operating in space subjects our satellites, launch vehicles, spacecraft, and related systems to extreme and highly variable conditions that can adversely affect performance, reduce useful life, or result in total mission failure. Space is inherently hostile. Hardware must withstand: significant vibration and acoustic loads during launch; wide-ranging thermal cycles; radiation from solar and cosmic sources; micrometeoroids and orbital debris; and other environmental hazards, each of which testing cannot fully replicate. In particular, we have not, and no one else has, previously operated or attempted to operate orbital AI compute, and the conditions of space on such AI infrastructure have not been tested. Once deployed, orbital AI compute infrastructure will not be readily accessible, and as a result, will not be easily repaired or upgraded, such that any component failures could result in permanent capacity loss, accelerated depreciation, decommissioning or need for replacement of the infrastructure.

In addition, space weather events, such as geomagnetic storms, solar flares, and other forms of radiation activity, have in the past disrupted and could in the future disrupt satellite propulsion, power systems, and communications equipment, potentially leading to reduced performance or permanent damage. Although we incorporate certain radiation-hardened components, shielding, and redundancy into our systems, these measures may not be sufficient to prevent material adverse impacts in all scenarios. Failures or performance degradation resulting from these risks could delay deployments, reduce available capacity, increase operating costs, require significant capital expenditures to replace affected assets, or interrupt or degrade services provided to customers. Furthermore, the useful life of our satellites is inherently shorter than that of the information technology systems and infrastructure they host. As a result, we must periodically launch replacement satellites as existing satellites reach the end of their useful lives and are decommissioned, which may truncate the effective lifespan of those underlying information technology systems and infrastructure. Any such events could adversely affect our reputation, compliance with applicable laws and regulations, business, financial condition, results of operations, and future prospects.

1.6.3 Interruptions in the operation of critical satellite network, ground station, launch, manufacturing, or spacecraft or data center infrastructure could result in significant downtime, operational delays or loss of service, each of which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

Our ability to provide reliable services across our Space, Connectivity, and AI business segments depends on the uninterrupted operation of our critical infrastructure, including but not limited to satellite and

communications networks, ground stations, launch facilities, and data centers. An interruption or failure affecting any aspect of this infrastructure, whether due to equipment malfunctions, power outages, disruptions in, or unauthorized access to, our computer systems (such as software or hardware failures, or cyberattacks), natural disasters (such as earthquakes, floods, fires, or severe weather events), terrorism, war, sabotage, pandemics, epidemics, or other unforeseen circumstances, could result in significant downtime, operational delays, or complete loss of service. A cyberattack or other hostile act could destroy or disable a significant number of our satellites and, depending on its scale, could trigger a cascading collision event that renders our licensed orbits, and potentially other orbits, unusable for an extended period. Similarly, the use of our satellites to enable communications access in conflict zones may expose us to retaliation from foreign governments and non-state actors. These events may disrupt power, damage facilities, interrupt service despite contingency plans or compromise our ability to deliver services to customers as promised, hinder our ability to meet regulatory or contractual requirements, and erode trust among our customers, partners, regulators and stakeholders. In particular, an interruption or failure affecting our critical infrastructure could result in outages of service to our Starlink Subscribers. Any such outage could erode the trust of existing and potential Starlink Subscribers in our service, which could result in the loss of existing or potential subscribers. Certain of our launch and rocket manufacturing facilities are located in seismically active regions and in low-lying coastal areas, making them susceptible to earthquakes and hurricanes, respectively. Such events could damage our launch infrastructure, ground support equipment, manufacturing facilities, or rockets, potentially halting or delaying launch operations and causing us to incur substantial costs. In addition, the complexity and interdependence of our engineering, manufacturing, assembly and terrestrial, space transportation, and infrastructure systems mean that a disruption in one component can have cascading effects throughout our operations. For example, an outage at a data center or ground station could impact command and control functions, mission planning, or real-time telemetry, while interruptions at launch facilities could cause postponements or cancellations of scheduled launches. Any such interruptions, failures, or disruptions could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.6.4 Manufacturing, testing and launching rockets, satellites, and spacecraft, including our efforts to reuse rockets and spacecraft, involve inherent risks that could result in human injury or death, property damage and environmental damage or other adverse environmental impacts due to accidents or equipment failures. Any such events could result in substantial losses, including reputational harm and legal liability, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

The manufacturing, testing, launching, and recovery of our rockets, satellites, and spacecraft are complex activities that are conducted under challenging conditions and involve a high degree of risk. Our reusable vehicles will reenter Earth's atmosphere and fly over populated land for extended periods, which carries inherent risks to populations in the event of failure, such as structural breakup, loss of control, or debris dispersal. Although we implement extensive safety protocols and operational safeguards designed to protect personnel and the public, these protocols and safeguards may not in all circumstances prevent exposure of our personnel and potentially members of the public to hazards such as explosions, structural failures or debris dispersal. A manufacturing defect, testing anomaly, launch failure, recovery incident, or similar event involving injury to humans, any human fatalities, property damage, or environmental damage or other adverse environmental impacts could result in substantial losses, including reputational harm and legal liability, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.6.5 Although we are focused on the vertical integration of our businesses, we depend on third parties to manufacture and supply certain key components necessary for the provision of our launch, connectivity, and AI services, and any supply shortages or disruptions or failures in their performance could materially and adversely affect our business, financial condition, results of operations, and future prospects.

We are exposed to disruptions in the supply chain for essential raw materials or components, challenges in the supplier qualification process, or increases in the prices of inputs. Despite our supply chain being largely vertically integrated, our reliance on third-party manufacturers and suppliers for key components introduces risks related to supply chain continuity, quality assurance, and vendor performance. We depend on both domestic and international suppliers for certain specialized materials, components, and services that are essential to the production and operation of our launch vehicles, spacecraft, satellites, user terminals (including Starlink consumer terminals), AI segment and related infrastructure. Any failure or delay by these partners to deliver components in the required quantities, within specifications, or on schedule has in the past and may in the future adversely affect our production schedules, operational reliability, and our ability to meet contractual obligations. In addition, disruptions in the supply chain due to shortages, quality issues, natural disasters, geopolitical events, labor

disputes, pandemics, epidemics, tariffs or trade restrictions, criminal activity (including terrorism, sabotage or cyberattacks) or other factors outside our control could result in significant delays, increased costs, or an inability to deliver products and services to customers in a timely and cost-effective manner. The process of qualifying new suppliers or transitioning to alternative vendors can be time-consuming and may not be successful, further increasing our exposure to supply chain interruptions. Furthermore, our limited pool of qualified vendors for certain critical products or services exposes us to increased pricing pressures and quality risks. In particular, certain materials and products that are key inputs in our Space, Connectivity, and AI segments are available from a limited number of suppliers, including sole or limited-source suppliers, and our direct chip suppliers are dependent on a concentrated group of advanced semiconductor fabrication facilities. For additional information regarding supply chain risk relating to our AI processors, please see “1.3.1 Our ability to scale our AI products relies on our terrestrial and future orbital AI compute infrastructure, which depends on the availability of power, water, AI processors, and other critical components, and telecommunications services, and any shortages or disruptions thereof would materially and adversely affect our business, financial condition, results of operations, and future prospects.” The inability of these suppliers to deliver necessary components of the products in a timely manner and at prices, quality levels, and volumes acceptable to us, or interruptions in supply of materials or products on which these suppliers rely, could have an adverse effect on our ability to meet customer demands and contractual obligations, execute on our growth strategy, or manage our expenses or timelines as expected, which could adversely affect our business, financial condition, results of operations, and future prospects.

1.6.6 We face intense competition in the markets in which we operate, and while we have historically outperformed certain competitors in our Space and Connectivity segments, we may not continue to do so, which could adversely affect our business, financial condition, results of operations, and future prospects.

The markets in which we operate are rapidly evolving and intensely competitive, and we face competition from a range of established and emerging companies, including large, well-capitalized technology companies and aerospace firms, including foreign competitors. Some competitors are investing significant capital to develop and deploy satellite constellations and related infrastructure that compete directly with our offerings, and companies based in China and other jurisdictions may benefit from government support, favorable regulatory environments, or strategic national prioritization.

Some of our current and potential competitors, particularly in our AI segment, have greater financial, technical, manufacturing, or other resources than we do, and may devote more resources to the development and commercialization of competing products and services. Competitors may adopt more aggressive pricing, secure more favorable supplier or distribution arrangements, bundle services, form strategic alliances or otherwise take actions that enhance their competitive position in ways that could adversely affect our business. In certain markets, regulatory or geopolitical factors may result in preferential treatment for domestic competitors or otherwise limit our ability to compete effectively.

Competition continues to intensify as new technologies are developed and new entrants emerge. While we have historically outperformed certain competitors in aspects of our business, such as our Space and Connectivity segments, we may be unable to maintain this position. This could adversely affect our business, financial condition, results of operations, and future prospects.

1.6.7 The development and maintenance of the technologies and infrastructure necessary to support our current and future operations will require significant capital expenditures, and if we are unable to generate sufficient cash flow from operations or obtain additional financing on acceptable terms, our business, financial condition, results of operations, and future prospects could be materially and adversely affected.

Our business requires substantial capital expenditures to design, develop, expand, and maintain our technologies and infrastructure to support our operations. For example, we have incurred significant capital expenditures and expect to increase our capital expenditures substantially in the future in connection with the design, development, and deployment of our satellite constellations, launch vehicles, ground stations, manufacturing facilities, and programs, including Terafab, AI compute infrastructure, data centers, and other supporting infrastructure. These expenditures include, but are not limited to, costs associated with research and development, construction and expansion of production capabilities, acquisition of property and equipment, and ongoing maintenance and upgrades to ensure reliability and competitiveness. In particular, the development, testing, and deployment of Starship in accordance with our anticipated schedule, as well as our pursuit of orbital AI, other space-related services, and lunar and interplanetary missions, will require the investment of significant additional capital resources. In addition, we have made and intend to continue to make substantial capital

expenditures to support the growth of our AI products, including costs related to obtaining third-party GPUs, manufacturing our own GPUs, and constructing, leasing, maintaining, enhancing, and expanding our data centers. We may choose to increase or accelerate the pace of any of these investments at any time, which could result in periods of reduced profitability or increased losses as we prioritize long-term growth over near-term financial performance. Many of the products and services that are important for our growth prospects are novel and untested, and therefore our estimates of capital expenditures may prove to be inaccurate.

If we raise additional capital through further issuances of equity or convertible debt securities, our shareholders could suffer significant dilution and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of our Class A common stock. The agreements governing our indebtedness contain various restrictive covenants and any additional debt financing secured by us in the future could involve restrictive covenants relating to our capital-raising activities and other financial and operational matters, which could limit our operational flexibility and make it more difficult for us to obtain additional capital and to pursue business opportunities. Our ability to access the capital markets or secure other sources of financing may be adversely affected by factors beyond our control, including fluctuations in market conditions, changes in investor sentiment, increases in interest rates, or adverse events affecting the broader industry or economy.

Any inability to access capital or obtain additional financing on acceptable terms could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.6.8 Our future revenue and operating results depend upon our ability to develop new technologies and respond to changes in customer demands and industry standards in highly competitive markets, and if we are unable to do so, this could materially and adversely affect our business, financial condition, results of operations, and future prospects.

Our future revenue growth and operating results are highly dependent on our ability to design, develop and successfully commercialize new and innovative technologies, products, and services on a timely and cost-effective basis. The markets in which we operate are characterized by rapid and disruptive technological change, evolving industry standards, the emergence of new and well-funded competitors, frequent new product and service introductions, changing customer demands and regulatory changes. In addition, we may expand into new markets, which may lead to similar or additional challenges that we cannot foresee and may require novel innovations to navigate or overcome. As a result, we may from time to time rapidly adjust, modify or change our strategic priorities, capital allocation, product or service focus or operational initiatives across our business in response to these other changes or new markets. In particular, the AI industry is nascent, highly competitive, capital intensive and rapidly changing. There are a number of companies today that develop or may develop products or services that compete with our AI segment, and new competitors may emerge over time. Some of our current or potential competitors in the AI market are large technology companies that have significant financial, technical and marketing resources, and in some cases greater access to data, and others are smaller specialized companies that possess specialized expertise and may have greater flexibility than we do. We also have a limited number of customers for our AI products when compared to certain of our competitors. Current and potential competitors have established, or may in the future establish, cooperative relationships among themselves or with third parties to increase the ability of their AI technologies to address the needs of current and prospective users of our AI products. Furthermore, current or prospective users may decide to develop competing products for particular use cases or to establish strategic relationships with our competitors for such use cases. Current and potential competitors and bad actors, may also attempt to reverse engineer or otherwise replicate our AI technology, including through model extraction or distillation techniques. Increased competition with our AI products could result in price reductions, revenue shortfalls, loss of customers and loss of market share.

In our Connectivity segment, including Starlink broadband and Starlink Mobile, we face competition from terrestrial fixed network providers, mobile networks, and other satellite providers, and our services may be less competitive in certain markets, including dense urban areas where terrestrial fiber and wireless networks may offer higher capacity, lower cost, or more consistent performance. In addition, our Starlink Mobile offering operates in a highly competitive and evolving market, and may be affected by the pace of technological development, spectrum availability, and the success of our partnerships with mobile carriers. In addition, the X platform faces intense competition from social media, messaging and media companies and traditional media outlets, such as television, radio and print, for advertising budgets. Advertisers generally do not have long-term commitments to the X platform and may reduce or discontinue their advertising spending for a variety of reasons outside our control. We are expending resources to improve the X platform and improve its attractiveness to users and advertisers. While we have introduced new user interface enhancements, algorithm updates, and other product features, improvements to the X platform, introducing new products and services on the X platform and other

initiatives may be costly and difficult to implement, and we cannot be sure that they will be positively received by users, content creators, or advertisers, or provide positive returns on our investment. Losing users who migrate to other platforms may negatively impact our potential subscription or advertising revenue. Additionally, if users do not continue to contribute content and otherwise engage with the X platform, we are unable to provide users with valuable and timely content, or if content that is considered to be problematic or offensive is made available on the X platform, the size of the X platform's user base and their engagement may decline, leading to a decline in monetizable usage and the loss of potential subscription revenue from such users, and the X platform may experience brand or reputational harm. A decline in users on the X platform, or the volume or quality of their content on the X platform, could also impact the ongoing development of our AI product, which in part utilizes data and user-generated content from the X platform. We plan to publicly launch the Money Product; however, we are competing against large, established companies with significantly greater resources and market presence than us. If we are unable to anticipate technological trends, respond to technological advancements or changing customer demands, or successfully develop and commercialize new or enhanced offerings, we may be unable to establish or maintain a meaningful market position. Any such event could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.6.9 Many of our initiatives, including those to develop orbital AI compute at scale, manufacture AI chips at scale, establish a lunar economy, develop human augmentation systems, and transport humans and cargo to the Moon and Mars, involve significant technical complexity, unproven technologies, or technologies that do not exist or may require significant advancement, and such initiatives may not achieve commercial viability.

Our initiatives to develop orbital AI compute at scale, establish a lunar economy, develop human augmentation systems, and transport humans and cargo to the Moon and Mars are in early stages of conception, design and development and have not yet been proven at commercial scale, or at all, and may ultimately be unsuccessful. In particular, the timeline for these initiatives, and the launch cadence required to achieve them may be difficult or impossible to determine. These efforts require substantial and ongoing investments of financial, technical, and human resources over extended time horizons, including, but not limited to, research and development, testing, infrastructure, regulatory approvals, and mission execution. The technologies, systems, and operational capabilities required for each of these initiatives involve significant technical complexity and are subject to design, engineering, and performance risks, many of which may only become apparent as development and testing progress. Many of these technologies, systems and operational capabilities are novel and untested, and we expect to incur significant capital expenditures over a period of years before our AI products and services and other strategic initiatives, including AI compute infrastructure and in-orbit, lunar, and interplanetary industrialization efforts, become profitable, which may never occur. In addition, in-orbit refueling of Starship is essential to our lunar, Mars, asteroid mining, and other deep space ambitions beyond geostationary Earth orbit. In-orbit refueling is complex, and we have not yet demonstrated or attempted it. We may not be able to develop, commercialize, scale, or successfully implement these or other strategic initiatives on the timelines we currently anticipate, or at all. Furthermore, the viability of orbital AI compute depends in part on the cost advantages of solar energy relative to existing terrestrial energy sources. To the extent that breakthrough developments in terrestrial energy access, such as advances in nuclear energy, significantly reduce energy costs or alleviate infrastructure constraints, the viability of our orbital AI compute infrastructure may be materially diminished. Even if our orbital AI compute infrastructure proves to be commercially viable, a material slowdown in the growth of AI applications and related compute demand could result in existing terrestrial data centers sufficiently meeting such demand, thereby reducing the need for our orbital AI compute infrastructure. As a result, we may be required to devote financial, technical, human or other resources in excess of our current expectations, and these investments may not generate adequate returns, which could adversely affect our business, financial condition, results of operations, and future prospects.

1.6.10 Several of our anticipated market opportunities, including certain AI, orbital, lunar, and interplanetary transportation and industrial activities, are still emerging and evolving or do not currently exist, and such markets may not develop as we expect, or at all.

A portion of our anticipated market opportunities is associated with several different industries. Certain of these industries, such as space tourism, human augmentation, and cargo transport to the Moon, are still emerging. Others, including in-orbit manufacturing, passenger transport to the Moon, an established human presence or gateway hub on the Moon, passenger and cargo transport to Mars, energy production on the Moon or Mars, manufacturing capabilities on the Moon or Mars, and asteroid mining do not exist today. Any estimate we make regarding the size or timing of our anticipated market opportunities is inherently uncertain and necessarily involves significant assumptions about future customer demand, adoption, technological development, regulatory conditions and the emergence of a broader commercial market that does not currently exist. While we believe

these industries will develop over time, the manner in which they emerge, including the timing of commercialization, the scale and pace of adoption, and the applicable technical, regulatory, geopolitical and economic frameworks may differ materially from our current expectations. If these industries do not develop, develop on slower timelines, at smaller scales, or under different economic or regulatory conditions than we anticipate, this could require us to modify, delay, or abandon certain of our business plans, or cause such plans not to develop at all, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.6.11 We have experienced, and will likely continue to experience, development and manufacturing delays and damage or destruction during pre-launch operations, any of which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

The development, manufacturing, and operation of launch vehicles and satellites are complex and capital-intensive activities that are subject to numerous risks. Our launch vehicles, satellites, and related systems have in the past experienced and may in the future experience delays, damage or destruction during design and manufacturing, including delays in fabrication, assembly, inspection, testing, and component qualification. These issues may arise from engineering challenges, supplier performance problems, quality control shortcomings, unexpected design modifications, or disruptions in our manufacturing facilities. Any of these factors may delay development or production schedules, increase costs, or result in hardware that must be reworked or replaced.

Our operations also involve significant risks during pre-launch preparation. Launch vehicles and satellites can be damaged or destroyed during transport, fueling, integration, or ground testing. Furthermore, the early retirement or inoperability of satellites or related infrastructure may require us to accelerate depreciation or recognize impairment charges, thereby adversely affecting our business, financial condition, results of operations, and future prospects. Even minor anomalies may require extensive troubleshooting or repairs, resulting in launch delays, increased mission costs, or the loss of flight hardware. Because launch operations require coordination across multiple systems – including propulsion, avionics, ground infrastructure, and third-party range providers – issues in any one area can lead to postponements or mission cancellations.

The occurrence of any of these risks could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.6.12 Our insurance coverage strategy may not be adequate to protect us from all business risks.

We may be subject, in the ordinary course of business, to losses resulting from accidents, acts of God and other claims against us, for which we may have no insurance coverage. As a general matter, we do not maintain as much insurance coverage as many other companies do, and in some cases, we do not maintain any at all, including with respect to our in-orbit satellites, which we currently do not insure and do not expect to insure in the future. Additionally, the policies that we do have may include significant deductibles or self-insured retentions, policy limitations and exclusions, and we cannot be certain that our insurance coverage will be sufficient to cover all future losses or claims against us. A loss that is uninsured or which exceeds policy limits may require us to pay substantial amounts, which could affect our business, financial condition, results of operations, and future prospects.

1.7 Other Risks

1.7.1 Adverse global macroeconomic and geopolitical conditions may negatively affect our business, financial condition, results of operations and future prospects.

Adverse global or regional economic and geopolitical conditions could reduce demand for certain of our products and services. Economic downturns, inflation, higher interest rates, tighter credit conditions, reduced consumer spending, lower business or government investment, or geopolitical developments may negatively affect demand for our offerings. Reduced consumer or enterprise spending for each of our Starlink connectivity services or our AI-related offerings would limit our ability to grow our business, which may slow the pace at which we deploy satellites and expand our constellation or adversely affect the utilization of our launch capabilities. Any such developments could adversely affect our business, financial condition, results of operations, and future prospects.

1.7.2 *We depend on our ability to recruit and retain employees who have advanced engineering and technical skills, and intense competition for such employees may increase costs and affect our ability to meet development and production timelines.*

We depend on our ability to recruit and retain employees who have advanced engineering and technical skills and, in some cases, employees with the necessary national security clearances to perform under our government contracts or win new business. These employees are in great demand and are likely to remain a limited resource in the foreseeable future. The current tight labor market has adversely impacted our ability to recruit qualified personnel, including engineers, particularly with respect to our AI segment. Increased restrictions on the import or retention of foreign labor may also increase demand for engineering personnel and adversely impact our ability to hire and retain qualified personnel. Continued turnover may impact employee morale and create other challenges as we attempt to scale our AI business. In addition, significant amounts of time and resources are required to train technical and other personnel, and we have in the past lost and may in the future lose new employees to our competitors or other companies before we realize the benefit of our investment in recruiting and training them. Our ability to recruit and retain qualified employees depends on a number of things, including our ability to pay market compensation, provide opportunities for advancement, and secure visa sponsorships and work permits for qualified international candidates. If we are unable to recruit and retain a sufficient number of these employees, then our ability to maintain our competitiveness could be negatively affected. In addition, a significant portion of the talent pool for advanced engineering and technical roles is international, and changes in immigration laws or policies in the jurisdictions in which we operate could limit our ability to hire and retain such candidates and intensify competition for talent. Due to the highly technical nature of our products and services, losing a significant number of our existing engineering personnel, or failing to hire new engineering personnel, could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.7.3 *Any significant disruption in, or unauthorized access to, our computer and data systems or those of third parties that we utilize in our operations could result in a loss or degradation of service, loss of trust in us and harm to our business.*

An operational disruption in, or unauthorized access to, our computer and data systems or those of third parties that we utilize in our operations could compromise sensitive (including classified or otherwise government-controlled), proprietary, confidential, or personal information, impede operations, and result in financial losses, legal liabilities, reputational harm, and erosion of our competitive position in launch services, space-based internet, and mobile phone services. Our business depends on the continuous and secure operation of our information technology systems and infrastructure, including those that support our launch operations, manufacturing facilities, Starlink services, government services, employee databases, and mission-critical communications. Our systems and infrastructure may also be subject to cyberattacks, including sophisticated hacking attempts by nation-states, state-sponsored actors, cybercriminals, or other malicious third parties, which could result in unauthorized access to, disruption of, or degradation of our satellite systems, ground infrastructure, or data networks. Such disruptions or unauthorized access, which may result from a wide variety of incidents or activities, including inadvertent compromises arising from process, coding or human errors, cyberattacks, data breaches, exploitation of known or unknown software or hardware vulnerabilities, malware, ransomware, credential harvesting, computer viruses, social engineering (such as phishing), denial of service attacks, software or hardware failure, or other malicious or disruptive incidents or activities – whether perpetrated by external actors, including nation-states, state-sponsored organizations, or cybercriminal groups, insiders, or other threat actors, any of whom may see their efforts enhanced by the use of AI – could lead to the theft, destruction, or unauthorized disclosure of sensitive (including classified or otherwise government-controlled), proprietary, confidential or personal information, including technical data, customer or partner information, and intellectual property, particularly because some of our products and services involve the collection, storage, and processing of such data and information. Our development and deployment of AI models, internal and third-party AI tools, and other AI applications expose us to increased and novel risks and vulnerabilities, including prompt injection, hallucinations, errors, and other issues related to AI agents, as well as the risk of compromise of valuable intellectual property including source code, model weights, and other assets. Certain internal and external threat actors, such as nation-states, state-sponsored organizations, organized threat networks and corporate espionage actors, among others have and will continue to sustain malicious activities for extended periods and deploy significant resources to attempt, and in some cases succeed, at causing significant disruptions in, or unauthorized access to, our computer systems or those of third parties that we utilize in our operations. Such incidents have in the past and may in the future also disrupt or degrade our ability to design, produce, launch, or manage our products and services, resulting in operational delays, violations of applicable data privacy and cybersecurity laws and regulations, disruptions in, or unauthorized access to, our customers' computer systems, increased costs, loss of revenue, loss of trust, litigation or regulatory penalties.

As the scale, frequency, sophistication, or intensity of cyber and data privacy threats continue to evolve, and as our reliance on interconnected systems and third-party vendors grows, we remain exposed to vulnerabilities despite our efforts to implement security measures, monitoring, and incident response protocols. Our cybersecurity risk management processes, including our policies, procedures, and controls, may be ineffective in promptly or effectively detecting, containing, or remediating cybersecurity attacks. Any significant security and data breach or system failure could materially and adversely affect our business, financial condition, results of operations, and future prospects, and could result in loss of trust among customers, regulators, government agencies, and partners. Furthermore, our efforts to investigate, mitigate, contain, and remediate the harm caused by a significant disruption in, or unauthorized access to, our computer and data systems or those of third parties that we utilize in our operations may be costly and time-consuming and may not be successful, and we may make errors or fail to take necessary actions. Remediation efforts, litigation, regulatory investigations, and compliance obligations (including obligations to notify appropriate regulators and affected parties) arising from such incidents could require substantial management attention and resources, and we rely on our own funds to cover such losses or liabilities. In addition, rapid changes to U.S. and international cybersecurity and privacy laws and regulations have expanded regulatory regimes and compliance requirements, and regulators continue to undertake enforcement actions in these areas. We expect the regulatory environment to grow more complicated, which may increase our operational and compliance expenditures, as well as those of our suppliers. Moreover, some third parties we utilize in our operations may receive or store information provided by us or by our customers. If these third parties fail to adopt or adhere to adequate data privacy and security practices, or their systems or networks are breached in the manner described above, our data or our customers' data may be improperly accessed, used, or disclosed to unauthorized recipients, which could result in financial losses, legal liabilities, reputational harm, and additional compliance obligations. We do not control the privacy and cybersecurity measures put in place by such third parties, and any contractual protections with such third parties, such as obligations to indemnify us, if any, may be ineffective or otherwise inadequate.

Any significant disruption in, or unauthorized access to, our or third parties' computer and data systems could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.7.4 Our substantial level of indebtedness could materially and adversely affect our business, financial condition, results of operations, and future prospects.

We have significant indebtedness that could increase our vulnerability to general adverse economic and industry conditions; require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund operations, our growth strategy, product development and strategic initiatives; limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; and expose us to the risk of increased interest rates as our borrowings are, and may in the future be, at variable interest rates. As of March 31, 2026, we had total principal indebtedness outstanding of \$29,132 million². We may also be exposed to the risk of being unable to satisfy our obligations under the agreements governing our indebtedness and expose us to the risk of adverse effects on our credit ratings or outlook. In addition, if we fail to comply with the terms of our debt agreements, our lenders could declare a default and accelerate our repayment obligations. The occurrence of any of these events could increase our cost of capital, limit our access to financing, and impair our ability to obtain additional financing on acceptable terms, or at all. This could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.7.5 The estimates of future market opportunity and forecasts of market growth, and our ability to capture such markets, included in this prospectus may prove to be inaccurate.

Our estimates for the total addressable market ("TAM") for our Space, Connectivity and AI businesses, as well as estimates regarding the growth of AI and its impacts, contained elsewhere in this prospectus are based on a number of internal and third-party estimates. For example, our estimates of market opportunity for our Space, Connectivity and AI businesses rely in part on third-party data and a number of internal assumptions. With respect to our Space segment, these estimates rely in part on estimates published in Novaspaces, Space Economy Report regarding the size of the global market for space-enabled solutions, including spacecraft manufacturing, launch services and related activities. Our connectivity market estimates are based in part on estimates of the number of households, businesses, aircraft and maritime vessels globally derived from third-party sources, together with assumptions regarding ARPU and monthly service revenue derived from third-party industry data and our internal expectations regarding pricing, adoption rates and service penetration across different geographic regions and economic environments. Our AI market estimates are based in part on projections of global data center compute

² Unaudited.

demand from third-party sources, including estimates published by RAND Corporation, together with internal assumptions regarding the portion of global compute capacity that may be utilized for AI workloads and other operational assumptions such as power usage, utilization rates and pricing.

These estimates require us to make numerous assumptions and judgments regarding factors that are inherently uncertain and subject to change, including the pace of technological development, future demand for launch, connectivity and AI services, the rate of adoption of satellite connectivity and AI technologies, the availability and cost of power and computing hardware, the evolution of regulatory frameworks, and broader macroeconomic conditions.

While we believe our assumptions and the data underlying our estimates are reasonable, these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. As a result, our estimates of the TAM for our services, as well as the expected growth rate for the TAM for our services, may prove to be inaccurate.

1.7.6 Acquisitions, divestitures, or other strategic transactions we pursue may not achieve the anticipated benefits, synergies or strategic objectives.

We may not achieve the anticipated benefits, synergies, or strategic objectives of any acquisition, divestiture, or other strategic transaction in a timely manner, or at all, including those we expect from the recent acquisition of xAI, the acquisition of spectrum assets and licenses from EchoStar in connection with our Starlink Mobile initiatives, our collaboration on Terafab with Tesla, Intel or any future partners, project and our recent collaboration with Cursor and any potential acquisition of Cursor, if consummated. Acquisitions, divestitures, or other strategic transactions may present unforeseen liabilities or disruptions to our operations. We may assume unexpected obligations or incur costs associated with acquired businesses, including litigation, regulatory compliance, environmental liabilities, or contractual disputes, which could result in material losses or divert management focus from ongoing operations.

Integrating acquired businesses, partnerships, or joint ventures may present significant challenges, including aligning operations, systems, and cultures, which could result in inefficiencies, increased costs, or failure to realize anticipated benefits. The process of integration is often complex and time-consuming, and we may encounter unforeseen difficulties in harmonizing business practices, integrating technologies and IT systems, retaining key personnel, or reconciling differences in corporate cultures and management philosophies. In addition, the integration of acquired entities or new partners exposes us to disruptions in, or unauthorized access to, our computer systems and data or may divert management attention and resources from our core operations, potentially impacting our ability to execute on other strategic initiatives or maintain existing customer relationships. We may also face challenges in achieving expected synergies, cost savings, or strategic objectives within anticipated timeframes, or at all. If we are unable to successfully integrate acquisitions, partnerships, or joint ventures, or if the anticipated benefits of these transactions do not materialize as expected, we could experience operational disruptions, loss of key personnel or customers, increased costs, and diminished competitive position. Any failure to effectively integrate acquired businesses, partnerships, or joint ventures could result in operational disruptions, loss of key personnel or customers, increased costs, and diminished competitive position.

Similarly, divestitures could result in the loss of revenue, disruption of customer or partner relationships, or challenges in separating assets and personnel. We may be unable to identify, consummate, or integrate future acquisitions, divestitures, or other strategic transactions on favorable terms, or at all, and any such activities may heighten our exposure to operational, financial, and regulatory risks unique to our industry. Any of the foregoing could adversely affect our business, financial condition, results of operations, and future prospects.

1.7.7 Our efforts to support the creation of permanent installations on the Moon and Mars depend on the successful development and deployment of next-generation capabilities.

Activities related to the industrialization and development of the Moon and Mars require the successful development and deployment of next-generation capabilities such as fully reusable launch vehicles, including Starship, in-space refueling and propellant storage, in space communications systems, and other capabilities required for operations beyond Earth's orbit. These systems involve significant technological, engineering, and operational challenges, including the need to develop habitable transportation and surface environments, and perform complex in-orbit operations. Solving these challenges will require developing solutions that are novel or untested and will require substantial capital investment. If these efforts take longer than anticipated, or if technical,

operational, or engineering challenges arise in connection with these efforts, our goals with respect to the Moon and Mars, including government contracts, and other and multiplanetary initiatives could be delayed, modified, or cancelled. Even if such goals are achieved, they may not generate meaningful revenue or achieve profitability for an extended period of time, which could materially and adversely affect our business, financial condition, results of operations, and future prospects.

1.7.8 We have a history of net losses and may not achieve profitability in the future.

We incurred net losses of \$(4,937) million and \$(4,628) million for the years ended December 31, 2025 and 2023, respectively, and a net loss of \$(4,276) million³ for the three months ended March 31, 2026. We may not achieve or, if achieved, sustain profitability in the future. As of March 31, 2026, we had an accumulated deficit of \$41,311 million³. While we have experienced significant growth in revenue over the last three years, we cannot predict whether we will maintain this level of growth or when we will achieve profitability again. We also expect our capital expenditures and operating expenses to increase in the future, including our general and administrative expenses as a result of increased costs associated with operating as a public company and as we continue to invest for our future growth, including substantial capital expenditures to design, develop, expand, and maintain our technologies and infrastructure to support our operations. Our revenue could decline for a number of reasons, including if we are unable to execute on our growth strategy and as a result of the other risks described in this prospectus. Furthermore, if we fail to maintain or increase our revenue to offset increases in our operating expenses or manage our costs as we invest in our business, including if we do not maintain or improve our operating efficiencies, we may not achieve or sustain profitability. Any failure by us to achieve or sustain profitability on a consistent basis could materially and adversely affect our business, financial condition, results of operations, future prospects and cause the market price of our Class A common stock to decline.

1.7.9 The timing of our revenue and cost recognition may fluctuate due to factors outside of our control, which could cause our periodic results of operations to fluctuate and make our results difficult to predict.

In our financial results, we recognize revenue and costs for a majority of customer payloads at the launch or deployment of the customer's payload to its intended orbit. While we plan launches and schedule payloads in advance, the timing of these launches or deployments may vary and can be delayed or otherwise affected by a number of factors outside of our control, including the customer's delay in delivering their payload for integration onto the launch vehicle, adverse weather, and other operational considerations. As a result, the timing of revenue recognition may shift between reporting periods. For example, if the launch of a customer's payload was expected to occur near the end of a reporting period but instead occurs shortly thereafter (e.g., on April 1 instead of March 30), the associated revenue would be recognized in the subsequent quarter. In addition, if a significant number of launches or deployments occur within a short period of time, the concentration of those events may result in greater variability in the timing of revenue recognition between reporting periods. These factors may cause our quarterly or annual results of operations to fluctuate and may make our results difficult to predict.

1.7.10 We are exposed to foreign currency risks and interest rate risks.

Our Connectivity and AI businesses operate in many countries and transact in multiple currencies. In general, we are a net receiver of currencies other than the U.S. dollar for our foreign subsidiaries. Accordingly, we are exposed to foreign currency risk both from fluctuations in exchange rates affecting foreign-currency denominated transactions and from the impact of translating the assets, liabilities, revenues, costs of revenue, and other operating expenses of our foreign subsidiaries into U.S. dollars. We have experienced, and will continue to experience, fluctuations in our net income as a result of gains (losses) on the settlement and the re-measurement of monetary assets and liabilities not denominated in our functional currencies. We do not hedge foreign currency risk and changes in exchange rates could have an adverse impact on our operating results and cash flows.

Our exposure to changes in interest rates relates primarily to our investment portfolio, interest income on cash and cash equivalents and our credit facilities. For example, an increase in prevailing U.S. interest rates would increase the interest payable under our current credit facilities, including our bridge loan credit agreement providing for an unsecured bridge term loan facility in an aggregate principal amount of \$20,000 million. Fluctuations in exchange rates or an increase in interest rates would adversely affect our results of operations and cash flows.

³ Unaudited.

2. GENERAL INFORMATION

2.1 Responsibility Statement

The following persons assume responsibility for the contents of this prospectus pursuant to Section 8 of the German Securities Prospectus Act (*Wertpapierprospektgesetz (WpPG)*) in conjunction with Article 11 of the Prospectus Regulation, and declare that the information contained in this prospectus is, to the best of their knowledge, in accordance with the facts, and that this prospectus makes no omission likely to affect its import: Space Exploration Technologies Corp., with registered office at 211 East 7th Street, Austin, Texas 78701-3218, United States, legal entity identifier (“**LEI**”) 549300B9WLO96RQCXP87; Goldman Sachs Bank Europe SE, Marienurm, Taunusanlage 9-10, 60329 Frankfurt am Main, Germany, LEI 8IBZUGJ7JPLH368JE346 (“**Goldman Sachs**”), Morgan Stanley Europe SE, Große Gallusstraße 18, 60312 Frankfurt am Main, Germany, LEI 54930056FHWP7GIWYY08 (“**Morgan Stanley**”); BofA Securities Europe SA, 51 rue La Boétie, 75008 Paris, France, LEI 549300FH0WJAPEHTIQ77 (“**BofA Securities**”); Citigroup Global Markets Europe AG, Börsenplatz 9, 60313 Frankfurt am Main, Germany, LEI 6TJCK1B7E7UTXP528Y04 (“**Citigroup**”); J.P. Morgan SE, Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Germany, LEI 549300ZK53CNKEE16A29 (“**J.P. Morgan**”); Deutsche Bank Aktiengesellschaft, Taunusanlage 12, 60325 Frankfurt am Main, Germany, LEI 7LTFWZYICNSX8D621K86 (“**Deutsche Bank**”); ING Bank N.V., Bijlmerdreef 106, 1102 CT Amsterdam, The Netherlands, LEI 3TK20IVIUIJ8J3ZU0QE75 (“**ING**”); Banco Santander, S.A., Paseo de Pereda, 9-12, Santander, Spain, LEI 5493006QMFDDMYWIAM13 (“**Santander**”); and Société Générale, 29 boulevard Haussmann, 75009 Paris, France, LEI O2RNE8IBXP4R0TD8PU41 (“**Société Générale**”, and, together with Goldman Sachs, Morgan Stanley, BofA Securities, Citigroup, J.P. Morgan, Deutsche Bank, ING and Santander, the “**European underwriters**”).

2.2 General Disclaimers

We are organized under the laws of the United States. None of the directors, officers or other executives of the Issuer are residents or citizens of the EEA. Investors may be unable to effect service of process within the EEA. Furthermore, since our assets are primarily located in the United States, any judgement obtained in the EEA against us may not be collectible in the EEA.

There is doubt as to the enforceability in Germany of civil liabilities based on U.S. federal or state securities laws, either in an original action or in an action to enforce a judgment obtained in U.S. federal or state courts. The United States and Germany currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment by any U.S. federal or state court for payment, whether or not predicated solely upon U.S. federal or state securities laws, would not automatically be enforceable in Germany. In addition, in the past the recognition and enforcement of punitive damages has been denied by German courts as incompatible with the substantial foundations of German law. Moreover, a German court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages. The same considerations regarding enforceability of civil liabilities apply in Denmark and Sweden.

There is doubt as to the enforceability in France of civil liabilities based on U.S. federal or state securities laws, either in an original action or in an action to enforce a judgment of a U.S. court. The United States and France do not have a bilateral treaty providing for the reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters. In the absence of such a treaty, a final and conclusive judgment from a U.S. court is not automatically enforceable in France and requires an enforcement order from a French court. A French court may grant such an order without re-examining the merits of the case, provided it finds that three general conditions are met: (i) the jurisdiction of the U.S. court, which is assessed by determining if the dispute had a “characterized link” with the United States and that French courts did not have exclusive jurisdiction over the matter; (ii) the judgment’s conformity with French international public policy, which includes both substantive and procedural aspects. Regarding substantive public policy, enforcement of a U.S. judgment awarding punitive damages may be denied if the amount is considered disproportionate to the actual loss suffered and the breach of contractual obligations. Procedural public policy essentially consists of principles protecting the fundamental rights of the defense; and (iii) the absence of fraudulent intent to circumvent French law.

There is doubt as to the enforceability in the Netherlands of civil liabilities based on U.S. federal or state securities laws, either in an original action or in an action to enforce a judgment obtained in U.S. federal or state courts. The United States and the Netherlands currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. However, a Dutch court may, without substantive re-examination on the merits, give binding effect to such a final

and conclusive judgment, provided that it finds that the judgment: (i) was rendered by a court that established its jurisdiction on the basis of internationally accepted grounds; (ii) was rendered in proceedings that comply with Dutch standards of the proper administration of justice (*behoorlijke rechtspleging*); (iii) is not contrary to Dutch public policy (*openbare orde*); and (iv) is not incompatible with a prior judgment of a Dutch or foreign court rendered between the same parties on the same subject matter. In addition, in the past the recognition and enforcement of punitive damages has been denied by Dutch courts as incompatible with the substantial foundations of Dutch law. Moreover, a Dutch court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages.

There is doubt as to the enforceability in Norway of civil liabilities based on U.S. federal or state securities laws, either in an original action or in an action to enforce a judgment obtained in U.S. federal or state courts. The United States and Norway do not currently have a bilateral treaty providing for the reciprocal recognition and enforcement of civil judgments (other than arbitral awards) in civil and commercial matters. Accordingly, a final judgment by a Norwegian court against the Company would not automatically be recognized and enforced in the United States, and there is no certainty that U.S. courts would give effect to such a judgment. Conversely, a final judgment rendered by a U.S. court would not be automatically recognized and enforced in Norway. Whether a Norwegian court will recognize and enforce a foreign judgment will depend on a case-by-case assessment, and there is no assurance that such recognition or enforcement will be granted. Investors should be aware that awards of punitive or exemplary damages in actions brought in the United States or elsewhere may not be enforceable by Norwegian courts.

There is doubt as to whether a lawsuit based upon U.S. federal or state securities laws, or the laws of any non-Spanish jurisdiction, could be brought in an original action in Spain, and whether a foreign judgment based upon such laws would be enforceable in Spain. In particular, the United States and Spain do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments, and the same may apply to other non-Spanish jurisdictions. Consequently, a final foreign judgment, whether or not based solely upon U.S. federal or state securities laws, would not automatically be enforceable in Spain.

There is doubt as to the enforceability in Switzerland of original actions, or actions for enforcement of judgments of U.S. courts, of civil liabilities to the extent predicated upon the federal and state securities law of the United States. Switzerland and the United States do not have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. The recognition and enforcement of a judgment of the courts of the United States in Switzerland is governed by the principles set forth in the Swiss Federal Act on Private International Law. This statute provides that the application of provisions of non-Swiss law by the courts in Switzerland shall be precluded if the result is incompatible with Swiss public policy. Also, mandatory provisions of Swiss law may be applicable regardless of any other law that would otherwise apply. The Swiss Federal Act on Private International Law provides in principle that a judgment rendered by a non-Swiss court may be enforced in Switzerland only if: the non-Swiss court had jurisdiction pursuant to the Swiss Federal Act on Private International Law; the judgment of such non-Swiss court has become final and non-appealable; the judgment does not contravene Swiss public policy; the court procedures and the service of documents leading to the judgment were in accordance with the due process of law; and no proceeding involving the same position and the same subject matter was first brought in Switzerland, or adjudicated in Switzerland, or was earlier adjudicated in a third state and this decision is recognizable in Switzerland.

If any claims are asserted before a court of law based on the information contained in this prospectus, the investor appearing as plaintiff may have to bear the costs of translating this prospectus prior to the commencement of the court proceedings pursuant to the national legislation of the member states of the EEA. The investor should be aware that it may not be able to recover its legal costs in full, even if the action before the court of the member state of the EEA is successful.

Neither the Company nor the other European underwriters are required by law to update the prospectus subsequent to the date hereof, except in accordance with Article 23 of the Prospectus Regulation, which stipulates that every significant new factor, material mistake, or material inaccuracy relating to the information included in a prospectus which may affect the assessment of the securities and which arises or is noted between the time when the prospectus is approved and the closing of the offer period or the time when trading on a regulated market begins, whichever occurs later, shall be mentioned in a supplement to the prospectus without undue delay. In any event, the obligation to supplement a prospectus no longer applies when a prospectus is no longer valid. The closing of the offer period (as defined below) is expected to occur on or about June 11, 2026, and the Company will not apply for admission of its shares to trading on any regulated market in the EEA.

Accordingly, the validity of the prospectus will expire with the closing of the offering period, which is expected to occur on or about June 11, 2026.

2.3 Competent Authority Approval

This prospectus has been approved by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, or Bafin, Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, Germany, telephone +49 228 4108 0, website: www.bafin.de, as the competent authority under the Prospectus Regulation on June 5, 2026. Bafin has only approved this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval is not to be considered as an endorsement of the Company or the quality of the securities that are the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The Company has requested Bafin to notify the approved prospectus in accordance with Article 25 of the Prospectus Regulation, with a certificate of approval attesting that this prospectus has been prepared in accordance with the Prospectus Regulation, to the Danish supervisory authority *Finanstilsynet*, the Dutch supervisory authority *Autoriteit Financiële Markten (AFM)*, the French supervisory authority *Autorité des Marchés Financiers (AMF)*, the Norwegian supervisory authority *Finanstilsynet - Financial Supervisory Authority*, the Spanish supervisory authority *Comisión Nacional del Mercado de Valores (CNMV)* and the Swedish supervisory authority *Finansinspektionen (FI)*.

2.4 Purpose of this Prospectus

The prospectus relates to the public offering to eligible retail investors of a maximum of 55,555,555 shares of Class A common stock, par value \$0.001 per share, of the Company in Germany, Denmark, France, the Netherlands, Norway, Spain and Sweden (referred to as the European retail offering). Please refer to “8.1 *Conditions to Which the Offering Is Subject*”.

The prospectus solely relates to the European retail offering and does not constitute an offer to sell, or a solicitation of an offer to buy, any shares offered by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation. For further information on certain selling restrictions with respect to the offered shares of Class A common stock, please refer to “8.3.4 *Selling Restrictions*”.

2.5 Forward-Looking Statements

This prospectus contains forward-looking statements. Forward-looking statements include those that express a belief, expectation, or intention, as well as those that are not statements of historical fact. Forward-looking statements contained in this prospectus include information regarding our future operating results and financial position, our business strategy and plans and our objectives for future operations.

These forward-looking statements may be accompanied by words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “outlook,” “plan,” “potential,” “predict,” “project,” “will,” “should,” “could,” “would,” “likely,” “future,” “budget,” “goal,” “commit,” “pursue,” “target,” “seek,” “objective” or the negative of these words, or similar expressions that are predictions of or indicate future events or trends that do not relate to historical matters. We caution you that the foregoing list may not contain all of the forward-looking statements made in this prospectus.

The forward-looking statements in this prospectus speak only as of the date of this prospectus, or such other date as specified herein. We undertake no obligation to update these statements unless required by law, and we caution you not to place undue reliance on them. Forward-looking statements are not assurances of future performance and involve risks and uncertainties. We have based these forward-looking statements on our current expectations and assumptions about future events. Forecasts, goals, milestones and expectations that cover multi-year time horizons, or unknown timelines, inherently involve increased risks with respect to predictability and actual results may differ materially from current expectations. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant risks, contingencies and uncertainties, which are difficult to predict and many of which are beyond our control. These risks, contingencies, and uncertainties and other important factors are described in “1. *Risk Factors*” and “5. *Management’s Discussion and Analysis of Net Assets, Financial Condition and Results of Operations*”. Should one or more of such risks or uncertainties occur, or should underlying assumptions prove incorrect, our actual results, performance, achievements or plans could differ materially from those expressed or implied in any forward-looking statements. This can make assessment of certain risks more difficult and you should factor these uncertainties into your

assessment of an investment in our Class A common stock. All forward-looking statements in this prospectus are expressly qualified in their entirety by the cautionary statements in this section.

2.6 Industry and Market Data

This prospectus includes statistics, data and other information relating to markets, market sizes, market shares, market positions, market trends and other industry data pertaining to SpaceX Group's business and market. Prospective investors are advised to consider market-related statistics, data and other information with caution.

2.6.1 Third-party Sources

The third-party sources listed below were used in the preparation of this prospectus. The Company has accurately reproduced such information and, as far as it is aware and able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading.

- Boston Consulting Group, Breaking Barriers to Data Center Growth, dated January 20, 2025 (available under: <https://www.bcg.com/publications/2025/breaking-barriers-data-center-growth>) ("**BCG, Breaking Barriers to Data Center Growth**");
- Cellular Telecommunications and Internet Association, Looming Spectrum Shortfall Could Cost America's GDP \$1.4T, Jeopardize Continued Function of U.S. Networks, New Report Finds, dated March 27, 2025 (available under: <https://www.ctia.org/news/looming-spectrum-shortfall-could-cost-americas-gdp-1-4t-jeopardize-continued-function-of-u-s-networks-new-report-finds>);
- Corporate Jet Investor, Top 50 Countries by Number of Business Aircraft Registered, dated January 27, 2026 (available under: <https://www.corporatejetinvestor.com/news/top-50-countries-by-number-of-business-aircraft-registered/>);
- Digital Cooperation Organization, Digital Economy Trends 2026, dated December 2025 (available under: <https://det.dco.org/sites/default/files/2025-12/Digital-Economy-Trends-2026.pdf?token=4gKJK62ounu4VPOSdaaWBF4E34wGejg1JIUo7bHQy4A>);
- Ericsson, Ericsson Mobility Report, Global Fixed Broadband Market Outlook, dated November 1, 2025 (available under: <https://www.ericsson.com/en/reports-and-papers/mobility-report/reports/november-2025>);
- Euromonitor International, Households by Number of Households and by Country, Euromonitor International Passport 2026 Edition, dated November 5, 2025 (available under: <https://www.euromonitor.com/solutions/passport>);
- Global Satellite Operators Association, Satellite Solutions for Universal Service, dated March 2025 (available under: <https://gsoasatellite.com/wp-content/uploads/GSOA-Satellite-Solutions-for-Universal-Service.pdf>);
- Grand View Research, Broadband Services Market Analysis Segment Forecast to 2027, dated April 2025;
- International Data Corporation, Consumer Market Model H2 2025 – Worldwide Household Internet Penetration, dated March 2026;
- International Energy Agency, World Energy Outlook Special Report: Energy and AI, dated April 2025 (available under: <https://iea.blob.core.windows.net/assets/de9dea13-b07d-42c5-a398-d1b3ae17d866/EnergyandAI.pdf>);
- Introl, The 175 GW Crisis: America's Power Grid Cannot Keep Up with AI Data Centers, dated January 21, 2026 (available under: <https://introl.com/blog/us-grid-capacity-crisis-175-gw-shortfall-federal-response-2026>) ("**Introl, The 175 GW Crisis**");
- J.D. Power, As Wireless Network Quality Competition Increases, Customers Benefit, dated July 17, 2025 (available under: <https://www.jdpower.com/business/press-releases/2025-us-wireless-network-quality-performance-study-volume-2>);

- Jonathan McDowell, Satellite Statistics: Satellite and Debris Population, dated April 2026 (available under: <https://planet4589.org/space/stats/out/msatannual.txt>) (“**McDowell, Satellite Statistics**”);
- JLL, 2026 Global Data Center Outlook: Navigating AI Demand, Power Constraints and Global Opportunities, dated January 5, 2026 (available under: <https://www.jll.com/en-us/insights/market-outlook/data-center-outlook>);
- Marine Traffic Dashboard, Global Ship Tracking Intelligence, at [marinetraffic.com](https://www.marinetraffic.com), as updated from time to time and last accessed April 13, 2026 (available under: <https://www.marinetraffic.com/en/ais/home/centerx:12.133/centery:-15.147/zoom:14>);
- McKinsey & Company, The Cost of Compute: A \$7 Trillion Race to Scale Data Centers, dated April 28, 2025 (available under: <https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/the-cost-of-compute-a-7-trillion-dollar-race-to-scale-data-centers>) (“**McKinsey, Cost of Compute**”);
- McKinsey & Company, What is Multimodal AI?, dated June 10, 2025 (available under: <https://www.mckinsey.com/featured-insights/mckinsey-explainers/what-is-multimodal-ai>);
- National Aeronautics and Space Administration, NASA: Enabling America on the Space Frontier, dated December 2024 (available under: <https://www.nasa.gov/wp-content/uploads/2024/12/nasa-enabling-america-on-the-space-frontier-december-24-tagged.pdf?emrc=699ab0a2134ad>);
- National Aeronautics and Space Administration, NASA: Space Act Agreement, dated April 2015 (available under: https://www.nasa.gov/wp-content/uploads/2015/04/189228main_setc_nnj06ta26a.pdf?emrc=12cb23);
- National Aeronautics and Space Administration, NASA: The Recent Large Reduction in Space Launch Cost, dated July 8, 2018 (available under: <https://ntrs.nasa.gov/api/citations/20200001093/downloads/20200001093.pdf>) (“**Nasa, Large Reduction in Space Launch Cost**”);
- Novaspace, 12th Edition Space Economy Report, dated January 29, 2026 (available under: <https://nova.space/hub/product/space-economy-report/>) (“**Novaspace, Space Economy Report**”);
- Ookla, 2025 Global Satellite Broadband Performance Report, dated February 5, 2026 (available under: <https://www.ookla.com/articles/2025-global-satellite-broadband-performance-report>) (“**Ookla, Global Satellite Broadband Performance Report**”);
- Oliver Wyman, Global Fleet and MRO Market Forecast 2025-2035, dated February 2025 (available under: <https://www.oliverwyman.com/our-expertise/insights/2025/feb/global-fleet-and-mro-market-forecast-2025-2035.html>);
- Omdia, Broadband Op Subs by Technology, Forecasts Summary, dated March 31, 2026 (available under: <https://omdia.tech.informa.com/om143152/total-fixed-broadband-subscription-and-revenue-forecast--1q26>);
- Omdia, Mobile Forecasts Summary - February 2026, dated February 18, 2026 (available under: <https://omdia.tech.informa.com/om012781/mobile-forecasts-summary>);
- QTS, Data Center Rules and Regulations, dated September 8, 2025 (available under: <https://qtsdatacenters.com/data-center-rules/>);
- RAND Corporation, AI’s Power Requirements Under Exponential Growth, dated January 28, 2025 (available under: https://www.rand.org/pubs/research_reports/RRA3572-1.html);
- Rest of World, How Starlink Became the World’s Internet Alternative, 2025, available under: <https://restofworld.org/2025/satellites-space-based-internet/>) (“**Rest of World, How Starlink Became the World’s Internet Alternative**”);

- S&P Global Market Intelligence, Data Center Grid-Power Demand to Rise 22% in 2025, Nearly Triple by 2030, dated October 14, 2025 (available under: <https://www.spglobal.com/>);
- SemiAnalysis, NVIDIA GTC 2025 – Built for Reasoning, Vera Rubin, Kyber, CPO, Dynamo Inference, Jensen Math, Feynman, dated March 18, 2025 (available under: <https://newsletter.semianalysis.com/p/nvidia-gtc-2025-built-for-reasoning-vera-rubin-kyber-cpo-dynamo-inference-jensen-math-feynman>) (“**SemiAnalysis, NVIDIA GTC 2025 – Built for Reasoning**”);
- SemiAnalysis, NVIDIA Blackwell Ultra Datasheet, dated February 16, 2026 (available under: <https://newsletter.semianalysis.com/p/inferencex-v2-nvidia-blackwell-vs>);
- SemiAnalysis, xAI’s Colossus 2: First Gigawatt Datacenter, 2025 (available under: <https://newsletter.semianalysis.com/p/xais-colossus-2-first-gigawatt-datacenter>) (“**SemiAnalysis, xAI’s Colossus 2: First Gigawatt Datacenter**”);
- Silicon Data, H100 Rental Price Over Time (2023-2025): A complete market analysis, dated December 21, 2025 (available under: <https://www.silicondata.com/blog/h100-rental-price-over-time>);
- Socomec, Data Centers - Understanding the Power Consumption of Data Centers, as updated from time to time and last accessed April 13, 2026 (available under: <https://www.socomec.us/en-us/solutions/business/data-centers/understanding-power-consumption-data-centers>);
- Space Foundation, The Space Report 2025 Q2 Highlights Record \$613 Billion Global Space Economy for 2024, dated July 22, 2025 (available under: <https://www.spacefoundation.org/2025/07/22/the-space-report-2025-q2/>);
- Speedtest Global Index, Median Country Speeds Updated February 2026, dated February 2026 (available under: <https://www.speedtest.net/global-index>);
- TAdviser, Data Center (Russian Market) Commercial Data Centers, dated January 28, 2026 (available under: [https://tadviser.com/index.php/Article:Data_Center_\(Russian_Market\)_Commercial_Data_Centers](https://tadviser.com/index.php/Article:Data_Center_(Russian_Market)_Commercial_Data_Centers));
- United Nations Conference on Trade and Development, Merchant Fleet by Flag of Registration and by Type of Ship, dated June 10, 2025 (available under: <https://unctadstat.unctad.org/datacentre/dataviewer/US.MerchantFleet>);
- U.S. Energy Information Administration, US Electricity Generation in 2025 Hit a Record, Again, dated March 5, 2026 (available under: <https://www.eia.gov/todayinenergy/detail.php?id=67284>) (“**U.S. Energy Information Administration**”);
- U.S. Government Accountability Office, GAO-25-107555, In-Space Servicing, Assembly, and Manufacturing: Benefits, Challenges, and Policy Options, dated July 2025 (available under: <https://www.gao.gov/products/gao-25-107555>);
- World Bank, GDP (current US\$), as updated from time to time and last accessed April 13, 2026 (available under: <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD>);
- World Bank, Rural population (% of total population), as updated from time to time and last accessed May 2, 2026 (available under: <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>);
- Philip Johnston, Co-Founder and Chief Executive Officer, Starcloud, published by the World Economic Forum, How Data Centres in Space Sustainably Enable the AI Revolution, dated January 16, 2026 (available under: <https://www.weforum.org/stories/2026/01/data-centres-space-ai-revolution/>); and
- YouGov, Most Americans Use AI but Still Don’t Trust It, dated December 9, 2025 (available under: <https://yougov.com/en-us/articles/53701-most-americans-use-ai-but-still-dont-trust-it>).

2.6.2 *Management's Estimates*

Unless otherwise specified, the information contained in this prospectus on the market environment, market developments, growth rates, market trends and competition in the markets in which we operate are based on the Company's assessments. These assessments, in turn, are based on our review and interpretation of publicly available industry publications, our internal research and our knowledge of the markets in which we currently, and will in the future, operate, as well as the sources referred to above. This information involves a number of assumptions and limitations, and investors are cautioned not to give undue weight to such information. The estimates and assumptions used in determining our TAMs are further detailed in "4.3.9 *Our Market Opportunity*". Forecasts and other forward-looking information obtained from the sources named above are subject to the same qualifications and uncertainties as the other forward-looking statements in this prospectus.

Information contained on any website mentioned in this prospectus is not incorporated by reference in this prospectus and is not part of this prospectus and has not been scrutinized or approved by the competent authority.

2.7 **Financial Year and Statutory Auditors**

The Company's financial year is the calendar year. The Company has been established for an indefinite period of time.

The Company appointed PricewaterhouseCoopers LLP, 601 South Figueroa Street, Suite 900, Los Angeles, California, 90017, United States ("**PwC**"), as the independent registered public accounting firm of the Audited Consolidated Financial Statements (as defined below). PwC issued an English language report of independent registered accounting firm on the Audited Consolidated Financial Statements.

PwC is an independent registered public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("**PCAOB**") and is required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the SEC and the PCAOB.

PwC has audited and issued a report of independent registered accounting firm with respect to the Company's consolidated financial statements as of December 31, 2025, and December 31, 2024 and for the three years in the period ended December 31, 2025. The auditor's report contains an explanatory paragraph relating to the Company's significant transactions with related parties, as described in Note 18 to the Audited Consolidated Financial Statements. The Audited Consolidated Financial Statements and the report of the independent registered public accounting firm thereon are included in this prospectus.

2.8 **Trademarks and Trade Names**

We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business. This prospectus may also contain trademarks, service marks and trade names of third parties, which are the property of their respective owners. Our use or display of third parties' trademarks, service marks, trade names or products in this prospectus is not intended to, and does not imply, a relationship with us or an endorsement or sponsorship by or of us. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, ™ or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, service marks and trade names.

2.9 **Presentation of Financial Information**

The Audited Consolidated Financial Statements (as defined below) of SpaceX have been retrospectively recast for all periods presented to include (i) the historical results of X.AI Holdings Corp., which was acquired by SpaceX, effective February 2, 2026 (the "**xAI Merger**"), and X Holdings Corp. ("**X Holdings**"), which was acquired by xAI, effective March 28, 2025 (the "**X Merger**"), because these transactions were between entities under common control, and (ii) a five-for-one stock split of the Company's Class A, Class B, and Class C Common Stock, effective May 4, 2026 (the "**2026 Stock Split**"). Unless otherwise stated or the context otherwise requires, all share and per share information included in this prospectus have been retroactively adjusted to reflect the 2026 Stock Split. Please refer to Note 1, Nature of Business, to the Consolidated Financial Statements (as defined below) included elsewhere in this prospectus.

Where financial information in the tables included in this prospectus is labeled “audited”, this means that it has been taken from the audited consolidated financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 prepared by the Company in accordance with accounting principles generally accepted in the United States (“**U.S. GAAP**”, and the “**Audited Consolidated Financial Statements**”). The label “unaudited” indicates financial information that has not been taken from the Audited Consolidated Financial Statements, but was taken from the consolidated financial statements as of and for the quarter ended March 31, 2026, prepared by the Company in accordance with U.S. GAAP (the “**Unaudited Consolidated Interim Financial Statements**”) or the accounting records or internal reporting system of SpaceX Group, or is based on calculations of figures from the aforementioned sources.

Certain of the financial measures presented in this prospectus are not defined or required measures of financial performance under U.S. GAAP, are derived from and comparable to U.S. GAAP measures and should not be considered as an alternative to cash flows from operating activities as a measure of liquidity or as an alternative to profit for the year as an indicator of our operating performance or any other measures of performance derived in accordance with U.S. GAAP. Therefore, these figures may deviate from, and may not be comparable to, data based on U.S. GAAP financial information presented elsewhere in the prospectus.

Unless indicated otherwise, all financial information presented in the text and tables included in this prospectus is shown in millions of U.S. dollar (in \$ million). Certain financial information, including percentages, has been rounded according to established commercial standards. As a result, rounded figures in the tables included in this prospectus may not add up to the aggregate amounts in such tables (sum totals or subtotals), which are calculated based on unrounded figures.

Financial information presented in parentheses denotes the negative of such number presented. A dash (“–”) signifies that the relevant figure is not available or zero, while a zero (“0.0”) signifies that the relevant figure has been rounded to zero.

2.10 Alternative Performance Measures

Throughout this prospectus, we present financial information and operating data that is not prepared in accordance with U.S. GAAP, or any other internationally accepted accounting principles (together, the “**Alternative Performance Measures**”), and that is unaudited. The Alternative Performance Measures are alternative performance measures as defined in the guidelines issued by the European Securities and Markets Authority (ESMA) on October 5, 2015 on alternative performance measures. We present these Alternative Performance Measures because we use them to measure our operating performance and as a basis for our strategic planning, and because we believe that such Alternative Performance Measures will be used by investors and analysts to assess our performance. These Alternative Performance Measures are measures of our historical or future performance, financial position or cash flows that contain adjustments that exclude or include amounts that are included or excluded, as the case may be, from the most directly comparable measure calculated and presented in accordance with U.S. GAAP in the Audited Consolidated Financial Statements and Unaudited Consolidated Interim Financial Statements.

Alternative Performance Measures are not measurements of our performance or liquidity under U.S. GAAP and should not be considered as alternatives to results for the period or any other performance measures derived in accordance with U.S. GAAP or any other internationally accepted accounting principles or as alternatives to cash flow from operating, investing or financing activities presented in accordance with U.S. GAAP or any other internationally accepted accounting principles. Furthermore, the Alternative Performance Measures are not recognized under U.S. GAAP, should not be considered as substitutes for an analysis of SpaceX Group’s operating results prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled information published by other companies.

The table below sets forth the definition of each of these Alternative Performance Measures and the relevance of its use:

Alternative Performance Measure

Definition and Relevance of Use

Adjusted earnings before interest, depreciation and amortization (“**Adjusted EBITDA**”) of the Group

Definition: We define Adjusted EBITDA on a Group level as net income (loss) excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) impairment, (iv) restructuring charges, (v) interest expense, (vi) interest income, (vii) other income (expense), net and (viii) provision for income taxes.

Alternative Performance Measure

and of our reportable segments (“**Segment Adjusted EBITDA**”, “**Space Segment Adjusted EBITDA**”, “**Connectivity Segment Adjusted EBITDA**”, and “**AI Segment Adjusted EBITDA**”)

Definition and Relevance of Use

We also define Segment Adjusted EBITDA for our reportable segments (Space, Connectivity, and AI) as segment income (loss) from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) restructuring charges and (iv) impairment.

Relevance of Use: Adjusted EBITDA and Segment Adjusted EBITDA are key performance measures that our management uses to assess our financial performance as well as for internal planning and forecasting purposes. We consider Adjusted EBITDA and Segment Adjusted EBITDA to be meaningful performance measures for investors to evaluate our operating performance and to compare the financial results between periods.

For further information on the Alternative Performance Measures, including a reconciliation of each Alternative Performance Measure to the nearest measure derived in accordance with U.S. GAAP, please refer to “5.10 Non-U.S. GAAP Financial Measures”.

2.11 Currency Presentation and Exchange Rates

In this prospectus, “U.S. dollar” and “\$” refer to the legal currency of the United States. The functional currency of the Company is the U.S. dollar and we present our financial statements in U.S. dollar.

2.12 Interests of Parties Participating in the European retail offering

The underwriters, including the European underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters, including the European underwriters, and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses. Certain of the underwriters and their respective affiliates have in the past been, are currently, and may in the future be, our customers in arm’s length transactions. In addition, Morgan Stanley & Co. LLC advised us in connection with the acquisition of xAI. Affiliates of Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC, BofA Securities, Inc., Citigroup Global Markets Inc. and J.P. Morgan Securities LLC serve as lenders or administrative agents under the SpaceX Bridge Loan (as defined below). Affiliates of Barclays Capital Inc., Deutsche Bank Securities Inc., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC are lenders under the SpaceX Bridge Loan. Affiliates of BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC, Barclays Capital Inc., Deutsche Bank Securities Inc., Wells Fargo Securities, LLC, RBC Capital Markets, LLC and UBS Securities LLC are lenders under the SpaceX Credit Facility (as defined below). Affiliates of Citigroup Global Markets Inc., Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC serve as co-syndication agents; affiliates of Barclays Capital Inc., Deutsche Bank Securities Inc. and Wells Fargo Securities, LLC serve as co-documentation agents; affiliates of BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC serve as joint lead arrangers; affiliates of BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC, Barclays Capital Inc., Deutsche Bank Securities Inc. and Wells Fargo Securities, LLC serve as joint bookrunners; and an affiliate of BofA Securities, Inc. serves as administrative agent under the SpaceX Credit Facility.

In connection with the global offering, including the European retail offering, the underwriters have contractual relationships with the Company. The representatives referred to in “8.1 Conditions to Which the Offering Is Subject” advise the Company on the global offering and are coordinating the structuring and execution of the global offering. If the global offering is successful and the underwriting agreement entered into, we will agree in the underwriting agreement that the underwriters may purchase from us shares of Class A common stock at the public offering price, less underwriting discounts and commissions, as set forth in “8.3 Placing and Underwriting” below. Because of these contractual relationships, the underwriters, including the European

underwriters, have a financial interest in the successful completion of the global offering, including the European retail offering, at the best possible terms. Certain financial intermediaries will receive a selling concession in connection with the sale of the shares.

In addition, in the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions, or provide loans or other financing on or secured by, in such securities and instruments. Such investment and securities activities may involve our securities and instruments. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

Other than the interests described above, there are no material interests, in particular no material conflicts of interests, with respect to the global offering, including the European retail offering.

3. REASONS FOR THE OFFERING AND USE OF PROCEEDS; EXPENSES OF THE ISSUE/OFFERING

Unless otherwise indicated, all information contained in this section assumes i) an initial public offering price of \$135.00 per share of Class A common stock (which is the expected price set for the U.S. offering) and ii) that the underwriters do not exercise their option to purchase additional shares of Class A common stock in the global offering from us.

3.1 Reasons for the Offering and Listing; Use of Proceeds

We intend to use the net proceeds from the global offering to fund our growth strategy, including the expansion of our AI compute infrastructure, enhancements to our launch infrastructure and launch vehicles, and increases in the scale and capacity of our satellite constellations, as well as for general corporate purposes. We have not yet determined the allocation of the net proceeds among these uses and will deploy such proceeds as cash requirements arise in our business.

We may refinance the SpaceX Bridge Loan (see “5.11.1.2 SpaceX Bridge Loan”) with proceeds from notes offerings, bank borrowings, or other financial arrangements; however, alternatively we may use cash in an amount equal to a portion of the net proceeds from the global offering, or none at all, to refinance the SpaceX Bridge Loan. Pending their application, we intend to hold the net proceeds as cash reserves, including in the form of bank deposits with U.S. and non-U.S. commercial banks.

The intended use of net proceeds from the global offering set out above reflects our current intentions based on our present plans and business strategy. Our business plan focuses on building, commercializing, and operating services and products at a scale and prioritizes growth and investment to capture significant opportunities in AI applications and compute infrastructure. Our management will have significant flexibility in applying the net proceeds from the global offering. The categories of intended use described above should not be viewed as reflecting any order of priority or fixed allocation of proceeds among our business segments or initiatives. The timing and amount of our actual expenditures will be based on many factors, including cash flows and the anticipated growth of our business.

3.2 Proceeds and Costs of the Offering

We expect to receive approximately \$74.4 billion of net proceeds from the global offering if all base shares are sold (thereof approximately \$7.4 billion attributable to the European retail offering if the maximum number of 55,555,555 European retail shares are sold thereunder) or approximately \$85.7 billion if the underwriters exercise their option to purchase additional shares of Class A common stock in full, based upon the expected initial public offering price of \$135.00 per share (which is the expected price for the U.S. offering) after deducting underwriting discounts and commissions and estimated offering expenses payable by us. For more information on discounts, commissions and expenses, please refer to “8.3.2 Underwriting Discounts and Commissions”.

Assuming no exercise of the underwriters’ option to purchase additional shares, an increase, (decrease) of one million shares of Class A common stock sold in the global offering by us would increase (decrease) our net proceeds by \$135 million, based upon the expected initial public offering price of \$135.00 per share (which is the expected price for the U.S. offering) remains the same, and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

If the net proceeds increase for any reason, we would use the additional net proceeds for the purposes set forth above. If the net proceeds decrease for any reason, then we expect that we would use the lower amount of net proceeds for the purposes set forth above.

The following table shows the costs and expenses, other than underwriting discounts and commissions, payable in connection with the sale and distribution of the securities being offered. All amounts except the SEC registration fee, the FINRA fee and the stock exchange listing fee are estimated.

SEC Registration Fee	\$	10,357,500
FINRA Filing Fee.....		225,500
Listing Fee.....		325,000
Printing Costs		700,000
Legal Fees and Expenses.....		25,500,000

<i>of which attributable to the European retail offering</i>		4,000,000
Accounting Fees and Expenses		12,200,000
Miscellaneous Expenses		5,200,000
Total	\$	54,508,000

4. STRATEGY, PERFORMANCE AND BUSINESS ENVIRONMENT

Statistics, data and other information relating to markets, market sizes, market shares, market positions, market trends and other industry data pertaining to our business and market included in this section “4. Strategy, Performance and Business Environment” are based on third-party sources. Some market data and statistical information contained in this section “4. Strategy, Performance and Business Environment” are also based on our management’s estimates and calculations. For more information, please refer to “2.6 Industry and Market Data”.

4.1 Information about the Issuer

We were founded and incorporated as Space Exploration Technologies Corp., a Delaware corporation, on March 14, 2002 and reincorporated as a Texas corporation under the laws of the State of Texas, United States on February 14, 2024 with the file number 805421124. Our principal executive offices are located at 1 Rocket Road, Starbase, Texas 78521, United States.

Pursuant to the Article III of the Company’s Certificate of Formation, the objects and purposes of the Company are to engage in any lawful activity for which for-profit corporations may be organized under the TBOC.

The Company as well as certain of its subsidiaries and associated companies primarily operate under the commercial name “SpaceX”.

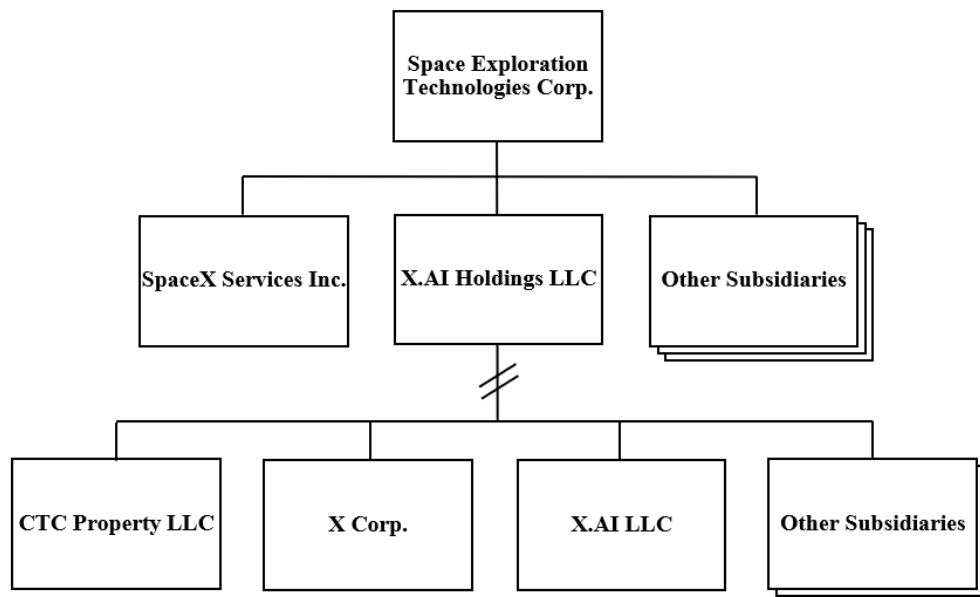
The Company’s registered office is at 211 East 7th Street, Austin, Texas 78701-3218, United States (telephone +1-(310) 363-6000), LEI 549300B9WLO96RQCXP87.

Our website address is www.spacex.com. Information contained on our website or linked therein or otherwise thereto does not constitute part of nor is it incorporated by reference into this prospectus.

4.2 Organizational Structure

The Company is the parent company of and main operating entity within the SpaceX Group. As of March 31, 2026, the SpaceX Group had more than 230 subsidiaries over which the Company exercises control by virtue of its direct and indirect 100% ownership interest of such subsidiaries.

The following chart provides an overview of the SpaceX Group (in simplified form):



The following table presents an overview of the significant subsidiaries of the Company:

Legal name	Incorporation or formation	Direct or indirect shareholding
CTC Property LLC	United States	100%, indirect
SpaceX Services Inc.	United States	100%, direct
X Corp.	United States	100%, indirect
X.AI LLC	United States	100%, indirect

4.3 Business Overview

4.3.1 Our Mission

Our mission is to build the systems and technologies necessary to make life multiplanetary, to understand the true nature of the universe, and to extend the light of consciousness to the stars. To do this, we believe to have formed the most ambitious, vertically integrated innovation engine on (and off) Earth with unmatched capabilities to rapidly manufacture and launch space-based communications that connect the world, to harness the Sun to power a truth-seeking artificial intelligence that advances scientific discovery, and ultimately to build a base on the Moon and cities on other planets.

4.3.2 Overview

Founded in 2002, we believe that SpaceX is the only company building the integrated hardware and software infrastructure of the future across space, connectivity, and AI. At our core, we are builders. We design, manufacture, launch, and operate products and services built on cutting-edge technologies, including the world’s in our view most advanced rockets and spacecraft. We safely and reliably transport astronauts, satellites, and other payloads on missions that benefit life on Earth. Since 2023, we have launched more than 80% of mass to orbit for the world each year⁴ with an over 99% mission success rate with Falcon rockets. We also operate a high-speed, low-latency global broadband data and communications network powered by approximately 9,600 Starlink broadband and mobile satellites in LEO, delivering connectivity to millions of consumer, enterprise, and government customers across 164 countries, territories, and other markets, as of March 31, 2026. Using our dedicated satellite-to-mobile constellation, we offer connectivity services, supplementing terrestrial networks and substantially reducing mobile “dead zones” across approximately 30 countries.

With the potential to improve both space exploration and life on Earth, AI accelerates SpaceX’s mission. xAI, which was founded in 2023 and acquired by SpaceX in early 2026, is now an integral pillar of our vertically integrated company. We are rapidly constructing AI compute infrastructure – starting on Earth with the goal of extending to space – at industry-leading pace and cost efficiency. Our infrastructure supports training and inference for Grok, which we believe to be one of the world’s most advanced frontier models. We aim for Grok to be designed as a truth-seeking AI model, built on our founder Elon Musk’s mission to enable humanity to understand the universe. We believe that accomplishing this mission requires a truth-seeking approach to AI. We define truth seeking as the active, relentless pursuit of what is objectively true about reality, and grounded in evidence, logic, empirical data, and first principles thinking. Our goal is to understand and explain what the universe appears to be doing, as accurately as current knowledge allows. Within two years of its initial model release, we believe that Grok achieved frontier-level performance in scientific reasoning, as measured by its GPQA Diamond score, an industry benchmark that evaluates AI models on a standardized set of questions written and validated by experts, or a faster timeline than reported by other leading model providers. Grok also benefits from integration with X, our real-time information, entertainment, and free speech platform, which serves as a foundational distribution and data engine for our AI ecosystem and, in our view, further enhances Grok’s truth-seeking objective.

We believe that space represents the largest economic frontier in human history, unlocking unprecedented opportunities in orbit and on Earth. Earth has limits, so we must build infrastructure and industries in space, expanding human capabilities to improve life on Earth and to establish life beyond. Connectivity infrastructure in space is designed to help everyone on Earth have access to education, healthcare, entertainment, and communications, and to enable people to overcome many traditional limits, such as physical and political

⁴ Source: McDowell, Satellite Statistics.

borders. We believe AI infrastructure in space can utilize the virtually limitless power of the Sun and thereby enable the use of AI as a transformative force for understanding the universe and improving the daily lives of all humans. We believe the convergence of these areas will enable an unprecedented expansion in the global economy, leading to an age of abundance. Our innovations and technological advancements are redefining industries on Earth, while we aim to create new ones on the Moon, Mars, and beyond.

We believe SpaceX is the only company that has developed the capability to access space reliably at scale, revolutionizing an industry characterized by decades of stagnation, risk aversion, and economically perverse cost structures. SpaceX upended this paradigm through the application of first-principles thinking, which rejects industry assumptions and builds solutions based on the fundamental laws of physics. Our intense, mission-driven, engineering-first culture and focus on extreme vertical integration have further helped us achieve our goals. We believe that we have demonstrated the ability to achieve groundbreaking technological innovations with speed, quality control, and precision. We pioneered high-cadence, reliable, and affordable access to space with our Falcon family of rockets, with a goal to transform the rocket launch industry into airline-like operations. In 2015, we believe that we established at least a 10-year lead over the industry by successfully landing our first Falcon 9 booster back from space before anyone else. We have continued to invest significantly in further increasing our lead by pursuing full and rapid reusability at scale, including investing over \$15 billion in our next-generation rocket, Starship.

We believe rocket launches and landings should be as routine and commonplace as airplanes taking off and landing. To achieve this sort of cadence, our iterative approach emphasizes rapid designing, testing, and process optimization, putting flight hardware in the flight environment as often as possible. This allows us to accelerate our learning by repeatedly using and improving our systems. This has resulted in a significantly higher flight rate at costs that are much lower than launch programs that existed before SpaceX. For example, according to NASA, the first version of Falcon 9 in 2010 had a launch cost of approximately \$2,700 per kilogram, which represented a reduction of approximately 85% compared to the historical average launch cost per kilogram of \$18,500.⁵ The first version of Falcon Heavy in 2018 further reduced this cost to approximately \$1,400 per kilogram, a reduction of approximately 92% compared to the historical average cost. With the future deployment of Starship, which is designed to be the world's first fully and rapidly reusable spacecraft, we aim to further reduce the cost to reach orbit by 99% or more relative to the historical average launch cost. Central to our cost advantage is the reusability of key hardware – most notably boosters – which we recover, refurbish, and reflly many times instead of discarding after single use. This dramatically lowers per-launch costs by minimizing hardware replacement expenses and spreading fixed production costs across repeated uses. Space flight that historically cost billions per launch now costs in the tens of millions, fundamentally reducing the cost of space access, providing the opportunity to build new enterprises in space.

Similarly, xAI has cracked the code in the complexities of building and scaling AI compute infrastructure, becoming the first company to deploy a coherent gigawatt-scale AI training cluster.⁶ We believe the combination of our proprietary AI infrastructure capability, our truth-seeking frontier model, Grok, and our access to real-time data on X creates what we believe to be a significant competitive advantage, allowing us to maintain a leading position in the development of advanced artificial intelligence. This advantage stems from our complete vertical integration and the common vision infused by our founder, Elon Musk. In just a few years, we have demonstrated an ability to build coherent compute at scale and rapid speed with lower cost. COLOSSUS and COLOSSUS II collectively provide approximately 1.0 gigawatt of compute power, with additional power capacity available for data center operations. We believe speed is a competitive advantage. In order to bring compute clusters online as fast as possible, we employ a vertically integrated, nimble approach to construction. At COLOSSUS, we brought online the first cluster of approximately 100,000 H100 processors, approximately 130 megawatts of compute power, in just 122 days, repurposing the shell of an existing factory. At COLOSSUS II, we brought online the first cluster of approximately 110,000 GB200 processors, approximately 210 megawatts of compute power, even faster in 91 days. As an illustrative comparison, an industry benchmark to bring online a 100 megawatt greenfield data center is approximately two years.⁷ Furthermore, in the case of COLOSSUS II, following the initial cluster, we brought online the second cluster of 110,000 GB300 processors and 220 megawatts of compute power in 64 days, demonstrating our ability to rapidly scale our facilities once built. We expect that once fully operational, the next phase of expansion at COLOSSUS II will bring online at least 220,000 additional GB300 processors and over 400 additional megawatts of compute power. We also demonstrated a

⁵ Source: Nasa, Large Reduction in Space Launch Cost.

⁶ Source: SemiAnalysis, xAI's Colossus 2: First Gigawatt Datacenter.

⁷ Source: BCG, Breaking Barriers to Data Center Growth.

significant improvement in cost efficiency, achieving data center construction costs for COLOSSUS II that are considerably lower than industry benchmarks on a per megawatt basis.

We are able to deploy power and compute significantly faster than other AI companies through first-principles thinking, behind-the-meter power generation, coupled with what we believe is the world's largest network of sustainable battery storage systems, and innovations in advanced liquid cooling, high-density rack layouts, and efficient networking. Our facilities also incorporate innovative design features that limit the effects on regional electricity pricing for neighbors and include advanced water cleaning, reclamation, and recycling processes to support sustainable operations. For example, our battery storage systems consist of Tesla Megapacks, which produce zero direct emissions during operation, reduce reliance on diesel backup generators, enable future on-site renewable integration, and are intended to be recycled at end of life. Our sustainable operations more broadly encompass a closed-loop cooling system, gas turbine-based behind-the-meter power generation to limit grid draw, and a water recycling plant under construction in Memphis, Tennessee designed to treat and reuse municipal wastewater for cooling, reducing withdrawals from the local drinking water aquifer. We partner with utilities and communities to connect to and enhance the grid over time, and do so while pledging to cover costs of all new power delivery infrastructure upgrades to service our data centers, including adequate network upgrade costs, to ensure that these expenses are not passed on to the ordinary household. Our ability to rapidly and cost-effectively scale with the latest processors keeps us ahead of competitors who deploy traditional and more expensive methods. As a result, we believe COLOSSUS II became one of the world's first data centers to deploy GB200s and GB300s, the most advanced AI processors available at the time, at significant scale, and is currently powering training for our next frontier models, including Grok-5. Furthermore, through our Terafab initiative together with Tesla to build a manufacturing facility capable of producing 1 terawatt per year of compute hardware, we intend to further extend our vertical integration to chip design and manufacturing to alleviate potential future chip shortages at SpaceX, optimize compute performance, and potentially reduce overall compute costs. Intel, which has the ability to design, fabricate, and package ultra-high-performance chips at scale, also joined the Terafab project in early April 2026. Our shovels-to-tokens approach allows us to train and iterate our frontier models at high velocity, accelerating development cycles, eliminating external bottlenecks, and driving rapid, continuous improvements in model performance.

Since our founding in 2002, SpaceX has achieved a series of key milestones across our Space, Connectivity, and AI business segments:

- **Space.** SpaceX's origins lie in the development of launch vehicle technology. In 2008, we became the first private company to develop and launch a liquid-fuel rocket to reach orbit. Building on this success, SpaceX in 2012 became the first private company to successfully dock a private spacecraft with the International Space Station, demonstrating our capability to deliver cargo to orbit for governmental customers. In 2015, SpaceX became the first to successfully propulsively land an orbital-class rocket booster, establishing the technical viability of reusable launch systems. In 2017, we further advanced our reusability program by becoming the first to reflly an orbital-class rocket booster, a development that significantly reduced our launch costs. In 2020, SpaceX became the first private company to transport astronauts to orbit, returning America's ability to fly astronauts to and from the International Space Station. In 2023, we conducted the first flight test of Starship, our next-generation reusable rocket vehicle. In 2024, SpaceX achieved the landmark Mechazilla "chopstick" catch method, successfully capturing an orbital-class rocket booster at the launch site. By 2025, we completed our 500th Falcon mission, underscoring the maturity and reliability of our launch operations. As of March 31, 2026, SpaceX had delivered approximately 7,400 metric tons to orbit.
- **Connectivity.** SpaceX's Connectivity segment is anchored by our Starlink satellite broadband constellation. In 2019, we became the first to begin deploying a large scale LEO broadband satellite constellation, laying the foundation for global high-speed internet coverage. In 2022, we were the first to manufacture consumer-grade phase array user terminals at scale and provided the first low-latency LEO network available globally. Starlink broadband service was activated in 2020, and by 2023, it had reached one million subscribers. SpaceX achieved the first launch of our Starlink Mobile satellites in 2024 and became the first to deploy a large-scale LEO satellite-to-mobile constellation, before reaching approximately 10.3 million Starlink Subscribers in 2026.
- **AI.** SpaceX's AI segment represents our most recent strategic expansion. In 2023, we activated our AI capabilities, leveraging our engineering expertise and infrastructure at scale. In 2025, xAI acquired X Corp. In 2026, we became the first to build a gigawatt-scale AI training cluster and installed the first gigawatt-scale megapack battery.

In pursuing our mission, SpaceX has created new opportunities across our three foundational competitive advantages, **Space**, **Connectivity**, and **AI**:

- **Space.** Launch is one of our foundational competitive advantages. We were the first private company to develop and launch a liquid-fuel rocket to reach orbit (2008), the first private company to successfully dock a private spacecraft with the International Space Station (2012), the first company to propulsively land (2015) and reflly an orbital-class rocket booster (2017), the first to begin deploying a large-scale LEO broadband satellite constellation (2019), and the first private company to launch astronauts to orbit, allowing American astronauts to again fly to and from the International Space Station on an American launch vehicle (2020). As of March 31, 2026, SpaceX had completed approximately 650 orbital space launches, and over 540 of those launches were completed by a flight-proven Falcon rocket, drastically reducing the cost of access to space. We are the only private company that is certified by NASA to send human missions to orbit. We are currently developing Starship, designed to be the world's most powerful launch vehicle. Starship is designed to be a fully and rapidly reusable transportation system capable of carrying larger payloads farther and at lower marginal cost per launch than our current Falcon rockets. Our launch capabilities power every aspect of our business.
- **Connectivity.** Since activating service for customers in 2020, Starlink has rapidly expanded global access to high-speed internet, prioritizing underserved rural and remote communities worldwide. While building terrestrial networks in such communities can be prohibitively expensive, Starlink is capable of delivering broadband connectivity anywhere on Earth with just a Starlink Kit. As of March 31, 2026, we had approximately 9,600 Starlink broadband and mobile satellites in LEO, operating the world's most advanced broadband constellation providing internet connectivity to approximately 10.3 million Starlink Subscribers across 164 countries, territories, and other markets. In January 2024, we also began deploying our Starlink Mobile constellation that utilizes separate Starlink satellites with satellite-to-mobile capabilities, substantially reducing mobile "dead zones" around the world. As of March 31, 2026, our dedicated satellite-to-mobile constellation of approximately 650 V1 Mobile satellites provides satellite-to-mobile data, over-the-top voice, and messaging services to approximately 7.4 million monthly unique devices across approximately 30 countries.
- **AI.** We were the first company to deploy a coherent, gigawatt-scale AI training cluster. We own and operate what we believe to be the largest AI training data center clusters on Earth, consisting of hundreds of thousands GPUs – all in the same spirit that enabled us to launch Grok faster than any other leading foundational AI model – while maintaining full vertical integration from on-site power generation and water reclamation to GPU deployment. In under two years, we have established a dual advantage in both cost efficiency and deployment speed at scale. By owning the compute infrastructure and vertically integrating across the full AI stack, we can train and iterate our frontier models at lower cost and higher velocity and accelerate development cycles. This eliminates external bottlenecks and drives rapid, continuous improvements in model performance. The addition of the Terafab initiative aims to further extend our control to the foundational processor layer. We believe no other AI company has better control over the full physical stack than SpaceX. We believe this combination of our state-of-the-art AI compute infrastructure, our truth-seeking frontier model, and our access to real-time data on X creates a significant strategic advantage. Our integrated AI platforms across Grok and X had approximately 1.3 billion supported accounts active in the last twelve months ended March 31, 2026 and December 31, 2025, including approximately 550 million and 520 million monthly active users ("MAUs") as of March 31, 2026 and December 31, 2025, respectively. Of our MAUs, we had approximately 117 million and 89 million MAUs that used Grok's AI features as of March 31, 2026 and December 31, 2025, respectively. Grok's deep integration with X enables freshness, relevance, and contextual awareness that we believe is a competitive differentiator. This direct, real-time access to the information and human discourse on X enhances Grok's truth-seeking capabilities by grounding outputs in up-to-date knowledge and diverse viewpoints. As a result, we believe Grok can deliver the most objective and relevant insights and best serve high-frequency, high-value use cases across consumer and enterprise AI applications.

For complex reasoning and agentic workloads, compute is directly correlated with the quality of intelligence and task completion speed. Over the long-term, however, we expect Earth's finite resources will not be able to sustain the immense computational demands of advanced AI models. Sustainably satisfying this compute demand will require space-based infrastructure that utilizes the ultimate fusion energy source: the Sun. We believe we are the only company with a commercially viable path to building orbital AI compute at scale, due to our unique ability to launch substantial mass into orbit through reusable, cost-efficient rockets, to manufacture secure, reliable, and high-performance satellites at low cost and high volume, and to manage large-scale constellations. We expect that owning scalable, power-

efficient infrastructure to train and operate frontier models will be the most important driver for AI differentiation as AI systems converge toward artificial general intelligence (“AGI”) – which has the potential to unlock large-scale productivity gains, scientific discovery, and societal abundance.

We have created distinct new markets across the space, connectivity, and AI industries by building the integrated hardware and software infrastructure of the future and by combining our broad range of capabilities. For example, SpaceX’s recent acquisition of xAI unites SpaceX’s launch capabilities and global connectivity network with xAI’s AI development capabilities. Specifically, we believe SpaceX’s reusable rockets, scaled satellite manufacturing, and operational expertise can enable the cost-effective and rapid deployment of massive AI compute satellite constellations – with potentially millions of satellites – for orbital data centers. We believe these AI compute satellites in Sun-synchronous orbit will be able to handle energy-intensive AI workloads, such as inference demand, at far greater scale and efficiency than terrestrial alternatives, with Starlink providing low-latency, global connectivity linking these orbital AI systems to people around the world and delivering real-time intelligence. Our goal is to leverage our launch leadership, global connectivity network, and AI expertise to allow us to continue building the integrated infrastructure of the future on Earth, the Moon, Mars, and beyond to benefit humanity.

“The Algorithm,” as it is known internally, is a five-step iterative process that emphasizes making the requirements less dumb, deleting unnecessary processes or parts (embracing the principle that the best part is no part), only then optimizing the necessary processes or parts, accelerating cycle time, and automating only proven processes. We strive to make the incredible and extraordinary accessible and repeatable, and we have grown rapidly by continuously leveraging our core strengths, including:

- Global leadership in orbital launch services;
- Unrivaled satellite and connectivity platform across design, manufacturing, deployment, and operations;
- Truth-seeking AI model enhanced by real-time data;
- Extreme vertical integration enabling high velocity and superior cost efficiency at scale;
- Unique ability to scale new trillion-dollar markets across Space, Connectivity, and AI;
- Business models that are incredibly difficult to replicate; and
- Our mission-driven culture and world-class talent.

We have a strong track record of capital allocation and value creation in Space and Connectivity. Since SpaceX’s founding in 2002, we have raised over \$9 billion of equity capital to fund the development and growth of these two business segments. The Space segment became Segment Adjusted EBITDA positive on a sustained basis beginning in 2018 and the Connectivity segment became in aggregate Segment Adjusted EBITDA positive on a sustained basis beginning in 2023. In 2025, our Space segment generated a loss from operations of \$(657) million and Segment Adjusted EBITDA of \$653 million⁸, including the impact of funding \$3,004 million in research and development expense for our next-generation Starship launch vehicle program. In 2025, our Connectivity segment generated income from operations of \$4,423 million and Segment Adjusted EBITDA of \$7,168 million⁸.

We believe that our financial results reflect our operating model and our ability to create and scale multiple new businesses:

- For the three months ended March 31, 2026, we generated revenue on a consolidated basis of \$4,694 million⁸, loss from operations of \$(1,943) million⁸ and Adjusted EBITDA of \$1,127 million⁸. In 2025, we generated revenue on a consolidated basis of \$18,674 million, loss from operations of \$(2,589) million and Adjusted EBITDA of \$6,584 million⁸. Our Space and Connectivity segments contributed the substantial majority of our consolidated revenue in the three months ended March 31, 2026 and the year ended December 31, 2025, demonstrating the benefits of their scale and operating leverage in our vertically integrated business model;
- For the three months ended March 31, 2026, our Space segment generated revenue of \$619 million⁸, loss from operations of \$(662) million⁸, and Segment Adjusted EBITDA of \$(351) million⁸. In 2025, our

⁸ Unaudited.

Space segment generated revenue of \$4,086 million, loss from operations of \$(657) million, and Segment Adjusted EBITDA of \$653 million⁹. Additionally, our Space segment funded \$930 million⁹ and \$3,004 million in research and development expense during the three months ended March 31, 2026 and the year ended December 31, 2025, respectively, for our next-generation Starship launch vehicle program. Starship is designed to enable a step-function change in our launch capability across reusability, payload capacity, and launch cadence, and is the key enabler of our long-term growth strategy by unlocking entirely new categories of missions;

- For the three months ended March 31, 2026, our Connectivity segment generated revenue of \$3,257 million⁹, income from operations of \$1,188 million⁹, and Segment Adjusted EBITDA of \$2,087 million⁹. Our Connectivity segment, primarily driven by Starlink, generated revenue of \$11,387 million, income from operations of \$4,423 million, and Segment Adjusted EBITDA of \$7,168 million⁹ in 2025, representing year-over-year growth of 49.8%⁹, 120.4%⁹, and 86.2%⁹, respectively, benefiting from subscriber growth, increasing enterprise adoption, and continued improvement in network efficiency;
- In our newly acquired AI segment, we plan to prioritize growth and investment to capture significant opportunities in AI applications and compute infrastructure. For the three months ended March 31, 2026, our AI segment generated revenue of \$818 million⁹, loss from operations of \$(2,469) million⁹, and Segment Adjusted EBITDA of \$(609) million⁹. In 2025, our AI segment generated revenue of \$3,201 million, loss from operations of \$(6,355) million, and Segment Adjusted EBITDA of \$(1,237) million⁹, reflecting its earlier stage of development and continued investments to support long-term growth opportunities in AI; and
- For the three months ended March 31, 2026, capital expenditures for our Space segment was \$1,052 million⁹, for our Connectivity segment was \$1,332 million⁹ and for our AI segment was \$7,723 million⁹. In 2025, capital expenditures for our Space segment was \$3,832 million⁹, for our Connectivity segment was \$4,178 million⁹ and for our AI segment was \$12,727 million⁹.

Segment Adjusted EBITDA is a non-U.S. GAAP measure. Please refer to “2.9 Presentation of Financial Information” and “5.10 Non-U.S. GAAP Financial Measures” for additional information on our non-U.S. GAAP financial measures, including reconciliations of Segment Adjusted EBITDA to segment income (loss) from operations, the most directly comparable U.S. GAAP measure.

4.3.3 Why This Matters Now

For the entirety of its existence, human civilization has lived on a single celestial body: Earth. The current paradigm, in which human civilization is confined to one planet, exposes humanity to existential threats that are unpredictable and uncontrollable on a planetary scale. These threats include naturally occurring catastrophic events – such as asteroid impacts, volcanic activity, or solar fluctuations – as well as man-made global conflicts. Geological and astronomical records indicate a non-zero probability of extinction-level events occurring over periods measurable in millions of years. Reliance on a single planetary home constitutes a single point of failure and carries existential risk with a probability of one that must be solved. By moving beyond the only home we have ever known, we ensure species-level redundancy and that the light of consciousness will not be tied to a single planet subject to the inevitable hazards of a harsh and vast universe. We do not want humans to have the same fate as dinosaurs. We want to give them a reason to look ahead with excitement, with the prospect that we are entering an age of abundance with an endlessly prosperous and exciting future.

For decades, a reality where humanity travels between the planets and the stars has felt tantalizingly close but still locked in the pages and screens of science fiction. We are capable of better understanding the universe, exploring the universe, and ultimately making life multiplanetary across the universe. We are becoming a civilization with the ability to reach beyond Earth’s cradle and begin to inhabit other worlds. While we remain dedicated to this fundamental mission, our progress in accessing space continues to yield opportunities that enrich life on Earth.

We believe our steps into the expanse will be accelerated by the rapid emergence of AI. As humanity moves into the unknown, we believe AI will be our greatest tool for innovation and navigation, helping us better understand day-to-day life and the universe, and master the complexity of establishing new civilizations in the far-flung reaches of space. For AI to help us understand the universe, we believe it must be able to discard the often popular, but wrong, in favor of the unpopular, but true. By combining the innate human desire to seek truth

⁹ Unaudited.

and explore with our breakthrough technologies, we believe humanity will eventually reach new frontiers across the universe, while enhancing the quality and resilience of life on Earth.

The rapid emergence of the AI era intensifies the urgency of our mission, as AI has the potential to accelerate not only space exploration, but also transformative societal advancements on Earth. However, AI's ability to revolutionize human potential is directly dependent on meeting exponentially increasing resource demands. On Earth, the massive expansion of data center capacity to support growing compute demand is significantly outpacing electricity generation, which was effectively flat in the United States for approximately 15 years, growing at a compound annual growth rate of 0.1% from 2008 to 2023. Despite the recent increase in electricity demand from AI data centers, electricity generation in the United States has grown at an annual rate of less than 3% between 2023 and 2025, while electricity generation in China has grown at approximately twice that rate in the same time period. U.S. compute demand has already outpaced available power supply with estimated demand of 62 gigawatts in 2025 exceeding the power generation of 49 gigawatts, according to industry sources.¹⁰ We expect the gap between demand for compute and power supply to continue to widen meaningfully as AI compute needs proliferate. Such structural power shortages are expected to intensify over the coming years. This supply and demand imbalance is already imposing unsustainable strains on terrestrial power grids, supply chains, and the environment. The Sun contains approximately 99.8% of the solar system's energy and, as a result, we believe it is the only truly scalable solution to terrestrial energy constraints in the age of AI. Harnessing this energy in space is considerably more efficient than on land. Space-based solar arrays can generate more than five times the energy per unit area of terrestrial solar due to continuous illumination, lack of atmospheric interference, and optimal orientation. SpaceX is well-positioned to capture this space-based solar energy through our ability to rapidly access Sun-synchronous orbit through our satellite manufacturing scale and launch capability. As a result, we are expanding our footprint and harnessing the vast resources of space that are essential to sustaining technological development. Our goal is to ensure that AI becomes a force for human flourishing and a benefit to civilization, rather than a catalyst for terrestrial resource depletion and instability. We believe owning scalable, power-efficient infrastructure to train and operate frontier models will be the most important competitive differentiator as AI systems converge toward AGI – which has the potential to unlock large-scale productivity gains, scientific discovery, and societal abundance.

Our unmatched launch cadence has massively increased access to space, enabling rapid and reliable missions for humans, cargo, and satellites – creating unprecedented opportunities for innovation, scientific discovery, and global connectivity. SpaceX has always been a mission-driven company, founded with the goal of making humanity multiplanetary. By dramatically reducing the cost of access to space, we have been able to expand our mission to address some of the Earth's most pressing challenges, including bridging the digital divide by aiming to connect over three billion unconnected people to the internet and humanity's collective knowledge. Starlink is our groundbreaking solution for global internet connectivity, delivering high-speed, low-latency access to the most remote and underserved corners of the world – from Antarctica's frozen wilderness to vast oceans and towering mountaintops – overcoming barriers posed by traditional terrestrial infrastructure. Starlink's unparalleled global reach has the potential to enable society to educate billions of people, to help lift entire communities out of poverty, and to provide essential connectivity to schools, hospitals, and critical services, fostering a more equitable and informed future for humanity. We support essential applications such as education in rural and underserved regions, telemedicine for hard-to-reach patients, seamless connectivity for aviation and maritime users, and resilient communications during natural disasters. For example, during the 2023 Maui wildfires, which devastated Lahaina and left thousands without power or cellular service, Starlink rapidly deployed over 650 terminals to restore high-speed internet connectivity, enabling first responders, humanitarian organizations, and survivors to coordinate relief efforts, access aid resources, communicate with family, and support recovery in areas where traditional infrastructure had completely failed. During Hurricanes Helene and Milton in 2024 in the southeastern United States, our Starlink terminals provided a rapid lifeline for communication and recovery when traditional cell towers, broadband lines, and power infrastructure were knocked out for days or weeks by widespread damage caused by flooding and high winds.

Our AI technology also has the ability to elevate the quality of life for people and communities around the world. We believe AI has the potential to revolutionize human potential – from advanced manufacturing and infrastructure development to scientific research and medicine – delivering tangible real-world benefits for individuals, organizations, and governments. For example, AI systems can expedite scientific discovery for researchers, aid healthcare professionals in precise medical analysis and diagnosis, and empower educators to craft tailored learning experiences for students. Moreover, these technologies can optimize Earth's resource allocation, enhance disaster response strategies, and drive efficiencies in transportation and energy systems.

¹⁰ Source: Introl, The 175 GW Crisis.

We believe that our current space efforts will catalyze transformative breakthroughs that could reshape terrestrial industries and lead to the emergence of new trillion-dollar markets on the Moon, Mars, and beyond. In particular, we believe our goal of establishing a lunar presence will enable terawatt-scale annual AI compute growth, support deeper space exploration and industrialization, and serve as a stepping stone to establishing a civilization on Mars. Due to technological advancements that we are working towards, such as in-space propellant transfer, we believe our Starship vehicle will be capable of landing massive amounts of cargo on the Moon. Once there, we believe it will be possible to establish a permanent presence for scientific and manufacturing pursuits. For example, we believe that factories on the Moon will be able to take advantage of lunar resources to manufacture millions of AI compute satellites and deploy them farther into space. Our goal is to establish a sustainable lunar presence for scientific exploration, industrialization, and as a stepping stone to Mars, serving as a proving ground for habitats, resource utilization, and Starship systems essential for long-term human survival beyond Earth.

We believe the next paradigm shift for humanity is the creation of a resilient, perpetually expanding spacefaring civilization that drives continuous innovation across new frontiers, ultimately propelling us to Kardashev Type II status – a civilization that harnesses the full energy output of our Sun. In the near term, we expect space-enabled technologies to enhance life on Earth through greater global connectivity and breakthroughs forged in the harsh environments of our solar system, leading to accelerating progress in energy and AI. As we build infrastructure in the Earth’s orbit, and potentially on the Moon, Mars and beyond, we believe we are capable of unlocking an era of unprecedented economic expansion, while also contributing to the safeguards of humanity’s future against existential risk.

4.3.4 Who We Are

Driven by our mission, we believe that we have formed the most ambitious, vertically integrated innovation engine on (and off) Earth. We are combining what we believe to be among the most transformative and critical technologies in human history, including reusable rockets, a fully global internet service, satellite-to-mobile communications that enable connectivity everywhere, our real-time information, entertainment, and free speech platform, and a truth-seeking AI system designed to accelerate scientific discovery and augment human capabilities. These capabilities form a self-reinforcing ecosystem: launch systems deploy and maintain the satellite network, which delivers ubiquitous connectivity and vast data flows; the platform surfaces real-time information and supports open discourse; and AI processes data at scale to drive breakthroughs in physics, materials science, and space exploration. Together, they create a foundation for the development of the infrastructure of the future and the ultimate goal of establishing a self-sustaining human presence on other planets.

SpaceX designs, manufactures, launches, and operates what we believe to be the world’s most advanced rockets and spacecraft. We safely and reliably transport astronauts, satellites, and other payloads on missions that benefit life on Earth. Since 2023, we have launched more than 80% of mass to orbit for the world each year¹¹ with an over 99% mission success rate. We believe our launch capabilities represent the foundational competitive advantage that enables all other parts of our business. We operate a high-speed, low-latency broadband data and communications network powered by approximately 9,600 Starlink broadband and mobile satellites in LEO, delivering connectivity to millions of consumer, enterprise, and government customers across 164 countries, territories, and other markets, as of March 31, 2026. We also built what we believe to be one of the world’s most advanced models in under two years and are rapidly scaling the associated AI compute infrastructure – starting on Earth with the goal of extending to space – at industry-leading pace and cost efficiency. We believe that AI is a transformative force for understanding the universe. Together, we believe that space and AI will enable an age of abundance that will lead to an unprecedented expansion in the global economy. We believe we are the only company that has the foundational infrastructure across hardware and software necessary to drive transformative innovation across space, connectivity, and AI. Our technological advancements are redefining industries on Earth, while aiming to create new ones on the Moon, Mars, and beyond.

4.3.4.1 Our Launch Capabilities

We believe SpaceX, since our founding in 2002, is the only company that has developed the capability to access space reliably at scale, transforming an industry characterized by decades of stagnation, risk aversion, and economically perverse cost structures. We design, manufacture, launch, and refurbish reusable launch vehicles that provide cost-efficient, reliable, and high-cadence access to space for our own purposes as well as for third-party commercial and government customers. In 2025, we launched from four primary launch pads in the United States and successfully recovered boosters across seven landing facilities including autonomous drone ships and

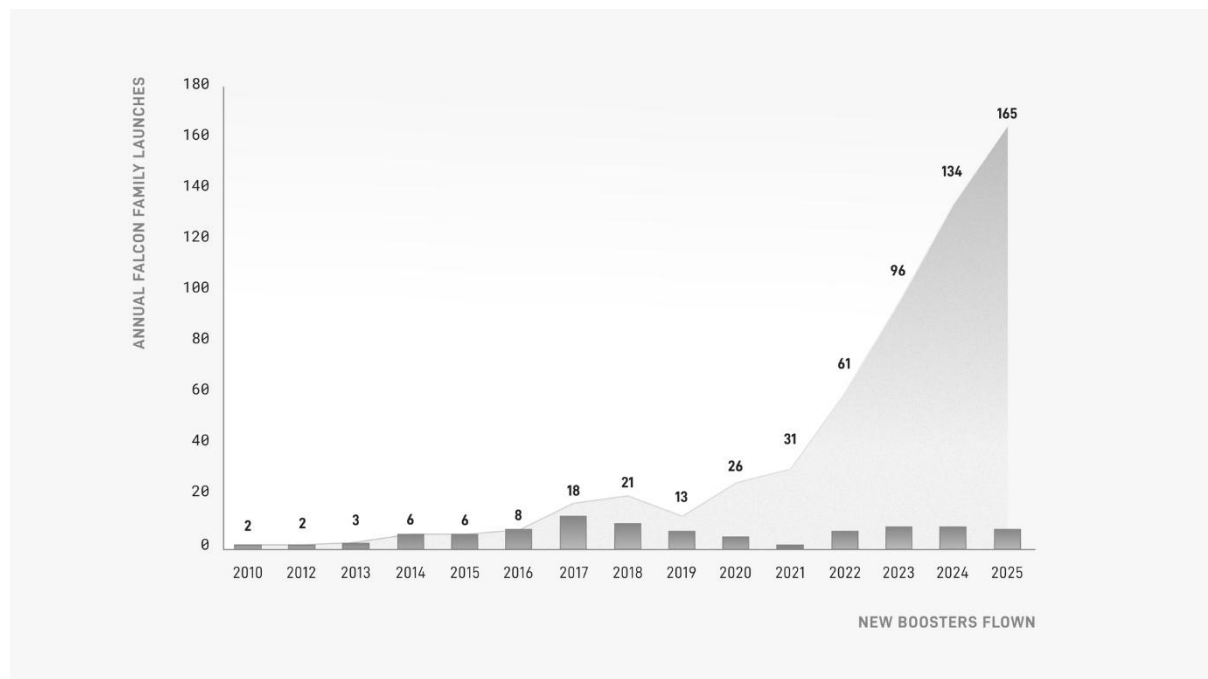
¹¹ Source: McDowell, Satellite Statistics.

catch towers based on the vehicle type and mission profile. Our extensive vertical integration and end-to-end control over the entire value chain, from design to launch to operations, allows us to achieve unprecedented speed and cost efficiency.

As of March 31, 2026, SpaceX had launched a total mass to orbit of approximately 7,400 metric tons with an over 99% mission success rate across our Falcon rockets. We have completed approximately 650 orbital space launches, and over 540 of those launches were completed by a flight-proven Falcon rocket. In 2025 alone, SpaceX completed 170 missions across Falcon and Starship vehicles and 159 flight-proven booster launches with an over 99% success rate on attempted booster recoveries. We launched over 2,200 metric tons, representing over 80% of mass to orbit for the world in 2025. With the first successful launch of Falcon 1 in 2008, we became the first private company to successfully launch a liquid-fueled rocket to Earth's orbit. Just two years later, in 2010, the commercial debut of the Falcon 9 rocket revolutionized space access by delivering unprecedented cost efficiency. For example, according to NASA, the first version of Falcon 9 in 2010 reduced launch cost to approximately \$2,700 per kilogram, which represented a reduction of approximately 85% compared to the historical average launch cost per kilogram of \$18,500.¹² The first version of Falcon Heavy in 2018 further reduced this cost to \$1,400 per kilogram, a reduction of approximately 92% compared to the historical average. We have also reduced our internal cost of launch through a combination of engineering improvements, manufacturing efficiencies, and economies of scale – most notably, through our ability to drive more frequent reuse of rockets.

In December 2015, we achieved landing a rocket launched to space back on Earth. By 2017, we were routinely recovering and reusing the Falcon 9 first-stage booster post-launch, delivering another step-function drop in space access costs via groundbreaking reusability. As of March 31, 2026, our Falcon 9 rockets have demonstrated the ability to reflly a first-stage 34 times. Since 2020, our Dragon spacecraft has safely flown 78 crewmembers from 20 countries. With the future deployment of Starship, which is designed to be the world's first fully and rapidly reusable spacecraft, we aim to reduce the cost to reach orbit by 99% or more relative to the historical average launch cost, establishing the most affordable and scalable path to creating new opportunities in space, such as orbital AI compute and Mars exploration.

Booster Reusability Enables Increasing Launch Rates



Our principal launch vehicles and spacecraft include:

- Falcon 9.** As the world's first orbital-class rapidly reusable rocket, Falcon 9 was first launched in 2010 and has a payload capacity to LEO of approximately 23 metric tons when fully expendable. Falcon 9 has completed approximately 620 orbital space launches as of March 31, 2026, and an over 99% mission success rate, making it the most active orbital launch vehicle today. In 2025 alone, we launched 165

¹² Source: Nasa, Large Reduction in Space Launch Cost.

Falcon 9 rockets, of which 157 were flight-proven booster launches, and during the three months ended March 31, 2026, we launched 40 Falcon rockets, of which 39 were flight-proven booster launches.

- **Falcon Heavy.** Falcon Heavy first launched in 2018 when it put a Tesla Roadster and its mannequin passenger, known as Starman, into orbit around the Sun. With a payload capacity to LEO of approximately 64 metric tons, Falcon Heavy is a partially reusable super heavy-lift launch vehicle designed to deliver large payloads to orbit. Falcon Heavy is one of the most powerful operational rockets in the world measured by liftoff thrust, with 11 launches as of March 31, 2026 and a 100% mission success rate.
- **Dragon.** Launched by Falcon 9 in 2012, our Dragon spacecraft became the first commercial spacecraft to deliver cargo to and from the International Space Station and, eight years later, the first privately built vehicle to fly humans to the orbiting laboratory. Since its first flight, Dragon has visited the International Space Station over 50 times, and restored America's ability to launch astronauts. Dragon has also supported all of NASA's private astronaut missions to the International Space Station, flown the first all-commercial astronaut crew, completed the first human spaceflight over the Earth's polar regions, and supported the first-ever commercial spacewalk.
- **Starship.** First launched in 2023, Starship is designed to be a fully reusable, super heavy-lift launch vehicle. Starship V3 is designed to deliver 100 metric tons to Earth's orbit in a fully reusable configuration while enabling rapid turnaround times akin to commercial aviation. Future generations of Starship are being designed to double this payload capacity. To date, we have executed 12 Starship flight tests, with our 12th flight test in May 2026 debuting the next generation Starship vehicle and Super Heavy booster, powered by the next evolution of our Raptor engine and launching from a newly designed pad at Starbase. We expect Starship to commence payload delivery to orbit in the second half of 2026. We have achieved innovative milestones such as catching a booster using "chopstick" arms on the same tower it launched from. We expect this capability will facilitate rapid refurbishment and reuse, allowing for multiple launches per day at reduced costs.

Upon achieving rocket reusability, we recognized the immense potential of our launch business to enable new revenue streams, as our launch capacity would eventually outstrip demand from traditional space customers alone. This realization, along with our efforts to make life multiplanetary, drove us to reimagine what was possible when access to space became more affordable. Rather than asking what was being done in space, we asked what large-scale global need could be better served from space. This led to the development of Starlink, our global satellite internet constellation, consisting of thousands of LEO satellites designed to provide high-speed, low-latency broadband connectivity to underserved areas worldwide. Although the concept of using satellites for global internet connectivity dates back decades, technical challenges and the prohibitive cost of accessing space historically rendered attempts to provide such connectivity economically unviable. Within three years of our first satellite launch in 2019, we solved the technical and production challenges of the satellites and had deployed the largest LEO constellation in existence. Today, Starlink is the sole low-latency network available globally.¹³

As the leader in space access, our launch operations are an important and expanding competitive advantage. By combining increasing launch cadence, expanding cargo capacity, and declining unit costs – driven by rapid reusability – we have generated a compounding competitive advantage. This not only fortifies our core business, but also provides vast new market opportunities uniquely enabled by space.

4.3.4.2 Our Leading Capabilities Across Space, Connectivity, and AI

Space. While our launch capabilities support our other businesses, such as Starlink Consumer Broadband and Starlink Mobile, we also sell launches to third-party customers. We offer launch services to commercial, civil, and government customers through our reusable Falcon 9 and Falcon Heavy rockets for satellite, cargo, and crew missions. We fly to LEO, MEO, GEO, lunar, and interplanetary trajectories, as well as the International Space Station. We are the primary launch provider for the U.S. government. In 2025, we launched 11 of 12 National Security Space Launch (NSSL) medium and heavy lift missions and all five U.S. crew and cargo missions to the International Space Station for NASA. We serve commercial and government customers – including NASA, the National Reconnaissance Office (NRO), Axiom Space, SES, Eutelsat, and OneWeb. We charge our customers based on the type of rocket, mass to orbit, size of payload, and type of service, such as whether the launch is dedicated to a single customer or part of a "rideshare" with other customers.

¹³ Source: Ookla, Global Satellite Broadband Performance Report.

Starship is our next-generation reusable rocket vehicle that we expect will expand our launch capability dramatically through full and rapid reusability combined with currently unprecedented mass to orbit capability. As the most powerful launch system ever developed (measured by pounds of thrust), we expect that Starship V3 will be able to carry a payload of 100 metric tons, and that future generations could reach 200 metric tons, potentially as soon as Starship V4. Starship is designed to deliver our next-generation satellites to orbit, long-haul point-to-point transportation on Earth, the cargo and crew necessary to develop a base on the Moon and a city on Mars for research and human spaceflight development.

Connectivity. Starlink provides global access to high-speed internet, including underserved rural and remote communities worldwide. As of March 31, 2026, we had approximately 9,600 Starlink broadband and mobile satellites in LEO. We also provide satellite-to-mobile texting and over-the-top voice services to approximately 7.4 million monthly unique devices across approximately 30 countries.

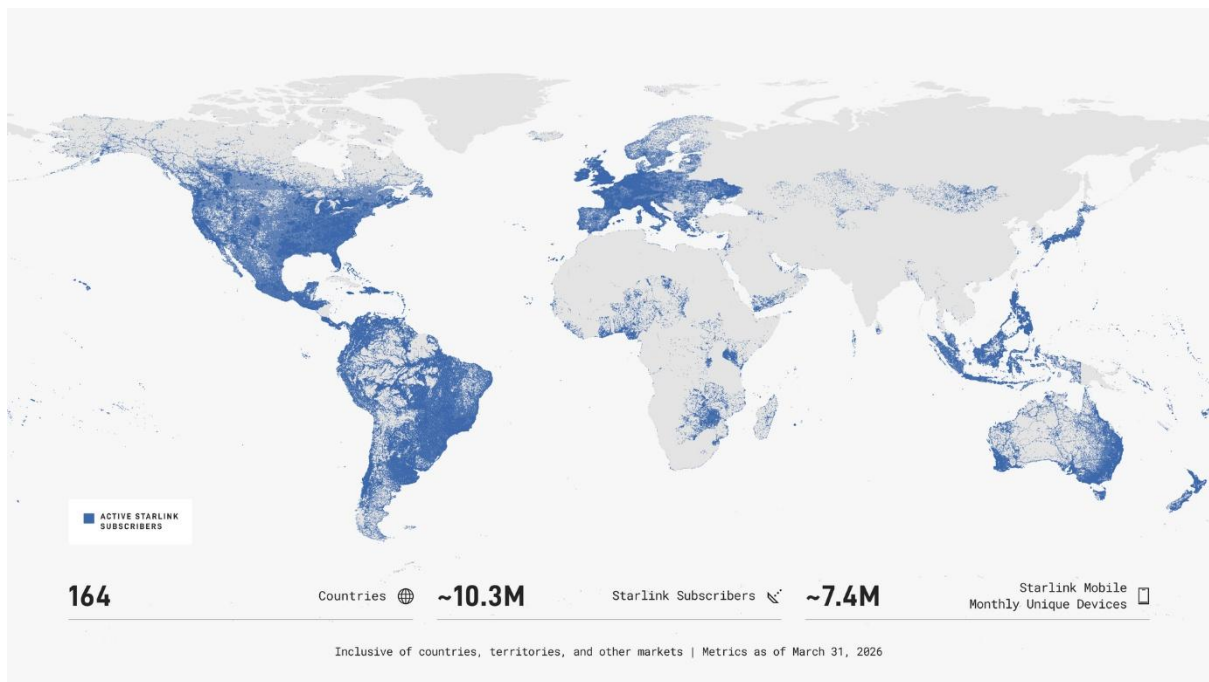
- **Starlink Consumer Broadband.** We operate the world's largest¹⁴ and most advanced space-based internet broadband service with median latency at approximately 25 milliseconds as of March 31, 2026. We provide fiber-like download speeds – at a median of 225 Mbps during peak hours for residential users as of March 31, 2026 – and the technological capability to provide service everywhere on Earth, including the poles. This service quality is enabled by our vast network of approximately 9,600 Starlink broadband and mobile satellites in LEO, which accounted for approximately 75% of all active maneuverable satellites in orbit as of March 31, 2026.¹⁵ We expect to commence deploying our next-generation V3 satellites, designed to offer one Tbps of downlink capacity per satellite, using Starship in the second half of 2026. We expect that a single Starship launch will be capable of deploying up to 60 V3 satellites to LEO, representing a potential twenty-fold increase in Starlink downlink capacity deployed relative to a Falcon 9 launch. As of March 31, 2026, we had approximately 10.3 million Starlink Subscribers, up approximately 105% from 5.0 million subscribers a year prior. We charge our Starlink Subscribers a monthly subscription fee, which varies based on geographic market and download speed, plus typically a one-time upfront terminal cost.
- **Enterprise Solutions.** SpaceX is a critical partner to a wide array of enterprises. We offer Starlink's high-speed, low-latency, reliable internet services to enterprise customers across industries including construction, agriculture, retail, telecom, hospitality, aviation, maritime, and land mobility. Starlink's unique capabilities are well-suited for deployments across field offices, remote worksites, research stations, drilling rigs, rural hospitals, aircraft, cruise ships, trains, and hotels. Our enterprise customers include companies such as United Airlines, Carnival, Maersk, and John Deere, among others. We also serve a broad fixed-site customer base across industries such as retail and financial services that require high availability for critical operations as well as reliable connectivity in remote or hard-to-serve locations. As companies continue to invest in secure and resilient networks and backup systems to keep critical infrastructure online – such as point-of-sale and payment processing systems – we often start as a backup solution and then transition to being the primary solution. Our enterprise contracts are based on a combination of subscriptions, data consumption, capacity, or other pricing models depending on each customer's particular needs. Since 2023, no Starlink Enterprise customer having contributed more than \$750,000 of annual revenue has voluntarily discontinued their service, demonstrating the strong performance and value of our offering. This is despite the ability of our customers to cancel the service at any time.
- **Government Solutions.** For our government customers, we provide high-speed, resilient connectivity for public services, social impact, humanitarian efforts, and disaster response in even the most remote and challenging environments. Examples include support for the FEMA in coordinating disaster recovery after hurricanes and wildfires, the NOAA for at-sea testing and environmental monitoring, the Government of the Philippines for linking remote islands, schools, and public institutions, the Government of Jamaica for improving digital access in remote and maritime areas, and the Government of Ecuador for supporting education and healthcare connectivity in isolated communities. Separately with Starshield, we have leveraged our commercial LEO satellite constellation engineering learnings and operational experiences to develop a secure, dedicated satellite network designed specifically for United States Government customers and national security applications.
- **Starlink Mobile.** We provide satellite-to-mobile connectivity, supplementing terrestrial networks and substantially reducing mobile “dead zones” across approximately 30 countries. We partner with MNOs

¹⁴ Source: Rest of World, How Starlink Became the World's Internet Alternative.

¹⁵ Source: McDowell, Satellite Statistics.

including major wireless carriers like T-Mobile in the United States, and other international operators including One NZ, Optus, Telstra, Rogers, KDDI, Salt, Entel, Kyivstar, and VMO2. Through these partnerships, we enable consumers, businesses, and public-sector customers to use their existing phones in more places, support critical connectivity during disasters and power outages, and open new applications for low-bandwidth mobile and internet of things (“IoT”) devices. Our current capabilities under our “V1” constellation (consisting of approximately 650 V1 Mobile satellites in orbit) include light data, text messaging (SMS), and over-the-top voice services (e.g., WhatsApp and FaceTime). We are developing more comprehensive satellite-to-mobile services, including broadband data and IoT connectivity, which are expected to deliver resilient, infrastructure-independent connectivity worldwide and enable 5G connectivity. We have partnerships with approximately 30 MNOs on six continents, covering an area that is home to approximately 1.9 billion people. We charge MNOs either a fixed fee or a per-mobile user fee-based amount, which is typically passed through to the customer via the carrier as an “add-on” feature.

Our Global Starlink Subscriber Base



AI. We operate a highly vertically integrated AI platform spanning gigawatt-scale AI compute infrastructure, our truth-seeking frontier AI model, Grok, AI solutions for consumer and enterprise customers, and X, our real-time information, entertainment, and free speech platform. We believe AI is rapidly converging toward AGI, where human cognitive capabilities can be replicated and scaled at machine speeds, profoundly augmenting human productivity. Once an AGI system exists, its true value derives from the ability to create limitless duplicates of human-like intelligence, necessitating vast computational resources and cost-efficient deployment to achieve meaningful scale. Without large-scale, power-efficient infrastructure, AGI cannot be deployed broadly or economically – making such infrastructure a critical strategic differentiator.

- AI Compute Infrastructure.** xAI has established a leading position¹⁶ in building and scaling terrestrial AI compute infrastructure, becoming the first company to deploy a coherent gigawatt-scale AI training cluster.¹⁷ Our AI compute facilities, COLOSSUS and COLOSSUS II, collectively provide approximately 1.0 gigawatt of compute power, with additional power capacity available for data center operations. Our first-principles thinking enables us to build coherent compute at scale and at rapid speed with lower costs than most other companies in the industry. We brought the first cluster of COLOSSUS online in 122 days, repurposing the shell of an existing factory, and the first cluster of COLOSSUS II online even faster in 91 days. As an illustrative comparison, an industry benchmark to bring online a 100 megawatt greenfield data center is approximately two years.¹⁸ We also demonstrated a significant improvement in

¹⁶ Source: SemiAnalysis, NVIDIA GTC 2025 – Built for Reasoning.

¹⁷ Source: SemiAnalysis, xAI’s Colossus 2: First Gigawatt Datacenter.

¹⁸ Source: BCG, Breaking Barriers to Data Center Growth.

cost efficiency, achieving data center construction costs for COLOSSUS II that are considerably lower than industry benchmarks on a per megawatt basis. This dual speed and cost advantage stems from our complete vertical integration and the shared culture infused by our founder, Mr. Musk, across our Space, Connectivity, and AI segments. The addition of Terafab, an initiative together with Tesla to build a manufacturing facility capable of producing 1 terawatt per year of compute hardware, aims to further extend our vertical integration to chip design and manufacturing to alleviate potential future chip shortages at SpaceX, optimize compute performance, and potentially reduce overall compute costs. Intel, which has the ability to design, fabricate, and package ultra-high-performance chips at scale, has also joined the Terafab project. We believe that the key constraints in the continued growth of AI are physical – chip manufacturing, data center infrastructure, and power generation; the future of AI will be determined by the control of the physical stack.

- **Truth-Seeking Frontier Model.** Through xAI, we believe we have developed one of the world’s most advanced, truth-seeking frontier models with Grok. Since launching Grok-1 in November 2023, we have released four major versions and notable variations thereof, achieving one of the fastest iteration cycles in the industry, culminating in Grok-4.3 (April 2026). Building on this trajectory, we expect to continue scaling Grok through subsequent generations. Ongoing training of next-generation models is expected to scale toward multiple trillions of parameters, which could represent a step change in reasoning in depth and overall intelligence. In this context, the number of parameters refers to the scale of the model, where parameters are the internal numerical values, such as “weights,” that are adjusted during training to enable the model to recognize patterns and relationships in data. A larger number of parameters generally allows the model to capture more complex relationships, store greater amounts of knowledge, and achieve higher levels of reasoning capability. Within two years of its initial model release, Grok achieved frontier-level performance in scientific reasoning, as measured by its GPQA Diamond score, an industry benchmark that evaluates AI models on a standardized set of questions written and validated by experts, on a faster timeline than reported by other leading model providers. This accelerated rate of innovation stems from our highly vertically integrated stack: full ownership of training infrastructure, access to the world’s most powerful compute clusters, and relentless focus on truth seeking and real-world utility. A key competitive differentiator is Grok’s deep integration with X, enabling proprietary access to a real-time information stream of approximately 350 million daily posts, which enhances freshness, relevance, and contextual awareness for Grok. This direct, real-time access to the information and human discourse on X enhances Grok’s truth-seeking capabilities by grounding outputs in up-to-date knowledge and diverse viewpoints. We believe that this combination of compute infrastructure scale and the massive dataset available to us through X, subject to some limitations for certain content, has allowed us to achieve industry-leading performance and provide model outputs that analyze real-time information on global events. We expect that our compute infrastructure and direct access to real-time data via X constitute substantial performance advantages for Grok that will result in increasingly rapid and dramatic iteration cycles.
- **Consumer and Enterprise Applications.** We leverage our frontier models and compute infrastructure to deliver consumer and enterprise applications. In under six months, we developed Grok Voice, a real-time speech engine, including in multilingual performance. Our image and video generation system, Imagine, produced approximately 10 billion images and over 2 billion videos per month, on average, for the quarter ending March 31, 2026. Together with Tesla, we are also developing Macrohard, an agentic AI platform designed to be capable of fully emulating digital workflows and augmenting human operation of computers – from coding and product development to management and entire business processes – using sophisticated autonomous agents. We believe Macrohard will have the potential to fundamentally transform how companies are structured and operate, thereby allowing dramatic increases in human productivity. In addition, we believe our existing government relationships and track record as large government contractors are a structural advantage as governments become significant consumers of AI applications.

Our integrated AI platforms across Grok and X had approximately 1.3 billion supported accounts active in the last twelve months ended March 31, 2026 and December 31, 2025, including approximately 550 million MAUs, 520 million MAUs as of March 31, 2026 and December 31, 2025, respectively. Of our MAUs, we had approximately 117 million and 89 million MAUs that used Grok’s AI features as of March 31, 2026 and December 31, 2025, respectively. While MAUs provide an estimated measure of the size and engagement of our user base, we are focused on revenue and operating margin, and manage our business with the objective of driving sustainable revenue growth and profitability rather than with the primary objective of growing or maintaining MAU levels.

We also monetize user activity through high-impact advertising inventory on X. We believe X's scale, real-time engagement, and integration with Grok provide a differentiated foundation for building a unified user experience across communication, content discovery, commerce, and financial services, among others. For enterprises that advertise on X, we offer large-scale user engagement, real-time content, and advanced AI-driven performance marketing tools. For enterprises, we offer tailored deployments of Grok customized to specific workflows and security needs through Grok Business and Grok Enterprise, sold on license-, consumption-, or outcome-based pricing models.

4.3.4.3 Collaboration with Tesla

SpaceX and Tesla developed the early foundation of a strong and constructive partnership through a series of limited but successful commercial engagements. Our relationship with Tesla evolved meaningfully following Tesla's January 2026 commitment to invest in xAI – an investment that, upon SpaceX's acquisition of xAI, was converted into an equity interest in SpaceX. Tesla and xAI continue to build upon their longstanding collaborative relationship by evaluating future strategic opportunities between the companies.

One expected area of collaboration is an AI project called Macrohard. We expect Macrohard to benefit from running on both state-of-the-art processors and cost efficient, next-generation Tesla processors, a critical advantage of our vertical integration.

Another expected area of collaboration is Terafab, an announced AI chip manufacturing initiative designed to vertically integrate the design, fabrication, and deployment of advanced logic and memory chips. We believe this initiative will alleviate potential future chip shortages at SpaceX and optimize compute performance. We expect Terafab to be the world's largest chip manufacturing facility. Our strategy for Terafab is to vertically integrate across the design of lithography masks, fabrication of logic and memory chips, and design of advanced packaging in a single closed-loop plant. Conducting all these activities end-to-end in a single facility enables rapid testing and iterations, allowing us to improve chip design and scale manufacturing faster. We expect that our speed and cost advantage from vertical integration will allow us to scale efficiently in AI chip manufacturing towards our long-term goal of producing one terawatt of compute each year. We are partnering to build Terafab in order to support growth in two kinds of chips – one type optimized for terrestrial edge and inference to be used primarily in Tesla's Optimus robots and vehicles, and another type optimized for the space environment to be used in our orbital compute infrastructure. While Terafab is intended to expand our internal chip manufacturing capabilities, we expect to continue sourcing a significant portion of our compute hardware from third-party suppliers. We view Terafab as complementary to these relationships, enabling us to augment our access to compute hardware at massive scale and further complete our highly vertically integrated compute platform by extending our control to the foundational chip layer. We believe that the key constraints in the continued growth of AI are physical – chip manufacturing, data center infrastructure, and power generation; the future of AI will be determined by the control of the physical stack. We believe that we are better positioned than other AI companies given our unique control over the full physical stack. We plan to explore other areas of strategic collaboration with Tesla in the future.

4.3.4.4 Collaboration with Cursor

On April 19, 2026, we entered into a compute agreement with Cursor. Cursor develops and operates an AI-native integrated development environment that enables professional software developers and engineering teams to write, edit, review, and refactor code using large language model-powered agents and workflows integrated via its proprietary model harness. In 2025, Cursor launched Composer, its own large language model ("LLM") trained for software development. It recently released Composer 2, which offers improvements in coding performance at lower cost. We believe the compute agreement and any acquisition of Cursor (described below), if completed, will extend our strategy to vertically integrate compute infrastructure, models, and applications, can help accelerate our development of AI-native software tools, and combined with our significant compute capacity, will help strengthen our position in AI-assisted developer productivity. We expect to accelerate the development of our existing AI models, including Grok, through our collaboration with Cursor.

Under the compute agreement, we will provide Cursor with certain GPU cluster compute capacity for use in connection with specified development, training, improvement and other activities related to AI models and other technology and intellectual property. In exchange, Cursor will contribute certain personnel, data and datasets, documentation, technical know-how, workflows, prompts, specifications and software code. We will collaborate with Cursor to improve our existing models, including Grok, and potentially to jointly develop AI models and related model-specific deliverables. Each party retains ownership of its pre-existing and independently developed intellectual property (including, in the case of SpaceX, Grok) and related improvements and derivatives, including where they are utilized in connection with joint development activities. Any jointly

developed models will be jointly owned, and each party will have a broad right to use, reproduce, modify, distribute, license, commercialize and otherwise exploit them without an obligation to account to the other party.

We also entered into an option agreement pursuant to which we have the right, but not the obligation, to acquire Cursor. The option agreement generally provides that we may exercise the call option at any time during the 30-day period following the earlier of (i) seven trading days following the completion of the global offering (*i.e.*, seven trading days following on or about June 15, 2026) and (ii) September 30, 2026. Exercise of the call option is in our sole discretion and subject to further approval by our board of directors. Cursor is also subject to certain exclusivity obligations under the option agreement.

If we exercise the call option, we would simultaneously execute a merger agreement with Cursor, pursuant to which, following satisfaction of the closing conditions set forth in the merger agreement, including receipt of requisite regulatory approvals, Cursor would become our subsidiary, and, as a result, we would acquire all of Cursor's cash, intellectual property, personnel, customer contracts and other assets. As of January 31, 2026 (Cursor's fiscal year-end), Cursor had \$3.1 billion of total assets, primarily comprising \$2.7 billion of cash and cash equivalents, and \$0.55 billion of total liabilities. The purchase price would primarily be allocated to goodwill on our balance sheet. Cursor has historically earned some revenue by providing services to customers and, if we acquired Cursor, we may provide these or similar services to customers after the acquisition although at revenue levels that may vary significantly from historical performance. If we exercise the call option to acquire Cursor, we would expect to retain certain Cursor talent by committing to provide continuing employees with competitive compensation and retention-focused incentives designed to support the long-term value of SpaceX.

If we exercise the call option and the acquisition closes, the consideration would consist of shares of our Class A common stock. The number of shares issuable would be determined based on an implied equity value of Cursor of \$60.0 billion divided by the volume-weighted average closing price of our Class A common stock over the seven consecutive trading days immediately preceding the closing of the acquisition. In addition, if either (i) we decide to terminate the option agreement or (ii) Cursor is eligible to and decides to terminate due to our material breach of the option agreement (subject to notice and cure provisions), Cursor would be entitled to a \$1.5 billion termination fee under the option agreement and an \$8.5 billion deferred services fee under the compute agreement. These fees would be payable in cash (or Class A common stock, if the global offering has not been consummated at the time the fees become payable).

Any shares of our Class A common stock issuable pursuant to the merger agreement would be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof. As a result, any such shares of Class A common stock would be deemed "restricted securities" as such term is defined under Rule 144 under the U.S. Securities Act. Such shares of Class A common stock would be eligible for resale only if registered under the U.S. Securities Act or if such resales qualify for an exemption from registration.

We have conducted preliminary due diligence on Cursor's business, technology and operations, and expect to continue such diligence in connection with any decision to exercise the call option. We cannot predict whether we will elect to exercise the call option or, if exercised, whether the acquisition will close on the anticipated terms, or at all.

4.3.4.5 Compute Services Agreements with Third Parties

We believe our compute infrastructure and related strategy provides us with substantial flexibility in how we allocate and monetize capacity. We have the ability to use compute resources to support our proprietary AI applications (such as Grok-5, which is currently being trained at COLOSSUS II), while also providing access to select compute capacity to third-party customers. For example, in May 2026, we entered into Cloud Services Agreements with Anthropic, an AI research and development public benefit corporation, with respect to access to compute capacity across COLOSSUS and COLOSSUS II. Compute capacity provided includes approximately 325,000 NVIDIA GPUs, backed by hyperscale-class CPUs, exabyte-scale storage and high-speed networking and interconnects purpose-built for AI workloads. Pursuant to these agreements, the customer has agreed to pay us \$1.25 billion per month through May 2029, with capacity ramping in May and June 2026 at a reduced fee. After the initial three-month period, the agreements may be terminated by either party upon 90 days' notice. The customer will retain ownership and intellectual property rights in its content, AI models, and related data. This structure allows us to monetize a portion of the compute capacity in our infrastructure, while still permitting reallocation of that capacity for our own internal initiatives if needed in the future. We have sufficient capacity to provide compute for our own AI models, including support of our training and inference demands, and to satisfy the obligations under these agreements. We expect to enter into additional similar services contracts for compute

capacity with third parties. To the extent we become compute constrained due internal and external utilization, we would need to expand our compute infrastructure. We believe this opportunity highlights the increasing importance of large-scale, frontier-level AI infrastructure and positions us as a differentiated provider of high-performance compute capacity to both internal and third-party AI workloads. We believe our dual monetization strategy provides multiple pathways to generate returns on invested capital.

4.3.4.6 Our Repeatable Business Model

Our business model is built on a repeatable, engineering-driven framework that combines our launch capabilities, extreme vertical integration, rapid iteration, and disciplined capital investment to create durable, large-scale businesses. We execute this framework through the following core principles:

1. **Leverage our launch capabilities to enable massive scale.** Our rockets – with what we believe to be leading launch cadence, best-in-class reliability, and dramatically reduced cost-to-orbit – are the foundation that we expect will enable us to create economic opportunities in space and deliver a diversified portfolio of services. Our launch capabilities enable large-scale deployment of assets that would not otherwise be economically viable.
2. **Identify and create new trillion-dollar market opportunities.** We focus on market opportunities that are useful for humanity and that present trillion-dollar opportunities, including global broadband and mobile connectivity for consumers, enterprises, and governments; and AI applications and computational infrastructure. We prioritize opportunities where structural inefficiencies or legacy technological limitations have constrained supply.
3. **Design a solution with world-class engineering and first-principles thinking.** We apply physics-based engineering and first-principles thinking to design products and systems from the ground up – boiling things down to the most fundamental truths and reasoning up from there. This helps us drive massive, step-function improvements in performance, scalability, and cost.
4. **Apply “The Algorithm” (make less dumb, delete, optimize, accelerate, automate).** We operate under a set of core execution principles that we refer to as “The Algorithm,” a five-step iterative process that we use as our guiding principles day-to-day. We make the requirements less dumb, delete unnecessary processes or parts (embracing the principle that the best part is no part), only then optimize the necessary processes or parts, and then accelerate cycle time (many entities have launched once; no one other than us has ever launched over 100 times per year), and automate only proven processes after the first four steps are completed. We apply the Algorithm across every aspect of our organization.
5. **Vertically integrate all the way to the end customer.** We design and manufacture a significant portion of our components in-house, including engines, avionics, structures, and software, even producing the “tools that make the tools,” enabling us to test, fail, and iterate rapidly. We can then release newer, more advanced hardware with speed and cost efficiency.
6. **Continuously drive cost down and throughput up.** Through rocket reusability, manufacturing at scale, advanced automation, and rigorous operational discipline, we continuously reduce unit costs while increasing launch cadence, satellite network, and AI hosting capacity.
7. **Generate significant cash flow and reinvest in the future.** As our businesses scale, they generate significant cash flow, which we reinvest into nascent market opportunities – driving a self-reinforcing cycle of constant innovation and potentially creating significant additional value.

Starship is a powerful example of this business model in action. Upon achieving a fully and rapidly reusable design, we believe Starship will support a step-function increase in launch capacity and be capable of landing massive amounts of cargo on the Moon. Once there, we believe it will be possible to establish a permanent presence for scientific and manufacturing pursuits. For example, we believe that factories on the Moon could take advantage of lunar resources to manufacture millions of AI compute satellites and deploy them farther into space. Additionally, we are collaborating with NASA under the Artemis program to land humans on the Moon, with the goal of using Starship for transportation, which will be the first such mission since 1972.

We will continue leveraging our expanding launch capabilities, combined with our engineering and manufacturing expertise, to create and scale new markets in space.

4.3.4.7 *Our Engineering-First Culture*

Our core approach is deeply rooted in first-principles thinking, which rejects any preconceived notions or experience-based norms. Our track record demonstrates our capacity to execute space missions and achieve technological breakthroughs with speed and precision that others have not achieved. Some of our industry-defining achievements and historic milestones include:

- The first private company to develop and launch a liquid-fuel rocket to reach orbit (2008);
- The first private company to successfully dock a private spacecraft with the International Space Station (2012);
- The first to successfully propulsively land (2015) and reflly orbital-class rocket boosters (2017);
- The first to begin deploying a large-scale LEO broadband satellite constellation (2019);
- The first private company to transport astronauts to orbit, returning America’s ability to fly astronauts to and from the International Space Station (2020);
- The first to manufacture consumer-grade phased-array user terminals at scale (2022);
- The first to deploy a large-scale LEO satellite-to-mobile constellation (2025);
- The first to build a gigawatt-scale AI training cluster and largest coherent supercomputer (2026);
- The first gigawatt-scale Megapack battery installation (2026); and
- The only company capable of building orbital AI compute at scale.

Our organizational philosophy fosters an engineering- and data-led culture that embraces failure as an essential learning opportunity and is maniacally focused on efficiency and speed. This culture allows us to deliberately move quickly to test new hardware, knowing that early failures provide more valuable data than protracted analysis. We view our factories as the machines that build the machines and maintain a relentless focus on our ability to move, fail, and fix fast.

4.3.5 *Our AI Compute Infrastructure Advantage and Growth Strategy*

We believe AI leadership will be defined by the ability to rapidly scale compute capacity to support exponential usage growth and frontier intelligence. There is a meaningful compounding benefit of greater usage, creating more data for training, driving improvements in model performance, and in turn leading to greater usage. We believe that our highly vertically integrated, shovels-to-tokens approach allows us to train and iterate our frontier models at lower cost and higher velocity, accelerating development cycles, eliminating external bottlenecks, and driving rapid, continuous improvements in model performance. This dynamic reinforces the criticality of scale and cost efficiency in compute infrastructure as the primary differentiator in the AI landscape. In addition, our leadership in compute infrastructure positions us to monetize not only AI software applications built on our models, but also the underlying compute that powers them. As we continue to scale our terrestrial and orbital compute infrastructure to support internal model development, training, and inference workloads, we intend to sell our high-performance compute capacity to a limited number of third party customers.

Why Compute Matters. The training and inference demanded by advanced AI models require substantial computational resources. Greater compute capacity enables more intelligence by training new generations of models with increasing frequency and creating more capable models, ability to support inference, or usage, across a large and growing user base, and extraction of the highest performance from those models. As the AI user base expands, we also expect compute demand per user to increase significantly. Reasoning models introduced in 2024 demonstrated that allocating more computational resources during inference directly leads to higher-quality intelligence. AI agents popularized in 2026 demonstrated that allocating more computational resources enabled multi-step task execution, meaningfully increasing compute demand per human user interaction. In addition, compute infrastructure with end-to-end, cluster-level coherence through tight integration across software and hardware systems enables more efficient, stable, and higher-fidelity training and inference at scale – ultimately enhancing model intelligence and performance. Within inference, we expect computationally-intensive reasoning, agentic, and multi-modal workloads will continue to grow as a portion of overall usage. We therefore expect demand for compute will continue to increase across consumer, enterprise, and government applications as AI

adoption accelerates. For example, U.S. compute demand has already outpaced available power supply with estimated demand of 62 gigawatts in 2025 exceeding the power generation of 49 gigawatts, according to industry sources. We expect the gap between demand for compute and power supply to continue to widen meaningfully as AI compute needs proliferate. Furthermore, we believe that third-party estimates on data center demand are constrained by the practical supply limitations that exist in a terrestrial context and the power shortage may be far greater than what research estimates suggest. We believe operators with superior model-to-compute integration – the ability to efficiently support and allocate compute across both training and inference workloads – are best positioned to win the AI race.

Self-Reinforcing Network Effects Among Lower Cost Per Token, Model Quality, and User Adoption.

AI systems are ultimately constrained or differentiated by the cost, speed, and scale at which they can generate and process tokens. A “token” represents the fundamental unit of data consumed and produced by modern AI models, for example corresponding to words, images, audio, or other modalities. It serves as the atomic unit through which models read, reason, and generate output. As such, tokens are the primary basis for measuring both the cost of training and cost of inference, making them a foundational economic metric in the AI space. Companies that can structurally reduce energy, compute, networking, and deployment costs per token will be positioned to train faster, iterate more rapidly, and ultimately manufacture greater intelligence, scale models more rapidly, and deliver increasingly powerful and accessible AI solutions. This creates a self-reinforcing advantage in which lower token costs drive greater model quality and user adoption, reinforcing AI leadership. This is because lower cost per token enables more frequent model training, larger and more sophisticated models, longer chains of processing for reasoning and agentic workloads, and significantly higher inference volumes at economically viable prices. This dynamic directly impacts model quality, responsiveness, and accessibility, while also determining the ability to serve the rising global demand across consumer, enterprise, and mission-critical AI applications. As AI systems scale toward increasingly complex reasoning tasks and higher usage intensity, improvement in cost per token enables meaningful advantages in performance quality, scaled distribution, and monetization. This is particularly true as the industry converges towards recursive self-improving learning that minimizes human intervention, which is highly token consumptive.

Cost of Compute is the Main Driver of Cost Per Token. The cost of compute is the primary driver of cost per token across both training and inference workloads. Each token processed by an AI model requires a quantifiable amount of computational effort. The total cost per token is determined by the efficiency, availability, and unit economics of the underlying compute resources. According to SemiAnalysis, for most AI companies without a build cost advantage, their total capital cost of building compute infrastructure derives approximately 30% from data center construction costs (including, but not limited to, the shell; mechanical, electrical, and plumbing (“MEP”); and grid interconnection) and approximately 70% from the cost of procuring processors and critical IT equipment. Ongoing operational costs of utilizing this compute infrastructure include the cost of power to run the processors, cost of maintaining those processors, and cost of delivering inference workloads to the end user. Improvement in the cost of building and operating this compute infrastructure – whether through lower data center construction cost, lower power infrastructure cost, shorter time to grid interconnection, or higher cluster-level throughput – translates directly into lower cost per token. Accordingly, for a given level of intelligence, we expect the long-term economics of AI companies to be driven by the ability to consistently deliver bleeding-edge compute at the lowest possible cost per token. Put simply, we view cost per token as a function of three primary inputs – the underlying AI model, the compute hardware, and energy, and we expect to have a competitive advantage in the latter two cost components. We believe we have a pathway over time that will significantly reduce compute hardware costs through continued vertical integration and development of proprietary chips, building on our experience designing custom silicon for our Starlink satellites. We also expect that the marginal cost of energy for our AI compute satellites will be minimal because our satellites are powered by solar arrays in space. By driving the energy component to minimal levels and pursuing improvements in compute hardware cost, we believe we can achieve a meaningfully lower overall cost per token in the future.

We Have a Dual Speed and Cost Advantage in Terrestrial AI Compute. We have established a leading position in building and scaling terrestrial AI compute infrastructure, becoming the first company to deploy a coherent gigawatt-scale AI training cluster.¹⁹ We own and operate what we believe to be the largest AI training data center clusters on Earth. Our AI compute facilities, COLOSSUS and COLOSSUS II, collectively provide approximately 1.0 gigawatt of compute power, with additional power capacity available for data center operations. Our first-principles thinking enables us to build coherent compute at scale and at rapid speed with lower costs than most other companies in the industry. We brought the first cluster of COLOSSUS online in 122 days, repurposing the shell of an existing factory, and the first cluster of COLOSSUS II online even faster in 91 days. As an illustrative comparison, an industry benchmark to bring online a 100 megawatt greenfield data center is

¹⁹ Source: SemiAnalysis, xAI’s Colossus 2: First Gigawatt Datacenter.

approximately two years.²⁰ We also demonstrated a significant improvement in cost efficiency, achieving data center construction costs for COLOSSUS II that are considerably lower than industry benchmarks on a per megawatt basis. We are able to deploy power and compute significantly faster than other AI companies through first-principles thinking, behind-the-meter power generation, coupled with what we believe is the world's largest network of sustainable battery storage systems, and innovations in advanced liquid cooling, high-density rack layouts, and efficient networking.

Our first-principles thinking and innovations in advanced liquid cooling, high-density rack layouts, and efficient networking enable rapid, cost-effective scaling with the latest processors – keeping us ahead of competitors deploying traditional methods. Faster deployments reinforce our cost advantage: we are able to access and bring online the highest performing hardware before our competitors, allowing us to sustain a token cost advantage. For example, we believe COLOSSUS II became one of the world's first data centers to deploy GB200s and GB300s at significant scale and is currently powering training for our next frontier models, including Grok-5. We have already proven in multiple large-scale terrestrial data centers that we have built not only faster than competitors in the industry, but also at a lower cost.

Our competitive advantage in Orbital AI. The Sun contains approximately 99.8% of the solar system's energy and offers what we believe is the only truly scalable solution to terrestrial energy constraints, as we expect the cost and availability of terrestrial energy sources over time will necessitate a transition to orbital AI solutions. The logical path forward is to move power-intensive AI workloads into orbit, where solar energy is near-constant and uninterrupted. With such accessibility to energy, we believe that our launch business will enable us to consistently activate the highest performing hardware before our competitors without such access, shrinking the timeline to useful tokens on bleeding-edge hardware and sustaining our token cost advantage. Manufacturing next-generation satellites and launching them into space in very large numbers is a core component of our plans. We believe we are the only company with a commercially viable path to building orbital AI compute at scale. This is underpinned by our unique ability to launch substantial mass into orbit cost-efficiently through reusable rockets and to manufacture secure, reliable, and high-performance satellites at low cost and high volume.

- **Terrestrial compute leadership.** We believe the same cost and build advantages that have underpinned our leadership in gigawatt-scale terrestrial data centers will enable us to innovate across other terrestrial data center formats such as modular data centers for inference. We believe our modular terrestrial data center architectures will provide a foundation for the deployment of compute infrastructure in orbit given similarities in form factor in contrast to a gigawatt-scale campus.
- **Satellites.** Just as we expect our expertise in terrestrial data centers will enable us to package AI compute into modular, satellite form factors, we expect our leadership in satellite communications to allow us to interconnect our fleet of AI compute satellites into a massive, coherent constellation of compute. For example, as of March 31, 2026, our constellation already incorporated over 23,000 inter-satellite lasers that create a dynamic mesh network in space, enabling traffic to route through orbit rather than relying solely on terrestrial backhaul infrastructure. We are designing next-generation, high-performance AI compute satellites built for high volume, low cost, and with the reliability required for long-duration operation in space.
- **Starship.** We expect each of our Starship V3 vehicles to carry 100 metric tons to Earth's orbit in a reusable configuration, and future generations could reach 200 metric tons in capacity, potentially as soon as Starship V4. Future generations of Starship are being designed to eventually deliver millions of tons to orbit and beyond per year. Delivering large amounts of mass to orbit at low cost will be critical to deploying AI compute satellites at scale.

We Believe Orbital AI Can Accelerate Time to Power and Reduce Token Costs. The Sun contains approximately 99.8% of the solar system's energy and offers what we believe is the only truly scalable solution to the challenge of accelerating demand for compute relative to terrestrial energy constraints. The logical path forward is to move power-intensive AI workloads into orbit, where solar energy is near-constant and uninterrupted. With such accessibility to energy, we believe that our launch business will enable us to consistently activate the highest performing hardware before our competitors without such access. We believe SpaceX is uniquely positioned to deploy and operate data centers in orbit that can eventually achieve a lower cost than terrestrial data centers over time due to our extreme vertically integrated approach across launch, satellite manufacturing at scale, network connectivity and terrestrial data center expertise.

²⁰ Source: BCG, Breaking Barriers to Data Center Growth.

- **Time to useful tokens on new generations of infrastructure.** Although we have already demonstrated an ability to rapidly scale new generations of compute in terrestrial deployments, we believe orbital AI will accelerate our time to useful tokens on bleeding-edge AI infrastructure. Physical deployment of new hardware is expected to be enabled by our launch business, where we believe reusability and launch cost efficiency will drive rapid cycles of payload delivery. Rapid time to useful tokens on that hardware will be enabled by the Sun's near-constant, uninterrupted supply of power, which would circumvent terrestrial power infrastructure constraints such as power procurement, grid interconnections, and permitting. As new generations of AI infrastructure continue to deliver step-function improvements in token efficiency, we believe that maintaining an AI fleet consistently at the bleeding edge of the frontier curve has the potential to deliver a sustainable cost per token advantage relative to our competitors.
- **Construction, power, and cooling infrastructure.** In orbit, construction costs are replaced by launch costs and satellite production costs. We expect reusable launch systems and high flight cadence will significantly reduce the cost per kilogram to orbit, enabling more efficient deployment of compute payloads to orbit, and eventually approach the cost of fuel. We believe our advanced satellite manufacturing capabilities enable us to build AI compute satellites at scale and lower cost than competitors. Other terrestrial data center construction costs such as building the shell, MEP, and grid interconnection are not applicable in space. As a result, once Starship and our AI compute satellites are fully deployed at scale, we believe that the initial deployment costs of in-orbit compute in the aggregate will be less than construction costs of others' terrestrial data centers.
- **Cost to procure and service processors.** The cost of processors is a significant cost for both terrestrial and orbital data centers. We do not believe that moving compute to space in and of itself will have a meaningful impact on the cost of procuring processors. However, we believe that diversifying our long-term access to the supply of processors, including through our Terafab initiative with Tesla and Intel, will be a key driver in reducing the overall cost of compute hardware over time. By combining internally manufactured, lower cost chips with those we source from third-party suppliers, we expect the overall cost of our processors to decline. In addition to reducing costs, we also expect that this hybrid sourcing strategy will help alleviate potential future chip shortages at SpaceX. In addition, we intend to conduct intensive pre-deployment testing to reduce the rate of chip failure in space, as we do not anticipate servicing or repairing processors in space.
- **Ongoing operations.** The total cost of operating data centers is heavily influenced by energy, cooling, and distribution requirements. In orbit, chips are expected to be powered by solar energy which is low cost and unlimited, and we expect to leverage radiative cooling architectures, which incur no operating costs compared to liquid or air cooling. Our integrated, space-based Starlink network architecture also enables more cost efficient routing of data between compute clusters and to end users on a global basis.

We Believe We Are Well-Positioned to Deliver Orbital AI Compute. We believe orbital AI compute is an incredibly difficult technical challenge that only we can solve at scale in the near term. We believe we are the only company that has already accomplished the key technical challenges associated with evolving connectivity satellites into AI compute satellites. In our view, due to our proven experience, we are well-positioned to deliver a full-scale AI compute satellite constellation. Significant work remains, but we are confident in our leadership position.

- **We have unmatched satellite launch capabilities to enable deployment at scale.** Our ability to launch mass at scale and low cost is our foundational competitive advantage. Deployment of 100 gigawatts per year via satellites carrying over 100 kilowatts of compute power per metric ton will require thousands of launches per year and the transport of approximately one million metric tons to orbit annually. The fully reusable nature of Starship positions us to be capable of launching this level of mass. We plan to leverage our "PEZ" dispenser system, an integrated payload deployment system for Starship, along with our experience in developing fully deployable single-unit systems that are designed to substantially reduce the risks associated with in-orbit assembly. Starlink Broadband V1 and V2 Mini satellites have already demonstrated launch survivability and high reliability under vibration, shock, g-loads, acoustic stress, and vacuum exposure, achieving 99.9% average uptime. Although introducing AI processors would traditionally increase component-level failure rates, we plan to subject compute hardware to extensive pre-deployment testing on Earth to identify early life failures before launch.
- **We have already solved many of the significant technical hurdles to evolving connectivity satellites into AI compute satellites.** Through our leading expertise in connectivity satellites and Starlink's existing technical and operational capabilities – including constellation-scale satellite management,

autonomous operations, over-the-air software updates, inter-satellite laser communications, mesh network deployment, radiation-hardened system design, proprietary chip development, and the ability to operate computers reliably in the space environment – we have already solved the hardest part in the development of AI compute satellites. AI compute satellites represent an evolution of spacecraft engineering already demonstrated at scale through Starlink’s connectivity satellites, and we believe development of AI compute satellites will be easier for us than for anyone else. AI compute satellites must integrate high-density compute payloads developed with radiation-tolerant designs and components with high electrical power generation, advanced thermal management, and inter satellite networking. To source the electricity needed to power our AI processors, we aim to continuously scale our existing space-grade solar technologies through insourced process development and build a constellation in dawn-dusk Sun-synchronous orbit that delivers near-constant solar exposure. We expect solar cells optimized for the space environment will be produced at a rapid rate, with early satellites generating 100 kilowatts of compute power and scaling from there. In orbit, thermal control must be accomplished through radiation rather than convection and conduction. We plan to advance thermal control systems – many of which have been proven on Starlink – by using radiators, vapor chambers, active cooling loops, and coatings to dissipate the heat generated by AI hardware in space’s vacuum. We will also utilize inter-satellite lasers pioneered by Starlink for mesh networking at scale, creating coherent computing clusters across free space instead of wired connections used in terrestrial data centers. Our existing Starlink constellation, with over 23,000 inter-satellite lasers, will be a crucial enabler of orbital AI compute, as its global network allows data from our AI compute satellites in Sun-synchronous orbit to reach ground stations anywhere on Earth. The SpaceX AI compute satellites will be designed for high rate, automated production to enable the scale of satellites needed for the large amounts of compute planned in space.

There are material differences between connectivity satellites and AI compute satellites. Connectivity satellites are primarily designed for communications, with substantial onboard equipment dedicated to phased-array antennas, radio systems, and data transmission. In contrast, AI compute satellites are optimized for high-performance computing. Key differences include significantly larger solar arrays to support higher power requirements, substantially larger radiators for thermal management, different electronics centered on AI accelerators rather than communications processors, and the removal of much of the communications hardware. Our V3 satellite platform already incorporates proprietary chips, providing a strong foundation for the ability to operate AI-focused electronics in space, and we expect to begin deploying our orbital AI compute satellites as early as 2028.

The primary remaining challenge is one of scale. For example, a deployment rate of approximately 10 gigawatts per year would require a materially lower manufacturing and launch cadence, which we believe would still enable a commercially attractive AI compute business with strong economic returns. While our long-term vision includes the ambition of deploying up to 100 gigawatts of power to orbit annually, which would require the deployment of thousands of launches per year, assuming 100 kilowatts of compute power per metric ton and Starship capacity to orbit of 100 metric tons, we believe we can be economically successful at significantly more modest volumes.

Our 100 gigawatt annual power deployment goal is based on reasoned engineering analyses and design parameters developed through our ongoing design and development work on next-generation AI compute satellites. These analyses are based on currently available space-grade solar technology and do not require fundamental technological advances beyond existing capabilities. Specifically, we expect these satellites to leverage our already-designed V3 satellite platform. The core V3 satellite design is complete, and the AI compute satellites are expected to generate substantially more power than V3 satellites. This performance is expected to be achieved primarily through the use of significantly larger solar arrays. These satellites are targeted to generate approximately 100 kW of compute power per ton, which initially will require approximately five times the solar array output compared to V3 satellite designs.

We currently do not anticipate material supply constraints for space-based solar panels, as global production capacity, including through our vertical integration efforts, is believed to be sufficient to meet its requirements. We are actively developing the manufacturing, launch cadence, and operational capabilities that we believe would be needed to support such launch rates.

The precise solar collection area, total system mass per satellite, and on-orbit assembly requirements associated with this goal continue to be refined as part of our ongoing engineering efforts. In general, the approach contemplates larger deployable solar arrays on each satellite, with no significant on-orbit assembly currently anticipated.

- **We will use our proven Starlink in-orbit technology to optimize our orbital AI compute.** In order to operate orbital AI compute satellites, we plan to build on our vast experience of operating approximately 9,600 Starlink broadband and mobile satellites in LEO. In 2025 alone, Starlink satellites proactively performed over 1,000 automated collision avoidance maneuvers per day guided by this technology to safely and efficiently operate the constellation. This operating model gives us control over workload placement across Earth and space while maintaining resilience through redundancy and fail safe systems. To ensure optimized thermal management and power generation, we will design each satellite's solar arrays to face the sun for constant power while its housing radiator panels face cold deep space for radiative cooling. A high degree of controllability will allow the satellite to be optimized for brightness mitigation, disposal, and other modes of operation. As more advanced AI hardware becomes available, we plan to manage the lifecycle of deployed systems by shifting older hardware to lower intensity workloads as performance characteristics evolve, and retiring systems that are no longer needed through controlled end of life disposition, including transition to graveyard orbits where appropriate. These retirements may occur sooner than our estimates for the useful lives of our satellites, which estimates are based on engineering studies, historical on-orbit performance, propellant life, utilization patterns, design enhancements across generations, and planned transitions to newer satellite technology. Space based compute also introduces orbital debris risk, which we already manage at constellation scale through our autonomous collision avoidance system across Starlink. To date, we have not experienced any failures of our autonomous collision avoidance system that have resulted in satellite loss.
- **We can manufacture our AI compute constellations at scale with rapid upgrade cycles.** We have built one of the largest satellite manufacturing operations in the world with standardized bus architectures, rapid iteration cycles, and automotive-style production lines, enabling us to evolve bus architecture and subsystem design with limited reliance on third-party suppliers. Our highly vertically integrated approach will be key to our mass-scaling efforts and should allow us to deploy the latest AI processors. Our ability to quickly develop and deploy new generations of AI compute to orbit will be a key advantage in maintaining frontier performance of the constellation. We believe SpaceX will be the first and only company to manufacture satellites at the scale of automotive manufacturing.
- **We are building chip manufacturing capabilities to scale our access to AI compute hardware.** We announced a collaboration with Tesla in March 2026 to build the Terafab initiative with a long-term goal of producing one terawatt of compute hardware each year. Intel joined the project in April 2026 and is expected to contribute its expertise in designing, fabricating, and packaging ultra-high-performance chips to help Terafab scale. In connection with such collaboration, we have agreed with Tesla on a general framework for the future development of Terafab. Any specific projects undertaken pursuant to this framework will be subject to separate negotiations and agreements (including any development timelines, milestones and capital expenditures) and have not yet been determined. Our strategy for Terafab is to vertically integrate across design of lithography masks, fabrication of logic and memory chips, design of advanced packaging and rapidly test and iterate in order to improve chip design and performance. With this internal manufacturing capability, we plan to alleviate potential future chip shortages at SpaceX, especially as we develop orbital AI at scale, and design chips that are optimized for the space environment. We expect that our speed and cost advantage from vertical integration will allow us to scale efficiently in AI chip manufacturing.
- **We can leverage our terrestrial experience to build and operate compute clusters and AI workloads at scale.** We believe our experience operating compute infrastructure on Earth provides the technical and operational foundation to extend these capabilities into orbit. For example, manufacturing and silicon defects in AI processors can cause failures early in life. We plan to subject compute hardware to extensive pre-deployment testing on Earth to identify early life failures before launch to reduce in-orbit disruption. Over time, we plan to design AI compute processors optimized for the space environment. Our operating experience will be critical in informing our orbital data center designs for highly reliable operations even with potential chip failures. This capability is further supported by our flexible allocation of AI workloads across compute clusters, enabling us to utilize orbital data centers for workloads without hardware reconfigurations or maintenance. For compute hardware that does fail, we plan to leverage existing Starlink fleet management software to reallocate traffic to other satellites and prevent cluster-level downtime. We further believe that our strong relationships with chip makers enhance our ability to build a well-functioning, integrated AI compute system in space.

We Believe Our Infrastructure is a Distinct Advantage in Delivering Superior AI. We believe that the key constraints in the continued growth of AI are physical – chip manufacturing, data center infrastructure, and

power generation; the future of AI will be determined by the control of the physical stack. We believe no other AI company has better control over the full physical stack than SpaceX. We expect the combination of competitive cost per token, our ability to deploy and operate data centers in orbit, and our strength in connectivity to result in more scalable intelligence that is accessible globally at high speeds by way of the following structural advantages:

- **Time to power.** If we are able to deploy our AI compute satellite constellation, we believe it will enable compute capacity to be deployed and expanded efficiently as capacity requirements grow. This approach will also allow us to deploy new generations of compute hardware in quicker succession relative to terrestrial approaches where data centers cannot be easily retrofitted for new compute hardware. Due to terrestrial retrofitting limitations, adding terrestrial capacity typically demands building large, new data centers designed for specific generations of compute hardware. This approach is usually burdened with long lead times for activities such as power procurement, utility grid interconnections, and permitting before new computing hardware can generate useful tokens. We believe our orbital, modular approach will allow us to circumvent terrestrial power infrastructure constraints.
- **Highly scalable compute capacity.** Unlike terrestrial facilities constrained by physical footprint and availability of power in a given location, orbital data centers leverage a decentralized mesh architecture. This permits the aggregation of massive compute clusters interconnected over long distances by inter-satellite lasers pioneered by Starlink. Space offers effectively unlimited power and vast expanse to sustain uninterrupted operations as capacity grows. We believe this abundance of power and physical area will allow us to scale our connected compute capacity faster and far beyond levels that are terrestrially viable.
- **Low latency.** Our satellite constellation provides a direct, orbital data path that circumvents the bottlenecks of terrestrial communications networks. This architecture is particularly suitable to support high-speed connectivity for latency-sensitive workloads, which we believe are increasingly valued in certain consumer- and enterprise-facing applications.
- **Global distribution.** Because of the global coverage of our satellite constellation, not only can we deliver high-speed, ultra-low latency AI solutions, we can do so anywhere in the world. We believe our increasingly global network of Starlink satellites will enable us to deliver frontier intelligence, at high speed and reliability, to communities and economies around the world.

Design and manufacture our own chips. Terafab aims to be the world's largest chip manufacturing facility, with the goal of achieving one terawatt of annual compute production capacity. While Terafab is intended to expand our internal chip manufacturing capabilities, we expect to continue sourcing a significant portion of our compute hardware from third-party suppliers. We view Terafab as complementary to these relationships, enabling us to augment our access to compute hardware at massive scale and further complete our highly vertically integrated compute platform by extending our control to the foundational chip layer. By developing end-to-end capabilities spanning the design of lithography masks, fabrication of logic and memory chips, and advanced packaging, all in a vertically integrated closed-loop single plant, we will be able to more rapidly iterate to improve chip design and performance. We plan to design chips that are optimized for the space environment. This collaboration directly enables our planned orders-of-magnitude increases in AI compute deployment in orbit which would be constrained by pure reliance on external foundries. Leveraging shared engineering resources, intellectual property, and infrastructure across Tesla and SpaceX, as well as Intel's proposed contribution of its expertise in designing, fabricating and packaging ultra-high-performance chips at scale, Terafab creates powerful ecosystem synergies that accelerate innovation cycles and reduce costs. Just as we manufacture approximately 80% of Starship in-house, enabling it to be the world's most powerful and, eventually, the most cost-effective launch vehicle through full and rapid reusability, we expect significant speed and cost advantages from Terafab's vertical integration. We believe this will provide us with a critical competitive advantage in the race to scale AI infrastructure, especially as we begin our orbital AI compute satellite deployments.

4.3.6 Industry Overview

We are focused on three rapidly evolving industries: space, connectivity, and AI. Technological advancements and breakthrough innovation are enabling what we believe is the next great economic frontier, as progress across space launch, global communications, frontier models, AI compute, robotics, and automation reshape what is possible on and off Earth. There are several key trends driving the growth and evolution of these industries in which we operate:

- Reusable launch and industrialized space operations are materially reducing the cost of access to orbit, increasing mass carried per launch, and enabling high-cadence deployment of space-based infrastructure;

- High-volume satellite manufacturing, combined with rapid constellation refresh cycles, is expanding the ability for ubiquitous connectivity across unconnected, underconnected, and mobile “dead zone” areas; and
- AI, automation, and robotics are accelerating engineering iteration cycles, streamlining operations, and revolutionizing complex construction, reducing reliance on scarce specialized labor while delivering faster, more precise, and cost-optimized infrastructure.

4.3.6.1 *The Space Industry*

For most of the space age – dating back to the first launches in the 1950s – spaceflight was shaped by onerous regulatory requirements and government budgets that determined launch cadence. The prevailing cost-plus procurement model offered limited incentives to reduce costs or increase launch cadence, creating an operating environment that constrained technological innovation. Government agencies served as the primary launch services providers and the industry remained stagnant for decades. According to NASA, until the 2000s and the introduction of the Falcon 9 rocket by SpaceX, global commercial launch activity averaged 25 to 35 launches per year.²¹ As a result, the space industry remained a niche domain with limited ability to support large commercial markets or scaled space-based infrastructure.

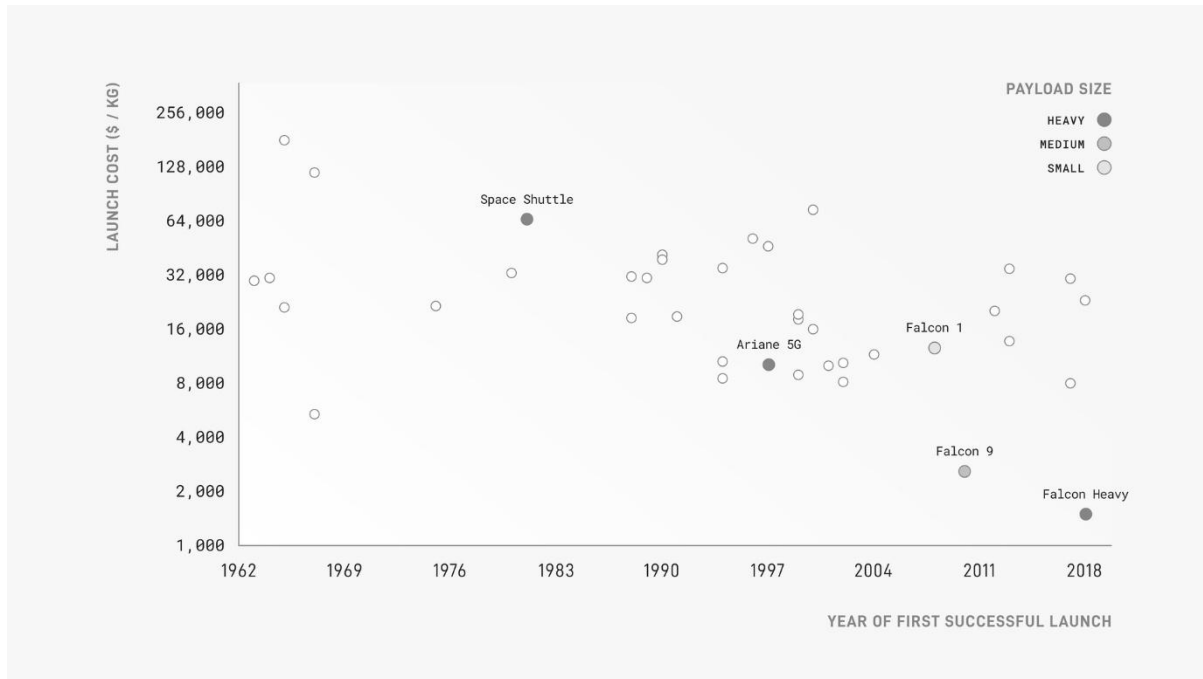
During this period, satellites – which comprised the majority of launch payload – were typically bespoke, expensive systems requiring significant non-recurring engineering that consisted of development cycles that were measured in decades. Launch vehicles were designed to be largely expendable and optimized for single-mission use, reinforcing a low-throughput ecosystem that lacked flexibility, scalability, and responsiveness to evolving customer requirements.

The need for more advanced launch capabilities became clear as space-based use cases expanded to include communications, navigation, Earth observation, environmental monitoring, scientific research, Intelligence, Surveillance and Reconnaissance, and access to the International Space Station. In 2006, NASA awarded SpaceX, along with Rocketplane Kistler, the landmark Commercial Orbital Transportation Services contract that heralded the age of commercial space launch, marking a shift toward a more scalable approach to accessing space. This inflection point catalyzed a transition toward systems designed for more frequent operations, lower cost, and greater operational flexibility.

Advances in high cadence, reliable, and affordable access to space – driven largely by SpaceX – have expanded space from a purely mission-driven activity to a fully industrialized and commercial sector capable of supporting and enabling industries far beyond traditional launch and satellites. SpaceX’s advancements reduced the cost of access to orbit from tens of thousands of dollars per kilogram to just a few thousand dollars per kilogram.

²¹ Source: Nasa, Large Reduction in Space Launch Cost.

Cost of Space Launches to LEO
(constant 2021 \$ per kilogram; plotted on a logarithmic axis)



As launch economics have changed rapidly over the last decade, demand for orbital infrastructure has expanded dramatically. Commercial operators have launched thousands of satellites since 2015 as constellation architectures scale and diversify. The number of active maneuverable satellites in orbit has grown from less than 1,000 in 2015 to approximately 12,700 as of March 31, 2026. With approximately 9,600 Starlink broadband and mobile satellites in LEO as of March 31, 2026, SpaceX owns and operates approximately 75% of all active maneuverable satellites.²² Additionally, launch activity has continued to grow, with approximately 220 metric tons of payload launched to orbit in 2012 increasing to approximately 2,600 metric tons in 2025, of which over 80% was launched by SpaceX.²³

Government demand is rising in parallel: according to the Space Foundation, excluding classified spending, U.S. Government space spending in 2024 totaled approximately \$77 billion. Notably, U.S. national security customers have also awarded approximately \$13.7 billion across the National Security Space Launch (NSSL) Program's Phase 3 Lane 2 contracts through 2032, supporting approximately 54 missions from 2025 to 2032, with the overall Phase 3 manifest nearly doubling Phase 2's manifest to 84 missions. Amid escalating geopolitical tensions that further underscore the critical role of resilient launch infrastructure, we believe government space budgets around the world are positioned for sustained, long-term growth.

On the back of dramatically reduced launch cost pioneered by SpaceX over the past two decades, the global economy is reorganizing around a new domain: space. We believe the development of a lunar economy will be central to unlocking the full potential of this new domain and advancing the long-term transition to a multiplanetary civilization.

4.3.6.2 *The Connectivity Industry*

Modern life relies on connectivity. Over the past several decades, the technologies that underpin global connectivity have evolved rapidly, reshaping the way individuals, families, and organizations communicate, collaborate, and access information.

Despite remarkable technological advancements, terrestrial networks remain constrained by the same inherent structural limitations that have hindered them since their inception. According to the Global Satellite Operators Association, terrestrial network infrastructure only covers approximately 20% of global land mass, resulting in significant unserved and underserved regions across both developed and developing economies. This

²² Source: McDowell, Satellite Statistics.

²³ Source: McDowell, Satellite Statistics.

terrestrial connectivity gap spans areas that are remote, difficult to build in, or economically impractical to serve – and also includes mobile “dead zones” within otherwise well-connected areas and in urban markets. According to the J.D. Power U.S. Wireless Network Quality Performance Study, U.S. wireless customers experienced service problems in approximately one out of every 11 mobile interactions, even in well-connected areas. As demand for ubiquitous, high-reliability connectivity continues to rise, terrestrial networks alone are increasingly unable to bridge the widening gap between user demand and available coverage.

The development of large-scale LEO constellations represented a paradigm shift, breaking from the long-standing dependence on terrestrial networks for global connectivity. Deployed at unprecedented scale – such as through SpaceX’s Starlink and Mobile constellations – these satellites can provide high-speed, low-latency service that integrates seamlessly with terrestrial infrastructure. This evolution has transformed satellite connectivity from a solution of last resort into a core pillar of resilient, ubiquitous global communications.

4.3.6.2.1 Consumer Broadband

Residential internet access began with the dial-up connection in the late 1990s with maximum speeds of .056 Mbps, when early users relied on narrowband copper phone lines to connect. As demand for speed and reliability grew, dial-up gave way to DSL, cable, and eventually fiber, each increasing bandwidth and enabling more connected devices. According to the Speedtest Global Index, the global average broadband download speed has increased to approximately 120 Mbps. Satellite internet also emerged in the 1990s through geostationary orbit (GEO) systems that extended coverage to remote and unconnected regions – beginning with early offerings such as Hughesnet’s first satellite service DirecPC, which provided downstream speeds of roughly 400 kbps compared to dial-up averages of 28.8 kbps – but these systems were constrained by limited throughput and high latency, making it difficult to keep pace as consumer requirements evolved. Starlink satellites operate in LEO, substantially closer to the Earth’s surface than traditional geostationary communications satellites. This architecture reduces signal latency and is designed to support broadband connectivity in remote and underserved areas. Each launch of additional Starlink satellites increases the overall capacity of the network, which provides service globally.

In today’s digital landscape, consumers increasingly rely on seamless, high-performance connectivity to power all aspects of connected life – from every day digital services to demanding applications that require high throughput, consistent performance, and low latency. These needs are particularly challenging to satisfy in regions where terrestrial networks are limited, degraded, or unavailable due to prohibitive deployment costs, rugged terrain, low population density, or outdated infrastructure. Consequently, consumer broadband has evolved into a multifaceted ecosystem, where diverse access technologies converge and providers compete based on superior reliability, consistent performance, and an exceptional overall user experience.

Consumer demand for data is surging at a pace that terrestrial infrastructure has struggled to match. According to International Data Corporation’s Global DataSphere, in 2025, global data generation was estimated to have reached more than 585 exabytes of per day – up from approximately 10.8 exabytes per day in 2010 – reflecting an immense escalation in consumption. With fixed broadband connections projected to reach two billion by 2030 according to Ericsson, and terrestrial expansion often economically unfeasible in remote and challenging regions, only space-based systems can deliver truly global, ubiquitous, high-throughput coverage capable of supporting this explosive growth in data demand.

4.3.6.2.2 Enterprise and Government Broadband

Enterprise broadband internet has evolved alongside residential internet, beginning with fixed private lines that connected offices and infrastructure. As businesses adopted real-time, distributed workflows, they needed secure, low-latency connectivity across multiple sites and mobile assets. Mobility became essential in sectors like manufacturing, transportation, and logistics, extending connectivity demands beyond fixed locations into dynamic environments that terrestrial networks often cannot support reliably or economically. Enterprises now expect seamless, uninterrupted performance with instant failover where terrestrial systems are unavailable or unstable – driving adoption of hybrid architectures that combine ground networks with space-based solutions.

Enterprise connectivity demand continues to rise as organizations digitize operations and rely on real-time, cloud-based workflows that require secure, low-latency connectivity across distributed sites and mobile environments. This is particularly true in the case of aviation, maritime, and land mobility applications, where aircraft, vessels, and ground fleets are inherently mobile and therefore unable to depend on continuous terrestrial network coverage for connectivity. These platforms increasingly require resilient communications to support flight and voyage operations, crew applications, passenger internet access, telematics, and port or shipboard logistics. In aviation, legacy GEO-based systems that are still prevalent across most major commercial fleets typically

provide low Mbps speeds and significantly higher latency, often exceeding 500 milliseconds, falling well short of the approximately 100 Mbps throughput and sub-50 milliseconds latency that today's applications – such as streaming, cloud services, and real-time collaboration – increasingly demand. Therefore, there is a need for modern LEO-powered in-flight connectivity systems – such as Starlink Broadband – that can deliver passenger download speeds exceeding 400 Mbps with latency as low as 21 milliseconds. Terrestrial networks cannot meet these evolving demands where deployment is costly, complex, and slowed by regulatory constraints, and legacy satellite solutions have not delivered the latency or consistency needed for enterprise-grade applications, with average terrestrial ISP download speeds at 120 Mbps and average latency from 7-34 milliseconds.

Defense and civil agencies similarly require secure, resilient, and global connectivity, often operating in contested or infrastructure-poor regions where terrestrial networks are unavailable or vulnerable. As the battlefield becomes increasingly connected, the need for robust, persistent connectivity across all domains is more urgent than ever. Modern missions depend on high-throughput, low-latency connectivity for command and control, autonomous systems, emergency response, and humanitarian operations, driving demand for architectures that maintain performance where terrestrial systems fail. Substantial government investment into mission-critical, space-based communication services illustrates the institutional reliance on LEO architecture for defense applications. High-throughput, low-latency LEO constellations add a new architectural layer that enhances redundancy, operational continuity, and flexibility across mission sets. There is an increasing need for purpose-built secure platforms – such as Starshield, that can provide encrypted, high-assurance communications and modular payload integration – further expand the utility of space-based connectivity for defense, civil, and national resilience needs. Together, these advances position space as the foundational component of future mission-critical communications architectures.

4.3.6.2.3 Satellite-to-Mobile Service

Since the early rise of mobile phones, terrestrial networks have expanded at immense cost and increasing density to support successive generations of cellular technology – from the primarily voice-centric networks of the 1980s to today's high-speed 5G data networks. These investments have enabled much of the global population to become well-connected, yet the capital-intensive nature of terrestrial build-outs has resulted in vast geographic mobile “dead zones” where coverage remains too expensive or is nonexistent. In many regions particularly those that are remote or sparsely populated, extending towers is economically impractical for MNOs, resulting in large segments of the population with limited or no access to reliable connectivity. Early satellite-based cellular options, beginning in the 1980s with dedicated satellite phones, helped fill these gaps but required bulky hardware and carried high usage cost, limiting them to narrow and mission-driven use cases. As consumer expectations for ubiquitous coverage have grown, MNOs face structural limits in closing these “dead zones” with terrestrial infrastructure alone, making LEO-based augmentation the most viable path to continuous, reliable mobile connectivity at global scale.

Early satellite-to-mobile services (i.e., those connecting directly to standard smartphones) emerged in the 2020s with support for basic messaging and, in some cases, voice in areas without terrestrial coverage. These offerings provided more contiguous communication for safety, continuity, and remote operations. However, they were introduced at the same time mobile data consumption was accelerating dramatically, and consumer expectations for “always-connected” devices were rising. As a result, satellite-to-mobile technology is now evolving beyond emergency-only communication. It is shifting toward enabling everyday smartphones to remain seamlessly connected when outside traditional cellular or Wi-Fi range, integrating satellite connectivity into routine mobile usage, rather than treating it as a contingency layer. At the same time, telecom operators have been reducing capital expenditures amid slower revenue growth, weaker monetization, and declining returns on invested capital – pressures that have limited their willingness to maintain historically high levels of network deployment. These shifts are also increasing demand for harmonized, scalable spectrum allocations capable of supporting higher-capacity satellite-to-mobile services without interfering with terrestrial networks, with the potential to add an incremental \$1.4 trillion of economic growth over the next 10 years, as forecasted by Cellular Telecommunications and Internet Association.

These industry shifts have opened the door for deeper collaboration among satellite operators, MNOs, carriers, spectrum owners, device manufacturers, and regulators. As satellite network performance continues to improve and these partnerships expand, satellite-to-mobile offerings – such as Starlink Mobile – are poised to evolve from a “backup” layer into a meaningful complement to terrestrial networks, extending coverage and enhancing overall network resilience and performance.

4.3.6.3 *The AI Industry*

For the first time, we are creating systems that do more than simply amplify or transmit human-generated knowledge. These systems can reason, learn, and generate new knowledge autonomously – synthesizing information, forming hypotheses, and in some domains even making original discoveries. In doing so, they augment, accelerate, and will likely surpass unaided human cognition. This represents a profound shift: we are moving from tools that simply extend the mind to autonomous agents and companions that actively participate in the act of knowing.

Over the past decade, the convergence of big data, advances in AI hardware, and the breakthrough development of LLMs have transformed AI from a speculative academic field into a foundational driver of the modern economy.

4.3.6.3.1 AI Compute

Massive demand for frontier AI models is accelerating the build-out of AI infrastructure at a pace and scale with few historical precedents. Meeting projected AI needs will require \$7 trillion in global data center investment through 2030,²⁴ with generative AI workloads expected to account for roughly 70% of total data-center power demand by the end of the decade. Each new generation of frontier models requires exponentially greater compute, following well-established scaling laws that link model performance to the volume and quality of training data, parameter count, and total compute expected. The rise of agentic AI and the potential emergence of AGI are expected to further amplify inference workloads, driving a step-function increase in compute requirements and the corresponding data center capacity needed to support them. Frontier AI has become fundamentally infrastructure-constrained. Only operators with access to massive amounts of power, very large GPU clusters and tightly integrated training infrastructure can train cutting-edge models, and these systems exhibit non-linear performance advantages that compound over time. Compute infrastructure scale helps determine model iteration speed, model quality, and capital efficiency – making infrastructure itself a critical capability.

4.3.6.3.2 AI Frontier Models

A new class of frontier models has emerged, which includes LLMs and multimodal models. LLMs are neural network-based models trained on massive datasets to interpret user questions and generate responses to highly complex questions. LLMs can synthesize existing research, propose new ideas, and communicate in a natural language that requires no programming expertise by the user. Demand for these tools has been explosive – according to a YouGov survey, approximately 60% of Americans have used AI tools since December 2024, and 34% use AI tools at least weekly. Multimodal models are AI systems that can process, understand, and generate outputs across multiple types of data simultaneously – such as text, images, audio, video, and sometimes other modalities – rather than being limited to just one (like text-only language models). Multimodal models offer several key benefits over traditional unimodal (e.g., text-only) systems by processing and integrating multiple data types like text, images, audio, video, and sometimes sensor data simultaneously. They provide richer contextual understanding, capturing relationships and nuances across modalities that are invisible in isolation, leading to more accurate predictions and reasoning.

AI frontier models are shaped by the values, objectives, and design choices of their creators. Model intelligence and performance reflect decisions around data curation, training methodologies, alignment frameworks, and system constraints, resulting in different reasoning styles, interpretations, and responses across models. Therefore, values can be embedded in the technology, influencing accuracy, logic, and utility of the model outputs and how well models can serve end users.

Following rapid frontier model innovation and broad adoption of chat-based tools, organizations are now beginning to deploy agentic systems – AI that can use tools and operate with limited supervision. This marks the beginning of what we believe will be a broader transition from co-pilots to agentic systems that enable high-complexity workflows and create materially higher inference demand.

4.3.6.3.3 Consumer and Enterprise Applications

Advances in digital communication have reshaped how information is created, shared, and consumed, laying the foundation for today's social media platforms. These platforms have become essential channels for digital advertising by combining large-scale user engagement with targeted content and ad distribution. Recent advances in AI are further strengthening advertising, allowing enterprises to optimize campaigns and measure

²⁴ Source: McKinsey, Cost of Compute.

outcomes. At the same time, consumer expectations for AI-powered tools are rising, with users seeking timely, accurate and trustworthy information across an expanding universe of digital content.

We believe the ongoing convergence of consumer platforms, consumer AI, and integrated digital services will accelerate the emergence of super-app ecosystems that combine communication, content creation, information, commerce, and banking within a single platform. These trends are expected to expand the role of internet platforms as distribution channels and support next-generation AI-enabled applications and advertising solutions.

For enterprises and governments, frontier models and agentic AI – autonomous systems capable of multi-step reasoning and independent task execution – are beginning to manage increasingly complex processes and workflows. As of February 2026, more than 80% of Fortune 500 companies were using AI active agents. Entire industries are being reshaped by AI-driven applications, including agentic commerce (personalized AI-directed shopping), vibe coding (software development with minimal or no human-written code), and autonomous driving for vehicles.

The ultimate frontier in AI is human augmentation: creating systems that amplify and multiply human reasoning, creativity, decision-making, and productivity, enabling people to perform highly complex tasks with unprecedented speed, scale, and insight. By enhancing how humans think, learn, and interact, such systems act as cognitive multipliers, supercharging individual and collective capabilities far beyond biological limits. As AI evolves, we expect both consumer platforms and enterprises to adopt increasingly agentic systems that serve as powerful extensions of human intelligence. These tools will orchestrate multi-step workflows, interact seamlessly with business applications, and accelerate operational processes, with humans at the center of judgment, creativity, and strategy. Emerging efforts in enterprise AI illustrate how future systems could coordinate entire business functions as force multipliers – dramatically expanding what a human team can achieve with minimal scaling friction and maximal leverage. Human augmentation also offers a transformative solution to the escalating effort required for breakthroughs in technology and beyond. For example, the human effort needed to sustain Moore’s Law (chip density doubling approximately every two years) has increased eighteenfold since the early 1970s; AI augmentation could reverse this trend by empowering engineers, researchers, and innovators to iterate faster, explore more possibilities, and achieve exponential progress with smaller, core teams of experts.

4.3.7 Our Strengths

4.3.7.1 Global Leadership in Orbital Launch Services

Our ability to reliably, quickly, and cost efficiently launch rockets at scale into space is our core competitive advantage that enables other parts of our business. Our launch capabilities form the foundation of our orbital infrastructure and have created new multi-trillion-dollar opportunities in space, global connectivity, and AI. We believe no other launch provider is competitive at this scale today, nor is likely to become so in the near term. Our fleet of 24 flight-proven, reusable rockets and our growing share of total mass delivered to orbit has increased every year since 2021. Reusability completely changes the economics of space access. Qualified for 40 launches, our reusable rockets can fly multiple times with only minimal refurbishment between missions, sharply lowering the cost per launch, while boosting our launch rate, asset use, and overall efficiency compared to traditional expendable rockets. As a result, we can offer competitive launch prices, rapidly deploy our own satellites and infrastructure, and make it easier and cheaper for us to pursue new opportunities requiring orbital access. Our higher launch rates and reusability also create a virtuous cycle: more flights lead to faster improvements in design, manufacturing, and operations through accumulated experience. Additionally, not only did we demonstrate what we believe to be at least a 10-year advantage over the rest of the industry when we first landed our Falcon 9 booster back from space in 2015, but we have continued to invest significantly in further increasing our lead by pursuing full and rapid reusability at scale, including investing over \$15 billion in our next-generation rocket, Starship.

4.3.7.2 Unrivaled Satellite and Connectivity Platform across Design, Manufacturing, Deployment, and Operations

We are able to design, engineer, and manufacture what we believe to be the world’s most advanced satellites at scale, enabling the creation and scaling of new businesses leveraging this core satellite technology platform, including: Starlink Broadband, our space-based internet broadband service; Starlink Mobile, our global satellite-to-mobile service; and emerging AI initiatives. Unlike traditional satellite manufacturers that rely on fragmented supply chains and low-volume production, we have built an integrated satellite platform that spans architecture, chip design, software, power systems, and final assembly. As we rapidly iterate on our next-

generation satellites in-house, some others are contracting outsourced manufacturers to build satellite architectures with capacity comparable to satellites that we retired years ago. As of March 31, 2026, our constellation also incorporates over 23,000 inter-satellite lasers that create a dynamic mesh network in space, enabling data traffic to route through orbit rather than relying solely on terrestrial backhaul infrastructure. By controlling satellite design, production, launch and operations, we can tailor payloads, networking capabilities, and power requirements to support new use cases. For example, our AI compute constellations will leverage our core satellite technologies already developed for our existing Starlink constellations. We will build new satellites that can host processors for high-density compute payloads, offer enhanced power generation with larger solar panels and storage systems, and enable higher-capacity networking capabilities to support low-latency workloads in orbit. Our high-throughput manufacturing capabilities – combined with our launch capabilities – enable us to produce and deploy thousands of satellites per year, an uneconomic proposition for those lacking an ability to deliver substantial mass into space. This capability accelerates our deployment timelines and allows us to commercialize entire constellations with capital efficiency that we believe is difficult to replicate.

Our global connectivity platform, Starlink, is powered by the world’s largest LEO constellation and supported by our vertically integrated launch and satellite manufacturing capabilities to enable the delivery of high-speed, low-latency broadband and mobile connectivity to homes and businesses everywhere in the world. Our vertically integrated model allows us to provide reliable service with unmatched speed and cost across geographies where traditional terrestrial infrastructure has been limited, uneconomical, or unavailable.

4.3.7.3 Truth-Seeking AI Model Enhanced by Real-Time Data

AI frontier models are shaped by the values, objectives, and design choices of their creators that influence accuracy, logic, and utility of the model outputs. We believe Grok represents a differentiated approach to AI, grounded in a core objective of truth seeking and powered by continuous, proprietary access to real-time data inflows through its integration with X. With approximately 350 million daily posts, X enables freshness, relevance, and contextual awareness for Grok that we believe is a competitive differentiator. This direct, real-time access to the information and human discourse on X enhances Grok’s truth-seeking capabilities by grounding outputs in up-to-date knowledge and diverse viewpoints.

This architecture reflects our core philosophy that maximizing truth seeking – through the active, relentless pursuit of what is objectively true about reality, grounded in evidence, logic, empirical data, and first principles thinking – drives superior model outputs and higher utility intelligence. By combining our truth-seeking model with proprietary access to one of the world’s largest real-time information platforms, we believe Grok can deliver the most objective and relevant insights and best serve high-frequency, high-value use cases across consumer and enterprise AI applications.

4.3.7.4 Extreme Vertical Integration Enabling High Velocity and Superior Cost Efficiency at Scale

While conventional aerospace manufacturing relies heavily on fragmented and outsourced supply chains, we operate with extreme vertical integration. By designing and manufacturing a significant portion of our components in-house, we bypass many of the slow, bloated sourcing channels that structurally constrain the rest of the industry. For example, approximately 80% of Starship, SpaceX’s next-generation launch vehicle, is manufactured in-house. Our vertical integration allows us to achieve iterative cycles in weeks, compared to years for some legacy companies, enabling us to build newer, more technologically advanced products faster than many of our competitors. We believe this technological and logistical gap is widening meaningfully as our speed and cost advantage compound. Our vertical integration extends beyond design and manufacturing – it permeates our entire business model, encompassing engineering, deployment, and operations. According to our assessment, we are the only company building integrated hardware and software infrastructure of the future across space, connectivity and AI. This end-to-end control allows us to deliver value through structural advantages in speed, cost and quality.

Our strong belief in the benefits of extreme vertical integration is further exemplified by our acquisition of xAI. We not only develop best-in-class models to support the application layer of AI, where we leverage real-time data ingestion from X (subject to some limitations for certain content), but we also own and operate the physical compute infrastructure required to train and run inference on those models, providing a substantial cost and speed advantage. Through our Terafab initiative together with Tesla and Intel, we intend to further extend our vertical integration to chip design and manufacturing to alleviate potential future chip shortages at SpaceX, optimize compute performance, and reduce overall compute costs. Intel will contribute its expertise in designing, fabricating and packaging ultra-high-performance chips to help Terafab scale. This highly vertically integrated approach allows us to train and iterate our frontier models at high velocity, accelerating development cycles,

eliminating external bottlenecks, and driving rapid, continuous improvements in model performance. Compute availability is also critical for running more complex workloads and delivering higher performance inference at scale. As AI adoption accelerates and demand for low-latency, high-throughput inference increases, we believe operators with the ability to support and efficiently allocate compute across both training and inference workloads are best positioned to win the AI race. Our human augmentation solutions are being designed to capitalize on this shift, enabling us to deliver superior performance for our customers. This advantage of vertical integration exists in both a terrestrial context, where we own our own data centers and the associated power infrastructure, and eventually in a space-based context, where we are planning to build our own orbital AI compute infrastructure. The key constraints in the continued growth of AI are physical – chip manufacturing, data center infrastructure, and power generation. Differentiation is rapidly shifting from model architecture alone to AI compute scale, cost efficiency, power availability, and speed of deployment. We believe that physical infrastructure, not models, will be the primary competitive differentiator for AI companies, and we believe no other AI company has better control over the full physical infrastructure than SpaceX.

4.3.7.5 Unique Ability to Scale New Trillion-Dollar Markets Across Space, Connectivity, and AI

We believe we have a distinct ability to identify, activate, and commercialize new multi-trillion-dollar markets that did not previously exist. Historically, space access was impaired by high launch costs, low flight cadence, and limited demand. While such constraints may limit others' ability to access space at a scale, our ability to build large-scale and complex hardware infrastructure is a meaningful competitive advantage. By pioneering the world's first and only fleet of reusable rockets at scale, we revolutionized space access through dramatically lower cost and unmatched reliability. Lowering costs by orders of magnitude does not just expand the launch market, it enables the creation of entirely new industries on Earth and in space that have historically been technologically and economically infeasible for others to access historically.

When we have identified a new trillion-dollar market opportunity to pursue, we design a solution rooted in the same world-class engineering and first-principles thinking that has driven our technological breakthroughs and success to date. Our first trillion-dollar market was connectivity: we founded Starlink, a satellite service supported by our low-latency, high-speed LEO constellation. Starlink required the rapid, low-cost deployment of millions of kilograms of hardware into orbit, a feat economically impossible to solve for anyone lacking our foundational launch capabilities. Our Starlink constellation powers a global connectivity platform capable of supporting the world's largest and most advanced space-based internet broadband service and satellite-to-mobile service, enabling high-speed internet access to homes, enterprises, governments, and mobile users around the world. We believe our next trillion-dollar market is AI compute, and we expect to leverage our rockets and satellites for massive orbital deployments of AI infrastructure. We believe this AI compute infrastructure will help us develop and monetize the Grok model faster than other AI companies that are dependent on finite sources of power on Earth. According to our assessment, no other company has built the capabilities to create value across all these end markets at scale.

In addition, we believe we are poised to catalyze transformative breakthroughs in other industries on Earth and in space such as long haul point-to-point terrestrial travel, in-orbit manufacturing, passenger and cargo transportation to the Moon and Mars, manufacturing and energy production on the Moon and Mars, and asteroid mining. In particular, we believe that if we achieve our goal of establishing a lunar presence, it will potentially enable terawatt-scale annual AI compute growth, support deeper space exploration and industrialization, and serve as a stepping stone to establishing a civilization on Mars. As we continue to scale and expand into new trillion-dollar markets, we expect our more mature businesses will continue to generate substantial cash flows, enabling us to reinvest in emerging opportunities.

4.3.7.6 Business Models that Are Incredibly Difficult to Replicate

Our business model is simple to describe: leverage our launch capabilities to reduce the cost of access to space, apply first-principles thinking and world-class engineering to solve large structural constraints, vertically integrate across the value chain, continuously improve cost efficiency and throughput, and reinvest cash flow to expand our capabilities and create new markets. While simple to describe, we believe this model is extraordinarily difficult to replicate. We believe no other organization can execute this combination of reusable orbital launch systems at industrial scale, breakthrough engineering designs with reliable high-volume manufacturing, full stack proprietary software, and end-to-end operational control. These capabilities reinforce each other, and our vertical integration enables faster innovation cycles and structural cost advantages that widen our competitive advantage.

Our business model has allowed us to build a diversified portfolio of complementary businesses and revenue streams from a common technological foundation. Our Space segment generates revenue from

commercial and government customers, while also serving as the backbone for our Connectivity segment which generates highly predictable and recurring subscription revenue from Starlink broadband consumer, enterprise, and government customers, as well as Starlink Mobile subscribers. The result is a powerful, self-reinforcing value creation cycle: success in one business fuels faster growth in the others, enabling reinvestment into the next frontier. We believe this model has the potential to create compounding value across our ecosystem, allowing our lead to grow and become more durable over time.

4.3.7.7 Mission-Driven Culture and World-Class Talent

We have the benefit of being founded and led by Elon Musk, one of the great visionaries of our generation. We believe that our ability to attract and retain world-class technical and engineering talent is a significant competitive advantage. Our founding goal of making life multiplanetary serves as the ultimate mission-driven filter and retention tool, which has only been enhanced by xAI's truth-seeking mission of understanding the universe. Top engineers are drawn to SpaceX to work on some of the hardest, most consequential problems facing humanity – doing things that have never been done before, like landing and re-using rockets, working towards making humanity multiplanetary, and gaining a better understanding of the mysteries of the universe through AI. They are also drawn to our intense, engineering-led, first-principles culture. We reinforce this culture through “The Algorithm,” a five-step iterative process that emphasizes making the requirements less dumb, deleting unnecessary processes or parts (embracing the principle that the best part is no part), only then optimizing what remains, accelerating cycle time, and automating only proven processes. Our organizational philosophy embraces failure as an essential learning opportunity and maintains a relentless focus on efficiency and speed, enabling rapid iteration and repeatable execution on the hardest technical problems. To this end, our engineering-oriented organization maintains access to some of the world's most selective talent pool. In 2025, we accepted under 2% of our engineering applicants, reflecting our ability to be highly selective and hire among the best talent in the industry. We also foster commitment by aligning employee interests with organizational success: our broad-based employee ownership program ensures that those who help us build the future are also direct beneficiaries of our success. This commitment to quality and mission results in exceptional employee loyalty, reflected by an average tenure across our broader SpaceX leadership team of 12 years.

4.3.8 Our Growth Strategies

We have created what we believe to be the world's most ambitious vertically integrated innovation engine that captures significant growth across three domains: Space, Connectivity, and AI. While our Space segment provides us with a foundational competitive advantage that enables all other parts of our business, our Connectivity and AI segments are expected to be the primary driver of revenue growth in the near term. In the next few years, we are focused on increasing the monetization of our existing Connectivity infrastructure and our existing AI user base. We also intend to continue to build out our AI infrastructure, which we expect to enable growth as we address the significant AI market opportunity. Our growth strategy aligns with our value creation cycle where we identify emerging opportunities, invest in innovation, rigorously test and iterate, launch new offerings, and generate strong cash flows to fuel the next wave of breakthroughs.

4.3.8.1 Space

Increase launch payload capacity. We plan to drive meaningful growth in payload delivered to orbit (mass to orbit) through higher launch cadence and increased payload per launch, while enhancing launch efficiency and reducing costs. Our next-generation fully and rapidly reusable Starship V3 vehicle is designed to carry 100 metric tons to Earth's orbit in a reusable configuration, driving substantial improvements in payload capacity per launch, while enabling significantly more frequent flights, at unparalleled cost efficiency. To date, we have executed 12 Starship flight tests, with our 12th flight test in May 2026 debuting the next generation Starship vehicle and Super Heavy booster, powered by the next evolution of our Raptor engine and launching from a newly designed pad at Starbase. We expect Starship to commence payload delivery to orbit in the second half of 2026. We have achieved innovative milestones, such as the creation of booster catches using “chopstick” arms that facilitate rapid refurbishment and reuse, including launching multiple times per day. To enable a more frequent launch cadence and overall greater payload delivery, we are also expanding our ground launch infrastructure, including investing in additional pads, on-site propellant production, and other support facilities, and investing in future generations of Starship, which could carry 200 metric tons in capacity, potentially as soon as Starship V4. We expect these efforts to continue to drive launch payload growth that is expected to provide the foundational capacity needed to scale our Starlink Broadband and Starlink Mobile constellations that underpin our Connectivity platform. Our growing payload capacity is also intended to underpin the deployment of orbital AI compute that will accelerate our AI business, as well as benefit third-party customers who use our launch offerings.

Establish the lunar economy. Advancing access to the lunar surface represents an important next step in the evolution of our Space segment and is a prerequisite for long-term commercialization beyond Earth. We are focused on developing the capability to transport significant amounts of cargo and crew to the lunar surface in a repeatable and economically viable manner. We believe this capability will also enable creating a petawatt-scale AI constellation through the use of lunar satellite production and a lunar mass driver for launch activities. By leveraging Starship's expected fully and rapidly reusable capabilities and in-space refueling, we expect to materially reduce the cost of lunar missions relative to historical norms. Our initial efforts will prioritize lunar cargo landings and returning Americans to the Moon, followed by expanded crewed missions that we believe can establish a continuous flow of cargo and humans between Earth and the lunar surface.

We believe that the foundation of a commercial lunar economy begins with achieving infrastructure development, lunar resource utilization, and high bandwidth communications at scale. This requires the ability to mine, extract and process raw material for the production of solar power on the lunar surface. Combined with the ability to locally produce water and fuel, we believe these capabilities would enable sustained lunar operations, support lunar exploration, and provide the foundation for humanity's permanent presence on the Moon. The lunar base would then allow sustained, high volume testing of new technologies in a space environment much closer to Earth than deep space.

We intend to establish lunar-based manufacturing capabilities, including factories to produce large-scale AI compute satellites. We believe we can efficiently launch our satellites at scale, namely due to the potential use of a lunar mass driver that is capable of high-frequency, low-cost launches of satellites from the lunar surface. By shifting energy and material and mass-intensive satellite and solar manufacturing activities off Earth that leverage sustainable power generation and the Moon's low gravity, we aim to significantly reduce costs and terrestrial resource constraints. We expect to use raw materials from the Moon to construct most of the mass of the satellites and ship chips and other lower mass elements from Earth. This roadmap positions the Moon not only as a potential gateway to Mars and space exploration, but as the first space-based industrial economy at scale.

Once resource utilization capabilities are proven feasible, we believe there is an opportunity to commercialize the harvesting and exportation of rare materials, which is estimated to be present on the Moon in quantities exceeding one million tons and has potential applications in future nuclear energy and quantum computing systems. Large-scale access to these resources, coupled with the Moon's low gravity, could unlock the potential for scalable growth by establishing a vertically-integrated resource extraction, processing and exportation hub. Using Starship's high payload capacity, we believe these materials could be economically transported directly to Earth. In parallel, the Moon could function as a proving ground for closed-loop ecosystems, long-duration habitats, and autonomous construction techniques, all of which are essential for industrialization. Over time, this infrastructure has the potential to position the Moon as a strategic industrial and transportation node.

Establishing lunar operations for mining, refueling, manufacturing, and habitation is subject to a variety of interconnected engineering and other hurdles, as well as known and currently unknown risks and uncertainties. These include hurdles, risks and uncertainties that relate to, among other things, transporting and deploying heavy equipment to the lunar surface, developing reliable power generation and storage systems, extracting and processing lunar resources at commercial scale, operating equipment in extreme temperature, radiation and dust conditions, maintaining communications and navigation infrastructure, and supporting long-duration human presence in a remote and hazardous environment.

4.3.8.2 *Connectivity*

Grow Starlink Consumer Broadband and enterprise and government customers. In the near term, we are focused on increasing global awareness of our Starlink brand and capabilities to grow our base of Starlink Broadband subscribers and to increase Starlink Broadband adoption in new and existing markets.

- **Starlink Consumer Broadband.** We have grown the number of Starlink Subscribers rapidly over the last several years. As of March 31, 2026, we had approximately 10.3 million Starlink Subscribers across 164 countries, territories, and other markets. These subscribers represent a small fraction of the estimated 3.3 billion potential end users in the markets we currently serve, many of whom still lack reliable high-speed broadband. Because we report Starlink Subscribers on a per-Service Line basis, the number of individual end users who access Starlink is already likely meaningfully higher than 10.3 million, as multiple people may share a single Service Line, including within a household. We intend to grow the number of Starlink Subscribers by expanding our consumer distribution network across thousands of authorized retail stores globally and execute region-specific marketing campaigns to increase Starlink

brand awareness. By clearly demonstrating Starlink’s superior speed, low-latency, affordability, and ease of installation – not only in rural, remote, and infrastructure-limited areas, but also in suburban and urban areas with wireline broadband options – we expect to drive meaningful subscriber and revenue growth.

- **Enterprise and Government Starlink Customers.** We plan to drive growth in enterprise and government Starlink customers through our direct, vertical-specific sales model. In recent years, we have assembled dedicated sales and engineering teams to market and support fleet-wide conversions in the aviation and maritime sectors. This has enabled partnerships with many of the world’s leading airlines, including United Airlines, Southwest Airlines, American Airlines, Qatar Airways, Lufthansa Group, British Airways, Alaska Airlines, and Hawaiian Airlines, many of which have implemented or committed to fleet-wide Starlink installations for seamless in-flight connectivity. We have also partnered with premier cruise operators, such as Carnival Corporation, Royal Caribbean Group, MSC Cruises, and Norwegian Cruise Line Holdings, for full-fleet deployments that deliver reliable high-speed internet across thousands of vessels worldwide. In addition, we have partnered with land mobility operators, including John Deere and the California Fire Department, as well as passenger rail operators such as Brightline (Florida), and Italo Treno, to provide remote monitoring and management of their fleets. We are actively driving growth in these sectors by onboarding new major airlines, cruise lines, and land mobility operators around the world, expanding existing relationships through deeper fleet penetration, and introducing advanced service tiers to make Starlink the standard connectivity solution for aviation, maritime, and land mobility customers globally. We also intend to expand our government customer base, securing major contracts with the United States and allied governments while delivering secure, resilient, and mission-critical connectivity for defense operations, humanitarian efforts, disaster response, and national security applications in even the most remote and challenging environments. We also serve a broad fixed-site customer base across industries such as retail and financial services that require high availability for critical operations as well as reliable connectivity in remote or hard-to-serve locations. As companies continue to invest in secure and resilient networks to keep critical infrastructure – such as point-of-sale and payment processing systems – we see an opportunity to grow our broad fixed-site customer base, often starting as back-up and then transitioning to primary.

Expand our Starlink Mobile offering. As of March 31, 2026, we provide Starlink Mobile services to approximately 7.4 million monthly unique devices across approximately 30 countries. We partner with leading device manufacturers, application developers, and MNOs to enhance the services we provide over one satellite network, including over-the-top voice, video, and messaging. In 2025, we entered into agreements to acquire 65 MHz of spectrum in the United States and certain global Mobile Satellite Service spectrum licenses from EchoStar, which will enable a step-change in the possibilities for our Starlink Mobile service. Furthermore, we anticipate that Starship will be able to deploy approximately 50 mobile satellites per launch, significantly increasing capacity per launch and accelerating the deployment of our next-generation constellation. With the deployment of our next-generation constellation, which is designed to fully utilize the acquired spectrum, and the expansion of our MNO partnerships, we aim to further deliver on our goal of providing connectivity for everyone and substantially reducing mobile “dead zones” worldwide – eventually with 5G connectivity to unmodified cell phones and IoT devices globally.

Increase the capacity of our constellations. Our current constellations of approximately 9,600 Starlink broadband and mobile satellites, including over 3,000 satellites deployed in 2025, support over 700 Tbps of cumulative downlink capacity. To support larger numbers of customers through our Connectivity segment, we plan to materially increase the capacity of our broadband and mobile constellations. For our Starlink broadband constellation, we will continue deployment of more of our V2 Mini satellites, and in the second half of 2026, we expect to begin deployment of our next-generation V3 satellites, each of which is designed to offer one Tbps of downlink capacity per satellite. We expect Starship will be able to deploy up to 60 V3 satellites per launch, representing a twenty-fold increase in downlink capacity deployed per launch compared to Falcon 9, enabling a more rapid expansion of our Starlink broadband constellation at a significantly lower cost. For our Starlink Mobile constellation, we currently have approximately 650 existing dedicated mobile satellites. We are developing more comprehensive satellite-to mobile services, which we refer to as our Starlink Mobile Gen2 services, including broadband data and IoT connectivity, which are expected to deliver resilient, infrastructure-independent connectivity worldwide and enable 5G connectivity.

We plan to expand our mobile constellation by deploying our next-generation V2 Mobile satellites in 2027 which, combined with the EchoStar spectrum acquisition and optimized 5G protocols, are expected to increase capacity by orders of magnitude compared to our first-generation constellation. In the U.S., the FCC approved the EchoStar license transfer in May 2026, and we separately expect to receive the remaining necessary U.S. regulatory authorizations in the second or third quarter of 2026. While these authorizations would be

sufficient from a U.S. regulatory perspective, we still require our V2 Mobile satellites to be in orbit and must complete the acquisition of the relevant spectrum from EchoStar before we can commence our planned commercial Gen2 service in the United States. Internationally, we have filed applications in nearly every country in which we intend to operate our Gen2 service, and approvals have been granted in a limited number of these jurisdictions to date. Each international jurisdiction presents its own regulatory process and timeline, and we cannot predict when or whether approvals will be granted in any given market. In addition, our Gen2 service is subject to ITU coordination requirements. We have an operational coordination agreement with EchoStar, which we expect to continue through 2026 and 2027, under which EchoStar has agreed to protect our lower-priority S-band V2 Mobile constellation. By prioritizing these step-change capacity increases in our satellite-to-mobile capabilities, we expect to both enhance high-speed, low-latency service quality in existing markets and provide services to previously capacity-limited and unserved regions, including dense urban areas and emerging markets.

4.3.8.3 AI

Grow consumer AI platform monetization. We plan to continue to grow revenue from our AI platform, the Grok application, by increasing monetization of our existing user base. We will leverage our unique combination of real-time data, large-scale distribution, leading foundational model, and hardware expertise to increase the number of Grok subscribers. Subscribers benefit from enhanced functionality, exclusive features, and access to our latest AI models. Since the introduction of our Grok subscription offering in 2025, we have increased the number of available features to add value to our subscribers, including providing access to our latest and enhanced AI tools. We plan to continue adding new features and functionality while releasing increasingly capable Grok models to increase the penetration rate of our subscriber base. Our AI segment has demonstrated exceptional model velocity: since launching Grok, we have developed leading frontier models at a far faster rate of innovation than others. We continue to invest in scaling Grok through subsequent generations, including Grok-5. Our roadmap for future models contains multi-trillion parameter models, which could represent a step change in reasoning depth and overall intelligence. We believe this pace of innovation strengthens the value proposition of our subscription offerings and supports long term subscriber growth. While our subscriber growth has been strong, we believe we are still early in increasing paid penetration across our Grok user base. We further believe there might be an incremental monetization opportunity by introducing advertising into our stand-alone Grok offering.

Grow X monetization. We intend to drive X revenue growth by increasing engagement across our users, increasing X Premium subscriber conversion, growing advertising revenue per user, and diversifying our advertising base. We continue to evolve X into an “Everything App,” integrating real-time information, communications, media, payments, banking, and more within one consumer app experience. This can improve the usefulness of X, and therefore increase the usage and monetization potential of X. We have demonstrated rapid product launch velocity, with frequent features and products launched since 2023, including Grok integration, long-form video, audio and video calling, secure messaging, tool calling, long-form articles, and creator tools. We plan to further broaden the value proposition of X through offerings like Money, a product we launched in beta in November 2025, which aims to expand platform utility by enabling payments and other financial services. We updated X chat in 2025, featuring end-to-end encryption and no connection to our ad personalization, unlike other messaging services. We intend to further embed Grok throughout X to enhance discovery, analysis of posts, user support, and personalization, increasing the usefulness of X and further improving the value of a paid subscription.

We also expect to grow advertising revenue per user and to diversify our advertiser base over time because of X’s compelling advertiser value proposition – large-scale user engagement, real-time content, and advanced AI-driven performance marketing tools. We intend to drive further advertising revenue growth by improving our performance advertising capabilities, embedding AI to optimize ad campaigns, and launching richer ad formats, including those that increase advertiser return on ad spending and their spend with us. In determining our advertising rates, we use an auction process in which advertisers bid to have their ads shown to the audience they are targeting, except for certain reserved inventory, which is sold on a fixed price basis. We provide advertisers with several engagement metrics, including: the number of impressions, price per ad, clicks, and conversions. Currently, Grok application programming interface (“API”) access is not included in our advertising rates to advertisers. We do not currently sell or offer advertisers the ability to place ads on the Grok API.

We also expect X’s real-time content stream and engagement feedback, subject to some limitations for certain content, to strengthen our advertising product performance and relevance, improving outcomes for both consumers and advertisers, and increasing retention. We also began a phased roll-out of our new advertising platform, including the new X Ads Manager, in April 2026. X Ads Manager is designed to help advertisers launch better campaigns faster, with AI-powered systems enabling more precise, relevant, and dynamic ad delivery and a centralized workflow for campaign creation, optimization, and real-time monitoring. Grok supports this strategy

by helping advertisers with campaign creation, creative optimization, and alignment with trending topics and user intent.

Deepen enterprise and government adoption. We believe adoption of AI by both enterprise and government reflects a structural industry shift, with room for substantial long-term growth. Our Grok Business, Grok Enterprise, and xAI Gov offerings position us to scale in tandem with broader enterprise and governmental AI adoption. Our Grok API further extends our reach by enabling developers to integrate our models directly into their applications and workflows. We intend to further support our enterprise offerings with a specialized salesforce and forward deployed engineers, engineers who embed directly with a client to implement our solution, to support customer acquisition and expansion.

Increase the scale of our terrestrial power and AI compute infrastructure. We plan to rapidly scale our terrestrial AI compute infrastructure through the continued deployment of large-scale clusters to support the training and inference of our AI models. To rapidly bring gigawatt-scale data centers online, we leverage world-class engineering, first-principles thinking and deep “shovels-to-tokens” vertical integration. Our AI compute facilities, COLOSSUS and COLOSSUS II, collectively provide approximately 1.0 gigawatt of compute power, with additional power capacity available for data center operations. COLOSSUS II will also provide the compute to train our next-generation Grok-5 AI model. We expect that once fully operational, the next phase of expansion at COLOSSUS II will represent an additional 400MW of compute capacity. Our first-principles thinking enables us to build coherent compute at scale and at rapid speed with lower costs than most other companies in the industry. We brought the first cluster of COLOSSUS online in 122 days, repurposing the shell of an existing factory, and the first cluster of COLOSSUS II online even faster in 91 days. As an illustrative comparison, an industry benchmark to bring online a 100 megawatt greenfield data center is approximately two years. We also demonstrated a significant improvement in cost efficiency, achieving data center construction costs for COLOSSUS II that are considerably lower than industry benchmarks on a per megawatt basis. As AI workloads increase in complexity and scale, data center operators face constraints related to power density, cooling, network bandwidth, supply chain management, construction expertise and capital deployment. Our experience in designing mission-critical hardware systems, optimizing power efficiency, and operating distributed infrastructure networks provides a differentiated foundation for continuing to grow and advance the next-generation compute platform. We believe that continued investment in our compute infrastructure is critical to supporting long-term consumer and enterprise growth as AI adoption accelerates, while also providing a powerful foundation for our transition to orbital AI compute at scale.

In addition, our leadership in compute infrastructure positions us to monetize not only AI software applications built on our models, but also the underlying compute that powers them. As we continue to scale our terrestrial compute infrastructure to support internal model development, training, and inference workloads, we intend to sell our high-performance compute capacity to a limited number of third party customers.

Deploy orbital AI compute at scale. We believe growth of the projected \$26.5 trillion-dollar AI market will be constrained by Earth’s inability to rapidly scale power generation, underscoring the challenge of achieving terawatt-scale compute without harming people and the environment. While we expect terrestrial power generation to continue to grow, we believe the physical, environmental, and regulatory constraints will prevent it from delivering the orders-of-magnitude increases needed to match future energy demands of the AI era. Power from the Sun, an enormous, free fusion reactor in the sky, represents approximately 99.8% of the solar system’s energy and offers the only truly scalable solution to terrestrial energy constraints. By combining virtually unlimited solar power in space with our industry-leading launch costs and satellite manufacturing capabilities, we believe we can deliver compute over time at a fundamentally lower cost structure than is possible on Earth. By the end of the decade, we intend to deploy the first modular orbital AI compute shells and begin monetizing capacity through the sale of AI software and AI compute. We aim to launch 100 gigawatts of AI compute capacity on solar-powered satellites each year, equivalent to roughly one fifth of total annual U.S. power production in 2025.²⁵ The amount of compute capacity we can launch depends on three components – payload, satellite capacity, and launch frequency. With respect to payload, Starship V3 is designed to deliver 100 metric tons to space in a fully reusable configuration while enabling rapid turnaround times, and future generations could reach 200 metric tons, potentially as soon as Starship V4. With respect to satellite capacity, we expect solar cells optimized for the space environment will be produced at a rapid rate, with early satellites generating 100 kilowatts of compute power and scaling from there. Finally, with respect to launch frequency, we expect to be able to scale to thousands of launches per year. Together, we expect these achievements will allow us to transport approximately one million metric tons to orbit annually, powering 100 gigawatts of AI compute. Such compute capacity will also play a

²⁵ Source: U.S. Energy Information Administration.

critical role in advancing our human augmentation vision by expanding the reach, speed, and capability of AI beyond what is possible with terrestrial compute infrastructure alone.

We believe we are well-positioned to execute and deliver orbital AI compute to build the infrastructure of the future. We believe orbital AI compute is an incredibly difficult challenge that only we can solve at scale in the near term.

Design and manufacture our own chips. We plan to deepen our strategic collaboration with Tesla and Intel through Terafab. In connection with such collaboration, we have agreed with Tesla on a general framework for the future development of Terafab. Any specific projects undertaken pursuant to this framework will be subject to separate negotiations and agreements (including any development timelines, milestones and capital expenditures) and have not yet been determined. We expect Terafab to be the world's largest chip manufacturing facility, with the goal of eventually achieving one terawatt of annual compute production capacity. While Terafab is intended to expand our internal chip manufacturing capabilities, we expect to continue sourcing a significant portion of our compute hardware from third-party suppliers. We view Terafab as complementary to these relationships, enabling us to augment our access to compute hardware at massive scale and further complete our highly vertically integrated compute platform by extending our control to the foundational chip layer. By developing end-to-end capabilities spanning the design of lithography masks, fabrication of logic and memory chips, and advanced packaging, all in a vertically integrated closed-loop single plant, we will be able to more rapidly iterate to improve chip design and performance. We plan to design chips that are optimized for the space environment. This collaboration directly enables our planned orders-of-magnitude increases in AI compute deployment in orbit which would be constrained by pure reliance on external foundries. Leveraging shared engineering resources, intellectual property, and infrastructure across Tesla and SpaceX, as well as Intel's expertise in designing, fabricating and packaging ultra-high-performance chips at scale, Terafab is designed to create powerful ecosystem synergies that accelerate innovation cycles and reduce costs. Just as we manufacture approximately 80% of Starship in-house, we expect significant speed and cost advantages from Terafab's vertical integration. We believe this integration, if achieved, will provide us with a critical competitive advantage in the race to scale AI infrastructure, especially as we begin our orbital AI compute satellite deployments.

Launch digital human augmentation. In partnership with Tesla, we are developing Macrohard, an agentic platform designed to fully emulate digital workflows and augment human operation of computers – from coding and product development to management and entire business processes. Similar to how autonomous systems emulate human inputs to execute complex tasks, Macrohard is designed to augment how humans operate computers and tools to analyze, create, and manage workflows. Unlike other enterprise software and AI applications that primarily digitize workflows and systematize historical processes, our solutions are designed to operate as real-time, intelligence-driven extensions of the user. Macrohard aims to combine our frontier AI model with Tesla's physical AI prowess to achieve the goal of augmenting the operational functions of entire companies. We expect Macrohard to benefit from running on both state-of-the-art processors and cost efficient Tesla processors, a critical advantage of our vertical integration. We believe Macrohard has the potential to fundamentally transform how companies across all industries are structured and operate, thereby allowing dramatic increases in human productivity and prosperity.

4.3.8.4 Future Markets

We aim to build the infrastructure of the future in Space, leveraging our foundational competitive advantage, the ability to launch mass at scale. By opening access to space to industries on Earth, we can grow our business by creating new markets. Our technological capabilities enable us to repeatedly create new markets by pushing the boundaries of what space can support. As we continue to advance and scale, we expect to unlock new market opportunities. Over the long-term, we expect our Starship-enabled opportunities to include:

- **Point-to-point terrestrial travel.** We plan to develop ultra-fast long-haul point-to-point Earth transport using Starship, enabling passengers and cargo to travel between major cities in a fraction of current transit times, revolutionizing global logistics and passenger travel with unprecedented speed and efficiency.
- **Space tourism.** With meaningful advances in space technology and the continued build-out of orbital flight infrastructure, we expect increasing interest in human space travel as it becomes easier and more common to access space.
- **In-orbit manufacturing.** We aim to establish in-space manufacturing facilities that leverage the unique microgravity conditions of space to produce materials, pharmaceuticals, and advanced components that are difficult or impossible to manufacture on Earth, opening new high-value industrial markets.

- **Passenger and cargo transport to the Moon and Mars.** We intend to support large-scale passenger and cargo missions to the Moon and Mars, delivering the people, equipment, and supplies needed to establish permanent human settlements and accelerate the path to becoming a self-sustaining multiplanetary civilization.
- **Energy production on the Moon and Mars.** We aim to develop large-scale solar energy production on the Moon and Mars, taking advantage of the thin atmosphere and constant solar exposure to generate power for manufacturing, habitats, and future infrastructure at scale.
- **Manufacturing capabilities on the Moon and Mars.** We plan to build manufacturing infrastructure on the Moon and Mars that utilizes local resources to produce fuel, construction materials, and other essential resources, reducing dependence on Earth resupply and enabling sustainable long-term presence.
- **Asteroid mining.** We plan to pursue asteroid mining operations to extract metals and other critical resources from near-Earth and main-belt asteroids, providing abundant raw materials for space-based industries and reducing the need to launch mass from Earth.

4.3.9 Our Market Opportunity

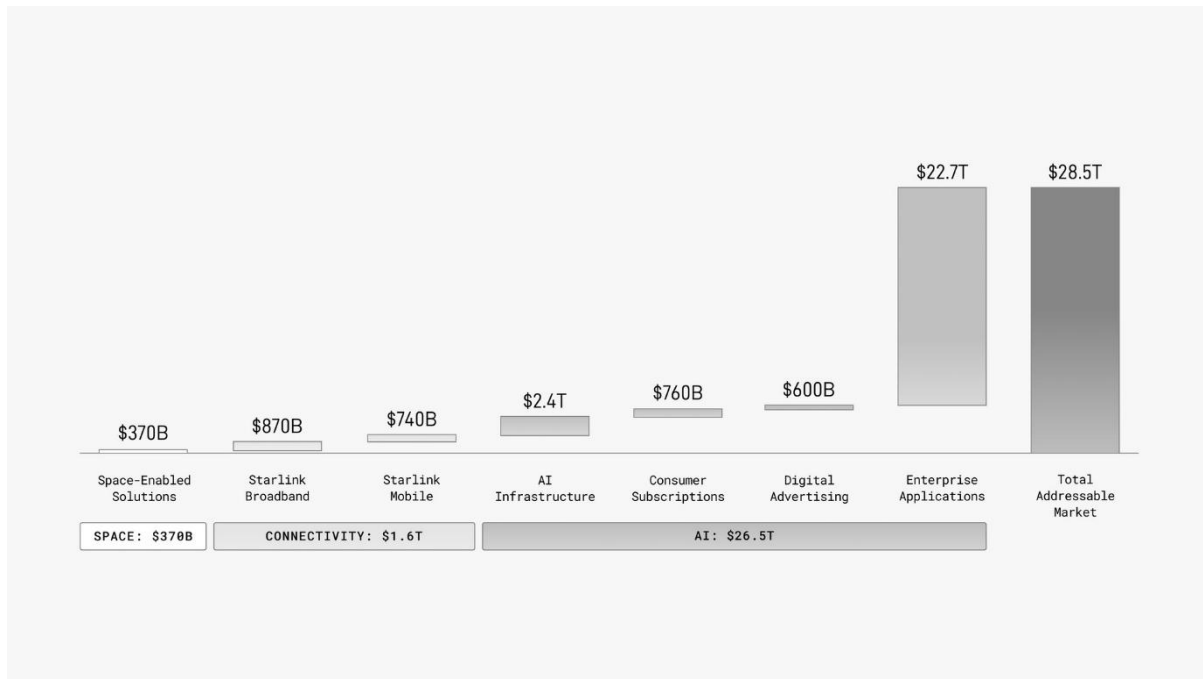
Our innovations and technological advancements are redefining existing industries and creating new market opportunities across Space, Connectivity and AI. We believe we have a distinct ability to identify, develop, and commercialize new multi-trillion-dollar markets that did not previously exist. We believe that we currently stand alone in our ability to deliver revolutionary breakthroughs across spaceflight and exploration, global connectivity, and artificial intelligence, enabling an age of abundance that we believe has the potential to propel an unprecedented expansion in the global economy.

By pioneering the world's first and only fleet of reusable rockets at scale, we revolutionized space access through dramatically lower cost and unmatched reliability. Lowering costs by orders of magnitude creates entirely new industries on Earth and in space that were technologically and economically infeasible for others to access historically. Our first trillion-dollar market was Starlink, a satellite service supported by our low-latency, high-speed LEO constellation that required the rapid, low-cost deployment of millions of kilograms of hardware into orbit. Our Starlink constellation powers a global connectivity platform capable of supporting broadband and mobile services, enabling high-speed internet access to homes, enterprises, governments, and mobile users across virtually any location on Earth. We believe our next trillion-dollar market is AI compute, which we contemplate will leverage our rockets and satellites for massive orbital deployment.

We estimate that our quantifiable TAM is \$28.5 trillion, consisting of \$370 billion in Space from space-enabled solutions; \$1.6 trillion in Connectivity across \$870 billion in Starlink Broadband and \$740 billion in Starlink Mobile as well as additional opportunities in enterprise and government; \$26.5 trillion in AI across \$2.4 trillion in AI infrastructure, \$760 billion in consumer subscriptions, \$600 billion in digital advertising, and \$22.7 trillion in enterprise applications. For illustrative purposes of sizing our addressable market opportunity, we exclude China and Russia from our global estimates.

In addition to the markets we serve today, we believe we are poised to catalyze transformative breakthroughs and create entirely new markets. Given these are longer-term opportunities at earlier stages of development, we do not quantify them in our TAM estimates; however, we believe that over time each of these markets could eventually represent multi-trillion-dollar economic opportunities. These new markets include long haul point-to-point terrestrial travel, space tourism, in-orbit manufacturing, asteroid mining, energy production and manufacturing on the Moon and Mars, and passenger and cargo transportation to the Moon and Mars.

SpaceX's Estimated TAM by Segment



4.3.9.1 Space

While the size of the space market is massive for any company to address, our capabilities in space represent a foundational competitive advantage that allow us to address markets that represent significant portions of global gross domestic product (“GDP”) – connectivity and AI. We estimate a total market opportunity of \$370 billion across space-enabled solutions, with the lunar economy presenting a significant upside not included in the estimate.

Space-Enabled Solutions. According to Novaspace, space-enabled solutions represented a \$370 billion market in 2025, including spacecraft manufacturing, launch services, satellite operations, positioning, navigation and timing (PNT) devices and value-added services, as well as uncontracted costs of government space agencies. Both commercial and government customers participate in this market, with growing space-based defense budgets reflecting prioritization of security, resilience, and strategic autonomy by governments globally. For the purpose of sizing our TAM, we exclude the value of satellite communications services, as we include those within our Connectivity segment.

Lunar Economy. We believe the development of a sustained human and commercial presence on the Moon has the potential to give rise to a new lunar economy encompassing transportation, infrastructure, communications, energy, manufacturing (including the production of satellites and advanced chips), resource extraction, and scientific and commercial activity. Early demand is already emerging from government space agencies and research institutions, and we expect this to expand over time to include commercial enterprises seeking to leverage the Moon as a platform for logistics, industrial activity, and deep-space exploration. Establishing a lunar economy requires first proving reliable extraction of water ice to sustain life and producing hydrogen-oxygen propellant, alongside building power, transport, and storage infrastructure in an extreme, high-cost environment. If achieved, we believe these same resources and the Moon’s low gravity unlock the potential for scalable growth through an efficient fuel production and refueling hub, creating a strategic access point that can potentially support deeper space industrialization and serve as a stepping stone to establishing a civilization on Mars. Although we believe the potential size and scope of the lunar economy is extraordinarily large, we are not providing an estimate of the TAM for this opportunity at this time because expectations regarding the timing, pace of adoption, regulatory frameworks, and ultimate scope of commercial activity beyond Earth are rapidly evolving alongside the development and deployment of the technology necessary to establish a lunar presence (such as Starship). As the Moon transitions from a scientific outpost into an industrial frontier, SpaceX is positioned to spearhead this revolutionary expansion, and we believe that continued advancements in our launch capabilities, space infrastructure capabilities, and cost efficiency will allow us to meaningfully accelerate the development of a sustainable lunar economy.

4.3.9.2 Connectivity

We believe the global connectivity market represents a substantial and durable opportunity, driven by the increasing reliance of consumers, enterprises, and governments on high-speed, low-latency, reliable connectivity across both terrestrial and remote environments. Across Starlink Broadband and Starlink Mobile, we estimate a total market opportunity of \$1.6 trillion reflecting primarily consumer use cases. We believe these traditional use cases, however, do not account for the long-term market opportunity, as connectivity is evolving into a critical infrastructure layer underpinning the global economy, enabling entirely new categories of demand. As high-performance, ubiquitous connectivity becomes embedded across transportation networks, autonomous systems, and smart devices, we expect the scope of the market to extend well beyond the traditional definitions.

Starlink Broadband. The global demand for ubiquitous, high-speed broadband internet creates an approximately \$870 billion dollar opportunity. Our satellite broadband service, Starlink, is positioned to capture value across multiple massive and rapidly expanding markets:

- **Consumer Broadband.** As the digital economy continues to expand, ubiquitous, high-speed, reliable internet has become a structural necessity for households worldwide – powering opportunity and the next wave of global prosperity. According to Euromonitor, there were approximately 1.8 billion global households in 2025. As Starlink develops, we believe that our broadband network can connect, and improve the existing connection, of every household globally. Given varying economic conditions and consumer purchasing power across different countries, we use a different monthly ARPU for different parts of the world based on country-specific consumer broadband ARPU from Omdia as we seek to make our service affordable and accessible across different economic development contexts. Region-specific ARPU assumptions result in a weighted average of \$31 monthly ARPU for residential broadband internet services globally, according to Omdia. This global average consists of a weighted average monthly ARPU of \$43 in high-income markets, \$16 in upper-middle income markets, and \$9 in lower-middle income and low income markets per World Bank classification. Together this represents a TAM of \$660 billion based on 1.8 billion households.

Approximately 40% of the global population lives in rural areas, remaining structurally underserved by terrestrial broadband infrastructure due to unfavorable deployment economics, limited network density and high last-mile costs.

This structural imbalance creates a large, durable and relatively uncontested baseline market for satellite-based connectivity solutions. For many of these households, Starlink represents the first viable option for high-speed, low-latency internet access, with limited competition from terrestrial providers. Unlike terrestrial networks, which require significant incremental capital to extend coverage to low-density areas, our space-based architecture enables economically scalable service delivery across these regions with minimal marginal cost per additional user.

Importantly, while rural and underserved geographies provide a compelling initial adoption vector, we believe Starlink's value proposition extends well beyond these markets. As network capacity increases and product performance continues to improve, we expect to compete increasingly in suburban and urban environments. Accordingly, while rural households represent a large and durable entry point for our connectivity offering, we view this segment as a foundational layer upon which significantly broader consumer, enterprise and government demand can be built.

- **Enterprise Solutions.** We offer fixed site broadband solutions tailored for the needs of our enterprise customers across many different industries, including construction, agriculture, retail, telecom, hospitality and others. For the purpose of sizing market opportunity, we include small and medium sized businesses within our Enterprise Solutions market opportunity. Our Starlink enterprise offerings can provide important primary or back-up connectivity for every business in the geographies where we are licensed to operate. According to Grand View Research, the global business broadband market in 2025 across small to medium sized business and enterprise usage is estimated to be \$200 billion.
- **Government Solutions.** Driven by increasing demand for resilient, low-latency, and highly secure communications in contested and remote environments, defense organizations and governments around the world are increasingly turning to commercial satellite providers with connectivity solutions to supplement and enhance traditional military networks. According to Novaspace, the global satellite communications market driven by defense and government demand in 2025 was \$5 billion. The estimate of the government communications market includes only publicly disclosed programs and budgets and

does not include classified missions or other restricted uses, which we believe represent additional sources of demand.

Starlink Mobile. According to Omdia, as of December 31, 2025, there were eight billion mobile connected devices globally. We believe our Starlink Mobile offering will be able to provide continuous global coverage and substantially reduce mobile “dead zones,” which remain areas that are structurally underserved by the limitations of the networks of current MNOs. For example, according to the J.D. Power U.S. Wireless Network Quality Performance Study, U.S. wireless customers experienced service problems in approximately one out of every 11 mobile interactions, even in well-connected areas. In addition, an estimated 40% of the global population resided in rural areas in 2024 according to the World Bank, where terrestrial mobile coverage can be limited or unreliable. While we expect Starlink Mobile service today to be most impactful for customers in remote areas uncovered by terrestrial mobile networks, as our constellation grows and our product performance continues to improve, we will compete to be the preferred connectivity experience to our customers no matter where they are located, whether in rural, suburban, or urban areas. The next-generation of Starlink Mobile satellites, in combination with our recent purchase of wireless spectrum from EchoStar, is designed to provide high bandwidth and low latency connectivity directly to end user devices, enabling a connectivity solution on par with terrestrial mobile networks. Given varying economic conditions and consumer purchasing power across different countries, we assume a different monthly ARPU for different parts of the world as we seek to make our service affordable and accessible across different economic development contexts. Our region-specific ARPU assumptions result in a weighted average monthly mobile ARPU of \$8 per user. This global average consists of a weighted average monthly ARPU of \$18 in high-income markets, \$5 in upper-middle income markets, \$2 in lower-middle, and \$2 in low income markets. Based on the total number of connected devices globally and the mobile ARPU, we estimate the Starlink Mobile market opportunity to be \$740 billion. We expect to continue to partner with MNOs globally as we expand coverage and participate in the broader mobile connectivity market.

Additional and Future Starlink Applications. We believe the long-term market opportunity for Starlink extends materially beyond traditional fixed broadband and satellite-to-mobile connectivity. Many of these use cases represent new categories of demand that were not previously addressable with legacy terrestrial or satellite solutions due to limitations in coverage, latency, capacity, or cost. While these additional and future use cases are early stage and not yet captured in conventional industry market definitions, we believe they have the potential to significantly expand the TAM for connectivity over time.

- **Enterprise Mobility.** Because our Starlink solutions are uniquely well-suited for in-motion environments, remote, or hard-to-serve locations, we are able to provide high-performance connectivity across land, air, and sea. We believe we have a differentiated right to win these verticals as existing connectivity solutions are not able to provide sufficient speed, latency and reliability, with frequent service outages driven by weather, orbital mechanics and coverage gaps. Our Starlink constellation directly addresses these deficiencies, creating a compelling path for us to capture a substantial share of opportunities and to unlock previously unattainable levels of service quality and customer willingness to pay.

In land mobility, Starlink supports connectivity for vehicle fleets, including trucking, rail, public safety vehicles, and autonomous systems, enabling real-time telematics, route optimization, safety monitoring, and onboard passenger connectivity, as fleets become increasingly connected and data-driven.

In aviation, Starlink delivers high-speed, low-latency in-flight connectivity for commercial airlines, business aviation, and government aircraft, supporting passenger broadband, operational communications, and real-time aircraft data transmission, as airlines increasingly prioritize differentiated onboard experiences and operational efficiency. There are approximately 23,900 commercial aircraft, according to Oliver Wyman, and approximately 24,500 privately owned aircraft, according to Corporate Jet Investor, in the world, which can be served by our aviation offering.

In maritime, Starlink provides connectivity for commercial shipping, offshore energy platforms, cruise lines, and government vessels, enabling crew welfare, operational optimization, safety systems, and real-time data transfer, as connectivity becomes a standard requirement across global fleets. Our potential customer base as of 2025 consists of approximately 99,000 commercial merchant ships, defined as being 100 gross tons or more, approximately 21,000 fishing vessels, and approximately 4,000 cruise ships and private yachts, according to Marine Traffic Dashboard.

- **Expanded Enterprise and Government Applications**

Enterprise Back-Up and Failover Connectivity. As connectivity becomes a mission critical component of enterprise operations, we believe back-up and failover connectivity is evolving into a foundational layer of enterprise infrastructure. The increasing cost of downtime, combined with the proliferation of cloud-based and latency-sensitive applications, is driving enterprises to prioritize uptime, business continuity, and network resilience and adopt multi-layered connectivity architectures. We believe this shift will result in a meaningful expansion of the connectivity market.

Expanded Government Applications. We believe traditional connectivity market estimates do not fully capture the scope of government-related demand, particularly in mission-critical and classified applications. The growing importance of secure communications, real-time intelligence, and resilient network architectures is driving sustained investment in connectivity capabilities across defense and civilian agencies. These use cases tend to command higher value and longer-duration contracts, contributing to a meaningful and durable expansion of the connectivity market.

Smart Device Connectivity. The proliferation of connected devices across various physical environments – including sensors, wearables, vehicles, appliances, and infrastructure systems – is driving increasing demand for ubiquitous, reliable, and low-latency connectivity. As of 2025, there were approximately 22 billion IoT connected devices globally, forecasted to reach 47 billion by 2031. As billions of connected devices generate, transmit, and act on data, connectivity becomes an essential enabler of new categories of economic activity. As these devices grow in scale into the tens of billions globally and become more intelligent and data-intensive, we believe the scope of the connectivity market will expand significantly beyond traditional human-centric usage.

In-Orbit Data Transport. We operate a large constellation of over 23,000 inter-satellite lasers that create a dynamic mesh network in space and enable traffic rerouting through orbit. We believe this laser mesh network will help us unlock a new connectivity market by enabling third-party satellites to utilize our in-orbit data transport layer. While most of our laser mesh network capacity is used to power our Starlink services, we selectively monetize excess capacity through our Plaser program. We allow third parties to purchase our space laser hardware and connect their satellites to our Starlink network, allowing them to offload data to a ground station anywhere on Earth while bypassing the need to build their own relay architecture or ground stations. As satellite constellations grow, we expect market demand for high-throughput, low-latency data relay to increase across commercial and government operators. While this market remains nascent, we believe the opportunity represents a meaningful expansion beyond traditional satellite connectivity TAM.

4.3.9.3 *Artificial Intelligence*

The market for artificial intelligence is currently undergoing explosive structural growth, emerging as a foundational utility for the modern global economy and unlocking a multi-trillion-dollar opportunity. Our frontier models, consumer and enterprise applications, and AI infrastructure solutions are strategically positioned to capture value across four key components of this vast ecosystem, resulting in an estimated total market opportunity of \$26.5 trillion.

AI Infrastructure. According to RAND Corporation, global data center compute demand is estimated to be 235 gigawatts in 2030, of which 70% is estimated to be utilized for AI workloads. Assuming a target Power Usage Effectiveness of 1.2 and an all-in chip power consumption per GPU of 1.3 kilowatts per GPU – that of an H100 SXM – this AI workload demand corresponds to 104 million GPUs required. We apply an 80% utilization rate per the National Electrical Installation Standards and a GPU rental rate of \$3.33 per hour, according to Silicon Data, which is based on the median of neocloud GPU rental rates in 2025; we note that the rental rate has historically varied subject to market conditions. As a result, we estimate the AI compute infrastructure market opportunity to be approximately \$2.4 trillion.

Consumer Subscriptions. As demand for AI solutions surges, fueled by widespread adoption of AI tools that enhance productivity, creativity, personalization, and real-time assistance in everyday life, consumers are increasingly turning to subscription-based access to high-performance AI platforms. These platforms, equipped with advanced reasoning, seamless real-time data integration, and multimodal capabilities, are essential in today's ever-more receptive and interconnected world. We believe SpaceX is well positioned to address this opportunity through our X and Grok platforms by delivering a differentiated product centered on truth-seeking and real-time relevance. Our roadmap for future models contains multi-trillion parameter models, which could represent a step

change in reasoning depth and overall intelligence. Through Grok’s integration with X and proprietary access to real-time data inflows, we believe we can better address a broader set of high-frequency, high-value consumer use cases and increase user engagement and willingness to pay, positioning Grok to capture a larger share of the consumer AI subscription market relative to standalone, non-integrated offerings. We estimate our market opportunity based on the global population of individuals aged 10 and over in 2025 – approximately five and a half billion according to Euromonitor – multiplied by the weighted average monthly subscription revenue of \$12, resulting in an annualized market opportunity of approximately \$760 billion. Our weighted average monthly revenue assumes different monthly subscription fees across different geographies around the world. We assume \$30 monthly cost of a SuperGrok subscription in high-income countries, \$8 monthly cost in upper-middle and lower-middle income countries, and significantly lower monthly cost in low income countries, as defined by the World Bank.

Digital Advertising. Digital advertising represents a large and growing global market opportunity as businesses increase marketing budgets towards digital platforms that enable targeted advertising, measurable performance, and direct engagement with consumers. In 2025, global digital advertising spending totaled \$600 billion according to S&P Global Market Intelligence. We believe that X’s ability to combine large-scale user engagement, real-time content, and advanced AI-driven performance marketing tools positions us well to participate in this significant market opportunity.

Enterprise Applications. AI is revolutionizing enterprise applications as organizations across industries increasingly adopt AI solutions to automate complex workflows, augment knowledge workers, enhance decision-making, redefine productivity, and improve operational efficiency. Specifically, we believe that our enterprise applications, including Macrohard, agentic AI, will increasingly support knowledge workers across industries by automating routine cognitive tasks, assisting with research and analysis, generating content and code, and refining decision-making processes. Ultimately, we believe this transformation could evolve knowledge workers into empowered managers of autonomous agents, unlocking unprecedented levels of creativity and productivity.

We believe we are still in the early days of AI transforming enterprises, with AI-powered enterprise applications poised to reshape the digital economy. The Digital Cooperation Organization (“DCO”) defines the digital economy as economic activity reliant on, significantly enhanced, or enabled by digital technologies and their applications, including the following products and services: AI and advanced analytics, blockchain and decentralized technologies, cloud services, digital connectivity, digital devices and the IoT, encryption and cybersecurity, immersive technologies, and robotics and autonomous systems. DCO estimates that the digital economy will grow three times faster in 2026 on a year-over-year basis compared to the estimated growth of the global GDP, reaching approximately \$22.7 trillion in 2026. In a survey of CTOs, senior technologists, policymakers, and digital economy experts, also conducted by DCO, AI and advanced analytics were identified by 69% of respondents as their top digital technology priority – higher than any other surveyed priority. We believe that our enterprise strategy, which is focused on serving the digital needs of the world’s largest industries with AI solutions, positions us competitively to pursue this rapidly growing opportunity.

4.3.9.4 Future Markets

Beyond the established markets reflected in our TAM, we envision that ongoing advancements in our technology and infrastructure will unlock entirely new markets over time. As launch costs decline, satellite capabilities advance, and large-scale compute infrastructure expands, innovative applications and new markets may emerge that harness our integrated infrastructure across space, connectivity, and AI. Although these prospects remain nascent, with uncertain timing and scale – and thus are excluded from our quantified TAM estimates – we believe they hold trillions of dollars of eventual potential for groundbreaking innovation and value creation, eventually representing multi-trillion-dollar economic opportunities.

Long-Haul Point-to-Point Terrestrial Travel. Our Starship vehicle has the potential to revolutionize terrestrial commercial transportation by achieving an unparalleled combination of speed, reliability and cost efficiency. This capability could reduce most international long-haul flights to under 30 minutes, enabling point-to-point travel to the furthest location in an hour or less. While we must surmount technological, economic and regulatory obstacles to fully capitalize on this opportunity – such as restrictions on supersonic flights over land in certain regions due to sonic booms, and the economic feasibility of shorter routes – we believe we are strategically positioned to take share of the terrestrial logistics and transportation market.

Space Tourism. Historically, human spaceflight has been limited to government astronauts, augmented by a limited number of privately funded missions. Yet, with meaningful advances in space technology and the ongoing expansion of orbital flight infrastructure, we anticipate a gradual increase in accessibility of spaceflight

over time, potentially enabling a new category of commercial human spaceflight and tourism. Under 30 people out of the global population visited Earth’s orbit in 2025, which we believe could be a far greater number in the future.

Passenger and Cargo Transport to the Moon and Mars. Looking further ahead, advances in reusable launch systems and deep-space transportation infrastructure may enable new forms of interplanetary logistics, including passenger and cargo transportation to the Moon and Mars. Supporting a sustained human presence on another planet would require the regular transport of people, equipment, and materials at a scale not previously possible.

Energy Production and Manufacturing on the Moon and Mars. Establishing a sustained human and industrial presence on the Moon and Mars would require reliable, large-scale energy generation to support habitats, manufacturing, and scientific operations. Potential solutions could include solar power systems, taking advantage of the thin atmosphere, constant solar exposure, and other advanced energy technologies designed to operate in the unique environmental conditions of the Moon and Mars. Over time, we believe that advances in planetary infrastructure may enable manufacturing on the Moon and Mars using locally available resources.

In-Orbit Manufacturing. Terrestrial manufacturing is inherently constrained by gravity, which imposes fundamental limitations on processes at the atomic and molecular level. Establishing in-orbit infrastructure unlocks large-scale, high-value production free from those traditional barriers, enabling breakthroughs in precision and efficiency. The microgravity environment of space fosters innovative advancements in key industries, such as pharmaceuticals – where it enhances drug solubility, purity, crystallization, and stability – as well as, advanced materials and semiconductors, allowing for superior crystal formation and material properties unattainable on Earth. Beyond these particle-level innovations, in-orbit facilities overcome Earth’s energy constraints by harnessing abundant, uninterrupted solar power, facilitating energy-intensive operations with unparalleled sustainability.

Asteroid Mining. Asteroid resources, including platinum-group metals, rare earth elements, nickel, cobalt, iron and water, represent a vast untapped reservoir beyond Earth’s gravity well, with some near-Earth objects containing concentrations of elements far exceeding typical terrestrial ore grades. With meaningful advances in reusable launch capabilities, autonomous robotics, and in-situ processing technologies, we believe the accessibility of asteroid resources will expand over time, unlocking a new category of commercial space resource extraction. We believe our experience in launch systems, spacecraft development, and space infrastructure uniquely positions us to pursue asteroid mining operations to extract metals and other critical resources from near-Earth and main-belt asteroids, providing abundant raw materials for space-based infrastructure, reducing the need to launch all mass from Earth.

4.3.10 Our Solutions & Services

4.3.10.1 Launch Capability

Our launch capability is the foundational competitive advantage that enables our solutions and services. We are the market leader in orbital launch, providing low-cost, reliable, and frequent access to space for commercial and government customers. Our launch services are built around a fleet of reusable rockets and spacecraft. SpaceX’s family of rocket systems and spacecraft address missions ranging from routine cargo delivery to the International Space Station to deep-space exploration. The Falcon class of rockets delivered over 80% of mass to orbit in the year ending December 31, 2025. Starship, a two-stage super heavy-lift launch vehicle that we have been flight testing since 2023, further enhances our industry-defining launch offerings.

Separate from our fleet of reusable rockets, SpaceX’s launch advantage is equally underpinned by our fleet of advanced spacecraft. Our International Space Station cargo and human spaceflight missions are launched on Falcon 9 and flown on the Dragon crew and cargo spacecraft. The vehicles autonomously dock to the station, delivering pressurized and unpressurized cargo, and passengers. Both Dragon variants are partially reusable and perform fully autonomous rendezvous, docking, and return operations.

Our Fleet of Launch Vehicles and Spacecraft

Our Fleet of Launch Vehicles

			
	FALCON 9	FALCON HEAVY	STARSHIP
REUSABILITY	Partial	Partial	Full & Rapid Design
HEIGHT	70 m / 229.6 ft	70 m / 229.6 ft	124.4 m / 408 ft
DIAMETER	3.7 m / 12 ft	12.2 m / 39.9 ft (total width)	9 m / 29.5 ft
MASS	594,054 kg / 1,287,920 lbs	1,420,788 kg / 3,125,735 lbs	5,533,000 kg / 12,198,177 lbs
PAYLOAD CAPACITY TO LEO	22,800 kg / 50,265 lbs	63,800 kg / 140,660 lbs	100+ Mt
PAYLOAD CAPACITY TO GTO	8,300 kg / 18,300 lbs	26,700 kg / 58,860 lbs	100+ Mt
PAYLOAD CAPACITY TO MARS	4,020 kg / 8,860 lbs	16,800 kg / 37,040 lbs	100+ Mt
TOTAL NUMBER OF FLIGHTS	~620	11	11
FIRST LAUNCH	June 4, 2010	February 6, 2018	April 20, 2023

Please refer to the definition of "payload capacity to orbit" in the Glossary for additional details | Metrics as of March 31, 2026

Falcon 9. The Falcon 9 rocket is a reusable, two-stage rocket designed and manufactured by SpaceX for the safe, reliable, and cost-effective transport of satellites, scientific payloads, cargo, and crew to Earth orbit and beyond. Powered by liquid oxygen and rocket-grade kerosene, the first-stage is equipped with nine Merlin 1D engines producing over 1.7 million pounds of thrust at sea level, while the second stage utilizes a single vacuum-optimized Merlin engine for precise orbital insertion. First launched in 2010, Falcon 9 is the world's first orbital-class rapidly reusable rocket, and has become the most active orbital launch vehicle today, with approximately 620 orbital space launches as of March 31, 2026 and an over 99% mission success rate. Falcon 9 is capable of delivering approximately 23 metric tons to LEO and eight metric tons to geosynchronous transfer orbit. Reusability allows SpaceX to reflly the most expensive parts of the rocket, which in turn drives down the cost of space access. Falcon 9's reusable components primarily include its booster, which lands on one of our autonomous drone ships out on the ocean or on one of our landing zones near our launch pads ahead of being refurbished for a future launch, and its payload fairing halves, which are recovered via parachute-assisted splashdowns and are refurbished and reused after retrieval. The second stage is not designed for recovery or reuse and instead safely deorbits after successful payload deployment.

Falcon 9 Overview

FALCON 9

HEIGHT	70 m / 229.6 ft
DIAMETER	3.7 m / 12 ft
MASS	594,054 kg / 1,207,920 lbs
PAYLOAD CAPACITY TO LEO	22,800 kg / 50,265 lbs
PAYLOAD CAPACITY TO GTO	8,300 kg / 18,300 lbs
PAYLOAD CAPACITY TO MARS	4,020 kg / 8,860 lbs
FIRST LAUNCH	June 4, 2010



Please refer to the definition of "payload capacity to orbit" in the Glossary for additional details

Falcon 9 introduced a combination of technical innovation, cost reduction, and operational scale that materially altered the economics of orbital launch and established our position as the leading commercial launch provider.

- **First Orbital-Class Rapidly Reusable Rocket:** In December 2015, Falcon 9 achieved the first vertical landing of an orbital-class booster, followed in April 2016 by the first autonomous drone ship landing in the Atlantic Ocean. Reuse of boosters and fairings, a practice pioneered by SpaceX in the launch industry, fundamentally enables our launch rate and capacity and forms the basis for the launch system's inherent reliability. Through recovering, inspecting, and evaluating flown hardware, SpaceX gains insight into system performance that would not be otherwise achievable. Partial reusability for orbital spaceflight has reduced cost per ton to orbit by approximately 85% as compared to the historical average launch cost per kilogram of \$18,500.
- **Reusability Enabled Cost Structure Advantage:** Reuse of the first-stage – representing the majority of vehicle manufacturing cost – has materially reduced marginal launch costs relative to fully expendable systems.
- **Highest Operational Tempo in History:** With approximately 620 orbital space launches over 15 years of operation, Falcon 9 is the most frequently flown active orbital launch vehicle to date. In 2025, Falcon 9 conducted 165 launches, accounting for over half of all global orbital launches in the year while delivering over 80% of mass to orbit.
- **Track Record of Success:** As of March 31, 2026, Falcon 9 has achieved an over 99% mission success rate. Falcon 9 has achieved over 570 successful booster landings and more than 540 launches completed by a flight-proven Falcon rocket, underscoring the reliability of its reusability architecture.
- **Human Spaceflight Certified:** Falcon 9, paired with SpaceX's Dragon crew spacecraft, is the only U.S.-based launch vehicle certified by NASA under the Commercial Crew Program to transport astronauts to and from the International Space Station. As of December 31, 2025, Falcon 9 has successfully launched 19 human spaceflight missions with a 100% mission success rate.
- **In-House Engine Development and Manufacturing:** Falcon 9 is powered by Merlin engines that are designed, developed, and manufactured in-house, providing vertical integration across propulsion design, production, and testing. The Merlin engine achieves one of the highest thrust-to-weight ratios of any rocket engine in operational service, contributing to Falcon 9's performance and payload capacity.

As we transition primary production and development resources toward the fully and rapidly reusable Starship system, Falcon 9 continues to serve as the backbone of our launch revenue base; generating high-margin recurring cash flows while providing critical operational experience in high-cadence reuse. The proven capabilities of Falcon 9 in our view established us as the leading provider of launch services globally and laid the technological and economic foundation for the next era of space transportation.

Falcon Heavy. Falcon Heavy is a partially reusable super heavy-lift launch vehicle, designed to deliver large payloads to orbit. Building on the proven architecture of the Falcon 9 rocket, Falcon Heavy is composed of three reusable Falcon 9 nine-engine boosters whose combined 27 Merlin engines generate more than five million pounds of thrust at liftoff – one of the most powerful operational rockets in the world today. It is capable of carrying approximately 64 metric tons of payload to LEO and 27 metric tons to geosynchronous transfer orbit. Falcon Heavy’s reusable components primarily include its three boosters, which are designed to land vertically on drone ships in the ocean and landing zones near our launch sites, and its payload-faring halves, which are recovered via parachute-assisted splashdown and are refurbished and reused after retrieval. The second stage is not designed for recovery or reuse and is designed to safely deorbit after successful payload deployment, similar to Falcon 9.

Falcon Heavy Overview

FALCON HEAVY	
HEIGHT	70 m / 229.6 ft
WIDTH	12.2 m / 39.9 ft
MASS	1,420,788 kg / 3,125,735 lbs
PAYLOAD CAPACITY TO LEO	63,800 kg / 140,660 lbs
PAYLOAD CAPACITY TO GTO	26,700 kg / 58,860 lbs
PAYLOAD CAPACITY TO MARS	16,800 kg / 37,040 lbs
FIRST LAUNCH	February 6, 2018



Please refer to the definition of "payload capacity to orbit" in the Glossary for additional details

- Reusability:** Falcon Heavy incorporates a design focused on reusability, which has contributed to lowering the cost of access to space and altering the launch industry’s economic model for large or high-value payloads. The vehicle’s two side boosters, equipped with hypersonic grid fins and advanced propulsion systems, enable controlled recovery and soft landings. This capability enables reusability, with missions launching on flight-proven boosters generally priced below those of traditional expendable flights. Our Falcon 9 boosters, which are qualified for up to 40 flights, are also used on Falcon Heavy, with an average of 6 flights per booster on Falcon Heavy. Although our Falcon 9 boosters have been engineered and demonstrated to support up to 40 flights, we have established a maximum accounting useful life of 25 flights as an estimate based on forecasted utilization. This estimate reflects: (i) our strategic transition to Starship, which is expected to materially reduce future Falcon 9 flight demand; and (ii) restrictions under certain government contracts that prohibit the use of boosters flown more than five times on their missions. These useful life estimates are periodically reassessed based on engineering qualification data, post-flight inspections, recovery success rates, actual fleet performance, cost sensitivity analyses, and the long-range launch manifest.
- Exploratory Missions Beyond Earth’s Orbit:** Falcon Heavy first launched in February 2018, when it put a Tesla Roadster and its mannequin passenger, Starman, into orbit around the Sun. This was the first instance of a car sent into deep space and demonstrated the rocket’s capability for trans-Mars injection.

Since its inaugural flight, Falcon Heavy has completed missions that expanded the scope of space exploration and commercial spaceflight. Falcon Heavy has been selected by NASA to launch critical weather satellites, interplanetary probes including Europa Clipper (Jupiter) and Dragonfly (Saturn), and the upcoming Nancy Grace Roman telescope, designed to study exoplanets and dark energy and matter.

- **Perfect Performance Record:** As of March 31, 2026, Falcon Heavy had successfully completed 11 launches, all resulting in successful payload delivery. Falcon Heavy flown boosters have also safely completed 18 total recoveries and 16 reflights. It was certified for National Security Space Launch (NSSL) in 2019, authorizing its use for U.S. government operations alongside Falcon 9.

Starship. A fully reusable two-stage super heavy-lift launch vehicle, Starship stands to fundamentally transform spaceflight by making it more accessible, cost-effective, and scalable than ever before. Comprising the Super Heavy booster (powered by 33 Raptor engines) and the Starship upper stage (with three sea-level and three vacuum Raptor engines), Starship V3 is designed to deliver 100 metric tons to space in a fully reusable configuration while enabling rapid turnaround times akin to commercial aviation, and future generations could reach 200 metric tons, potentially as soon as Starship V4. To date, we have executed 12 Starship flight tests, with our 12th flight test in May 2026 debuting the next generation Starship vehicle and Super Heavy booster, powered by the next evolution of our Raptor engine and launching from a newly designed pad at Starbase. We expect Starship to commence payload delivery to orbit in the second half of 2026. We have achieved innovative milestones, including multiple successful ascents of the world's most powerful rocket; the launch, return, catch, and reuse of the Super Heavy booster; the return of its upper stage within three meters of its intended landing point; the transfer of approximately five metric tons of cryogenic propellant between tanks while in space, a first of its kind operation that provides key data for future full-scale propellant transfer operations; successful in-space relights of the Raptor engines; and multiple controlled reentries through Earth's atmosphere. The purpose of flight tests is to collect data so no result, even loss of a vehicle, is considered a failure because we learn something.

Starship is a key enabler of our growth objectives, including the deployment of next-generation V3 satellites, satellite-to-mobile constellations, and orbital AI compute at scale. Achieving our targeted launch cadence with Starship will require significant progress on several key milestones and the investment of significant capital resources. These include: securing additional land and developing high-rate launch sites and supporting infrastructure across multiple locations; scaling production of Starship vehicles and Raptor engines; constructing propellant production facilities, including air separation units and methane liquefaction plants co-located with launch sites; securing sufficient power supply; and obtaining the necessary regulatory approvals, particularly from the FAA, to support a high launch cadence while addressing public safety and environmental considerations. Our development of Starship and its associated infrastructure assumes continued successful iteration through flight testing, regulatory progress, supply chain scaling, and cost reduction driven by increasing reusability. We have made substantial investments in manufacturing scale-up, including Starfactory for high-volume vehicle production, multiple large-scale vertical integration and refurbishment facilities, additional launch towers, test infrastructure, propellant production assets, and power generation capabilities.

Full reusability of Starship's upper stage is not required to deploy our V3 satellites and V2 Mobile satellites in LEO. In-orbit refueling is also not required for any of these LEO programs and is instead intended for missions beyond LEO, such as lunar and interplanetary transport. Starship's substantial payload capacity to LEO, even in partially reusable or expendable configurations, enables meaningful progress toward these objectives. We have already demonstrated Super Heavy booster reusability in multiple integrated flight tests. As a result, meaningful advancement across the deployment of next-generation V3 satellites, satellite-to-mobile constellations, and the orbital AI compute program is not dependent on achieving full reusability.

Starship Overview

STARSHIP

HEIGHT	124.4 m / 408 ft
DIAMETER	9 m / 29.5 ft
MASS	5,533,000 kg / 12,198,177 lbs
PAYLOAD CAPACITY TO LEO	100+ Mt
PAYLOAD CAPACITY TO GTO	100+ Mt
PAYLOAD CAPACITY TO MARS	100+ Mt
FIRST LAUNCH	April 20, 2023



Please refer to the definition of "payload capacity to orbit" in the Glossary for additional details

- **Full and Rapid Reusability and Drastically Reduced Launch Costs:** Starship's core design innovation is its full and rapid approach to reusability: both stages return to Earth for catch and rapid refurbishment. The Super Heavy booster returns to the launch site following stage separation and is caught mid-air by the launch tower's mechanical arms, also known as "chopsticks," to facilitate immediate inspection, refurbishment, and relaunch.

The Starship upper stage, after orbital delivery or missions beyond, is designed to reenter protected by advanced heat shield tiles, execute a propulsive landing burn, and be similarly caught mid-air by the launch tower's mechanical arms. We believe that Starship's full and rapid reusability will enable sub-one hour reflights, causing a paradigm shift in launch cadence.

- **Improvements in Engine Development Underpin Starship's Massive Payload Capacity:** With a payload bay volume rivaling the pressurized sections of the International Space Station, Starship is designed to deploy structures like space station modules, large telescopes, our next-generation V3 satellites, and future AI compute satellites. Starship is powered by 39 Raptor engines, which are full-flow staged combustion cycle rocket engines burning cryogenic liquid methane and liquid oxygen. Raptor engines offer nearly triple the thrust per engine, higher efficiency, and better performance for heavy-lift and deep space missions compared to the Merlin engine used on Falcon 9. Each Raptor 3 engine in Starship saves nearly a ton of vehicle mass compared to previous generations by removing heat shields and simplifying plumbing. Starship's capacity enables the next leg of our growth, including scaling our Starlink Mobile constellation and orbital AI compute.
- **Orbital Refueling:** Starship's expected orbital refueling capability will allow tanker variants to refill the upper stage in LEO and extend its range for deep-space missions beyond Earth's orbit. These capabilities are expected to revolutionize mission architecture, with each Starship designed to be capable of transporting large numbers of people or hundreds of metric tons of cargo to destinations like the surface of the Moon and Mars.
- **Sustainable Human Exploration Beyond Earth:** Starship was designed from the beginning to fly to other worlds and enable self-growing bases on the Moon, an entire civilization on Mars, and ultimately expansion beyond our solar system. As NASA's Human Landing System for Artemis, Starship is built to deliver astronauts and cargo to the lunar surface and serve as the key enabler for supporting permanent presence on the Moon.

- **Versatility Across Mission Profiles:** Beyond deep space, Starship is designed to adapt to diverse roles including the U.S. Space Force’s Rocket Cargo program for rapid point-to-point global logistics, Starlink and other commercial satellite constellations, in-orbit manufacturing components and hardware, space tourism, and others.

Starship is designed to enable a step-function advancement in our capabilities, featuring rapid, full reusability of both the Super Heavy booster and the Starship spacecraft to achieve unprecedented throughput at significantly reduced costs compared to existing systems. As Starship progresses toward full operational utilization, the Falcon 9 and Falcon Heavy platforms will remain key assets for specialized missions, including NASA crew rotations and national security payloads.

Dragon Cargo Spacecraft. The Dragon cargo spacecraft is an uncrewed vehicle designed primarily for transporting cargo to and from the International Space Station under NASA’s Commercial Resupply Services program. As an evolution of the original Dragon spacecraft, this vehicle represents a critical component of our portfolio, enabling reliable, cost-effective logistics for space missions. The spacecraft consists of a pressurized section for environmentally controlled cargo and an unpressurized trunk section for additional payloads. It has a launch payload mass of up to 6,000 kilograms and a return payload mass of 3,000 kilograms, making it uniquely suited for both delivery and retrieval of scientific experiments, supplies, and hardware, and establishing SpaceX as what we believe is the only company capable of returning significant amounts of cargo from the International Space Station back to Earth.

Dragon Cargo Overview

DRAGON	
HEIGHT	8.1 m / 26.7 ft
DIAMETER	4 m / 13 ft
SPACECRAFT VOLUME	9.3 m ³ / 328 ft ³
TRUNK VOLUME	37 m ³ / 1,300 ft ³
LAUNCH PAYLOAD MASS	6,000 kg / 13,228 lbs
RETURN PAYLOAD MASS	3,000 kg / 6,614 lbs
FIRST FLIGHT	December 8, 2010



Please refer to the definitions of "launch payload mass" and "return payload mass" in the Glossary for additional details

- **Key features:** Key highlights of the Dragon cargo spacecraft include its propulsion system with 16 Draco thrusters for precise orbital maneuvering, autonomous docking capabilities via NASA’s International Docking System Standard (IDSS), and a trunk equipped with solar panels for power generation during flight.
- **Launch vehicle, return mechanism and mission profiles:** The spacecraft is launched atop the Falcon 9 rocket and returns to Earth via parachute-assisted splashdown in the ocean, where it is recovered for refurbishment and reuse. Dragon supports extended in-orbit durations, typically spending several weeks docked to the International Space Station before undocking with returned cargo.
- **Historic accomplishments:** Launched by Falcon 9 in 2012, our Dragon spacecraft became the first commercial spacecraft to deliver cargo to and from the International Space Station and, eight years later, the first privately built vehicle to fly humans to the orbiting laboratory. This achievement ended U.S. reliance on foreign vehicles for International Space Station resupply following the Space Shuttle’s

retirement in 2011. The original Dragon variant (later known as Dragon 1) established a critical role in advancing research on the space station as the only spacecraft capable of returning significant amounts of cargo to Earth. The upgraded cargo spacecraft pioneered autonomous docking without robotic arm assistance, delivered major hardware upgrades for the station including new solar arrays, and recently debuted the ability to reboost the station's altitude. It remains the only reusable cargo spacecraft in operation. As of March 31, 2026, our Dragon spacecraft has completed over 30 cargo missions to the International Space Station.

Dragon Crew Spacecraft. Dragon is engineered to fly humans to and from Earth orbit, including the International Space Station. The spacecraft is designed to accommodate up to seven passengers, with a pressurized cabin for crew habitation, life support systems, and cargo.

- **Key features:** Dragon Crew spacecraft is equipped with advanced avionics, touchscreen interfaces for manual control, and an integrated trunk with solar power generation. Dragon Crew's propulsion includes 16 Draco thrusters for orbital adjustments and 8 Super Draco engines for its launch escape system, enabling rapid separation from the rocket in the unlikely event of an emergency.
- **Launch vehicle, return mechanism and mission profiles:** The spacecraft is launched atop the Falcon 9 rocket and returns to Earth via parachute-assisted splashdown in the ocean, where it is recovered for refurbishment and reuse. The design emphasizes reusability, with vehicles certified for multiple flights after refurbishment, and supports missions lasting up to nine months on the International Space Station.
- **Historic accomplishments:** Revolutionary accomplishments of Dragon include being the first privately developed spacecraft to transport humans to and from the International Space Station, achieved during the Demo-2 mission in May 2020 which carried NASA astronauts Doug Hurley and Bob Behnken. This milestone returned human spaceflight capabilities to the United States for the first time since the Space Shuttle's retirement in 2011, reducing dependence on foreign spacecraft. Dragon has enabled regular astronaut rotations under NASA's Commercial Crew Program, flying nearly 15 successful Crew and Private Astronaut missions to the International Space Station to date, while pioneering space tourism by carrying commercial astronauts on private flights. Its autonomous docking technology, life support for extended durations, and abort system have set new safety standards achieving a flawless record in crewed operations.

4.3.10.2 Connectivity

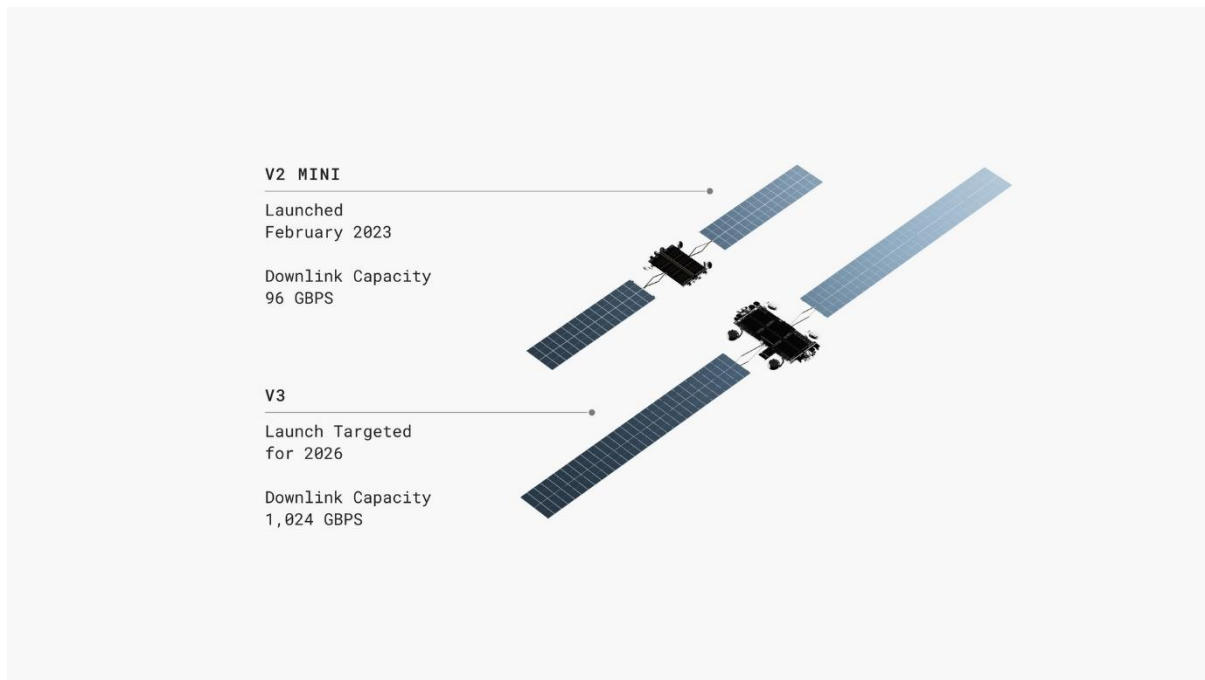
Starlink Consumer Broadband

Starlink Consumer Broadband is a broadband network powered by our global LEO satellite constellation, designed to deliver high-speed, low-latency internet connectivity anywhere on Earth. The service provides fiber-like download speeds with latency low enough to support intensive real-time applications, such as content streaming, video calls, and online gaming, while requiring only visible sight to the sky and electricity for installation. Since launch, Starlink has scaled rapidly, serving approximately 10.3 million subscribers across 164 countries, territories, and other markets as of March 31, 2026.

Starlink Consumer Broadband is enabled by the largest satellite constellation in human history with approximately 9,000 broadband satellites as of March 31, 2026, operating in LEO to deliver latency comparable to many terrestrial broadband connections. We launched approximately 3,100 Starlink broadband and mobile satellites in 2025, which is approximately five times more than the total number of active satellites in the entire second largest LEO satellite constellation. We provide download speeds exceeding 400 Mbps with round-trip latencies as low as 21 milliseconds – performance that rivals or surpasses traditional terrestrial broadband while also reaching locations no traditional fiber or cellular network can economically serve. Satellite-based communications are uniquely suited to reach underserved and remote areas by delivering coverage directly from LEO without requiring local infrastructure. In contrast, terrestrial networks depend on costly, ground-based buildouts that are often uneconomical in low-density or hard-to-access regions. As of March 31, 2026, the constellation incorporated over 23,000 inter-satellite lasers that create a dynamic mesh network in space, enabling traffic to route through orbit rather than relying solely on terrestrial backhaul infrastructure. Satellites autonomously maneuver to avoid collisions and are designed for controlled end-of-life deorbit, supporting long-term orbital sustainability. Successive generations of our broadband satellites, including V3 satellites, are expected to increase throughput, power capacity, and network efficiency, with production vertically integrated and performed largely in-house. Our focus on vertical integration has allowed us to reduce the Starlink satellite manufacturing cost per one Gbps of downlink capacity by approximately three times from Starlink V1 Broadband

satellites to V2 Mini satellites. We expect to achieve a total cost reduction of nine times from Starlink V1 Broadband satellites to V3 satellites.

Starlink Broadband V2 Mini and V3 Satellites



On Earth, users access the network through proprietary Starlink terminals that we design and manufacture. As of March 31, 2026, we have reduced the cost of Starlink terminals – achieving an approximately 59% reduction in the average manufacturing cost of a Starlink Kit since 2022 – while improving performance and reliability, which we believe collectively provides us a meaningful and durable competitive advantage over other terrestrial and satellite broadband providers. Our portfolio of terminals, which we are able to manufacture and sell for a fraction of the cost of terminals used by other satellite internet providers, includes three primary consumer configurations including: a Standard terminal designed for fixed residential and small business use, featuring a wide field of view; a Mini terminal roughly the size of a laptop, designed for mobility and travel use cases with a built-in Wi-Fi router and the ability to operate on portable battery systems or 12V vehicle power; and the Performance terminal, designed for demanding environments, with a maximum download speed over 450 Mbps and a higher power consumption of 110W or more under load. Each type of terminal is designed to be quick and seamless for a consumer to self-set up, support in-motion connectivity up to speeds of 100 mph, and deliver global, oceanwide coverage for consumer maritime use. We believe that this combination of low cost, portability (particularly in the case of our Starlink Mini terminal), and ease of installation of our terminals will help scale our consumer broadband offering.

We monetize Starlink primarily through subscription plans paired with hardware sales. Service tiers vary by speed, priority access, geographic coverage, and mobility requirements, including Local and Global Priority options for small to medium sized business, enterprise, and government Starlink customers. As the constellation scales and capacity expands with next-generation satellites, we expect Starlink to continue growing as a global, recurring-revenue connectivity platform and foundational layer of a space-enabled digital economy.

Enterprise Solutions

Enterprise Solutions offers the same fundamental advantages of Starlink Consumer Broadband – high throughput, low-latency, and global coverage – into mission-critical, in-motion, and distributed connectivity environments for enterprises. Starlink’s architecture is designed to deliver consistent performance across routes, oceans, and remote industrial sites. Enterprise services are supported by dedicated hardware configurations and commercial structures tailored to usage intensity, service-level requirements, and fleet-scale deployments.

Aviation Connectivity

Starlink Aviation provides broadband connectivity for commercial and private aircraft, enabling high-quality internet service for passengers and crew from gate to gate, including during taxi and prior to take-off. The service is differentiated by materially lower latency and higher throughput than legacy in-flight connectivity systems, enabling streaming, video conferencing, and real-time applications at scale while in flight – even bandwidth-intensive applications such as gaming, previously impractical from an airplane. Starlink’s global network is designed to eliminate “dead zones” and supports performance on polar and high-latitude routes that can be challenging for traditional providers. In recent years, we have assembled dedicated sales and engineering teams to market and support fleet-wide conversions in the aviation sector. This has enabled partnerships with many of the world’s leading airlines, including United Airlines, Southwest Airlines, American Airlines, Qatar Airways, Lufthansa Group, British Airways, Alaska Airlines, and Hawaiian Airlines, many of which have implemented or committed to fleet-wide Starlink installations for seamless in-flight connectivity.

Maritime Connectivity

Starlink Maritime provides broadband connectivity for vessels operating in coastal and deep-ocean environments, supporting both operational requirements (navigation, telemetry, maintenance, logistics) and end-user connectivity (crew welfare and passenger internet). The service is designed for consistent coverage regardless of proximity to land, including routes that may experience service degradation under legacy satellite architectures. Starlink terminals are engineered for marine operating conditions and are designed to be installed or swapped efficiently alongside existing onboard communications systems, reducing downtime during retrofit. For many maritime operators, Starlink functions as a wholesale or “syndicated” connectivity layer: vessel owners or cruise operators purchase and allocate capacity across passengers, crew, and critical ship systems, including when reselling Wi-Fi access as an onboard service. Pricing structures vary by vessel class, expected consumption, coverage requirements (coastal vs. ocean), and priority level, and are generally implemented through recurring subscription arrangements with fleet-based commercial terms. To support fleet-wide conversions in the maritime sector, we have partnered with premier cruise operators, such as Carnival Corporation, Royal Caribbean Group, MSC Cruises, and Norwegian Cruise Line Holdings, for full-fleet deployments that deliver reliable high-speed internet across thousands of vessels worldwide.

Land Mobility and IoT

Starlink supports in-motion connectivity for land mobility and industrial IoT applications where terrestrial networks are intermittent or unavailable. These deployments include fleet vehicles, remote field operations, and ruggedized use cases that require continuous broadband while moving, often across large geographies. The service is particularly relevant for emergency responders, disaster recovery, and critical infrastructure continuity, where resilient communications materially impact safety and response effectiveness. In industrial settings, Starlink can serve as a connectivity backbone for connected equipment and telemetry-driven workflows, enabling real-time monitoring and remote operations in agriculture, energy, and logistics environments. Commercial deployments are typically structured around fleets or enterprise accounts, with hardware and service tiers aligned to mobility requirements, usage intensity, and priority performance. We have partnered with land mobility operators, including John Deere and the California Fire Department, as well as passenger rail operators such as Brightline (Florida), and Italo Treno, to provide remote monitoring and management of their fleets.

Starlink Fixed Site

Starlink Fixed Site is designed to provide primary or backup connectivity for distributed business locations globally, including sites that are difficult to serve economically with fiber or that require redundancy for uptime. Starlink’s lack of dependence on wireline infrastructure – which is subject to damage or disruption from natural disasters, conflict, and other events – makes it well-suited for businesses that rely on continuous broadband connectivity and cannot afford a terrestrial offering going temporarily “offline.” Customers deploy Starlink to support point-of-sale systems, corporate networking, video and security systems, and business continuity, including during disasters and localized outages where terrestrial infrastructure may be impaired. The service is differentiated by rapid installability, geographic flexibility, and reliable performance in remote and hard-to-reach locations, making it suitable for retailers, industrial operators, and remote facilities (including offshore and field sites). Pricing models include multiple tiers and configurations depending on speed, priority access, coverage footprint, and the number of sites deployed, with typical enterprise arrangements structured as recurring subscriptions paired with hardware.

Government Solutions

We provide U.S. civil, state, and local government agencies as well as international civil government agencies high-speed, resilient connectivity for public services, social impact, humanitarian efforts, and disaster response in even the most remote and challenging environments. Examples include support for the FEMA in coordinating disaster recovery after hurricanes and wildfires, the NOAA for at-sea testing and environmental monitoring, the Government of the Philippines for linking remote islands, schools, and public institutions, the Government of Jamaica for improving digital access in remote and maritime areas, and the Government of Ecuador for supporting education and healthcare connectivity in isolated communities.

Separately, we operate Starshield, a secure satellite network designed specifically for national security applications. Built on the technology, manufacturing, and launch infrastructure that underpin Starlink, Starshield is focused on three core mission areas: Earth observation, global secure communications, and hosted payloads. Starshield satellites are designed to integrate a wide range of sensors and instruments, allowing government customers to deploy mission-specific capabilities in LEO without having to design, build, and launch standalone spacecraft for every program.

Starshield builds on the end-to-end data encryption used in our commercial network by adding high-assurance cryptographic capabilities tailored to military and other government requirements. By combining this security posture with our high-cadence launch capability and evolving Starlink-derived infrastructure, we aim to offer a scalable national security platform that can be updated, replenished, and expanded as mission needs change over time.

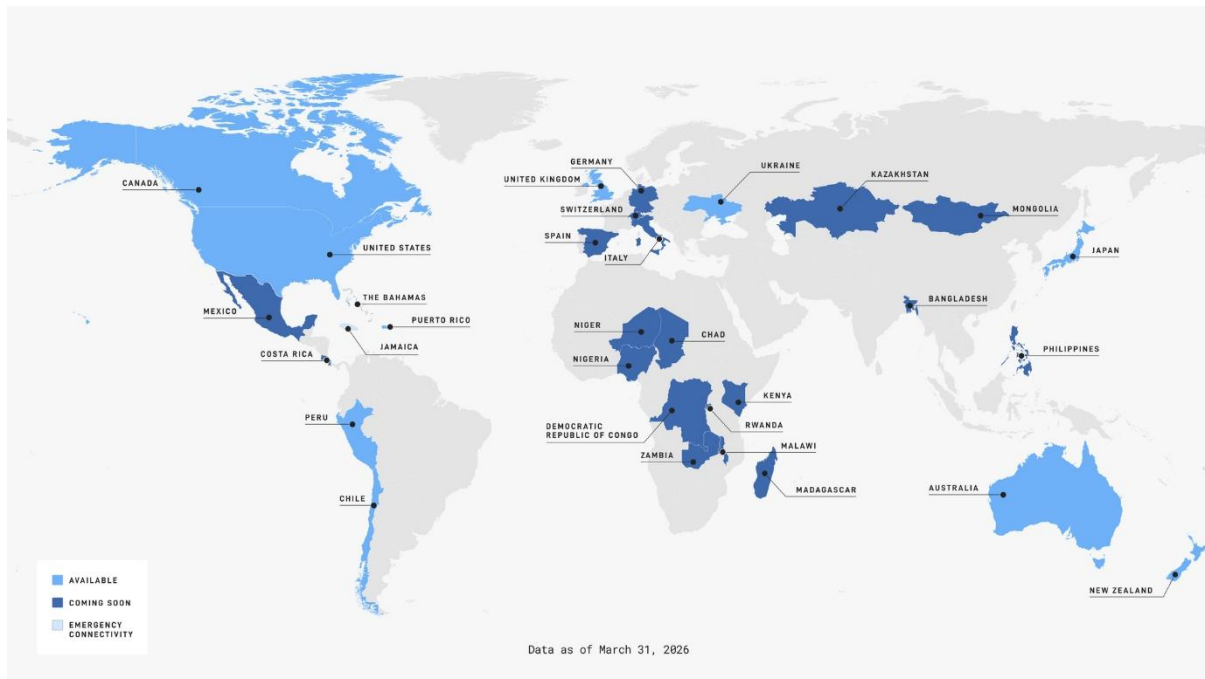
Starlink Mobile

We are extending the reach of Starlink beyond fixed and mobility terminals through our mobile service, connecting smartphones (with no modifications or incremental hardware) and other terrestrial devices directly to our satellites. We aim to entirely eliminate mobile “dead zones.” By using satellites that effectively function as cell towers in space, we enable data, over-the-top voice, video and messaging in remote and hard-to-reach locations where terrestrial networks have historically been unavailable or unreliable. Starlink Mobile is already commercially available for messaging in select markets and has been used to support emergency communications following natural disasters, demonstrating its strength as resilient, infrastructure-independent connectivity.

Our mobile constellation builds on the same LEO architecture as our broadband network, with satellites specifically designed to communicate directly with everyday LTE handsets and IoT devices without requiring specialized or additional hardware. These satellites use exclusive licensed spectrum, allowing us to integrate into MNOs’ existing networks while delivering coverage far beyond the reach of ground-based towers. Since launching the first mobile satellites in early 2024, we have rapidly scaled the network to hundreds of in-orbit spacecraft and demonstrated key technical milestones, including the first SMS tests within days of launch, live video calls, and public posts sent directly from standard smartphones through a Starlink Mobile satellite. Our ability to design, manufacture and launch these satellites on our own vehicles enables us to iterate quickly on payloads and software, expanding capacity and performance over time.

Today, our Starlink Mobile service is delivered in partnership with leading MNOs around the world. We are initially focused on messaging for consumer subscribers in areas with limited or no terrestrial coverage, with a roadmap to support broader data, voice and IoT services. We partner with approximately 30 MNOs across six continents, including T-Mobile in the United States, and other international operators including One NZ, Optus, Telstra, Rogers, KDDI, Salt, Entel, Kyivstar, and VMO2. Through these partnerships, we enable consumers, businesses and public-sector customers to use their existing phones in more places, support critical connectivity during disasters and power outages, and open new applications for low-bandwidth mobile and IoT devices.

Map of Starlink Mobile Coverage



Satellite Life

We estimate that our satellites have useful lives of three to five years based on engineering studies, historical on-orbit performance, propellant life, utilization patterns, design enhancements across generations, and planned transitions to newer satellite technology. We, however, often deorbit satellites before the end of their useful lives, primarily to reduce degradation risks that could impair our autonomous collision avoidance system and compromise constellation safety. To date, our autonomous collision avoidance system has not experienced any failures resulting in satellite loss, and satellite losses from other causes remain de minimis.

4.3.10.3 AI

Grok

Grok represents a core pillar of our mission to advance humanity’s understanding of the universe through the development of truth-seeking artificial intelligence. Grok is designed and optimized for rigorous reasoning, real-time information synthesis, and transparent outputs, with a product philosophy centered on intellectual honesty, first-principles thinking, and engagement with complex topics.

We are designing Grok as a truth-seeking AI model, built on our founder Elon Musk’s mission to enable humanity to understand the universe. We believe that accomplishing this mission requires a truth-seeking approach to AI, which we define as the active, relentless pursuit of what is objectively true about reality, and grounded in evidence, logic, empirical data, and first principles thinking. We consider this approach as essential to achieve our objective to understand and explain what the universe appears to be doing, as accurately as current knowledge allows, and believe that maximizing truth seeking ties to our development goals of driving superior model outputs and higher utility intelligence. Our goal is to understand and explain what the universe appears to be doing, as accurately as current knowledge allows. In pursuit of this truth-seeking objective, Grok also benefits from its integration with X, our real-time information, entertainment, and free speech platform. This direct, real-time access to the information and human discourse on X enhances Grok’s truth-seeking capabilities by grounding outputs in up-to-date knowledge and diverse viewpoints.

Since the initial release of Grok 1, we have iterated rapidly, releasing Grok 2, Grok 3, and, the current version, Grok 4, each delivering material improvements in pre-training, reasoning depth, multimodal capabilities, latency, and scale. Building on this trajectory, we expect to continue scaling Grok through subsequent generations. Ongoing training of next-generation models is expected to scale toward multiple trillions of parameters, which could represent a step change in reasoning in depth and overall intelligence. In this context, the number of parameters refers to the scale of the model, where parameters are the internal numerical values, such as “weights,”

that are adjusted during training to enable the model to recognize patterns and relationships in data. A larger number of parameters generally allows the model to capture more complex relationships, store greater amounts of knowledge, and achieve higher levels of reasoning capability. Our accelerated development cadence positions Grok among the fastest-advancing frontier models relative to peers, including OpenAI, Anthropic, and Google. Grok is differentiated by its emphasis on real-time data integration, particularly through insights derived from the X platform (subject to some limitations for certain content), enabling dynamic awareness of current events and user discourse, as well as by explicit investment in reasoning transparency and explainability. Grok enhances the X ecosystem by improving content understanding, personalization, and recommendation systems, thereby increasing user engagement and platform intelligence. We are currently developing next-generation iterations, including Grok-5, which are expected to further expand reasoning fidelity, multimodal integration, and domain-specific performance.

Terrestrial AI Compute

Our terrestrial AI compute forms the backbone of the Grok model family and is anchored by the COLOSSUS and COLOSSUS II data centers that boast some of the world's largest and most advanced AI training clusters. COLOSSUS and COLOSSUS II collectively provide approximately 1.0 gigawatt of compute power, with the additional power capacity available for data center operations. We brought the first cluster of COLOSSUS online in 122 days, repurposing the shell of an existing factory, and the first cluster of COLOSSUS II online even faster in 91 days. As an illustrative comparison, an industry benchmark to bring online a 100 megawatt greenfield data center is approximately two years.²⁶ We also demonstrated a significant improvement in cost efficiency, achieving data center construction costs for COLOSSUS II that are considerably lower than industry benchmarks on a per megawatt basis. COLOSSUS II is capable of operating entirely by our self-built behind-the-meter gigawatt-scale natural gas power plant. Our data centers are integrated with the world's largest Megapack deployment, providing additional layers of reliability and operating performance. At all our existing data centers we have employed a brownfield retrofit strategy leveraging existing industrial sites, advanced direct-to-chip cooling to support higher rack densities, and high-speed networking. The clusters deploy leading-edge GPUs to maximize training throughput and model performance. The next phase of expansion at COLOSSUS II is designed to train our next-generation Grok-5 AI model. As we continue to expand our AI compute infrastructure, we will also continue to enhance our power capabilities utilizing a combination of grid-power and behind-the-meter natural gas power plant buildouts. At COLOSSUS, our grid power capabilities are designed to purchase power from the grid as available, and to rely on our behind-the-meter, self-generated power and Megapack installations when grid power is curtailed.

X Platform

X is a real-time information, entertainment, and free speech platform that serves as a foundational distribution and data engine for our AI ecosystem. With a global user base generating substantial volumes of content at all times across a wide variety of topics, X provides a uniquely dynamic data set for model training and real-time context integration, subject to some limitations for certain content, which significantly differentiates Grok from the other frontier lab offerings.

X is our real-time information, entertainment, and free speech platform that serves as a global town square with integrated AI capabilities powered by Grok. Designed to evolve toward an "everything app," X enables users to post content, share media, engage in conversations, host, view, and participate in live group discussions, follow real-time events, use encrypted messaging, and leverage advanced features such as Grok-assisted post creation, content discovery, and conversational AI directly within the interface via the prominent Grok icon.

With native integration of Grok's frontier models, including real-time access to X data for up-to-date insights, trending analysis, and enhanced search, X delivers personalized feeds, smarter recommendations, and low-latency AI assistance for our users worldwide. Our X Premium subscription options, including Basic, Premium and Premium+ tiers, offer expanded features, ad-reduced experiences, and priority Grok interactions. In 2023, Grok's chat functionality was integrated into the X app allowing for the user to open the chat interface to type prompts and get real time answers.

²⁶ Source: BCG, Breaking Barriers to Data Center Growth.

Public X data enhances Grok’s training and reasoning capabilities, while the platform continues to deliver measurable performance outcomes for advertisers, with an increasing strategic focus on performance-based marketing solutions.

In addition to X consumer products, X offers advertisers and developers a powerful suite of tools to reach highly engaged audiences. Advertisers can target audiences through diverse ad formats – such as Promoted Ads, Vertical Video Ads, Collection Ads, and premium options such as X Amplify and Takeovers – blending seamlessly with organic content for authentic engagement. With advanced targeting based on public conversations, events, keywords, interests, locations, and look-alike audiences, brands can connect with audiences while benefiting from flexible, performance-based pricing (pay only for actions such as clicks or engagements) and often lower costs compared to other platforms. We expect that our ongoing innovations – including Grok-powered integrations, new contextual ad tests, and expanded aspect ratio support for easy reuse of ad creative – make X a competitive choice for driving traffic, conversions, and brand awareness and visibility among X’s hundreds of millions of MAUs. Developers have access to a continuous, high-volume, real-time stream of data around current events, trends, or sentiment, which they can access through an official X Developer Platform and APIs.

In April 2026, we began a phased roll-out of our new advertising platform, that we rebuilt from the ground up. The new Ads Manager is built to help advertisers launch better campaigns, faster, with stronger ROI. Powered by AI, the new systems enable more precise, relevant and dynamic ad delivery. Ads are seamlessly integrated into a User’s X feed.

By combining high-volume user interactions with frontier AI, AI compute infrastructure, and vertical integration, X accelerates progress toward ubiquitous connectivity, real-time global awareness, and the foundational social layer for multiplanetary human endeavors.

X Ads Manager. X provides a comprehensive suite of advertising products, including promoted posts, video ads, carousels, and sponsored content, which enable businesses to reach targeted audiences in real time across the platform. Powered by real-time conversation data, interest-based targeting, and behavioral signals, these solutions support objective-based campaigns focused on website traffic, video views, app installs, lead generation, and brand awareness. X’s Ad Manager provides a centralized platform that allows advertisers to manage creation, optimization, and real-time monitoring of ad campaigns with detailed audience insights, bidding controls, performance analytics, and A/B testing capabilities. Integration with Grok AI further streamlines creative development, making X’s scalable ad solutions effective for businesses of all sizes seeking efficient engagement in a dynamic public conversation environment.

Grok Consumer Products

Our consumer products are powered by Grok, including Grok language and coding models, Grok image and video generation models (more commonly known as Grok Imagine), and Grokipedia. These applications leverage the underlying Grok model family to deliver advanced multimodal interaction, real-time information awareness, and transparent reasoning outputs. We currently offer four different tiers of subscription for Grok – basic, SuperGrok, SuperGrok Heavy, and SuperGrok Lite, each priced on a monthly or annual basis. Higher pricing tiers unlock expanded access to advanced models, increased usage limits, priority compute, and a suite of premium features tailored to power users and enterprise-grade applications.

Grok Chat. Grok Chat represents the primary conversational interface of Grok, enabling users to submit text or voice queries for explanations, problem-solving, research, coding, brainstorming, and in-depth discussions with real-time integration of web search, X data, code execution, and multimodal analysis of images or documents. Available via grok.com, dedicated mobile apps, X platform integration, and the xAI API, it provides truth-seeking, helpful, and minimally censored responses optimized for factual precision and complex reasoning.

Grok Imagine. Grok Imagine is Grok’s generative visual and multimedia creation suite, powered by proprietary models for producing high-quality images, short videos (up to 15 seconds at 720p in current iterations), and synchronized audio from text prompts, reference images, or existing visuals. It supports text-to-image/video editing, image-to-video editing, and video-to-video editing, style transfer, and cinematic motion with strong prompt adherence and photorealistic output, accessible through the Grok platform, Imagine tab, and dedicated API.

Grok Voice. Grok Voice delivers natural, real-time conversational AI through voice interactions, allowing users to seamlessly speak and listen to Grok for faster access to information and task execution.

Grok Enterprise Products

Grok Teams. Grok Teams empowers small-to-medium-sized organizations to integrate Grok’s advanced AI capabilities directly into collaborative workflows. Teams gain access to dedicated workspaces with secure sharing, enhanced privacy protections, and administrative controls for inviting users and managing access. Grok Teams accelerates analysis, innovation, and creation while ensuring data remains private and is never used for training.

Grok API. The Grok API provides programmatic access to Grok’s frontier models, including advanced reasoning, vision, tool-use, image generation, voice AI, and real-time search capabilities, tailored for enterprise-scale integration. It offers features like agentic workflows, and enterprise-grade options such as custom allocations, secure authentication, and dedicated support. Designed for developers and organizations building production applications, the API enables seamless embedding of Grok’s powerful AI into custom solutions, driving innovation across industries with speed, precision, and reliability. For example, the enterprise version of the Grok Voice Agent API allows developers and businesses to build multilingual voice agents capable of speech recognition, tool calling, real-time data querying, and low-latency responses. It supports production-grade voice applications that enhance customer service, internal operations, and interactive experiences with high performance in audio reasoning benchmarks.

4.3.11 Infrastructure and Facilities

SpaceX maintains a highly vertically integrated, geographically diverse manufacturing ecosystem that designs, produces, and qualifies a significant share of components in-house, from raw materials and rocket engines to complete launch vehicles, crewed spacecraft, satellites, and user terminals, enabling unprecedented iteration speed, quality control, and cost efficiency essential for successful production of reusable systems and high-cadence operations. Our manufacturing facilities are complemented by our physical infrastructure, which supports launch and orbital operations for human spaceflight, satellite deployment, and cargo missions, as well as large-scale artificial intelligence training and inference. We continue to invest in expansions and improvements across our sites to accommodate anticipated growth in launch cadence, Starlink Subscribers, and AI compute requirements.

SpaceX Facilities



While none of our properties are individually material to our operations because of the long-term timetables for renewal and the opportunities for alternative sites, we maintain an effective network of vertically integrated facilities across the United States, including:

- **Starbase, Texas:** Development, manufacturing, testing, and launch of Starship currently takes place at Starbase, home to SpaceX headquarters and one of the world's first commercial spaceports designed for orbital missions. The site is located at the newly created city of Starbase in Cameron County, Texas, along the Gulf of America. Its infrastructure includes Starfactory, a manufacturing facility designed to mass produce Starship and Super Heavy at scale; a large office structure co-locating engineering and production personnel; and large, vertical integration buildings including the upcoming Gigabay, which will be able to support Starship and Super Heavy vehicles up to 85 meters (279 feet) tall and will provide 24 work cells for integration and refurbishment work, along with cranes capable of lifting up to 400 tons. Starbase also has an orbital launch pad for flight of the world's most powerful rocket, complete with one of the tallest launch towers in the world, specially designed to integrate, test, launch, and catch Starship and Super Heavy vehicles, with an additional pad underway to support Starship V3. The Starbase team also operates a site for full and subscale vehicle structural testing, static fires, and component level testing.

Starbase is also home to several hundred SpaceX employees and their families, many of whom have relocated from across the country to the community to support the development and operation of Starship. SpaceX, in partnership with the newly formed city, is developing local infrastructure and municipal services, including utilities, governance, schools, and environmental conservation initiatives, to support a world-class, concentrated engineering and manufacturing community focused on the rapid advancement of Starship and SpaceX's long-term mission. This close integration of residential life, engineering, and manufacturing around a single program enables a mission-focused environment designed to accelerate development, testing, and launch operations.

- **Hawthorne, California:** Our original flagship facility in Hawthorne, California manufactures Falcon 9 and Falcon Heavy first and second stages, Dragon Crew and Dragon Cargo spacecraft, Merlin engines, Starship's Raptor engines, Starlink User Terminals, as well as other various Starship components. The site supports high-reliability production for hundreds of successful missions, including NASA-certified crew rotations. We also maintain a corporate presence in Hawthorne.
- **McGregor, Texas:** The McGregor rocket engine complex is the most active rocket development and testing facility in the world. It serves as the primary site for qualification, acceptance, and post-flight testing of Merlin and Raptor engines. It features 15 specialized test stands, including dedicated vertical stands for Raptor engines and multiple stands for Falcon 9's Merlin engines, as well as component-level testing facilities for Starship hardware, including composite overwrapped pressure vessels, tanks, and experimental systems.
- **Redmond, Washington:** The Redmond Starlink satellite manufacturing facility has produced an average of approximately 70 satellites per week (approximately 3,640 per year at full rate) from December 2025 to April 2026, covering bus structures, phased-array antennas, propulsion, solar arrays, and inter-satellite lasers, enabling rapid Starlink constellation expansion.
- **Bastrop, Texas:** We build the majority of Starlink products at our manufacturing facility in Bastrop, Texas, which opened in 2023, producing tens of thousands of Starlink Kits per day and all of the current generation Starlink Standard and Performance Kits.

In 2026, we expect to more than double the size of the Bastrop facility, expanding our design and manufacturing capabilities to support new Starlink products, plus deepening our vertical integration by adding the production of Starlink gateway antennas, solar cells and AI compute satellites.

- **Kennedy Space Center and Cape Canaveral, Florida:** SpaceX operations in Florida span across NASA's Kennedy Space Center and Cape Canaveral Space Force Station, which includes two active launch sites – Launch Complex 39A (LC-39A) and Space Launch Complex 40 (SLC-40) – Falcon booster and Dragon spacecraft refurbishing facilities, launch operations, and payload processing buildings. Both launch sites support critical missions to GEO and the International Space Station while also providing launch opportunities to a wide range of low, mid, and polar orbit inclinations for science and national security missions. SpaceX also utilizes Landing Zones 40 and 2 at the Cape, which support Return to Launch Site landings for Falcon boosters ahead of recovery and refurbishment for future missions.

Once recovered, flight hardware is refurbished at one of two state-of-the-art SpaceX facilities, HangarX and X2, on Kennedy Space Center. These facilities also house our Falcon Launch and Landing Control

Center, where our Dragon spacecraft are refurbished and prepared for their next missions after they are recovered off the coast of southern California, where we produce Starship heatshield tiles in the Bakery, and where we process customer payloads before launch in our Payload Processing Facility.

For future launches, SpaceX is expanding its operations in Florida to bring Starship to the Cape. In addition to the under-construction Starship launch pad at LC-39A expected to be completed by the end of 2026, SpaceX is constructing Space Launch Complex 37 (SLC-37) on Cape Canaveral Space Force Station as another Starship launch site. SLC-37 will host two orbital launch pads, including up to two towers for Starship launch, catch, and testing operations, culminating in a total of four operational launch pads for Starship by the end of 2027. SpaceX is also building a new integration facility called Gigabay, next to its HangarX location at Kennedy Space Center by late 2026.

In connection with preparing leased real property for our launch operations, we make significant capital improvements and install extensive real and personal property at these government-owned sites. The launch facilities we build are a unique capital improvement compared to standard commercial use sites because the federal government specifically designates these launch sites for aerospace activities, such as rocket launches. Given the specific use requirements of these government-owned sites, we have historically entered into handover agreements with the relevant government entities upon expiration or termination of the leases, pursuant to which the improvements are transferred to the government rather than removed. This fact pattern has historically been the case with previous leases such as at Cape Canaveral Space Force Station.

- **Vandenberg Space Force Base, Space Launch Complex 4:** Space Launch Complex 4 East at Vandenberg Space Force Base is our West Coast launch site and serves as our primary facility for polar and high-inclination orbit missions critical to Starlink constellation deployment, national security payloads, Earth observation satellites, and select lunar trajectories. The facility includes a modernized orbital launch pad optimized for Falcon 9 launches, featuring a fixed launch mount, integration tower, propellant loading infrastructure, flame trench, and support systems enabling frequent operations. Adjacent Space Launch Complex 4 West functions as a dedicated Falcon 9 booster landing zone, supporting downrange recoveries to maximize reusability. Please refer to “*Kennedy Space Center and Cape Canaveral, Florida*” above for additional information regarding our lease arrangements with government entities.
- **Memphis, Tennessee and Southaven, Mississippi:** We operate a cluster of high-density data centers in the Greater Memphis Area extending into northern Mississippi along the state border, to power training and inference for frontier AI models, including the Grok family. The flagship COLOSSUS supercomputer campus is located on Paul R. Lowry Road in Memphis, Tennessee; the COLOSSUS II facilities are located on Tulane Road in Memphis, Tennessee and on Stateline Road in Southaven, Mississippi.
- **Palo Alto, California:** The corporate headquarters for our AI operations following the acquisition of xAI in February 2026 is located in Palo Alto, California. This location, under long-term lease, houses our advanced AI research, development, and engineering teams and is strategically situated in Silicon Valley to attract and retain top AI research talent. The engineers responsible for the design, training, and continued evolution of Grok, our proprietary frontier AI model, are based at this facility.

In addition to our infrastructure and facilities across the United States, we also operate a fleet of recovery vessels, autonomous spacecraft drone ships (“ASDS”), and a network of Starlink ground stations.

- **Our recovery fleet:** Our fleet of ASDS forms the maritime backbone of SpaceX’s reusable rocket architecture, enabling high-probability downrange booster landings for Falcon 9 and Falcon Heavy missions while maximizing vehicle recovery and rapid refurbishment. The core ASDS fleet consists of three operational vessels: “Of Course I Still Love You,” the pioneering East Coast-to-Pacific vessel homeported at the Port of Long Beach, California, and dedicated to supporting primarily polar and high-inclination launches from Vandenberg Space Force Base with its large landing deck and thruster-based dynamic positioning; “Just Read the Instructions,” stationed at Port Canaveral, Florida, serving East Coast operations from Cape Canaveral and Kennedy Space Center; and “A Shortfall of Gravitas,” the newest and most advanced addition since 2021, also based at Port Canaveral with enhanced autonomy, station-keeping precision, and upgraded deck infrastructure to handle frequent, high-cadence missions. These autonomous ships have collectively facilitated hundreds of successful booster touchdowns, dramatically reducing expendable flight profiles and enabling the reuse of boosters 34 times as of March

31, 2026. Complementing the drone ships are dedicated support vessels for fairing half recovery, such as “Bob” and “Doug,” named after astronauts Bob Behnken and Doug Hurley, and Dragon retrieval vessel “Shannon,” named in honor of astronaut Shannon Walker. These support vessels ensure comprehensive ocean-based recovery operations across Atlantic and Pacific theaters and underpin our constellation deployments, national security launches, and crewed missions while advancing toward full reusability for Starship in future offshore scenarios.

- **Starlink ground stations:** A Starlink ground station, also referred to as a gateway, is a terrestrial relay station that communicates with our satellite constellation. These stations transmit data between satellites and terrestrial internet networks. We operate ground stations around the world, with over 400 sites globally.

4.4 Competition

Our principal sources of competition vary based on the segment and market in which our business operates.

In Space, we compete with launch service providers that transport small, medium, and heavy payloads and astronauts to Earth’s orbit and beyond. Participants in this market include established aerospace and defense companies, emerging commercial launch providers, and national space agencies. Key established aerospace and defense competitors providing launch services include, among others, United Launch Alliance, a joint venture between Boeing and Lockheed Martin, Arianespace, a French-based aerospace company operating a family of European-developed rockets, and Northrop Grumman, manufacturer of the Cygnus cargo spacecraft. Emerging commercial launch providers include Blue Origin, which has developed launch vehicles intended to compete with our Falcon 9 rocket, and Rocket Lab, which operates in the small-lift launch market but is expanding into medium-lift payloads, as well as other domestic competitors such as Firefly Aerospace and Relativity Space. While we typically do not compete directly for the same missions, national space agencies also provide launch services in their respective markets.

However, the launch services market is characterized by significant barriers to entry, including substantial capital requirements, advanced technological expertise, regulatory licenses and approvals, and established relationships with government and commercial customers. Competition in this market is based on factors that include launch reliability and cadence, payload capacity, mission flexibility, manufacturing capabilities and price. For this reason, while the established aerospace and defense competitors and emerging commercial launch providers may provide launch services at varying degrees of scale, we believe that SpaceX holds a meaningful advantage in terms of the breadth of our launch solutions and services and the cadence at which we are able to launch, and thus a significant competitive advantage relative to these players.

In Connectivity, we compete with operators of terrestrial and satellite communications infrastructure and providers of satellite-to-mobile connectivity solutions, including terrestrial fixed network providers, terrestrial mobile network companies, and other satellite service providers, as described below:

- *Consumer and Enterprise Broadband.* Our Starlink Consumer and Enterprise broadband offerings compete with terrestrial fixed network providers, terrestrial mobile network companies, and other satellite service providers. Terrestrial fixed network providers include operators of cable and fiber networks such as Verizon, Comcast, AT&T, T-Mobile, Lumen, Charter Communications, Google Fiber, Astound, BT, Deutsche Telekom, and Liberty Global. Terrestrial mobile network companies also operate land-based infrastructure, including wireless antennas affixed to mobile towers used to provide fixed wireless services, and include AT&T, Telefónica, T-Mobile, Verizon, and Vodafone Group. These network providers typically serve customers in one or more countries (for example, Verizon in the United States, or Telefónica in Spain and Brazil, among others), but are not global players insofar as they do not sell to a global customer base, nor does their network infrastructure exist globally. Satellite service providers include, among others, GEO satellite network operators such as EchoStar, SES, Telesat Corporation (Telesat) GEO, and Viasat, as well as current and planned LEO and MEO constellations including Amazon LEO, Blue Origin’s TeraWave, Eutelsat OneWeb, Iridium NEXT and Telesat Lightspeed. Some of these service providers are also launch customers of SpaceX as they contract with us to launch their satellite constellations into orbit.
- *Government Solutions.* Our Starlink broadband offering for government use cases competes primarily with the same terrestrial network providers and satellite service providers with which our Starlink Consumer and Enterprise broadband offerings compete, as well as defense prime contractors. In certain

cases, these providers also have dedicated subsidiaries or business units focused on serving government customers, such as Telesat Government Solutions.

- *Starlink Mobile*. Our Starlink Mobile offering competes with other satellite-to-mobile satellite operators including, among others, AST SpaceMobile, Lynk, Globalstar and Skylo.

The satellite connectivity market involves significant barriers to entry, including substantial capital requirements, advanced technological capabilities, access to spectrum and orbital resources, regulatory licenses and approvals, and the development of relationships with government, enterprise and commercial customers. Competition in this market is based on factors that include network coverage, capacity, latency and reliability, spectrum access, density of urban environments, satellite deployment capability and efficiency, price and user acquisition, retention, and experience.

In AI, we compete with developers of foundational AI models and providers of AI products and services, as well as general purpose and vertical search engines, information services, online advertising platforms and social networks. Participants in this market include large technology companies, emerging AI model developers and providers of AI-enabled products and services. Key competitors in these markets include, among others, AI model developers and platform providers such as OpenAI, Anthropic, Google, Meta, Microsoft, and various open source model providers, as well as social networks such as Threads (owned by Meta), Reddit, and TikTok. As we continue to build out our AI compute infrastructure, we intend to sell our excess capacity by offering it to a limited number of third parties and intend to continue to explore monetizing excess capacity, potentially positioning us to emerge as a competitor to AI cloud providers such as Coreweave and Nebius as well as hyperscalers.

Our AI businesses likewise compete in markets characterized by significant barriers to entry, including substantial computational and infrastructure requirements, access to large datasets and the ability to attract and retain highly skilled technical talent. Competition in these markets is based on factors including pricing and cost efficiency, the performance and technical features of AI platforms, customer experience across our products and services, the ability to attract new and retain existing subscribers, users and advertisers and the ability to deploy compute and innovative technologies at scale.

4.5 Intellectual Property

The intellectual property that is material to our business includes our proprietary knowledge and software, as well as our brands and our selectively patented inventions and technologies. Our proprietary knowledge includes expertise in design, testing, manufacturing, software, in-orbit operations, real-time platforms, and artificial intelligence development. The protection of our technology and intellectual property is an important aspect of our business. We rely upon a combination of patents, trademarks, trade secrets, copyrights, confidentiality procedures, contractual commitments and other legal rights to establish and protect our intellectual property. We have registered, and applied for the registration of, U.S. and international trademarks, service marks, domain names, and copyrights. We have also filed patent applications and acquired patents in the United States and foreign countries covering certain aspects of our technology, and in some cases, we have acquired patent assets of others to supplement our portfolio. We have licensed in the past, and expect that we may license in the future, certain of our rights to other parties or from other parties. We generally enter into confidentiality agreements and invention or work product assignment agreements with our employees, contractors, and consultants to control access to, and clarify ownership of, our proprietary information and other intellectual property.

4.6 Human Capital

As of March 31, 2026, we employed over 22,000 full-time employees worldwide, none of whom are subject to any collective bargaining agreement. We believe our strong culture of collaboration and innovation distinguishes us and serves as an important driver of our business performance. There has been no material change in the number of our full-time employees between March 31, 2026, and the date of this prospectus.

The following table shows the period-end figures of full-time employees by geographic region and business segment as of April 30, 2026, December 31, 2025, December 31, 2024 and December 31, 2023:

(unaudited)	April 30,	Year Ended December 31,		
	2026 ⁽¹⁾	2025	2024	2023
United States.....	21,896	18,028	15,685	13,727
International.....	725	59	32	17

Total.....	22,621	18,087	15,717	13,744

Employees by Business Segment (unaudited)	April 30,	Year Ended December 31,		
	2026⁽¹⁾	2025	2024	2023
Space	11,665	11,211	10,151	8,997
Connectivity	5,551	5,007	3,946	3,170
AI.....	3,173			
Corporate and Other ⁽²⁾	2,232	1,869	1,619	1,577
Total.....	22,621	18,087	15,716	13,744

⁽¹⁾ Human capital figures are presented as of April 30, 2026, the first date on which the Company internally reported consolidated employee headcount across all business segments following SpaceX's acquisition of xAI.

⁽²⁾ Certain employees support multiple business segments and are therefore classified within Corporate and Other rather than allocated to a specific business segment.

4.7 Regulatory Environment

We are required to comply with a variety of governmental regulations, which could have a significant impact on our business, including our capital expenditures, earnings and competitive position. In particular, our ability to (i) conduct launches and reentries, (ii) operate and expand our satellite systems and related ground infrastructure and (iii) perform certain U.S. government programs depends on maintaining key governmental authorizations and complying with evolving safety, spectrum, national security, environmental, contractual, and trade-control requirements. Our ability to provide our AI products and X platform depends on complying with evolving AI, data privacy, online services, cybersecurity and environmental requirements. We incur and will continue to incur substantial costs to monitor and take actions to comply with governmental and other regulations that are or will be applicable to our businesses, including, among others, restrictions and regulations of the U.S. Department of Transportation, the FAA, the FCC and other government agencies in the United States and the other countries in which we operate, economic sanctions and trade embargo laws, export controls, import controls and customs. We will also be subject to additional laws and regulations as a result of being a public company, which will require us to devote significant management resources and incur additional legal, accounting and other expenses.

4.7.1 Space

Our Space segment is subject to extensive regulation in the United States and internationally, including (i) regulations administered by the FAA relating to commercial space launches and reentries, (ii) regulations administered by the FCC relating to radio communications used in launch activities and spacecraft operations, and related domestic and international coordination processes, including through the ITU, (iii) U.S. export and import regulatory regimes, and (iv) additional regulations that relate to being a U.S. government contractor.

Commercial space launch and reentry activities require licenses and permits from the FAA. FAA licenses are generally granted on a launch-by-launch basis and may incorporate safety, environmental and operational conditions. Where applicable, reentry operations require separate authorization. We are generally required to obtain licenses or license modifications from the FAA in connection with changes to vehicles, launch sites, flight profiles, operational procedures, payloads, or other mission parameters, and our launch and range operations may also be subject to environmental reviews, consultations, and permits. We depend on timely approvals of licenses or license modifications from the FAA and the timing and outcome of the FAA approval process may affect our ability to conduct launches and reentries or require operational restrictions or mitigation measures.

Radio communications for launch activities and spacecraft operations require licenses from the FCC and are subject to technical and operational conditions, coordination requirements, and interference-mitigation frameworks. We rely on obtaining licenses from the FCC to conduct our launch and spacecraft operations, and many of our FCC licenses include conditions regarding milestone schedules, reporting and surety-bond requirements, among other conditions. In addition, our spacecraft and satellite operations are subject to evolving regulatory expectations relating to space situational awareness and orbital debris mitigation, including requirements regarding collision avoidance and post-mission disposal. International spacecraft frequency use is coordinated via ITU filings made through the FCC and similar international regulatory bodies, and through country-by-country market access approvals for non-U.S. service.

Additionally, as a contractor and subcontractor to certain agencies of the U.S. government, we are subject to the Federal Acquisition Regulation, and other applicable laws, security requirements, and regulations, including supplemental agency regulations, which comprehensively regulate the formation, administration, and performance under government contracts. Certain contracts with the U.S. government may require us to be issued facility security clearances under the National Industrial Security Program Operating Manual Rule, as a result of which we are required to maintain with the Department of War mitigation measures with respect to foreign ownership, control and influence. Additionally, certain transactions in which we may be involved from time to time may be subject to the jurisdiction of the Committee on Foreign Investment in the United States (“CFIUS”), which has authority to conduct national security reviews of certain foreign investments. CFIUS may impose mitigation conditions to grant clearance of a particular transaction, may unilaterally initiate national security review of certain transactions, and may recommend that the President of the United States order parties to divest their shareholdings in certain situations, among other actions.

4.7.2 *Connectivity*

Our Connectivity services, including our global satellite-to-mobile connectivity services under Starlink Mobile, depend on authorizations from the FCC in the United States and telecommunications regulators in other countries. Without these licenses and approvals, we generally cannot offer connectivity services in a given market. In the United States, these authorizations include FCC approvals for our satellite system and related earth stations and use of radio frequency spectrum, and they may be subject to technical, operational, and reporting conditions and ongoing compliance obligations (including interference mitigation, coordination requirements and orbital debris mitigation requirements). All communications services that rely on radio frequency communications require use of radio frequency spectrum, the assignment and distribution of which is subject to FCC oversight. Our access to spectrum and orbital resources is also subject to international coordination processes, including through ITU filing and coordination processes, and disputes or delays in these processes could adversely affect our operations. If demand continues to increase or if new spectrum is required for a future generation of technology, we may need to obtain additional spectrum usage rights or related authorizations through FCC proceedings (including modification applications), coordination processes, auctions or secondary market transactions, or partnerships with third parties, each of which may be subject to review, approval, and conditions.

We hold FCC authorizations and licenses that allow us to provide a wide range of satellite-based connectivity services, including through the operation of our satellite system and related earth stations. FCC spectrum licenses and authorizations typically have terms of 10-15 years, at which time they are subject to renewal. Similarly, our subsidiaries operating outside the United States are subject to the jurisdiction of regulatory authorities in the territories in which the subsidiaries operate, including any requirements to obtain spectrum licenses or other market access authorization. Our licensing, compliance and advocacy initiatives in foreign countries support our ability to offer enterprise and consumer connectivity services in various international markets. Although we generally seek to renew and maintain these authorizations, challenges could be raised in the future, and there can be no assurance that our applications to renew, modify, or expand our authorizations will be granted on a timely basis, or at all, or without additional conditions. If a spectrum license was revoked or not renewed, we would not be permitted to provide services on the spectrum covered by that license or could be required to modify or curtail operations.

Within the United States, the Communications Act generally preempts regulation by state and local governments of the entry of, or the rates charged by, wireless carriers. It does not prohibit states from regulating the other “terms and conditions” of wireless service. For example, some states impose reporting and consumer protection requirements. Several states also have laws or regulations that address safety issues (for example, use of wireless handsets while driving), universal service funding, and taxation matters. Some states are also considering new network reliability or service quality requirements that may affect how and where we provide services if not preempted by federal law.

4.7.3 *AI*

Certain enacted and proposed laws and regulations related to AI may impose requirements with respect to our development, deployment, and use of AI systems and models, including obligations relating to security, integrity, transparency, labeling, detection, and provenance of AI data, models and AI-generated content, as well as restrictions on the export or import of AI-related systems and components. AI regulation is evolving rapidly across jurisdictions, with regulators applying, or considering applying, existing laws or adopting new, non-harmonized frameworks with respect thereto, including emerging AI laws. Development, deployment, and use of AI can also be subject to existing, technology-agnostic regulatory frameworks, including, for example, those addressing consumer protection, data privacy, cybersecurity, intellectual property, content moderation, non-

discrimination, and employment. Data centers necessary for AI-related systems may also be subject to changing regulatory frameworks under federal, state, local, and foreign environmental, health, and safety laws. The scope and enforcement of these regimes remain uncertain, and their potential impact on our multiple and overlapping business lines is difficult to predict. Divergent or conflicting regulatory approaches across jurisdictions, as well as evolving enforcement priorities, may also create compliance uncertainty and require market-specific limitations or modifications to AI-related functionality, increasing operational complexity.

In addition, third parties may allege intellectual property violations, or misappropriation relating to the training data used in, or the outputs generated by, AI systems and models. The uncertain and evolving legal status of AI-generated content may create legal and operational risk, including with respect to the ownership of, and ability to obtain intellectual property protection for, such outputs, as well as our ability to offer services in certain markets. Open-source and other license terms applicable to AI systems and models may limit the distribution of AI-related functionality or constrain product design.

Separately, AI systems and models may present legal operational and reputational risks. Legal and reputational risk may arise in the context of datasets used in the development or operation of AI systems and models as well as the use of AI-enabled products or services to generate output that is perceived as objectionable or inappropriate. Emerging legislation, such as the European Union's Artificial Intelligence Act, California's Transparency in Frontier Artificial Intelligence Act (SB 53) and New York's Responsible AI Safety and Education Act (RAISE Act), may impose requirements relating to, among other things, safety, governance, transparency, and incident reporting on developers of large or frontier AI models. Misuse of our AI systems, models, products, or services by customers or partners may similarly create safety, compliance, or brand risks. These risks have in the past and may in the future result in regulatory scrutiny, legal liability, or reputational harm and adversely affect our business, results of operations, and financial condition. Addressing these risks may require substantial investment in testing, moderation, guardrails, enforcement, and other mitigation measures.

4.7.3.1 Privacy, Cybersecurity, Data Protection, Online Safety, and Digital Platform Regulation

We are subject to complex and evolving global legal and regulatory frameworks relating to privacy, cybersecurity, AI, data protection, lawful access, content moderation, and digital platform regulation, as well as contractual and other commitments we make in the course of doing business and our internal and external policies, procedures and controls. These laws and regulations vary across jurisdictions and sectors, are not harmonized, and may conflict or impose overlapping or inconsistent obligations, and continue to evolve and emerge. In particular, the California Consumer Privacy Act (as amended), the GDPR (and its equivalent in the United Kingdom) and other data privacy laws and regulations impose stringent and burdensome requirements in connection with the processing of personal information and include significant penalties for non-compliance. Additionally, as a government contractor, we are also subject to the Department of War's Cybersecurity Maturity Model Certification requirements, which requires companies that do business with the Department of War to, depending on the level of security required, meet or exceed certain specified cybersecurity standards to be eligible for new contract awards. The interpretation and application of these and other existing laws not originally enacted to address privacy, cybersecurity, AI, data protection, lawful access, content moderation, or digital platforms are uncertain and continue to develop as they are applied to new technologies and data-driven products and services. These frameworks impose obligations regarding, among other things, the collection, use, storage, protection, disclosure, transfer, and other processing of data, including personal information, and may restrict or condition cross-border data transfers, require data localization, or impose content moderation or other platform-related requirements, and may be interpreted or enforced in ways that are inconsistent, unclear, or subject to significant regulatory discretion. The risks are particularly acute for us because we operate globally across multiple industries and develop cutting-edge technologies that present novel regulatory and security issues. The data we collect and otherwise process is integral to our business, technology, and services, and regulatory restrictions or limitations on our ability to secure and process such data could materially affect our operations and business model.

In addition, our products and services, including those enabled by AI, may also be subject to online safety and youth-protection laws and regulations. Such laws and regulations may impose obligations relating to content risk mitigation, age assurance, platform governance, and, in certain jurisdictions, content reporting and removal requirements. For example, the UK's Online Safety Act 2023 and Australia's Online Safety Amendment (Social Media Minimum Age) Act 2024 impose risk mitigation and age-related requirements on certain online platforms. As a result of these requirements or to otherwise seek to maintain the safety of our platforms, we maintain content policies and enforcement mechanisms across our platforms and related products and services. These include a combination of automated detection tools, classifiers and filters, algorithmic signals, and human review processes. We also employ measures to help detect and challenge suspicious accounts during sign-up and ongoing use, provide user reporting channels, and apply enforcement actions. Additional safeguards to help mitigate safety

concerns include age-related controls, content restrictions, and specialized modes; and labeling or watermarks on certain outputs and other market-specific restrictions on certain content categories where required by local laws.

This evolving landscape will continue to affect our ability to maintain, develop, or launch products and services, including those that rely on the processing of personal information or other sensitive data, including targeted advertising and other data-driven offerings, and may require market-specific changes to our products, services, or business practices, increasing operational complexity and cost. In addition, emerging laws and regulations seeking to restrict cross-border transfer of or access to certain data in light of perceived national security considerations may increase compliance costs and restrict our operational flexibility, investment activities, or ability to achieve our strategic objectives. As our business evolves, and if we expand into additional industries or jurisdictions, our compliance requirements and associated costs may increase and we may be subject to heightened regulatory scrutiny.

We also face cybersecurity risks, including the potential unlawful, accidental, or unauthorized access to, or use, disclosure, alteration, loss, or disruption of, our technology, products, systems, and data, or those of our service providers and partners, which could result in a loss of confidentiality, integrity, or availability. We operate in industries that have been, and will continue to be, targeted by sophisticated and persistent internal and external threat actors, including those controlled by or affiliated with nation states. Many jurisdictions impose mandatory breach notification and reporting obligations, and compliance with such requirements can be costly, time-sensitive, and operationally burdensome, and we may bear such costs in the event of a material incident. As we continue to use and integrate advanced technologies, including AI systems and models, into our operations, products, and services, our exposure to cybersecurity incidents may increase, particularly as threat actors also try to adopt and deploy AI-enabled tools to evade detection and compromise systems or data. Compliance with applicable privacy, cybersecurity, AI, data protection, lawful access, content moderation and digital platform obligations can be costly and operationally demanding and may require changes to our products, services, business practices, or technical infrastructure.

4.8 Environmental, Health, and Safety

Our operations and facilities, as well as existing and planned infrastructure, are subject to an extensive regulatory framework of federal, state, local, and foreign environmental, health, and safety laws, and regulations and permits that govern, among other things, employee health and safety, discharges of pollutants into the air and water, the generation, handling, storage, and disposal of hazardous materials and wastes and the investigation and remediation of certain materials, substances, and wastes. These include various regulations promulgated by federal, state, and local regulatory agencies and legislative bodies. Certain of our operations, including launch, reentry, testing, and manufacturing activities and the development or expansion of facilities, as well as the siting, construction and operation of data centers, may require environmental reviews, consultations, and permits and may be subject to conditions or mitigation measures that could increase costs or limit operations.

We are required to obtain a number of permits and entitlements from various government agencies to construct and operate our facilities, including zoning, land use and building code permits, air quality permits for permanent combustion equipment (including both diesel generators and natural gas turbines), stormwater and wastewater discharge permits, and fire and life safety approvals. We have issued or pending permit applications for certain of our facilities.

4.9 Government Contracts

A portion of our revenue is derived from contracts, directly or indirectly, with the U.S. government. We have numerous direct contracts with the U.S. government, primarily NASA, the Department of War, the General Services Administration, and certain Intelligence Community agencies. These contracts focus mainly on launch services, spacecraft development, and satellite deployment, and artificial intelligence products. We are almost always the prime contractor on our government contracts, and we rarely use subcontractors. All of our launch contracts with U.S. government agencies are firm fixed-price contracts with milestone-based payments.

These contracts are subject to U.S. government contracting rules and regulations (Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS)), and therefore, we are subject to the business risks specific to the defense industry. These regulations impose stringent requirements on our operations, business practices and reporting, and noncompliance could result in civil or criminal penalties, suspension or debarment from government contracting, or loss of existing or future business. These requirements, although customary in U.S. government contracts, increase our performance and compliance costs. These costs might increase in the future. The U.S. government has the ability to unilaterally: (i) declare us ineligible to receive

new contracts; (ii) terminate existing contracts at its convenience and without advance notice; (iii) reduce the scope and value of existing contracts; (iv) audit our contract-related costs and fees, including allocated indirect costs; and (v) revoke required security clearances. Violations of government procurement laws could result in civil or criminal penalties.

We are also required to maintain special security clearances and comply with executive orders, federal laws and regulations, and customer security requirements for classified programs, and our government contracts impose cybersecurity and information assurance requirements, including implementation of information security protections in accordance with NIST Special Publication 800-171 and obligations to review and report certain cyber incidents. Failure to comply could result in suspension of payments, termination of contracts, civil or criminal penalties, or exclusion from future government contracting opportunities.

In addition, in connection with preparing leased real property for our launch operations at Kennedy Space Center and Cape Canaveral, Florida, and Space Launch Complex 4 at Vandenberg Space Force Base, California, we make significant capital improvements and install extensive real and personal property at these government-owned sites. The launch facilities we build are a unique capital improvement compared to standard commercial use sites because the federal government specifically designates these launch sites for aerospace activities, such as rocket launches. Given the specific use requirements of these government-owned sites, we have historically entered into handover agreements with the relevant government entities upon expiration or termination of the leases, pursuant to which the improvements are transferred to the government rather than removed. This fact pattern has historically been the case with previous leases such as at Cape Canaveral Space Force Station.

4.10 Borrowing and Funding Structure, Expected Financing and Investments

For a discussion of our borrowing and funding structure, expected financing, and investments, please refer to “*5.11 Liquidity and Capital Resources*”.

4.11 Trend Information

For a discussion on trend information, please refer to “*4.3 Business Overview*”.

5. MANAGEMENT'S DISCUSSION AND ANALYSIS OF NET ASSETS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Audited Consolidated Financial Statements and the related notes and other financial information included elsewhere in this prospectus. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. You should review the sections titled "2.5 Forward-Looking Statements" for a discussion of forward-looking statements and "1. Risk Factors" for a discussion of factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis and elsewhere in this prospectus. Our Audited Consolidated Financial Statements and related notes have been retrospectively recast for all periods presented to include (i) the xAI Merger and the X Merger, because these transactions were between entities under common control, and (ii) the 2026 Stock Split. For additional information on the presentation of our financial information, please refer to "2.9 Presentation of Financial Information".

Where financial information in the following tables is labeled "audited", this means that it has been taken from the Audited Consolidated Financial Statements mentioned above. The label "unaudited" is used in the following tables to indicate financial information that has not been taken from the Audited Consolidated Financial Statements mentioned above, but has been taken either from the Unaudited Consolidated Interim Financial Statements or the accounting records or internal reporting system of SpaceX Group, or is based on calculations of figures from the aforementioned sources. In addition, changes in values disclosed throughout this section, including period-on-period changes expressed as absolute amounts or percentages, have not been taken from the Audited Consolidated Financial Statements and are therefore unaudited.

Statistics, data and other information relating to markets, market sizes, market shares, market positions, market trends and other industry data pertaining to our business and market included in this section "5. Management's Discussion and Analysis of Net Assets, Financial Condition and Results of Operations" are based on third-party sources. Some market data and statistical information contained in this section "5. Management's Discussion and Analysis of Net Assets, Financial Condition and Results of Operations" are also based on our management's estimates and calculations. For more information, please refer to "2.6 Industry and Market Data".

5.1 Our Mission

"You want to wake up in the morning and think the future is going to be great – and that's what being a space-faring civilization is all about. It's about believing in the future and thinking that the future will be better than the past. And I can't think of anything more exciting than going out there and being among the stars."

– Elon Musk

Our mission is to build the systems and technologies necessary to make life multiplanetary, to understand the true nature of the universe, and to extend the light of consciousness to the stars. To do this, we have formed what we believe to be the most ambitious, vertically integrated innovation engine on (and off) Earth with unmatched capabilities to rapidly manufacture and launch space-based communications that connect the world, to harness the Sun to power a truth-seeking artificial intelligence that advances scientific discovery, and ultimately to build a base on the Moon and cities on other planets.

5.2 Overview

We design, manufacture, launch, and operate products and services built on cutting-edge technologies, including what we believe to be the world's most advanced rockets and spacecraft (Space). We also operate a high-speed, low-latency global broadband data and communications network powered by approximately 9,600 Starlink broadband and mobile satellites in LEO (Connectivity). In addition, we are rapidly constructing AI compute infrastructure – starting on Earth with the goal of extending to space – at industry-leading pace and cost efficiency (AI).

- **Space.** We offer launch services to commercial, civil, and government customers through our reusable Falcon 9 and Falcon Heavy rockets for satellite, cargo, and crew missions. We are the primary launch provider for the U.S. government.

- **Connectivity.** Our Connectivity business includes Starlink Consumer Broadband, Enterprise Solutions, Government Solutions, and Starlink Mobile.
- **AI.** We operate a highly vertically integrated AI platform which includes our AI compute infrastructure, truth-seeking frontier model, and consumer and enterprise applications.

We strive to make the incredible and extraordinary accessible and repeatable, and we have grown rapidly by continuously leveraging our core strengths, including:

- Global leadership in orbital launch services;
- Unrivaled satellite and connectivity platform across design, manufacturing, deployment, and operations;
- Truth-seeking AI model enhanced by real-time data;
- Extreme vertical integration enabling high velocity and superior cost efficiency at scale;
- Unique ability to scale new trillion-dollar markets across Space, Connectivity, and AI;
- Business models that are incredibly difficult to replicate; and
- Our mission-driven culture and world-class talent.

For more information on our business, please refer to “4.3 Business Overview”.

5.3 Our Capital Allocation and Funding Strategy

Since our beginning, we have managed through multiple investment cycles. We initially raised capital to fund what is now our Space segment, which generates revenue from commercial and government customers while serving as the backbone for our Connectivity segment. We invested in our Connectivity segment as we generated Segment Adjusted EBITDA from our Space segment, along with additional equity capital that we raised externally, creating a segment that generates predictable and recurring revenue from consumer, enterprise, and government customers. We continue to invest meaningfully in both our Space and Connectivity segments to build out the infrastructure of the future through our next-generation Starship launch platform and our expanded Starlink broadband and mobility networks.

We believe that we have a strong track record of capital allocation and value creation in Space and Connectivity based on the following: Since SpaceX’s founding in 2002, we have raised over \$9 billion of equity capital to fund the development and growth of these two business segments. The Space segment became Segment Adjusted EBITDA positive on a sustained basis beginning in 2018 and the Connectivity segment became in aggregate Segment Adjusted EBITDA positive on a sustained basis beginning in 2023. In 2025, our Space segment generated a loss from operations of \$(657) million and Segment Adjusted EBITDA of \$653 million, including the impact of funding \$3,004 million in research and development expense for our next-generation Starship launch vehicle program. In 2025, our Connectivity segment generated income from operations of \$4,423 million and Segment Adjusted EBITDA of \$7,168 million.

We acquired xAI in February 2026, which forms the basis of our AI segment. We expect to allocate substantial capital to expand our compute infrastructure, and we expect a multi-year investment horizon before these deployments translate into sustained positive AI Segment Adjusted EBITDA. During this investment period, our capital expenditures will scale as quickly as we are able to deploy power and compute to address the \$26.5 trillion potential market opportunity for AI. We plan to access a range of debt and equity financing solutions available to us as a public company to fund future investments in growth and to maintain strong liquidity. We aim to maintain an investment grade credit rating.

Segment Adjusted EBITDA is a non-U.S. GAAP measure. Please refer to “2.9 Presentation of Financial Information” and “5.10 Non-U.S. GAAP Financial Measures” for additional information on our non-U.S. GAAP financial measures, including reconciliations of Segment Adjusted EBITDA to segment income (loss) from operations, the most directly comparable U.S. GAAP measure.

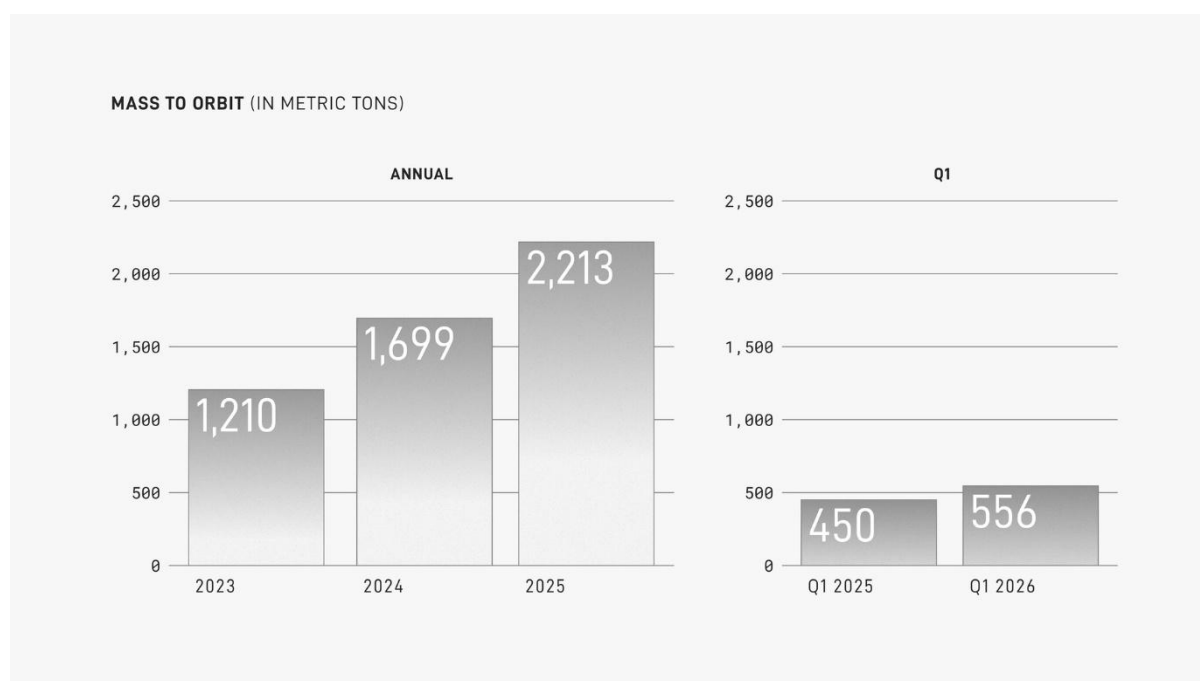
5.4 Key Business Metrics

We use the following key business metrics to evaluate our business, measure our performance, identify trends, formulate business plans, and make strategic decisions.

5.4.1 Space

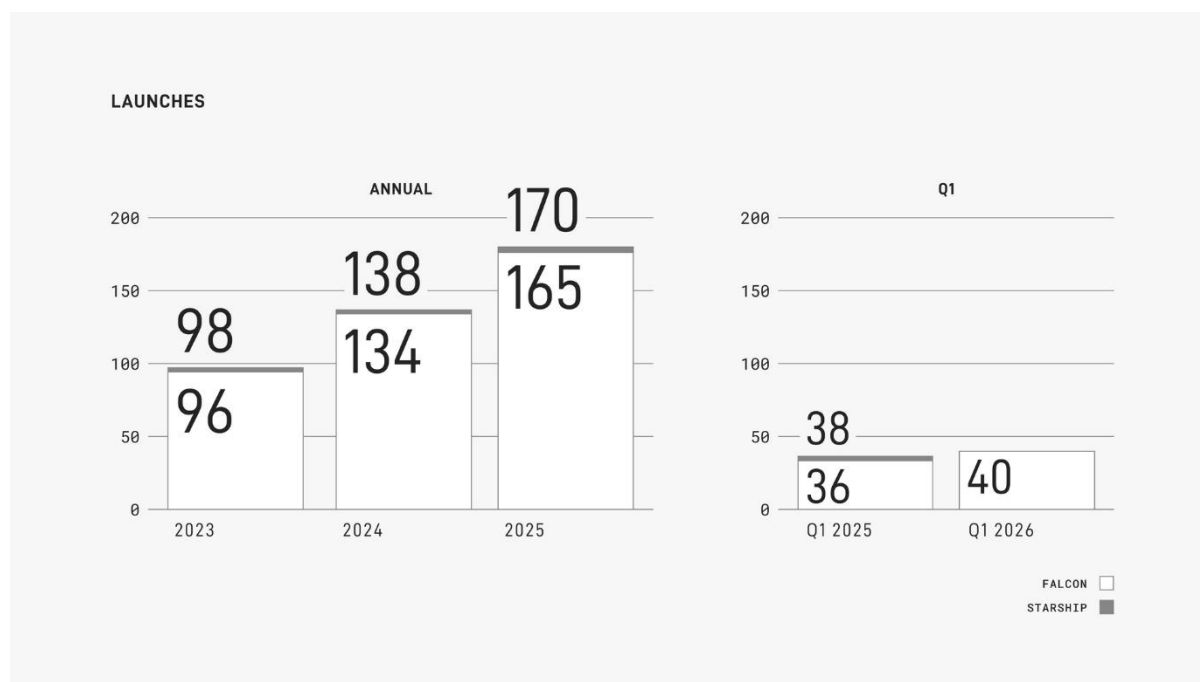
In our Space segment, we use mass to orbit and launches as key business metrics to measure our scale and throughput. Mass to orbit and launches grow more rapidly than Space segment revenue because these metrics include our internal constellation deployments from which we do not recognize inter-segment revenue.

Mass to Orbit: Mass to orbit is the total kilograms of payload that we deploy to orbit in a given period, and is a key indicator of SpaceX's capacity and scalability that supports Space revenue and drives expansion across our Connectivity and AI segments. We calculate this metric by summing verified mass, including Starlink satellites, customer payloads, and development cargo, from all successful orbital and flight tests. This measure excludes failed or scrubbed attempts. We increased mass to orbit from 1,210 metric tons in 2023 to 1,699 metric tons in 2024 to 2,213 metric tons in 2025, and from 450 metric tons in the three months ended March 31, 2025 to 556 metric tons in the three months ended March 31, 2026. In 2023, 2024, and 2025, mass to orbit included 205, 282, and 312 metric tons attributable to customer payloads, respectively, and 1,005, 1,418, and 1,901 metric tons attributable to internal payloads, respectively (the amounts presented may not add up to the corresponding totals due to rounding). Falcon 9 launches contribute steadily at an average capacity of 13 metric tons per mission since 2023 to various orbits while we transition to Starship. As the most powerful launch system ever developed (measured by pounds of thrust), we expect that Starship V3 will be able to carry a payload of 100 metric tons, with future generations of Starship being designed to double this payload.



Launches: Launches are a key measure of our operational scale, which in turn supports our revenue growth and mission to expand humanity's presence in space. Launches in a period represent the sum of all successful orbital and flight tests across our rockets, including internal Starlink deployments, development tests, and launches for our third-party customers, and excluding any cancellations or scrubs that occurred in that period. Falcon 9 is the most active orbital launch vehicle today, with approximately 620 orbital space launches as of March 31, 2026, and an over 99% mission success rate. During the three months ended March 31, 2026, we launched 40 Falcon rockets, of which 39 were flight-proven booster launches, and in 2025, we launched 165 Falcon 9 rockets, of which 157 were flight-proven booster launches. While we have steadily increased our Falcon 9 launch cadence over recent years, we expect Falcon 9 launches to decrease over time. While Falcon 9 currently drives the majority of our launch activity, we expect Starship, which is designed to be the world's first fully, rapidly, reusable launch vehicle, to become a larger contributor to our launch volume as it enters operational service. To date, we have executed 12 Starship flight tests to advance our goal of rapidly and fully reusable orbital capability, a breakthrough we believe will transform our launch economics and benefit both our business and

customers who rely on our launch services. Our 12th flight test in May 2026 debuted the next generation Starship vehicle and Super heavy booster, powered by the next evolution of our Raptor engine and launching from a newly designed pad at Starbase. We allocate a significant amount of launch capacity to our Connectivity segment, and expect to allocate a significant amount to our AI segment in the future. Our Space segment revenue only reflects our customer launches and customer activities.



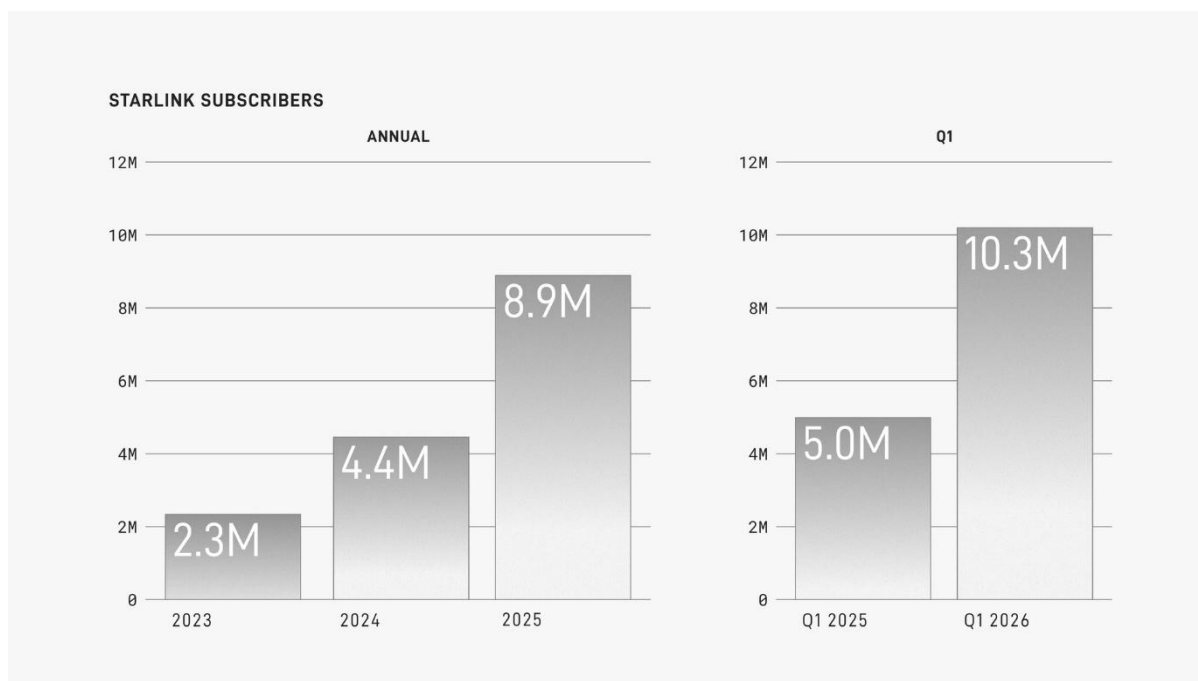
(1) With respect to Falcon launches, the number of launches for the years ended December 31, 2023, 2024, and 2025 totaled 96, 134, and 165, respectively, of which customer launches totaled 33, 45, and 43, respectively, and internal launches totaled 63, 89, and 122, respectively. The number of Falcon launches for the three months ended March 31, 2025 and 2026 totaled 36 and 40, respectively, of which customer launches totaled 12 and 7, respectively, and internal launches totaled 24 and 33, respectively. We designate a launch as a “customer launch” if an external customer payload constitutes the primary payload (i.e., where the principal objective is to deliver the customer payload) and the mission parameters (e.g., launch window, orbital parameters, mission profile) are designed around the primary payload’s requirements. To date, all Starship launches have been classified as internal.

5.4.2 Connectivity

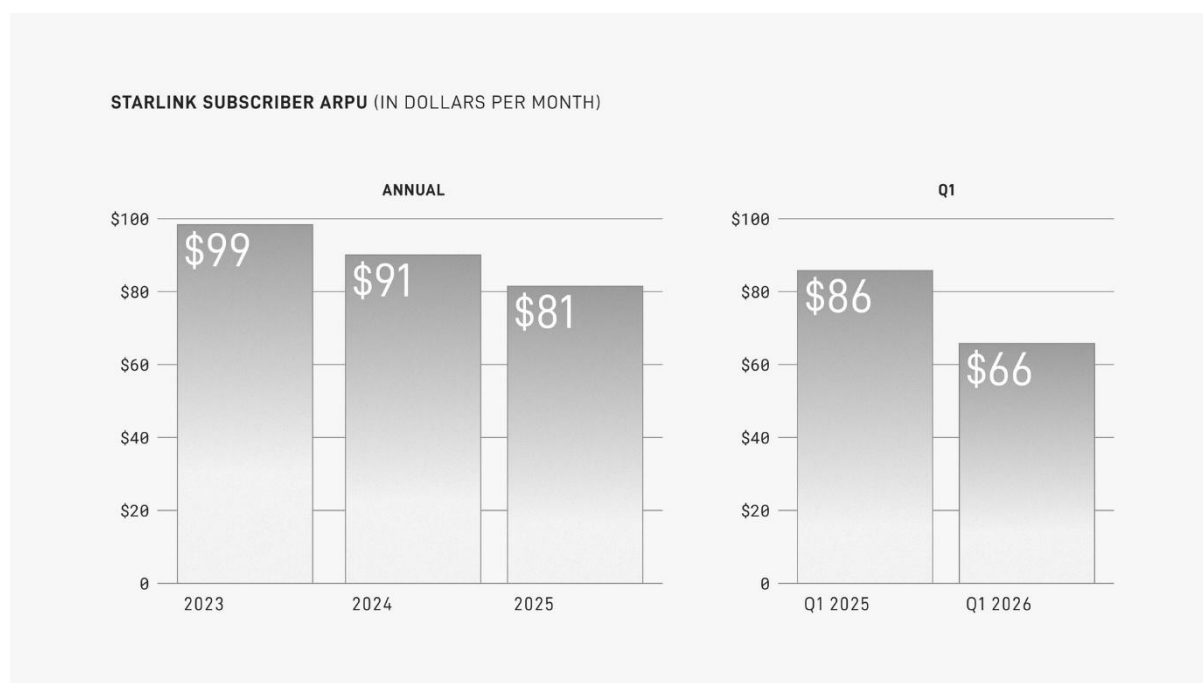
In our Connectivity segment, we view Starlink Subscribers and Starlink Subscriber ARPU as key business metrics to evaluate our growth and monetization.

Starlink Subscribers: We define a Starlink Subscriber as a unique Service Line that is directly assigned to a Starlink.com account registered to a person or entity that does not have a direct, negotiated agreement with the Starlink sales team. A Service Line is an individual instance of Starlink broadband internet service provisioned under a subscription plan, generally associated with a specific Starlink terminal or group of terminals, and billed according to Starlink’s service plans and terms of service. The number of Service Lines is distinct from the number of unique devices, account holders, end users or physical persons. An individual, household, or business may share a single Service Line among multiple end-users. Likewise, an individual, household, or business may maintain multiple service lines (e.g., both a Residential Service Line and a separate Roam Service Line, which would be defined as two separate Service Lines and therefore two Starlink Subscribers).

We use this measure to assess the adoption of Starlink as we expand within and across geographies and business segments. Starlink Subscribers includes both Personal (e.g., Residential and Roam) and Business (e.g., Local Priority and Global Priority) subscription plans, but does not include managed enterprise and government customers with contracts in domains including aviation, maritime, land mobility, fixed sites and government entities. We calculate Starlink Subscribers for a period as the number of unique Service Lines at the end of the period. Starlink Subscribers totaled approximately 10.3 million and 5.0 million, up 105% and 91% on a year-over-year basis, in the quarters ended March 31, 2026 and March 31, 2025, respectively.

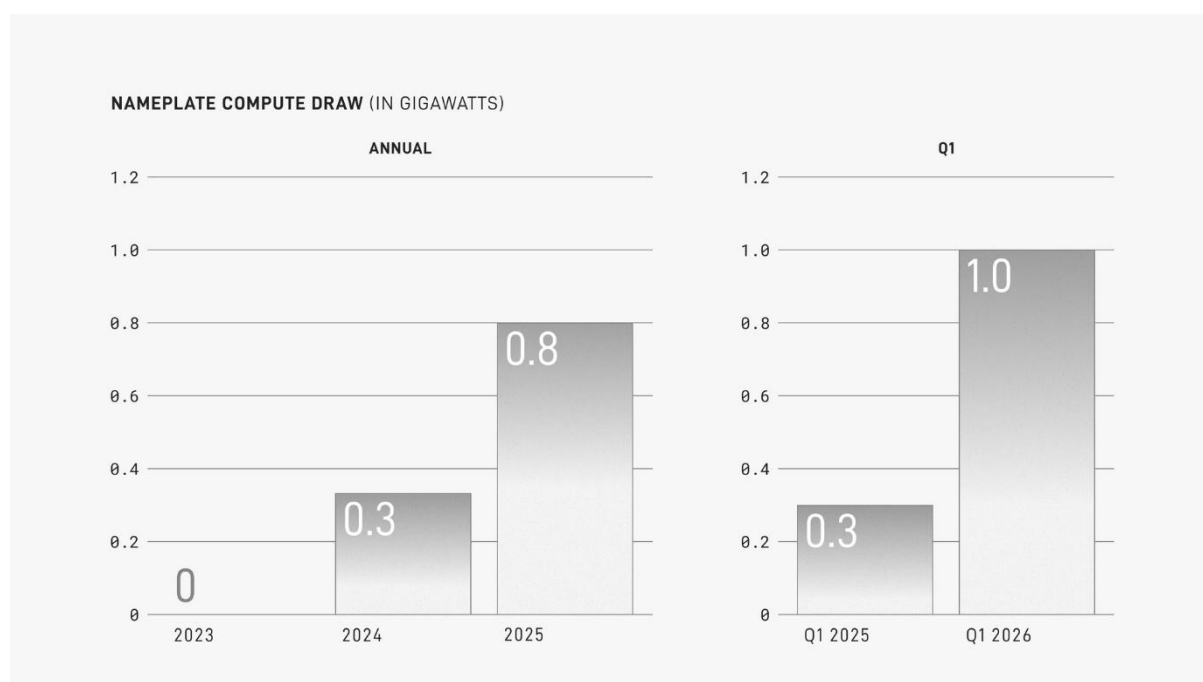


Starlink Subscriber ARPU: We calculate ARPU as service revenue generated from Starlink Subscribers during the period divided by (i) the average number of Starlink Subscribers during the period and by (ii) the number of months in the period. Our strategy is focused on driving sustainable revenue growth and expanding our margins through operational efficiencies and technological advancements, rather than prioritizing increases in ARPU. This approach aligns with our long-term vision of expanding global connectivity and market access. We generally expect Starlink Subscriber ARPU to continue to decline over the next few years as the portion of our subscriber base outside North America continues to grow, as we add lower priced service plans, and as we adjust the monthly service plan fees we charge for broadband offerings. However, we expect these dynamics to be offset by increased scale and technological advancement in our launch, satellite, and user terminal operations, ultimately supporting overall revenue growth and cost reduction. Our Starlink Subscriber monthly ARPU decreased from \$86 per month for the three months ended March 31, 2025 to \$66 per month for the three months ended March 31, 2026 and from \$91 per month in 2024 to \$81 per month in 2025. These decreases were driven primarily by international expansion and the addition of lower priced service plans.



5.4.3 AI

Nameplate Compute Draw: We calculate Nameplate Compute Draw for a period as the number of GPUs installed in our data centers at the end of the period multiplied by their respective all-in power draw. Nameplate Compute Draw reflects installed capacity and does not represent actual power consumption or utilization. It does not include power we install and use for our supporting infrastructure such as cooling systems, power distribution losses, lighting, security systems, or facility-level overhead. Our Nameplate Compute Draw increased to 1.0 gigawatt as of March 31, 2026 as we brought COLOSSUS and COLOSSUS II online. We use this metric to assess our ability to deploy and scale compute capacity.



5.4.4 Segment Income (Loss) from Operations

5.4.4.1 Income (Loss) from Operations in the Space Segment

Loss from operations in the Space segment for the three months ended March 31, 2026 increased by \$592 million to \$(662) million compared to \$(70) million for the three months ended March 31, 2025, primarily driven by an accelerated investment in development of the Starship vehicle as well as launch facilities to support future Starship launches, and a decrease in revenue from customer launches, partially offset by a decrease in cost of revenue, selling, general, and administrative expenses and impairment.

Income (loss) from operations in the Space segment for the year ended December 31, 2025 decreased by \$678 million to \$(657) million compared to \$21 million for the year ended December 31, 2024, while income (loss) from operations in the Space segment for the year ended December 31, 2024 increased by \$22 million to \$21 million for the year ended December 31, 2024 compared to \$(1) million for the year ended December 31, 2023. The year-over-year decrease in 2025 was primarily driven by an accelerated investment in development of the Starship vehicle as well as launch facilities to support future Starship launches, partially offset by an increase in revenue and decrease in cost of revenue.

5.4.4.2 Income (Loss) from Operations in the Connectivity Segment

Income from operations in the Connectivity segment for the three months ended March 31, 2026 increased by \$155 million to \$1,188 million compared to \$1,033 million for the three months ended March 31, 2025, primarily driven by increased revenue from our consumer subscribers (composed of 104.7% growth in Starlink Subscribers, offset by a 22.9% decline in Starlink Subscriber ARPU, primarily due to international expansion and the addition of lower priced service plans) and enterprise business, partially offset by higher depreciation of capitalized launch and satellite costs due to the increase in Starlink flights, as well as higher operating expenses including ground operating costs and international expansion costs to support and drive subscriber growth.

Income from operations in the Connectivity Segment for 2025 increased by \$2,417 million to \$4,423 million compared to \$2,006 million for the year ended December 31, 2024 while income from operations in the Connectivity segment for the year ended December 31, 2024 increased by \$1,537 million to \$2,006 million compared to \$469 million for the year ended December 31, 2023. The year-over-year increase in 2025 was primarily driven by increased revenue from growth of our consumer and enterprise customers by \$2,378 million and \$1,410 million, respectively, partially offset by higher depreciation of capitalized launch and satellite costs due to the increase in Starlink flights, as well as higher marketing and international expansion costs to drive subscriber growth.

5.4.4.3 Income (Loss) from Operations in the AI Segment

Loss from operations in the AI segment for the three months ended March 31, 2026 increased by \$1,533 million to \$(2,469) million compared to \$(936) million for the three months ended March 31, 2025, primarily driven by higher cloud computing and GPU depreciation costs, data center infrastructure and employee expenses, partially offset by higher revenue.

Loss from operations in the AI segment for 2025 increased by \$4,794 million to \$(6,355) million compared to \$(1,561) million for the year ended December 31, 2024, while loss from operations in the AI segment for the year ended December 31, 2024 decreased by \$2,412 million to \$(1,561) million compared to \$(3,973) million for the year ended December 31, 2023. The increase in 2025 was primarily driven by higher cloud computing costs, facilities-related costs and employee expenses, partially offset by higher revenue.

5.4.5 Segment Adjusted EBITDA

Segment Adjusted EBITDA is defined as segment income (loss) from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) restructuring charges and (iv) impairment.

5.4.5.1 Space Segment Adjusted EBITDA

Space Segment Adjusted EBITDA for the three months ended March 31, 2026 decreased by \$575 million to \$(351) million compared to \$224 million for the three months ended March 31, 2025, primarily driven by an accelerated investment in development of the Starship vehicle as well as launch facilities to support future Starship

launches, and a decrease in revenue from customer launches, partially offset by a decrease in cost of revenue, selling, general, and administrative expenses.

Space Segment Adjusted EBITDA for 2025 decreased by \$501 million to \$653 million compared to \$1,154 million in 2024, while Space Segment Adjusted EBITDA for 2024 increased by \$157 million to \$1,154 million compared to \$997 million in 2023. The year-over-year decrease in 2025 was primarily driven by an accelerated investment in development of the Starship vehicle, as well as launch facilities to support future Starship launches, partially offset by an increase in NASA Cargo Resupply Services (CRS) for additional missions to the International Space Station, along with increased revenue from a U.S. Department of War contract. Our Space Segment Adjusted EBITDA is also driven by the reusability and efficiency of our rockets, which boosts cadence and reliability and supports a diversified base of commercial and government customers. These efforts have created a strong foundation for our Space Segment Adjusted EBITDA, and we believe position us to unlock further high-value opportunities in the expanding space economy.

5.4.5.2 Connectivity Segment Adjusted EBITDA

Connectivity Segment Adjusted EBITDA for the three months ended March 31, 2026 increased by \$469 million to \$2,087 million compared to \$1,618 million for the three months ended March 31, 2025, primarily driven by higher revenue from growth in consumer and enterprise revenue. Consumer revenue was composed of 104.7% growth in Starlink Subscribers, offset by a 22.9% decline in Starlink Subscriber ARPU, primarily due to international expansion and the addition of lower priced service plans. Enterprise and government revenue had an increase primarily driven by the growth in our aviation, maritime, mobility, and other enterprise business, partially offset by a decrease in our government business. These increases in revenue were offset by higher operating expenses for international expansion, and higher research and development costs.

Connectivity Segment Adjusted EBITDA for 2025 increased by \$3,319 million to \$7,168 million compared to \$3,849 million in 2024 while Connectivity Segment Adjusted EBITDA for 2024 increased by \$2,247 million to \$3,849 million compared to \$1,602 million in 2023. The year-over-year increase in 2025 was primarily driven by higher revenue from growth in our consumer and enterprise customers, partially offset by higher marketing and international expansion costs to grow our subscribers, as well as higher research and development costs for our next-generation product development. We have driven our strong sequential Connectivity Segment Adjusted EBITDA growth by expanding the scale and efficiency of our LEO satellite constellations and our highly verticalized supply chain, which has delivered major cost reductions in user terminal production.

5.4.5.3 AI Segment Adjusted EBITDA

AI Segment Adjusted EBITDA for the three months ended March 31, 2026 decreased by \$497 million to \$(609) million compared to \$(112) million for the three months ended March 31, 2025, primarily driven by higher cloud compute and data center infrastructure and operating costs, and employee compensation expenses, partially offset by higher revenue.

AI Segment Adjusted EBITDA for 2025 decreased by \$1,584 million to \$(1,237) million compared to \$347 million in 2024 while AI Segment Adjusted EBITDA for 2024 decreased by \$875 million to \$347 million, compared to \$1,222 million in 2023. The decrease in 2025 was primarily driven by higher cloud computing costs, facilities-related costs and employee expenses, partially offset by higher revenue. AI Segment Adjusted EBITDA is primarily driven by our strategy to rapidly and cost-effectively scale compute infrastructure. We expect to continue to expand our terrestrial data centers, and to launch orbital data centers, and we expect a multi-year investment horizon before these deployments translate into sustained positive Segment Adjusted EBITDA for our AI segment.

Segment Adjusted EBITDA is a non-U.S. GAAP measure. Please refer to “2.9 Presentation of Financial Information” “5.10 Non-U.S. GAAP Financial Measures” for additional information on our non-U.S. GAAP financial measures, including reconciliations of Segment Adjusted EBITDA to segment income (loss) from operations, the most directly comparable U.S. GAAP measure.

5.4.6 Capital Expenditures

For more information on our capital expenditures, please refer to “5.11.2 Past Capital Expenditures”.

5.5 Drivers of Our Performance

5.5.1 Developing Starship

Starship is our next-generation vehicle that we expect will dramatically expand our launch capability through full and rapid reusability combined with unprecedented mass to orbit capability. As the most powerful launch system ever developed (measured by pounds of thrust), we expect that Starship V3 will be able to carry a payload of 100 metric tons, and that future generations could reach 200 metric tons, potentially as soon as Starship V4. Starship is central to our goal of unlocking growth through our unique vertically integrated business model. Starship is expected to be the only vehicle with fully reusable first and second stages, which is critical to reducing launch costs and increasing launch cadence. We believe that Starship can eventually reduce the cost to reach orbit by 99% or more relative to the historical average launch cost per kilogram according to NASA of \$18,500, establishing a scalable path to creating the infrastructure of the future, such as orbital AI compute.

We have already demonstrated catching and reusing the first stage booster for Starship through our method applied by the launch tower's mechanical arms to catch the booster. To date, we have executed 12 Starship flight tests, with our 12th flight test in May 2026 debuting the next generation Starship vehicle and Super Heavy booster. This next-generation Starship introduces major changes for better orbital performance and reusability. We plan to demonstrate key development milestones of catching the upper stage and demonstrating in-orbit propellant transfer capabilities. These milestones will be the key unlocks for a rapidly reusable rocket that we expect will take hundreds of thousands of tons of mass to orbit to drive growth in our Connectivity and AI segments, and allow us to develop the lunar economy and eventually to reach Mars. We expect Starship to commence payload delivery to orbit in the second half of 2026 following additional flight tests. For additional information about this risk, please refer to *"1.1.1 Any failure or delay in the development of Starship at scale or in achieving the required launch cadence, reusability and capabilities thereafter would delay or limit our ability to execute our growth strategy, including the deployment of next-generation satellites, global satellite-to-mobile connectivity, and orbital AI compute, which could materially and adversely affect our business, financial condition, results of operations, and future prospects."* in this prospectus.

5.5.2 Launch Costs and Cadence

Our launch costs and cadence underpin the foundational competitive advantage that enables the performance of each of our segments. The reusability of our launch vehicles meaningfully reduces the cost per kilogram to orbit by eliminating or limiting the need to manufacture new vehicles for every mission.

Reusability also enables higher launch cadence by shortening the time between flights, as vehicles can be rapidly reflown after their return. These factors enable performance in our Connectivity segment by supporting faster and more cost-effective deployment of our satellite constellations. We expect they will support our AI segment as we aim to deploy a large fleet of orbital AI compute. We expect continued enhancements to our launch infrastructure and launch vehicles, including Starship, to drive cost down and throughput up, extending these benefits to our businesses, as well as to our third-party customers who rely on our launch capabilities. As we continue to reduce launch costs and increase launch cadence, we expect to transform the rocket launch industry into airline-like operations, enabling continuous and affordable access to space. Period-to-period comparisons of launch costs and cadence are impacted by factors out of our control, including timing of delivery of customer payloads which impacts the mix of customer and internal payloads and related financial reporting, or weather which can delay a launch from one period to another.

5.5.3 Increasing Satellite Capacity

The scale, reliability, and capacity of our LEO broadband and mobile satellite constellations drive our Connectivity segment's growth and operating performance. In 2025, launching and operating higher-throughput satellites supported Starlink's service quality and customer reach by increasing available network capacity and improving service consistency during peak usage periods. As March 31, 2026, we operated over 9,600 Starlink broadband and mobile satellites in LEO, with the majority composed of our second-generation, V2 Mini satellites. We expect to commence deploying our next-generation V3 satellites, designed to offer one Tbps of downlink capacity per satellite, using Starship in the second half of 2026 and expect that a single Starship launch will be capable of deploying up to 60 V3 satellites to LEO, representing a twenty-fold increase in Starlink downlink capacity deployed relative to a Falcon 9 launch.

We also provide satellite-to-mobile connectivity, supplementing terrestrial networks and substantially reducing mobile "dead zones" in approximately 30 countries. Since January 2025, we have grown our

constellation from approximately 360 V1 Mobile satellites to approximately 650 V1 Mobile satellites. Through this constellation and in partnership with more than 30 MNOs, we provided data, over-the-top voice, and messaging services to approximately 7.4 million monthly unique devices across approximately 30 countries. During 2025, we also entered into agreements to acquire 65 MHz of spectrum in the United States as well as certain global Mobile Satellite Service spectrum licenses from EchoStar for \$19.6 billion of equity and cash consideration, as described below under “5.11.3 Material Cash Commitments.” We expect the spectrum acquisition to close in November 2027, subject to required regulatory approvals and other closing conditions. We expect the wider bandwidth operations enabled by this spectrum purchase, together with our authorization to deploy 7,500 satellites including with 2GHz spectrum band, will provide stronger support for current performance and potential future services, including broadband data and IoT connectivity, and is expected to enable 5G connectivity.

These investments in satellite scale, per-satellite capacity, and expanded capabilities are instrumental to the growth and operating performance of our Connectivity segment, enabling us to onboard new users while improving service quality.

5.5.4 Increasing Starlink Brand Awareness and Acquiring New Subscribers

Our growth is driven in part by increased global awareness of Starlink’s capabilities and our ability to convert that awareness into customer adoption. Trust, visibility, and demonstrated reliability are central to customer acquisition, particularly for those in remote and infrastructure-limited regions. Proven performance in rural, remote, and disaster-affected areas, along with strong brand awareness, reinforces Starlink’s reputation as essential infrastructure, leading to higher adoption in new markets.

As of March 31, 2026, we had over 9,600 Starlink broadband and mobile satellites in LEO, operating, in our view, the world’s most advanced broadband constellation providing internet connectivity to approximately 10.3 million Starlink Subscribers across 164 countries, territories, and other markets, collectively home to more than 3.3 billion people. We are focused on growing the number of Starlink Subscribers by expanding our consumer distribution network across thousands of authorized retail stores globally, and executing region-specific marketing campaigns to increase brand awareness. By clearly demonstrating Starlink’s superior speed, low-latency, and ease of installation, we expect to drive meaningful subscriber growth.

5.5.5 Increasing Enterprise Customer Adoption

As we continue to grow our Starlink constellation and bandwidth, we see a large opportunity to grow the enterprise connectivity market by providing solutions that had not previously been available. Our network is global and can provide primary connectivity for on-the-move applications as well as a resilient backup option for enterprises serviced by land-based connectivity. We plan to deepen our penetration with enterprise and government customers through direct, vertical-specific acquisition strategies. In recent years, we have assembled dedicated sales and engineering teams to market and support fleet-wide conversions in aviation and maritime, customized deployments for land mobility, which we expect to continue to grow as consumers who experience Starlink begin to expect high-performance connectivity when traveling. We expect to enable more customized deployments for land mobility across existing use cases such as commercial trucking fleets, and new applications enabled by more connected devices. We also continue to develop specialized networks for secure government applications via Starshield. By leveraging proven performance in mission-critical environments and expanding through channel partners in select geographies, we expect to drive increased adoption among high-value enterprise and government accounts.

5.5.6 Accelerating Investment in Growth and Innovation

We are simultaneously developing and scaling a wide range of complex, capital-intensive projects, including Starship and terrestrial and orbital AI compute. We believe speed is a competitive advantage, and periodically we decide to increase and accelerate our investments. For example, in 2025 we accelerated our timeline for Starship development, increasing research and development (“R&D”) in our Space segment to \$3,004 million, compared to \$1,835 million in 2024. In our AI segment, in 2025 we successfully accelerated deployment of compute for the development of Grok, increasing R&D in our AI segment to \$5,064 million, compared to \$1,176 million in 2024. We believe pursuing multiple ambitious programs in parallel enables us to compound advantages across our vertically integrated innovation engine and unlock new large addressable markets over time. The timing of our investments is not fixed and may accelerate based on technical progress, market opportunity, or resource availability. As a result, our operating results, margins and profitability may fluctuate from period to period as we continue to prioritize execution speed, capacity expansion, and technological leadership over

near-term margin optimization. We believe that this approach maximizes long-term value creation by allowing us to move faster than competitors, scale earlier in emerging markets, and reinforce durable competitive advantages that we expect to benefit our business over time.

5.5.7 Supply Chain and Manufacturing Efficiency for User Terminals

The operating performance of our Connectivity segment depends in part on the cost and availability of user terminals at scale. We are vertically integrated across terminal design, production, and support, including silicon, hardware, software, manufacturing, fulfillment, and operations, which enables us to control our means of production as well as rapidly iterate to continuously improve the performance of our user terminals and optimize product cost. Since our initial launch of our user terminal, we have optimized the design of our phased-array antennas, our self-aligning antenna responsible for connecting user equipment to our LEO satellite network, for manufacturability and high-volume scale. Over the past five years, we have significantly lowered production costs and have scaled terminal output to approximately 200,000 terminals per week. We plan to continue to further scale production significantly and make gains that improve margins, lower customer barriers, and broaden addressable markets.

5.5.8 Scaling our AI Compute Rapidly and Efficiently

Our ability to rapidly and cost-effectively scale AI compute is a significant driver of our competitiveness. We view scaling of compute capacity through a simple lens: power availability and the powered shell together determine how quickly we can deploy compute, and our model and serving stack in that powered shell determines how efficiently we convert that compute into useful tokens. In order to scale our AI segment rapidly and efficiently, our strategy is extreme vertical integration, “from shovels to tokens.”

5.5.8.1 Power Availability and Powered Shells

Our COLOSSUS and COLOSSUS II data centers collectively provide approximately 1.0 gigawatt of compute power, with additional power capacity available for data center operations. We brought the first cluster of COLOSSUS online in 122 days, repurposing the shell of an existing factory, and the first cluster of COLOSSUS II online even faster in 91 days. As an illustrative comparison, an industry benchmark to bring online a 100 megawatt greenfield data center is approximately two years. We also demonstrated a significant improvement in cost efficiency, achieving data center construction costs for COLOSSUS II that are considerably lower than industry benchmarks on a per megawatt basis.

COLOSSUS and COLOSSUS II were brought online almost entirely through on-site power generation capabilities that we designed, built, and deployed ourselves. We view our proven ability to construct power infrastructure at this scale and speed as a significant competitive advantage. We partner closely with local utilities to fund grid infrastructure expansions and access excess capacity, while proactively curtailing our grid usage whenever required to prioritize community needs. Megapacks – utility-scale battery storage systems – deliver critical redundancy and help stabilize operations during peak demand. Going forward, COLOSSUS II is expected to be primarily powered by a dedicated natural gas power plant, supplemented over time by additional grid capacity that we are directly funding through our local utility partners. Our comprehensive expertise across the full infrastructure stack – from power procurement and on-site generation to distribution and advanced cooling systems – enables us to translate available power into usable compute capacity with exceptional efficiency. As we continue to scale and optimize, we expect to drive further improvements in Power Usage Effectiveness. We expect these gains to accelerate the path from buildout to monetization.

5.5.8.2 AI Token Generation Efficiency

We are highly vertically integrated. We design, own or lease, and install all of our powered shells and dedicated processor capacity. This full-stack ownership enables us to efficiently convert power capacity into usable compute, precisely control cluster configuration, and operate a true end-to-end system spanning infrastructure through to model deployment. Our operating performance depends on how effectively we utilize deployed compute once capacity comes online – specifically, our ability to convert raw infrastructure into reliable, high-throughput token generation at scale. Achieving this requires tight coordination across model training and inference workflows, hardware configuration, and data center operations so that utilization and throughput ramp efficiently as we expand. We believe we hold a meaningful efficiency advantage by tightly integrating the model layer directly with the compute layer. Unlike third-party environments that impose multiple abstraction layers, we run our serving stack close to the processors and optimize serving, networking, and cluster configuration as a single unified system. This “model-to-compute” integration reduces overhead, improves hardware utilization, and

increases the proportion of available compute that is converted into delivered output tokens. Output tokens represent the final generated response delivered to the user, while total processing can be substantially higher when a request triggers additional inference-time reasoning steps. Because we control workload scheduling and serving logic, we can prioritize high token efficiency – intelligently balancing compute allocated to reasoning with strong final output to maintain or improve response quality. This end-to-end control, combined with our sourcing relationships with leading compute providers, gives us a performance-per-watt advantage and enables us to adopt new processor generations at scale more rapidly through a repeatable playbook for reconfiguration and recommissioning.

5.5.8.3 Orbital AI Compute Has the Potential to Massively Increase Our Ability to Scale Our AI Compute, Accelerate Our Pace, and to Be More Cost Effective Relative to Terrestrial Options.

We believe we are the only company with a commercially viable path to building orbital AI compute at scale. This is underpinned by our unique ability to launch substantial mass into orbit cost efficiently through reusable rockets and manufacture secure, reliable, and high performance satellites at low cost and high volume. We plan to develop orbital data centers to enable scaling of compute capacity for us and our customers that is independent of terrestrial power infrastructure constraints. Space offers the potential to access virtually limitless power and an operating environment that supports sustained high-density compute, including structural advantages for power generation, cooling, and uninterrupted operations as capacity grows. We plan to employ a modular shell approach built around our scalable satellite constellation, which enables compute capacity to be deployed and expanded efficiently as capacity requirements grow. The architecture also supports shorter refresh cycles at the token layer, as we can upgrade compute as successive chip generations arrive, increasing token output per unit of installed capacity. Our goal over time is to launch 100 gigawatts of compute to space each year. If operated continuously, the generation resources used to support 100 gigawatts of compute could generate approximately one-fifth of the annual power production in the United States, which was 4.4 thousand terawatt hours in 2025, according to the U.S. Energy Information Administration (EIA). We expect space-based compute to massively increase AI compute scale, while also improving token economics.

5.5.9 Ability to Increase Revenue from our Consumer User Base

Our performance depends in part on our ability to effectively increase revenue from our over 1.3 billion accounts active in the last twelve months ended March 2026, including approximately 550 million monthly active AI users across Grok and X through multiple complementary monetization channels:

- ***Growing our Advertising Platform.*** Advertising remains a core monetization channel for our AI segment, with revenue driven by our ability to deliver highly relevant ads. We aim to grow advertising revenue per user by strengthening performance advertising, expanding AI-driven targeting and measurement, and introducing richer ad formats and creative tools. A central focus of ours is making ads feel like content – contextually relevant, aligned with user interests, and integrated into real-time conversations. Grok increasingly supports this strategy by helping advertisers with campaign creation, creative optimization, and alignment with trending topics and user intent. While these factors help us drive advertising revenue, the pricing of our advertising products is also affected by other factors, including the global economy and the highly competitive nature of our industry. We believe continued investment in AI-powered advertising will further improve advertiser ROI while further enhancing user experience.
- ***Conversion of Users to Paid Subscribers.*** In parallel, we are focused on converting a greater portion of our user base into paying subscribers through our X subscription (Premium and Premium+) and Grok subscription offerings. Subscribers benefit from enhanced functionality, exclusive features, and access to our latest AI models. As of December 31, 2025, we reached approximately 4.9 million active paid subscribers, which was comprised of approximately 4.1 million X Premium Basic, X Premium and Premium+ paid subscribers and approximately 0.9 million SuperGrok and SuperGrok Heavy paid subscribers. As of March 31, 2026, we reached approximately 6.3 million active paid subscribers, which was comprised of approximately 4.4 million X Premium Basic, X Premium and Premium+ paid subscribers and approximately 1.9 million SuperGrok, SuperGrok Heavy and SuperGrok Lite paid subscribers. We plan to continue adding new features and functionality while releasing increasingly capable Grok models to increase the penetration rate of our subscriber base. Our AI segment has demonstrated exceptional model velocity: since launching Grok, we have developed what we believe to be leading frontier models at a far faster rate of innovation than others. We believe this pace of innovation strengthens the value proposition of our subscription offerings and supports long-term subscriber growth.

- ***Progress Toward the Everything App and New Monetization Channels.*** We aim to evolve X into an “Everything App,” integrating real-time information, communications, media, payments, banking, commerce and more within one consumer experience. This can increase the usefulness of X, and therefore increase the usage and monetization potential of X. We have rapid product launch velocity, with a frequent cadence of new features and products launched since 2023, including features such as long-form video, improved group interactions, and creator tools. We plan to further broaden the value proposition of X through offerings like Money, a product we launched in beta in November 2025, which aims to expand platform utility by enabling payments and other financial services. We released X Chat in November 2025, which features end-to-end encryption and has no connection to advertising, unlike other services. We intend to further embed Grok throughout the platform to enhance discovery, analysis of posts, user support, and personalization, making core workflows more useful and reducing friction for users to adopt paid features.

5.5.10 Growing Enterprise and Government Adoption of Our AI Offerings

Our future growth and financial performance depend in part on our ability to increase adoption and usage of our AI offerings among enterprise and government customers. We have launched Grok Business, Grok Enterprise, Grok API, and xAI Gov, products that we believe will be attractive to enterprises and governments, and we expect substantial opportunities to acquire new customers. We are also partnering with Cursor to advance Grok and potentially to create jointly-owned coding and knowledge work AI models, trained on our compute infrastructure. Over time, we also believe enterprises and governments will present significant opportunities for revenue expansion as they deploy our models more broadly across their organizations, adopt new capabilities, and build and operate solutions using our API. We also intend to continue to offer our compute infrastructure to third-party customers. Our ability to realize these expansion opportunities depends on continued innovation, reliable performance, and meeting evolving technical, security, and compliance requirements.

5.6 Components of Results of Operations

5.6.1 Description of Our Segments

5.6.1.1 Space

5.6.1.1.1 Revenue - Space

Space segment generates revenue primarily through (i) Launch Services for the deployment of payloads to their intended orbits for both commercial and government customers utilizing Falcon 9 and Falcon Heavy, and (ii) Launch and Development for the development of spacecraft and provision of launch and mission services for government agency space programs utilizing Falcon 9, Falcon Heavy, Starship, and Dragon. Launch Services revenue is derived from fixed-price contracts that range from one to five years. Launch and Development revenue is derived from fixed-price contracts that can range from one to fourteen years.

The Company recognizes Launch Services revenue at a point in time, due to the interchangeability of flight hardware and minimal unique engineering costs. Revenue and costs are deferred and not recognized until upon the launch or deployment of the customer’s payload to their intended orbit.

The Company recognizes Launch and Development revenue over time as the Company’s performance on the contract creates an asset with no alternative use and the Company has an enforceable right to payment for performance to date. The Company measures progress on these contracts using the cost-to-cost input method, which the Company believes represents the most appropriate measure towards satisfaction of its performance obligation.

For launches of our Starlink satellites, the Company does not recognize any inter-segment revenue, rather those launch costs are capitalized in satellites in Property, plant, and equipment, net. We allocate a significant amount of launch capacity to our Connectivity segment, and expect to allocate a significant amount to our AI segment in the future. Our Space segment revenue only reflects our customer launches and customer activities.

Revenue from Launch Services recognized at point in time and revenue from Launch and Development recognized over time as a percentage of total Space segment revenue are as follows:

(unaudited, unless otherwise indicated) (in %)	Three Months Ended March 31,		Year Ended December 31,		
	2026	2025	2025	2024	2023
Launch Services	53.3%	65.4%	63.0%	68.2%	55.2%
Launch & Development	46.7%	34.6%	37.0%	31.8%	44.8%
Space	100.0%	100.0%	100.0%	100.0%	100.0%

We expect Space revenue growth to continue to be lower than total company revenue growth as our internal business continues to absorb most of the growth in our launch capacity. In addition, we expect Launch and Development to represent a larger portion of our Space revenue as we continue to serve our long-term contracts for our government customers. From period to period, Space revenue will vary based on the mix of launches used for customers and our own businesses.

5.6.1.1.2 Expenses - Space

5.6.1.1.2.1 Cost of Revenue

The Company's Falcon 9 and Falcon Heavy are composed of boosters (also known as first stages), second stages, Merlin engines, and fairings. Boosters, fairings, and Merlin engines are reusable and are classified as property, plant, and equipment and are depreciated to cost of revenue. The second stages are not reusable and are recorded to cost of revenue when they are launched for Launch Services revenue transactions or assigned for Launch and Development revenue transactions. Dragon is comprised of a fully reusable capsule that is classified as Property, plant, and equipment, net and is depreciated to cost of revenue. Starship is comprised of a booster, ship, and Raptor engines and is currently in the development stage. A majority of Starship costs are currently expensed to Research and development as incurred. Raptor engines are expensed when used in test flights.

Space segment's cost of revenue includes second stages flown related to the Company's Falcon 9 and Falcon Heavy launches, launch operations and overhead, depreciation (inclusive of booster, Merlin engine, and fairing depreciation), employee compensation costs (including salaries, benefits, and share-based compensation) for our operations teams, launch testing and overhead, engineering costs, inventory excess and obsolescence, shared costs incurred in the production of launch hardware, and ongoing product support.

We expect Space cost of revenue to increase both in absolute dollars and as a percentage of revenue based on our expected mix of Launch Services and Launch and Development. From period to period, Space segment cost of revenue will vary based on the mix of customer and internal launches.

5.6.1.1.2.2 Research and Development

Space segment's research and development expenses mainly relate to the development, build, and testing of Starship. Starship costs consist of test flight hardware, Raptor engines, employee compensation costs (including salaries, benefits, and share-based compensation), tooling and equipment expenses, depreciation for R&D equipment, and allocated overhead. R&D also includes certain expenses related to the development of features and modules created through engineering services for the Company's Falcon vehicles, where the Company retains the associated intellectual property.

We expect Space research and development to increase both in absolute dollars and as a percentage of revenue in 2026, as we invest in the development and commercialization of Starship, and to moderate both in absolute dollars and as a percentage of revenue once Starship is commercialized by delivering payload to orbit. At commercialization, Starship costs generally will be capitalized and then depreciated in cost of revenue of the segment associated with the payload delivered.

5.6.1.1.2.3 Selling, General, and Administrative

Space segment's selling, general, and administrative ("SG&A") expenses include allocated employee compensation costs (including salaries, benefits, and share-based compensation) for our sales, facilities, legal, finance, information technology, human resources, and other administrative employees, depreciation, and corporate aircraft costs.

We expect Space segment's SG&A to increase in absolute dollars to support growth of our business, and to decrease as a percentage of revenue as we continue to work to reduce operating costs as a percentage of revenue.

5.6.1.1.2.4 Impairment

Space impairment includes impairment losses on fixed assets due to anomalies on the Company's flight vehicles and launch sites, which occur outside our normal business operations.

5.6.1.2 Connectivity

5.6.1.2.1 Revenue - Connectivity

Connectivity segment generates revenue from (i) the broadband and mobile connectivity services provided through Starlink and (ii) the sale of the Starlink Kit (inclusive of the terminal). The Company provides connectivity services and Starlink Kits to consumers or enterprise and government customers.

The Company recognizes revenue from broadband and mobile connectivity services over time as the customer simultaneously receives and consumes the benefits provided. The Company generates service revenue from (i) fixed-price services that require advance or recurring monthly payments by the customer or (ii) variable-priced services based on actual data consumption. The amounts received from customers for advanced payments for broadband and mobile connectivity services are recognized either ratably over the subscription term or based on actual data consumption. The Company's broadband contracts are generally month-to-month and the revenue recognized for these recurring consumer customers is equal to the amount billed in that month. The Company's mobile connectivity agreements are generally multi-year contractual obligation that range from one to five years, although the customer can generally terminate at any time.

The Company recognizes revenue over time for certain contracts related to our Starshield business that are multi-year in nature. For revenue that is recognized over time, we use the cost-to-cost input method. The Company records revenue based upon costs (such as materials and labor hours) incurred to date relative to the total estimated cost at completion.

The Company records revenue for the Starlink Kit upon delivery to the customer, or in the instance of certain enterprise customers, when it is installed. Starlink Kit revenue is reported net of sales returns, credits, and chargebacks.

5.6.1.2.2 Expenses - Connectivity

5.6.1.2.2.1 Cost of Revenue

Connectivity segment's cost of revenue includes depreciation (inclusive of launch, satellite, and ground infrastructure costs), Starlink Kit costs, shipping and handling costs, ground operating expenses, employee compensation costs (including salaries, benefits, and share-based compensation) for our engineering and operations teams, payment processor fees, warranty expense, inventory excess and obsolescence, and customs and duties.

We expect Connectivity cost of revenue to increase in absolute dollars as we grow our revenue, and to decrease as a percentage of revenue as we continue to drive efficiencies in our next-generation satellites, Starlink Kits, and ground infrastructure.

5.6.1.2.2.2 Research and Development

Connectivity segment's R&D expenses mainly relate to the development, build, and testing of our next-generation satellites, Starlink Kits, and ground infrastructure. These costs include employee compensation costs (including salaries, benefits, and share-based compensation), contractor compensation expenses, equipment lease expenses, depreciation for R&D equipment, and allocated overhead.

We expect Connectivity research and development to increase in absolute dollars as we grow our revenue, and to decrease as a percentage of revenue as we scale our business.

5.6.1.2.2.3 Selling, General, and Administrative

Connectivity segment's SG&A expenses include allocated employee compensation costs (including salaries, benefits, and share-based compensation) for our sales, facilities, legal, finance, information technology, human resources, and other administrative employees, licensing and regulatory fees, marketing expenses, depreciation, and bad debt expense.

We expect Connectivity SG&A to increase in absolute dollars and as a percentage of revenue in 2026 as we introduce marketing spend to support growth of our business, and to decrease as a percentage of revenue over time as we continue to work to reduce operating costs as a percentage of revenue.

5.6.1.2.2.4 Impairment

Connectivity impairment includes costs related to discontinuation of a product line for Starlink Kits that is non-recurring.

5.6.1.3 AI

5.6.1.3.1 Revenue - AI

AI segment generates revenue from (i) the sale of ad products displayed on its X platform, and (ii) providing AI solutions and infrastructure, which includes subscription-related offerings, data licensing arrangements, and API access to Grok models. Both services are offered to consumer and enterprise customers.

Revenue for advertising services is recognized in the period when advertising is delivered as evidenced by a person engaging with an ad on the Company's platforms in a manner satisfying the types of engagement selected by the advertisers. The Company's contract terms for advertising services are typically month-to-month. We experience seasonality in our advertising revenues. Overall advertising spend tends to be highest in the fourth quarter of each year due in large part to end-of-year advertiser spending and lowest in the first quarter of each year.

Revenue for AI solutions and infrastructure includes: (i) premium subscriptions on X and Grok which is recognized ratably over the period of the subscription term (ranging from month-to-month to one year), (ii) data licensing revenue which is generally recognized ratably over the period (from month-to-month to two years) in which the Company provides data as the customer consumes and benefits from the use of the licensed data, and (iii) revenue from providing API access to Grok models recognized ratably over the contract term (typically month-to-month or up to one year) for stand-ready access or as services are consumed for usage based arrangements.

5.6.1.3.2 Expenses - AI

5.6.1.3.2.1 Cost of Revenue

AI segment's cost of revenue includes infrastructure costs, revenue share expenses, payment processor fees, payments to creators, amortization of acquired intangible assets, and allocated labor and overhead costs. Infrastructure costs consist primarily of costs related to data center facilities, including lease and hosting costs, related support, maintenance, energy, and bandwidth costs, depreciation of servers and networking equipment, public cloud hosting costs, and employee compensation costs (including salaries, benefits, and share-based compensation) for our operations teams.

We expect AI cost of revenue to increase in absolute dollars as we grow our revenue, and to decrease as a percentage of revenue as we monetize our products and as we expand our service offerings for AI solutions.

5.6.1.3.2.2 Research and Development

AI segment's R&D expenses mainly relate to the training of Grok, our leading frontier model, development, build, and testing of our next-generation AI-enabled products and data center costs to train AI-enabled products. These costs include cloud computing expenses, employee compensation expenses (including salaries, benefits, and share-based compensation), power generation costs, and depreciation of data center assets, including processors, equipment lease expenses, and networking equipment.

We expect AI R&D expenses to increase, both in absolute dollars and as a percentage of revenue, as we invest in compute infrastructure for Grok. Additionally, AI R&D expenses may increase as a result of the compute agreement with Cursor.

5.6.1.3.2.3 Selling, General, and Administrative

AI segment's SG&A expenses consist primarily of employee compensation expenses (including salaries, benefits, and share-based compensation) for our sales, sales support, marketing, finance, legal, information

technology, human resources and other administrative employees. In addition, SG&A expenses include fees and costs for professional services, including consulting, content moderation, third-party legal and accounting services and facilities costs and other supporting overhead costs that are not allocated to other departments.

We expect AI SG&A to increase in absolute dollars to support growth of our business, and to decrease as a percentage of revenue as we continue to work to reduce operating costs as a percentage of revenue. Additionally, AI SG&A may increase as a result of the compute agreement with Cursor.

5.6.1.3.2.4 Restructuring Charges

AI restructuring charges are the result of the acquisition of Twitter in October 2022 by X Holdings. The charges include workforce restructuring for former Twitter employees, as well as impairment and early termination penalties as a result of consolidation of Twitter's various office leases.

5.6.1.3.2.5 Impairment

AI impairment includes a one-time impairment of the Twitter brand when Twitter was rebranded to X in July 2023.

5.6.1.4 *Other Corporate Expenses*

5.6.1.4.1 Interest Expense

Interest expense includes interest expense related to our borrowings, amortization of associated debt issuance costs, undrawn fees, and finance leases. Interest expense is reflected net of capitalized interest.

5.6.1.4.2 Interest Income

Interest income includes interest income earned on cash and cash equivalents and marketable securities, and dividend income from our investments in mutual funds.

5.6.1.4.3 Other Income (Expense), Net

Other income (expense), net consists of gain or loss on digital assets, gain or loss on foreign currency transactions, and loss on extinguishment of debt.

5.6.1.4.4 Provision for (Benefit from) Income Taxes

The provision for (benefit from) income taxes consists primarily of income taxes in certain federal, state, local and foreign jurisdictions in which we conduct business. Foreign jurisdictions typically have different statutory tax rates from those in the United States. Accordingly, our effective tax rates may vary depending on the impact of the valuation allowance as well as the relative proportion of foreign income to domestic income, generation of tax credits, changes in the valuation of our deferred tax assets and liabilities, and changes in tax laws.

5.6.2 *Revenue by Geography*

The following table provides a breakdown of revenue by geography based on the country of domicile in which the transaction originated:

(audited) (in millions)	Year Ended December 31,		
	2025	2024	2023
United States.....	\$12,966	\$10,008	\$7,473
Ireland.....	1,827	1,371	1,047
Canada.....	764	582	447
All Other.....	3,117	2,054	1,420
Total Revenues.....	<u>\$18,674</u>	<u>\$14,015</u>	<u>\$10,387</u>

5.7 Comparison of the Three Months Ended March 31, 2026 and 2025

5.7.1 Consolidated Results of Operations

The following table sets forth our consolidated statements of operations data for the periods indicated:

(unaudited) (in millions, unless otherwise indicated)	Three Months Ended March 31,		2026 vs. 2025 Change	
	2026	2025	\$ Change	% Change
Revenue	\$4,694	\$4,067	\$627	15.4%
Costs and expenses				
Cost of revenue.....	2,388	1,962	426	21.7%
Research and development.....	3,514	1,557	1,957	125.7%
Selling, general, and administrative	746	493	253	51.3%
Restructuring charges (credits).....	(11)	4	(15)	NM
Impairment	—	24	(24)	NM
Total costs and expenses	6,637	4,040	2,597	64.3%
Income (loss) from operations.....	(1,943)	27	(1,970)	NM
Interest expense	(664)	(447)	(217)	48.5%
Interest income	213	117	96	82.1%
Other expense, net	(1,876)	(211)	(1,665)	789.1%
Loss before income taxes	(4,270)	(514)	(3,756)	730.7%
Provision for income taxes	6	14	(8)	(57.1)%
Net loss	<u>\$ (4,276)</u>	<u>\$ (528)</u>	<u>\$ (3,748)</u>	709.8%

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.7.1.1 Revenue

Revenue for the three months ended March 31, 2026 increased by \$627 million, or 15.4%, compared to the prior three months ended March 31, 2025. This increase was primarily due to an increase in revenue from our Connectivity segment of \$782 million as our Starlink Subscriber base continued to grow as well as an increase in revenue from our AI segment of \$91 million from higher X and Grok subscriptions, partially offset by a decrease in revenue from our Space segment of \$246 million due to lower Launch Services missions and timing of work for government contracts.

5.7.1.2 Cost of Revenue

Cost of revenue for the three months ended March 31, 2026 increased by \$426 million, or 21.7%, compared to the prior three months ended March 31, 2025. This increase was primarily due to an increase in costs in our Connectivity segment of \$437 million driven by an increase in depreciation related to the number of satellites placed into orbit and higher operating costs of \$5 million in our AI segment, partially offset by a decrease in cost of revenue from our Space segment of \$16 million due to less customer launches.

5.7.1.3 Research and Development

Research and development expense for the three months ended March 31, 2026 increased by \$1,957 million, or 125.7%, compared to the prior three months ended March 31, 2025. This increase was primarily due to higher costs in our AI segment of \$1,471 million driven by depreciation of GPU hardware, and the cost of cloud computing and data center infrastructure expenses as a result of our AI data center expansions and higher costs from our Space segment of \$404 million driven by accelerated investment in our Starship vehicle and related facilities.

5.7.1.4 Selling, General, and Administrative

Selling, general, and administrative expense for the three months ended March 31, 2026 increased by \$253 million, or 51.3%, compared to the prior three months ended March 31, 2025. This increase was primarily due to higher employee-related costs and professional fees for our AI segment of \$163 million as our AI business grew rapidly, higher marketing and international expansion costs of \$79 million and \$23 million, respectively, for

our Connectivity segment. These increases were partially offset by lower expenses of \$18 million in our Space segment.

5.7.1.5 Restructuring Charges (Credits)

Restructuring charges (credits) for the three months ended March 31, 2026 decreased by \$15 million compared to the prior three months ended March 31, 2025. This decrease was primarily due to change in estimated settlement amounts for former Twitter employees as part of the workforce reduction program implemented in 2022.

5.7.1.6 Impairment

Impairment for the three months ended March 31, 2026 decreased by \$24 million compared to the prior three months ended March 31, 2025. The impairment in the three months ended March 31, 2025 was related to a post-landing anomaly in our Space segment. There was no impairment for the three months ended March 31, 2026.

5.7.1.7 Income (Loss) from Operations

Income (loss) from operations for the three months ended March 31, 2026 decreased by \$1,970 million compared to the prior three months ended March 31, 2025 driven by the factors described above.

5.7.1.8 Interest Expense

Interest expense for the three months ended March 31, 2026 increased by \$217 million, or 48.5%, compared to the prior three months ended March 31, 2025. This increase was primarily due to additional debt raised by the Company and other financing arrangements entered into during the period by our AI segment.

5.7.1.9 Interest Income

Interest income for the three months ended March 31, 2026 increased by \$96 million, or 82.1%, compared to the prior three months ended March 31, 2025. This increase was primarily due to an increase in interest income earned from cash equivalents and marketable securities.

5.7.1.10 Other Income (Expense), Net

Other expense, net for the three months ended March 31, 2026 increased by \$1,665 million, compared to the prior three months ended March 31, 2025. This increase was primarily due to the loss on extinguishment of debt and unrealized loss on digital assets.

5.7.1.11 Provision for (Benefit from) Income Taxes

Provision for income taxes for the three months ended March 31, 2026 decreased by \$8 million compared to the prior three months ended March 31, 2025. This decrease was primarily due to the change in the mix of our jurisdictional earnings subject to different tax rates.

5.7.1.12 Net Income (Loss)

Net loss for the three months ended March 31, 2026 increased by \$3,748 million compared to the prior three months ended March 31, 2025 driven by the factors described above.

5.7.2 Segment Results

5.7.2.1 Space

(unaudited) (in millions, unless otherwise indicated)	Three Months Ended March 31,		2026 vs. 2025 Change	
	2026	2025	\$ Change	% Change
Revenue	\$619	\$865	\$(246)	(28.4)%
Costs and expenses				
Cost of revenue.....	281	297	(16)	(5.4)%
Research and development	930	526	404	76.8%
Selling, general, and administrative	70	88	(18)	(20.5)%
Impairment	—	24	(24)	NM
Total costs and expenses.....	\$1,281	\$935	\$346	37.0%
Loss from operations	\$(662)	\$(70)	\$(592)	845.7%

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.7.2.1.1 Revenue

Revenue for the three months ended March 31, 2026 decreased \$246 million, or 28.4%, compared to the prior three months ended March 31, 2025. This decrease was primarily driven by a decrease in Launch Services revenue of \$236 million and a decrease of \$10 million in Launch and Development revenue. The decrease in Launch Services revenue is due to a decrease in customer launches period over period. While total Falcon launches increased by 4 from 36 for the three months ended March 31, 2025 to 40 for the three months ended March 31, 2026, Launch Services missions decreased by 4 over the same period. Launch and Development revenue decreased due to timing of work performed on government contracts.

5.7.2.1.2 Cost of Revenue

Cost of revenue for the three months ended March 31, 2026 decreased by \$16 million, or 5.4%, compared to the prior three months ended March 31, 2025. This decrease was primarily due to the decrease in customer launches and timing of work on government contracts of \$26 million, partially offset by an increase of \$10 million in inventory excess and obsolescence reserves and \$4 million in launch hardware disposals for damaged Falcon fairings.

5.7.2.1.3 Research and Development

Research and development for the three months ended March 31, 2026 increased by \$404 million, or 76.8%, compared to the prior three months ended March 31, 2025. This increase was primarily driven by higher production costs of \$194 million, higher engineering costs of \$95 million, and higher test and launch costs of \$62 million, due to the accelerated investment in development of the Starship vehicle and continued development of production and launch facilities to support future Starship launches.

5.7.2.1.4 Selling, General, and Administrative

Selling, general, and administrative for the three months ended March 31, 2026 decreased by \$18 million, or 20.5%, compared to the prior three months ended March 31, 2025. This decrease was primarily due to lower allocated general and administrative overhead of \$13 million.

5.7.2.1.5 Impairment

Impairment for the three months ended March 31, 2026 decreased by \$24 million compared to the prior three months ended March 31, 2025. This decrease was primarily due to a non-recurring impairment loss on a Falcon 9 booster due to a post-landing anomaly during the three months ended March 31, 2025. There was no impairment for the three months ended March 31, 2026.

5.7.2.1.6 Loss from Operations

Loss from operations in the Space segment for the three months ended March 31, 2026 increased by \$592 million compared to the prior three months ended March 31, 2025 driven by the factors described above.

5.7.2.2 Connectivity

(unaudited) (in millions, unless otherwise indicated)	Three Months Ended March 31,		2026 vs. 2025 Change	
	2026	2025	\$ Change	% Change
Revenue	\$3,257	\$2,475	\$782	31.6%
Costs and expenses.....				
Cost of revenue	1,651	1,214	437	36.0%
Research and development.....	205	123	82	66.7%
Selling, general, and administrative	213	105	108	102.9%
Total costs and expenses	\$2,069	\$1,442	\$627	43.5%
Income from operations.....	<u>\$1,188</u>	<u>\$1,033</u>	<u>\$155</u>	15.0%

5.7.2.2.1 Revenue

Revenue for the three months ended March 31, 2026 increased by \$782 million, or 31.6%, compared to the prior three months ended March 31, 2025. This increase was primarily driven by an increase of \$656 million in revenue from our consumer subscribers, composed of 104.7% growth in Starlink Subscribers, offset by a 22.9% decline in Starlink Subscriber ARPU, primarily due to international expansion and the addition of lower priced service plans. In addition, enterprise and government revenue had an increase of \$126 million primarily driven by the growth in our aviation, maritime, and other enterprise business of \$209 million, our mobile connectivity business of \$85 million, partially offset by a decrease of \$175 million in our government connectivity business.

5.7.2.2.2 Cost of Revenue

Cost of revenue for the three months ended March 31, 2026 increased by \$437 million, or 36.0%, compared to the prior three months ended March 31, 2025. This increase was primarily due to higher depreciation of \$276 million from capitalized launch and satellite costs, higher operating expenses of \$140 million mainly driven by ground operating costs of \$50 million, customer support and installation costs of \$42 million, payment processor fees of \$19 million, freight costs of \$15 million, and warranty costs of \$12 million.

5.7.2.2.3 Research and Development

Research and development for the three months ended March 31, 2026 increased by \$82 million, or 66.7%, compared to the prior three months ended March 31, 2025. This increase was primarily due to higher costs for the next-generation production development of satellites of \$62 million, Starlink Kits of \$8 million, and ground equipment of \$14 million.

5.7.2.2.4 Selling, General, and Administrative

Selling, general, and administrative for the three months ended March 31, 2026 increased by \$108 million, or 102.9%, compared to the prior three months ended March 31, 2025. This increase was primarily driven by higher marketing costs of \$79 million and higher international expansion costs of \$23 million, partially offset by lower bad debt expense of \$9 million.

5.7.2.2.5 Income from Operations

Income from operations in the Connectivity segment for the three months ended March 31, 2026 increased by \$155 million, or 15.0%, compared to the prior three months ended March 31, 2025 driven by the factors described above.

5.7.2.3 AI

(unaudited) (in millions, unless otherwise indicated)	Three Months Ended March 31,		2026 vs. 2025 Change	
	2026	2025	\$ Change	% Change
Revenue	\$818	\$727	\$91	12.5%
Costs and expenses.....				
Cost of revenue	456	451	5	1.1%
Research and development.....	2,379	908	1,471	162.0%
Selling, general, and administrative	463	300	163	54.3%
Restructuring charges.....	(11)	4	(15)	NM
Total costs and expenses	<u>\$3,287</u>	<u>\$1,663</u>	<u>\$1,624</u>	<u>97.7%</u>
Loss from operations	<u><u>\$(2,469)</u></u>	<u><u>\$(936)</u></u>	<u><u>\$(1,533)</u></u>	<u><u>163.8%</u></u>

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.7.2.3.1 Revenue

Revenue for the three months ended March 31, 2026 increased by \$91 million, or 12.5%, compared to the prior three months ended March 31, 2025 due to the increase in AI solutions and infrastructure revenue of \$191 million, offset by decrease in advertising revenue of \$100 million. The increase in AI solutions and infrastructure was primarily due to an increase in Grok and X subscription revenue of \$177 million and an increase in data licensing arrangements of \$12 million. The decrease in advertising revenue is due to an overhaul of the Company's advertising platform which impacted ad sales for a short period of time during the rebuild.

5.7.2.3.2 Cost of Revenue

Cost of revenue for the three months ended March 31, 2026 increased by \$5 million, or 1.1%, compared to the prior three months ended March 31, 2025. This increase was primarily due to an increase in revenue share and content creator expenses of \$71 million, and higher payment processing fees of \$18 million, partially offset by a decrease in amortization expenses of technology intangibles of \$89 million that were fully amortized during 2025.

5.7.2.3.3 Research and Development

Research and development for the three months ended March 31, 2026 increased by \$1,471 million, or 162.0%, compared to the prior three months ended March 31, 2025. This increase was primarily due to higher GPU depreciation expense of \$908 million, and higher cloud computing and data center infrastructure expenses of \$301 million associated with the continued build out of our compute infrastructure, as well as higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$262 million.

5.7.2.3.4 Selling, General, and Administrative

Selling, general, and administrative for the three months ended March 31, 2026 increased by \$163 million, or 54.3%, compared to the prior three months ended March 31, 2025. This increase was primarily due to higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$148 million as we continue to expand our AI business and higher legal expenses of \$33 million, partially offset by a decrease in facilities and general and administrative costs of \$18 million.

5.7.2.3.5 Restructuring Charges (Credits)

Restructuring charges (credits) for the three months ended March 31, 2026 decreased by \$15 million compared to the prior three months ended March 31, 2025. This decrease was primarily due to a change in estimated settlement amounts for former Twitter employees as part of the workforce reduction program implemented in 2022.

5.7.2.3.6 Loss from Operations

Loss from operations in the AI segment for the three months ended March 31, 2026 increased by \$1,533 million, or 163.8%, compared to the prior three months ended March 31, 2025 driven by the factors described above.

5.8 **Comparison of the Years Ended December 31, 2025 and 2024**

5.8.1 *Consolidated Results of Operations*

The following table sets forth our consolidated statements of operations data for the periods indicated:

(audited, unless otherwise indicated) (in millions, unless otherwise indicated)	Year Ended December 31,		2025 vs. 2024 Change	
	2025	2024	\$ Change*	% Change*
Revenue	\$18,674	\$14,015	\$4,659	33.2%
Costs and expenses				
Cost of revenue	9,451	7,996	1,455	18.2%
Research and development	8,643	3,464	5,179	149.5%
Selling, general, and administrative ...	2,644	1,813	831	45.8%
Restructuring charges	487	213	274	128.6%
Impairment	38	63	(25)	(39.7)%
Total costs and expenses	21,263	13,549	7,714	56.9%
Income (loss) from operations	(2,589)	466	(3,055)	NM
Interest expense	(1,945)	(1,580)	(365)	23.1%
Interest income	492	371	121	32.6%
Other income, net	(177)	985	(1,162)	NM
Income (loss) before income taxes	(4,219)	242	(4,461)	NM
Provision for (benefit from) income taxes	718	(549)	1,267	NM
Net income (loss)	\$(4,937)	\$791	\$(5,728)	NM

* - Unaudited.

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.8.1.1 *Revenue*

Revenue for the year ended December 31, 2025 increased by \$4,659 million, or 33.2%, compared to the prior year ended December 31, 2024. This increase was primarily due to an increase in revenue from our Connectivity segment of \$3,788 million as our Starlink Subscriber base continued to grow as well as our Connectivity enterprise and government sales, and increases in revenue from our Space segment of \$290 million due to increases in Launch and Development revenue for work performed on government contracts, and an increase in revenue from our AI segment of \$581 million as advertising, Grok and X subscriptions, and data licensing arrangements grew.

5.8.1.2 *Cost of Revenue*

Cost of revenue for the year ended December 31, 2025 increased by \$1,455 million, or 18.2%, compared to the prior year ended December 31, 2024. This increase was primarily due to an increase in costs in our Connectivity segment of \$1,153 million driven by higher depreciation as the number of satellites placed into orbit grew and higher operating expenses, and higher infrastructure and cloud computing costs of \$491 million in our AI segment, partially offset by a decrease in cost of revenue from our Space segment of \$189 million due to the increased reusability of our Falcon launch vehicles resulting in lower depreciation.

5.8.1.3 Research and Development

Research and development expense for the year ended December 31, 2025 increased by \$5,179 million, or 149.5%, compared to the prior year ended December 31, 2024. This increase was primarily due to higher R&D costs in our AI segment of \$3,888 million driven by the depreciation of GPU hardware and the cost of cloud computing as a result of our AI data center expansions and higher R&D costs from our Space segment of \$1,169 million driven by accelerated investment in our Starship vehicle.

5.8.1.4 Selling, General, and Administrative

Selling, general, and administrative expense for the year ended December 31, 2025 increased by \$831 million, or 45.8%, compared to the prior year ended December 31, 2024. This increase was primarily due to higher employee and facilities-related costs and higher legal expenses for our AI segment of \$722 million as our AI business grew rapidly, and higher marketing and international expansion costs of \$40 million and \$37 million, respectively, for our Connectivity segment. These increases were partially offset by lower allocated general and administrative overhead in our Space segment.

5.8.1.5 Restructuring Charges

Restructuring charges for the year ended December 31, 2025 increased by \$274 million, or 128.6%, compared to the prior year ended December 31, 2024. This increase was primarily due to additional expense related to the settlement to former Twitter employees as part of the workforce reduction program implemented in 2022.

5.8.1.6 Impairment

Impairment for the year ended December 31, 2025 decreased by \$25 million, or 39.7%, compared to the prior year ended December 31, 2024. The decrease was primarily related to a discontinuation of a Starlink Kit production line in our Connectivity segment that occurred during the year ended December 31, 2024 with no impairment in 2025, partially offset by an increase in impairment in our Space Segment during the year ended December 31, 2025 primarily related to a post-landing anomaly.

5.8.1.7 Income (Loss) from Operations

Income (loss) from operations for the year ended December 31, 2025 decreased by \$3,055 million compared to the prior year ended December 31, 2024 driven by the factors described above.

5.8.1.8 Interest Expense

Interest expense for the year ended December 31, 2025 increased by \$365 million, or 23.1%, compared to the prior year ended December 31, 2024. This increase was primarily due to new term loans and senior notes entered into by the Company and other financing arrangements for GPUs entered into during the year by our AI segment.

5.8.1.9 Interest Income

Interest income for the year ended December 31, 2025 increased by \$121 million, or 32.6%, compared to the prior year ended December 31, 2024. This increase was primarily due to an increase in dividend income earned from marketable securities and cash equivalents.

5.8.1.10 Other Income (Expense), Net

Other income (expense), net for the year ended December 31, 2025 decreased by \$1,162 million, compared to the prior year ended December 31, 2024. This decrease was primarily due to an unrealized loss on digital assets.

5.8.1.11 Provision for (Benefit from) Income Taxes

Provision for income taxes for the year ended December 31, 2025 increased by \$1,267 million compared to the prior year ended December 31, 2024. The increase was primarily due to a partial valuation allowance release in 2024 and the establishment of a valuation allowance in 2025. For the year ended December 31, 2024, the Company released a partial valuation allowance on the Company's U.S. deferred tax assets. As of December 31,

2024, the Company forecasted \$659 million of deferred tax assets related to U.S. R&D credits would be utilized in the future. For the year ended December 31, 2025, we assessed the realizability of our deferred tax assets and reversed the benefit that was recognized for the year ended December 31, 2024 based on cumulative pretax losses adjusted for permanent differences and other negative evidence.

5.8.1.12 Net Income (Loss)

Net income (loss) for the year ended December 31, 2025 decreased by \$5,728 million compared to the prior year ended December 31, 2024 driven by the factors described above.

5.8.2 Segment Results

5.8.2.1 Space

(audited, unless otherwise indicated) (in millions, unless otherwise indicated)	Year Ended December 31,		2025 vs. 2024 Change	
	2025	2024	\$ Change*	% Change*
Revenue	\$4,086	\$3,796	\$290	7.6%
Costs and expenses				
Cost of revenue.....	1,352	1,541	(189)	(12.2)%
Research and development	3,004	1,835	1,169	63.7%
Selling, general, and administrative	349	375	(26)	(6.9)%
Impairment	38	24	14	61.5%
Total costs and expenses.....	\$4,743	\$3,775	\$968	25.7%
Income (loss) from operations	<u>\$(657)</u>	<u>\$21</u>	<u>\$(678)</u>	NM

* - Unaudited.

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.8.2.1.1 Revenue

Revenue for the year ended December 31, 2025 increased by \$290 million, or 7.6%, compared to the prior year ended December 31, 2024. Launch Services revenue remained relatively flat year over year, while Launch and Development revenue increased by \$298 million. The Launch and Development revenue increase was primarily driven by increased revenue for an extended contract with NASA for additional Cargo Resupply Services (CRS) missions to the International Space Station and increased revenue from a U.S. Department of War contract. While total Falcon launches increased by 31 from 134 in 2024 to 165 in 2025, Space customer launches and average price per launch remained relatively flat year over year.

5.8.2.1.2 Cost of Revenue

Cost of revenue for the year ended December 31, 2025 decreased by \$189 million, or 12.2%, compared to the prior year ended December 31, 2024. This decrease was primarily due to increased reusability of our Falcon launch vehicles resulting in lower depreciation of \$240 million, lowering the cost of each launch, and lower overhead costs of \$11 million. The decrease is also due to the relative increase in Starlink satellite launches from 89 launches in 2024 to 122 launches in 2025, resulting in relatively more of our launch operations and overhead costs capitalized in our Connectivity segment of \$14 million. This decrease was partially offset by an increase in inventory excess and obsolescence reserves of \$51 million mainly due to less demand on rocket vehicle and spacecraft parts as reusability has increased.

5.8.2.1.3 Research and Development

Research and development for the year ended December 31, 2025 increased by \$1,169 million, or 63.7%, compared to the prior year ended December 31, 2024. This increase was primarily driven by higher production costs of \$779 million, higher launch costs of \$218 million, and higher engineering costs of \$185 million, due to the accelerated investment in development of the Starship vehicle and continued development of production and launch facilities to support future Starship launches.

5.8.2.1.4 Selling, General, and Administrative

Selling, general, and administrative for the year ended December 31, 2025 decreased by \$26 million, or 6.9%, compared to the prior year ended December 31, 2024. This decrease was primarily due to lower allocated general and administrative overhead of \$52 million, partially offset by higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$16 million.

5.8.2.1.5 Impairment

Impairment for the year ended December 31, 2025 increased by \$14 million, or 61.5%, compared to the prior year ended December 31, 2024. This increase was primarily due to a non-recurring impairment loss on a Falcon 9 booster due to a post-landing anomaly during the year.

5.8.2.1.6 Income (Loss) from Operations

Income from operations in the Space segment for the year ended December 31, 2025 decreased by \$678 million compared to the prior year ended December 31, 2024 driven by the factors described above.

5.8.2.2 *Connectivity*

(audited, unless otherwise indicated) (in millions, unless otherwise indicated)	Year Ended December 31,		2025 vs. 2024 Change	
	2025	2024	\$ Change*	% Change*
Revenue.....	\$11,387	\$7,599	\$3,788	49.8%
Costs and expenses.....				
Cost of revenue	5,921	4,768	1,153	24.2%
Research and development.....	575	453	122	27.1%
Selling, general, and administrative	468	333	135	40.4%
Impairment.....	—	39	(39)	NM
Total costs and expenses	\$6,964	\$5,593	\$1,371	24.5%
Income from operations.....	\$4,423	\$2,006	\$2,417	120.4%

* - Unaudited

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.8.2.2.1 Revenue

Revenue for the year ended December 31, 2025 increased by \$3,788 million, or 49.8%, compared to the prior year ended December 31, 2024. This increase was primarily driven by an increase of \$2,377 million in revenue from our consumer subscribers, composed of 99.9% growth in Starlink Subscribers, offset by an 11.2% decline in Starlink Subscriber ARPU, primarily due to international expansion and the addition of lower priced service plans. In addition, Connectivity revenue had an increase of \$1,411 million from our enterprise and government customers, primarily driven by the growth in our enterprise connectivity business of \$1,218 million inclusive of growth in our mobile connectivity business of \$632 million, and growth in our government connectivity business of \$193 million.

5.8.2.2.2 Cost of Revenue

Cost of revenue for the year ended December 31, 2025 increased by \$1,153 million, or 24.2%, compared to the prior year ended December 31, 2024. This increase was primarily due to higher depreciation of \$827 million from capitalized launch and satellite costs, higher operating expenses of \$283 million mainly driven by ground operating costs of \$134 million, payment processor fees of \$45 million, international expansion of \$44 million, warranty costs of \$38 million, and employee compensation expenses (including salaries, benefits, and share-based compensation) of \$12 million, and higher freight costs of \$72 million.

5.8.2.2.3 Research and Development

Research and development for the year ended December 31, 2025 increased by \$122 million, or 27.1%, compared to the prior year ended December 31, 2024. This increase was primarily due to higher costs for the next-

generation production development of satellites of \$84 million, Starlink Kits of \$22 million, and ground equipment of \$15 million.

5.8.2.2.4 Selling, General, and Administrative

Selling, general, and administrative for the year ended December 31, 2025 increased by \$135 million, or 40.4%, compared to the prior year ended December 31, 2024. This increase was primarily driven by higher marketing costs of \$40 million, higher international expansion costs of \$37 million, and higher allocated general and administrative overhead of \$67 million.

5.8.2.2.5 Impairment

Impairment for the year ended December 31, 2025 decreased by \$39 million compared to the prior year ended December 31, 2024. The decrease was primarily related to the discontinuation of a Starlink Kit production line in 2024 with no impairment in 2025.

5.8.2.2.6 Income from Operations

Income from operations in the Connectivity segment for the year ended December 31, 2025 increased by \$2,417 million, or 120.4%, compared to the prior year ended December 31, 2024 driven by the factors described above.

5.8.2.3 *AI*

(audited, unless otherwise indicated) (in millions, unless otherwise indicated)	Year Ended December 31,		2025 vs. 2024 Change	
	2025	2024	\$ Change*	% Change*
Revenue.....	\$3,201	\$2,620	\$581	22.2%
Costs and expenses.....				
Cost of revenue	2,178	1,687	491	29.1%
Research and development.....	5,064	1,176	3,888	330.8%
Selling, general, and administrative	1,827	1,105	722	65.4%
Restructuring charges.....	487	213	274	129.1%
Total costs and expenses	\$9,556	\$4,181	\$5,375	128.6%
Loss from operations.....	<u><u>\$(6,355)</u></u>	<u><u>\$(1,561)</u></u>	<u><u>\$(4,794)</u></u>	307.1%

* - Unaudited.

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.8.2.3.1 Revenue

Revenue for the year ended December 31, 2025 increased by \$581 million, or 22.2%, compared to the prior year ended December 31, 2024. This increase was primarily due to an increase in advertising revenue of \$116 million as advertising spend increased from advertising partners on X and an increase in AI solutions and infrastructure revenue of \$465 million. The increase in AI solutions and infrastructure revenue is mainly due to an increase in X and Grok subscription revenue of \$365 million and an increase in revenue from data licensing arrangements of \$88 million.

5.8.2.3.2 Cost of Revenue

Cost of revenue for the year ended December 31, 2025 increased by \$491 million, or 29.1%, compared to the prior year ended December 31, 2024. This increase was primarily due to higher infrastructure and cloud computing costs of \$412 million attributable to increased subscriber revenue, higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$90 million, higher revenue share and content creator fees of \$45 million, and higher payment processor fees of \$28 million, partially offset by a decrease in depreciation and amortization expense of \$97 million driven by a decrease in amortization expense for intangible assets that were fully amortized during 2025.

5.8.2.3.3 Research and Development

Research and development for the year ended December 31, 2025 increased by \$3,888 million, or 330.8%, compared to the prior year ended December 31, 2024. This increase was primarily due to higher GPU depreciation expense of \$1,673 million, higher infrastructure and cloud computing expenses of \$1,440 million associated with the build out of our compute infrastructure, and higher employee compensation expenses (including salaries, benefits, and share-based compensation) and allocated overhead costs of \$775 million.

5.8.2.3.4 Selling, General, and Administrative

Selling, general, and administrative for the year ended December 31, 2025 increased by \$722 million, or 65.4%, compared to the prior year ended December 31, 2024. This increase was primarily due to higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$519 million as we continue to expand our AI business, higher legal expenses of \$189 million, and higher facilities and general and administrative costs of \$14 million.

5.8.2.3.5 Restructuring Charges

Restructuring charges for the year ended December 31, 2025 increased by \$274 million or 129.1%, compared to the prior year ended December 31, 2024. This increase was primarily due to additional expense recorded to settle with former Twitter employees as part of the workforce reduction program implemented in 2022.

5.8.2.3.6 Loss from Operations

Loss from operations in the AI segment for the year ended December 31, 2025 increased by \$4,794 million, or 307.1%, compared to the prior year ended December 31, 2024 driven by the factors described above.

5.9 **Comparison of the Years Ended December 31, 2024 and 2023**

5.9.1 *Consolidated Results of Operations*

(audited, unless otherwise indicated) (in millions, unless otherwise indicated)	Year Ended December 31,		2024 vs. 2023 Change	
	2024	2023	\$ Change*	% Change*
Revenue	\$14,015	\$10,387	\$3,628	34.9%
Costs and expenses				
Cost of revenue	7,996	6,110	1,886	30.9%
Research and development	3,464	2,105	1,359	64.6%
Selling, general, and administrative ...	1,813	1,665	148	8.9%
Restructuring charges	213	237	(24)	(10.1)%
Impairment	63	3,775	(3,712)	(98.3)%
Total costs and expenses	13,549	13,892	(343)	(2.5)%
Income (loss) from operations	466	(3,505)	3,971	NM
Interest expense	(1,580)	(1,693)	113	(6.7)%
Interest income	371	249	122	49.0%
Other income, net	985	(42)	1,027	NM
Income (loss) before income taxes	242	(4,991)	5,233	NM
Benefit from income taxes	(549)	(363)	(186)	51.2%
Net income (loss)	\$791	\$(4,628)	\$5,419	NM

* - Unaudited.

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.9.1.1 *Revenue*

Revenue for the year ended December 31, 2024 increased by \$3,628 million, or 34.9%, compared to the prior year ended December 31, 2023. This increase was primarily due to an increase in revenue from our Connectivity segment of \$3,730 million as both our Starlink consumer subscriber base continued to grow as well

as our Connectivity enterprise and government sales, and an increase in revenue from our Space segment of \$239 million due to the increase in Falcon 9 launches partially offset by a decrease in Launch and Development revenue due to timing of government contracts. This increase was partially offset by a decrease in revenue from our AI segment of \$341 million driven by a decrease in advertising sales, partially offset by an increase in X subscriptions and data licensing arrangements.

5.9.1.2 Cost of Revenue

Cost of revenue for the year ended December 31, 2024 increased by \$1,886 million, or 30.9%, compared to the prior year ended December 31, 2023. This increase was primarily due to a higher cost of revenue from the Connectivity segment of \$1,982 million as a result of the higher volume spend on Starlink Kits as deliveries increased and higher depreciation of launch costs driven by an increase in the number of satellites placed into orbit, partially offset by cost efficiency from increased reusability of our Falcon launch vehicles in our Space segment of \$128 million.

5.9.1.3 Research and Development

Research and development for the year ended December 31, 2024 increased by \$1,359 million, or 64.6%, compared to the prior year ended December 31, 2023. This increase was primarily due to higher cost in our AI segment of \$990 million related to advancing our AI technologies and higher costs of \$297 million in our Space segment for investment in Starship production, launch and engineering costs, and related facilities.

5.9.1.4 Selling, General, and Administrative

Selling, general, and administrative for the year ended December 31, 2024 increased by \$148 million, or 8.9%, compared to the prior year ended December 31, 2023. This increase was primarily due to: (i) higher international expansion costs of \$18 million, higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$11 million, and higher allocated general and administrative overhead of \$54 million in our Connectivity segment, and (ii) higher employee compensation expenses (including salaries, benefits, and share-based compensation) and professional fees of \$25 million in our Space segment.

5.9.1.5 Restructuring Charges

Restructuring charges for the year ended December 31, 2024 decreased by \$24 million, or 10.1%, compared to the prior year ended December 31, 2023. This decrease was due to the impairment on office leases assumed as part of the Twitter acquisition that occurred during the year ended December 31, 2023, partially offset by an increase in workforce-related restructuring charges.

5.9.1.6 Impairment

Impairment for the year ended December 31, 2024 decreased by \$3,712 million, or 98.3%, compared to the prior year ended December 31, 2023. The impairment during the year ended December 31, 2023 was primarily related to the impairment of the Twitter brand following its rebranding to X.

5.9.1.7 Income (Loss) from Operations

Income from operations for the year ended December 31, 2024 increased by \$3,971 million compared to the prior year ended December 31, 2023 driven by the factors described above.

5.9.1.8 Interest Expense

Interest expense for the year ended December 31, 2024 decreased by \$113 million, or 6.7%, compared to the prior year ended December 31, 2023. This decrease was primarily due to the debt issuance costs related to the X Bridge Credit Facilities being amortized only through July 2024, the original maturity date, as compared to a full year of amortization in 2023.

5.9.1.9 Interest Income

Interest income for the year ended December 31, 2024 increased by \$122 million, or 49.0%, compared to the prior year ended December 31, 2023. This increase was primarily due to an increase in dividend income earned from marketable securities.

5.9.1.10 Other Income (Expense), net

Other income (expense), net for the year ended December 31, 2024 increased by \$1,027 million compared to the prior year ended December 31, 2023. This increase was primarily due to an unrealized gain on digital assets.

5.9.1.11 Benefit from Income Taxes

Benefit from income taxes for the year ended December 31, 2024 increased by \$186 million, or 51.2%, compared to the prior year ended December 31, 2023. This increase was primarily due to the change in the realizability of our net deferred tax assets. As of December 31, 2024, we forecasted additional deferred tax assets related to U.S. R&D credits would be utilized.

5.9.1.12 Net Income (Loss)

Net income for the year ended December 31, 2024 increased by \$5,419 million compared to the prior year ended December 31, 2023 driven by the factors described above.

5.9.2 Segment Results

5.9.2.1 Space

(audited, unless otherwise indicated) (in millions, unless otherwise indicated)	Year Ended December 31,		2024 vs. 2023 Change	
	2024	2023	\$ Change*	% Change*
Revenue	\$3,796	\$3,557	\$239	6.7%
Costs and expenses				
Cost of revenue.....	1,541	1,669	(128)	(7.6)%
Research and development	1,835	1,538	297	19.3%
Selling, general, and administrative	375	351	24	7.0%
Impairment	24	—	24	NM
Total costs and expenses	\$3,775	\$3,558	\$217	6.1%
Income (loss) from operations	\$21	\$(1)	\$22	NM

* - Unaudited.

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.9.2.1.1 Revenue

Revenue for the year ended December 31, 2024 increased by \$239 million, or 6.7%, compared to the prior year ended December 31, 2023. Launch Services Revenue increased by \$620 million as total Falcon launches increased by 38 from 96 in 2023 to 134 in 2024, with Launch Services missions increasing by 8. This increase was partially offset by a decrease of \$381 million for Launch and Development revenue due to decreased activity in our International Space Station contracts and lower revenue from a U.S. Department of War contract.

5.9.2.1.2 Cost of Revenue

Cost of revenue for the year ended December 31, 2024 decreased by \$128 million, or 7.6%, compared to the prior year ended December 31, 2023. This decrease was primarily due to increased reusability of our Falcon launch vehicles resulting in lower depreciation of \$80 million, lowering the cost of each launch. The decrease was also due to the relative increase in Starlink satellite launches from 63 launches in 2023 to 89 launches in 2024, resulting in relatively more of our launch operations and overhead costs capitalized in our Connectivity segment of \$99 million. This decrease was offset by an increase in launch overhead costs of \$77 million due to the increase in Falcon launches.

5.9.2.1.3 Research and Development

Research and development for the year ended December 31, 2024 increased by \$297 million, or 19.3%, compared to the prior year ended December 31, 2023. This increase was primarily due to higher production costs

of \$159 million, higher launch costs of \$67 million, and higher engineering costs of \$56 million due to the increased investment in the development of the Starship vehicle and related launch facilities.

5.9.2.1.4 Selling, General, and Administrative

Selling, general, and administrative for the year ended December 31, 2024 increased by \$24 million, or 7.0%, compared to the prior year ended December 31, 2023. This increase was primarily due to higher employee compensation expenses (including salaries, benefits, and share-based compensation) and professional fees of \$25 million.

5.9.2.1.5 Impairment

Impairment for the year ended December 31, 2024 increased by \$24 million compared to the prior year ended December 31, 2023. This increase was primarily due to non-recurring impairment losses resulting from one-time launch anomalies experienced during the year.

5.9.2.1.6 Income (Loss) from Operations

Income (loss) from operations in the Space segment for the year ended December 31, 2024 increased by \$22 million compared to the prior year ended December 31, 2023 driven by the factors described above.

5.9.2.2 Connectivity

(audited, unless otherwise indicated) (in millions, unless otherwise indicated)	Year Ended December 31,		2024 vs. 2023 Change	
	2024	2023	\$ Change*	% Change*
Revenue	\$7,599	\$3,869	\$3,730	96.4%
Costs and expenses				
Cost of revenue.....	4,768	2,786	1,982	71.1%
Research and development	453	381	72	18.8%
Selling, general, and administrative	333	233	100	43.0%
Impairment	39	—	39	NM
Total costs and expenses	\$5,593	\$3,400	\$2,193	64.5
Income from operations.....	\$2,006	\$469	\$1,537	327.4%

* - Unaudited.

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.9.2.2.1 Revenue

Revenue for the year ended December 31, 2024 increased by \$3,730 million, or 96.4%, compared to the prior year ended December 31, 2023. This increase was primarily driven by an increase of \$2,013 million in revenue from our consumer subscribers, composed of 96.5% growth in Starlink Subscribers offset by a 8.1% decline in Starlink Subscriber ARPU primarily due to international expansion. In addition, Connectivity revenue had an increase of \$1,717 million from our enterprise and government customers, primarily driven by the growth in our enterprise connectivity business of \$466 million and growth in our government connectivity business of \$1,250 million.

5.9.2.2.2 Cost of Revenue

Cost of revenue for the year ended December 31, 2024 increased by \$1,982 million, or 71.1%, compared to the prior year ended December 31, 2023. This increase was primarily due to higher volume spend on Starlink Kits of \$907 million driven by higher kit deliveries and higher depreciation of \$555 million from capitalized launch and satellite costs driven by an increase in the number of launches and satellites placed into orbit.

5.9.2.2.3 Research and Development

Research and development for the year ended December 31, 2024 increased by \$72 million, or 18.8%, compared to the prior year ended December 31, 2023. This increase was primarily due to higher costs for the next-

generation production development of satellites of \$73 million, ground equipment of \$4 million, offset by lower costs of \$4 million for Starlink Kits.

5.9.2.2.4 Selling, General, and Administrative

Selling, general, and administrative for the year ended December 31, 2024 increased by \$100 million, or 43.0%, compared to the prior year ended December 31, 2023. This increase was primarily due to higher international expansion costs of \$18 million, higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$11 million, and higher allocated general and administrative overhead of \$54 million.

5.9.2.2.5 Impairment

Impairment for the year ended December 31, 2024 increased by \$39 million compared to the prior year ended December 31, 2023. This increase was due to a discontinuation of a certain Starlink Kit production line.

5.9.2.2.6 Income from Operations

Income from operations in the Connectivity segment for the year ended December 31, 2024 increased by \$1,537 million, or 327.4%, compared to the prior year ended December 31, 2023 driven by the factors described above.

5.9.2.3 *AI*

(audited, unless otherwise indicated) (in millions, unless otherwise indicated)	Year Ended December 31,		2024 vs. 2023 Change	
	2024	2023	\$ Change*	% Change*
Revenue	\$2,620	\$2,961	\$(341)	(11.5)%
Costs and expenses				
Cost of revenue.....	1,687	1,655	32	1.9%
Research and development	1,176	186	990	531.5%
Selling, general, and administrative ...	1,105	1,081	24	2.3%
Restructuring charges	213	237	(24)	(10.2)%
Impairment	—	3,775	(3,775)	NM
Total costs and expenses	\$4,181	\$6,934	\$(2,753)	(39.7)%
Loss from operations	\$(1,561)	\$(3,973)	\$2,412	(60.7)%

* - Unaudited.

NM – Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

5.9.2.3.1 Revenue

Revenue for the year ended December 31, 2024 decreased by \$341 million, or 11.5%, compared to the prior year ended December 31, 2023. This decrease was due to a decrease in advertising revenue of \$595 million, partially offset by an increase in AI solutions and infrastructure revenue of \$254 million. The decrease in advertising revenue was due to the loss of advertising partners for X. The increase in AI solutions and infrastructure was due to an increase in X subscription revenue of \$157 million and an increase in data licensing arrangements of \$90 million. In 2023 and 2024, substantially all of our AI segment revenue consisted of advertising, subscriptions, and data licensing revenue generated from X, formerly known as Twitter.

5.9.2.3.2 Cost of Revenue

Cost of revenue for the year ended December 31, 2024 increased by \$32 million, or 1.9%, compared to the prior year ended December 31, 2023. This increase was primarily due to higher server depreciation of \$97 million, partially offset by lower infrastructure and revenue share expenses of \$46 million, and lower employee and facilities-related expenses of \$18 million resulting from the Company's restructuring and cost reduction efforts.

5.9.2.3.3 Research and Development

Research and development for the year ended December 31, 2024 increased by \$990 million, or 531.5%, compared to the prior year ended December 31, 2023. This increase was primarily due to increased investments made in advancing our AI technologies, including employee compensation expenses (including salaries, benefits, and share-based compensation) and infrastructure services of \$703 million and higher depreciation of \$321 million for our equipment hardware.

5.9.2.3.4 Selling, General, and Administrative

Selling, general, and administrative for the year ended December 31, 2024 increased by \$24 million, or 2.3%, compared to the prior year ended December 31, 2023. This increase was primarily due to an increase in our amortization expense of \$107 million related to the Twitter brand becoming a finite-lived intangible asset and higher legal costs of \$65 million, partially offset by lower employee and facilities related costs of \$125 million and lower professional fees of \$23 million resulting from the Company's restructuring and cost reduction efforts.

5.9.2.3.5 Restructuring charges

Restructuring charges for the year ended December 31, 2024 decreased by \$24 million, or 10.2%, compared to the prior year ended December 31, 2023. This decrease was due to the impairment on the office leases assumed as part of the Twitter acquisition that primarily occurred during the year ended December 31, 2023, partially offset by an increase in workforce-related restructuring charges.

5.9.2.3.6 Impairment

Impairment for the year ended December 31, 2024 decreased by \$3,775 million compared to the prior year ended December 31, 2023. The impairment during the year ended December 31, 2023 was related to the impairment of the Twitter brand intangible asset following its rebranding to X.

5.9.2.3.7 Loss from Operations

Loss from operations in the AI segment for the year ended December 31, 2024 decreased by \$2,412 million, or 60.7%, compared to the prior year ended December 31, 2023 driven by the factors described above.

5.10 **Non-U.S. GAAP Financial Measures**

Management believes that certain financial measures that are not presented in accordance with U.S. GAAP provide management and investors with useful supplemental information that provides a meaningful view of our financial condition and results of operations across periods by removing the impact of items that management believes do not directly reflect our ongoing operating performance. Adjusted EBITDA and Segment Adjusted EBITDA are supplemental measures that are not required by or presented in accordance with U.S. GAAP. In evaluating our performance as measured by Adjusted EBITDA and Segment Adjusted EBITDA, management recognizes and considers the limitations of these measures. Other companies in our industry may calculate Adjusted EBITDA and Segment Adjusted EBITDA differently than we do or may not calculate them at all, limiting their usefulness as comparative measures. Because of these limitations, Adjusted EBITDA and Segment Adjusted EBITDA should not be considered in isolation or as a substitute for net income (loss), income (loss) from operations, or any other measure calculated in accordance with U.S. GAAP, and should be considered together with our U.S. GAAP financial measures and the reconciliations to the corresponding most directly comparable U.S. GAAP financial measures set forth in this prospectus.

Adjusted EBITDA is defined as net income (loss) excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) impairment, (iv) restructuring charges, (v) interest expense, (vi) interest income, (vii) other income (expense), net and (viii) provision for income taxes. Segment Adjusted EBITDA is defined as segment income (loss) from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) restructuring charges, and (iv) impairment. Adjusted EBITDA and Segment Adjusted EBITDA are key performance measures that our management uses to assess our financial performance as well as for internal planning and forecasting purposes. We consider Adjusted EBITDA and Segment Adjusted EBITDA to be meaningful performance measures for investors to evaluate our operating performance and to compare the financial results between periods.

The following table sets forth a reconciliation of Net income (loss), the most directly comparable U.S. GAAP measure, to Adjusted EBITDA:

(audited, unless otherwise indicated) (in millions)	Three Months Ended March 31,		Year Ended December 31,		
	2026*	2025*	2025	2024	2023
Net income (loss).....	\$(4,276)	\$(528)	\$(4,937)	\$791	\$(4,628)
Add (deduct):.....					
Depreciation and amortization.....	2,442	1,443	6,701	3,824	2,635
Share-based compensation	639	232	1,947	784	679
Restructuring charges	(11)	4	487	213	237
Impairments.....	—	24	38	63	3,775
Interest expense	664	447	1,945	1,580	1,693
Interest income	(213)	(117)	(492)	(371)	(249)
Other (income) expense, net.....	1,876	211	177	(985)	42
Provision for (benefit from) income taxes	6	14	718	(549)	(363)
Adjusted EBITDA *	\$1,127	\$1,730	\$6,584	\$5,350	\$3,821

* – Unaudited

The following table sets forth a reconciliation of Income (loss) from operations for each segment, the most directly comparable U.S. GAAP measure, to Segment Adjusted EBITDA:

(unaudited) (in millions)	Three Months Ended March 31,			
	2026			Total Reportable Segments
	Space	Connectivity	AI	
Income (loss) from operations	\$(662)	\$1,188	\$(2,469)	\$(1,943)
Add:				
Depreciation and amortization.....	166	783	1,493	2,442
Share-based compensation	145	116	378	639
Restructuring charges	—	—	(11)	(11)
Segment Adjusted EBITDA	<u>\$(351)</u>	<u>\$2,087</u>	<u>\$(609)</u>	<u>\$1,127</u>

(unaudited) (in millions)	Three Months Ended March 31,			
	2025			Total Reportable Segments
	Space	Connectivity	AI	
Income (loss) from operations	\$(70)	\$1,033	\$(936)	\$27
Add:				
Depreciation and amortization.....	162	510	771	1,443
Share-based compensation	108	75	49	232
Restructuring charges	—	—	4	4
Impairment	24	—	—	24
Segment Adjusted EBITDA	<u>\$224</u>	<u>\$1,618</u>	<u>\$(112)</u>	<u>\$1,730</u>

	Year Ended December 31,			
	2025			
(audited, unless otherwise indicated) (in millions)	Space	Connectivity	AI	Total Reportable Segments
Income (loss) from operations	\$(657)	\$4,423	\$(6,355)	\$(2,589)
Add:				
Depreciation and amortization.....	757	2,376	3,568	6,701
Share-based compensation	515	369	1,063	1,947
Restructuring charges	—	—	487	487
Impairment	38	—	—	38
Segment Adjusted EBITDA*	<u>\$653</u>	<u>\$7,168</u>	<u>\$(1,237)</u>	<u>\$6,584</u>

* – Unaudited

	Year Ended December 31,			
	2024			
(audited, unless otherwise indicated) (in millions)	Space	Connectivity	AI	Total Reportable Segments
Income (loss) from operations	\$21	\$2,006	\$(1,561)	\$466
Add:				
Depreciation and amortization.....	637	1,508	1,679	3,824
Share-based compensation	472	296	16	784
Restructuring charges	—	—	213	213
Impairment	24	39	—	63
Segment Adjusted EBITDA*	<u>\$1,154</u>	<u>\$3,849</u>	<u>\$347</u>	<u>\$5,350</u>

* – Unaudited

	Year Ended December 31,			
	2023			
(audited, unless otherwise indicated) (in millions)	Space	Connectivity	AI	Total Reportable Segments
Income (loss) from operations	\$(1)	\$469	\$(3,973)	\$(3,505)
Add:				
Depreciation and amortization.....	571	884	1,180	2,635
Share-based compensation	427	249	3	679
Restructuring charges	—	—	237	237
Impairment	—	—	3,775	3,775
Segment Adjusted EBITDA*	<u>\$997</u>	<u>\$1,602</u>	<u>\$1,222</u>	<u>\$3,821</u>

* – Unaudited

5.11 Liquidity and Capital Resources

Our primary sources of liquidity are cash flows generated from operations, our total cash and cash equivalents of \$15,852 million as of March 31, 2026, short-term marketable securities of \$7,823 million as of March 31, 2026, and borrowings under our credit facilities. As of March 31, 2026, we have \$1,500 million available to borrow under the SpaceX Credit Facility (as defined below). The cash we generate from our core operations also enables us to fund our research and development projects including our Starship rocket and next-generation satellites, the construction of future data centers, and the continued expansion of our AI-enabled products. Cash and cash equivalents consist of cash in checking accounts, money market accounts, and certificates of deposit at high quality financial institutions primarily in the U.S.

The Company maintains certain cash and cash equivalents for which the withdrawal or use is restricted. The restricted cash and cash equivalents are generally held in separate, dedicated accounts required to secure letters of credit related to various customer, insurance, and facility lease agreements.

In addition, because we expect a significant portion of our future expenditures to fund growth initiatives, we retain flexibility to adjust spending across segments. For example, if our near-term data center needs decrease in scale or ramp more slowly than expected, including due to global economic, tax, trade or business conditions, we may reduce future capital expenditures in this segment and reallocate those expenditures to other segments based on business priorities and growth opportunities. In addition, we continually evaluate our cash needs and may decide it is best to raise additional capital or seek alternative financing sources to fund the rapid growth of our business, including through drawdowns on existing or new debt facilities. We may seek to refinance the SpaceX Bridge Loan (as defined below), including with the proceeds from notes offerings, bank borrowings, or other financial arrangements. We may also from time to time determine that it is in our best interests to voluntarily repay certain indebtedness early.

5.11.1 Debt Agreements

5.11.1.1 *SpaceX Credit Facility*

In February 2025, SpaceX entered into a five-year senior unsecured revolving credit agreement with Bank of America, N.A., as administrative agent, and a syndicate of banks, including Bank of America, N.A.; Citibank, N.A.; Goldman Sachs Bank USA; JPMorgan Chase Bank, N.A.; Morgan Stanley Bank, N.A.; Morgan Stanley Senior Funding, Inc.; Barclays Bank PLC; Deutsche Bank, AG New York Branch; Wells Fargo Bank, National Association; Royal Bank of Canada; UBS AG, Stamford Branch; and Standard Chartered Bank, under which the Company may borrow up to \$1,500 million (“**SpaceX Credit Facility**”). The SpaceX Credit Facility is subject to certain customary representations, warranties, covenants, and events of default, including a maximum financial covenant requiring the Company to maintain a Consolidated Leverage Ratio (as defined in the SpaceX Credit Facility) of no greater than 3.75 to 1.0 as of the end of each fiscal quarter (subject to temporary increases to 4.25 to 1.0 following certain qualified acquisitions) and other customary reporting requirements. The SpaceX Credit Facility also includes sublimits of up to \$150 million for financial letters of credit and up to \$1,000 million for performance letters of credit. The SpaceX Credit Facility terminates, and all outstanding loans become due and payable, on February 7, 2030, unless the parties agree to an extension in accordance with the terms of the SpaceX Credit Facility. As of March 31, 2026 and December 31, 2025, no amounts were outstanding under the SpaceX Credit Facility.

Borrowings under the SpaceX Credit Facility bear interest, at the Company’s option, at a rate per annum equal to (i) a forward-looking term rate based on SOFR (“**Term SOFR**”) plus an applicable margin ranging from 0.75% and 1.25% (depending on the Company’s debt rating), or (ii) a base rate equal to the highest of (a) Federal Funds Rate plus 0.5%, (b) the Prime Rate, (c) Term SOFR plus 1.00%, and (d) 1.00% plus an applicable margin ranging from 0.0% and 0.25% (depending on the Company’s debt rating). The Company may also borrow in various alternative currencies, with interest calculated at rates based on SONIA for Pound Sterling-denominated loans and EURIBOR for Euro-denominated loans, plus an applicable margin. In addition, the Company pays a commitment fee on the unused portion of the SpaceX Credit Facility, which ranges from 0.07% (amended to 0.06% under the Amended SpaceX Credit Facility, as defined and described below) to 0.11% per annum based on the Company’s debt rating. As of March 31, 2026, the Company was in compliance with all covenants under the SpaceX Credit Facility.

In March 2026, the Company entered into a First Amendment to Credit Agreement and Waiver (the “**First Amendment**”) with its lenders, in connection with the Company’s entry into the SpaceX Bridge Loan (as defined below). The First Amendment, among other things, (i) waived certain specified defaults and (ii) amended certain definitions and covenants under the SpaceX Credit Facility to conform to the terms of the SpaceX Bridge Loan.

In May 2026, SpaceX amended the SpaceX Credit Facility to increase the borrowing capacity up to \$5,000 million (“**Amended SpaceX Credit Facility**”). As part of the Amended SpaceX Credit Facility, the sublimit for performance letters of credit was increased to \$2,000 million. The Amended SpaceX Credit Facility terminates, and all outstanding loans become due and payable, on May 19, 2031, unless the parties agree to an extension in accordance with the terms of the Amended SpaceX Credit Facility. All other terms were consistent with the terms of the SpaceX Credit Facility.

5.11.1.2 SpaceX Bridge Loan

In March 2026, SpaceX entered into a new bridge loan credit agreement (the “**SpaceX Bridge Loan**”) with Goldman Sachs Bank USA, as administrative agent, and a syndicate of lenders, including Goldman Sachs Bank USA; Bank of America, N.A.; JPMorgan Chase Bank, N.A.; Morgan Stanley Bank, N.A.; Morgan Stanley Senior Funding, Inc.; Deutsche Bank, AG New York Branch; Barclays Bank PLC; Royal Bank of Canada; UBS AG, Stamford Branch; Wells Fargo Bank, National Association; and Standard Chartered Bank, providing for an unsecured bridge term loan facility in an aggregate principal amount of \$20,000 million. The SpaceX Bridge Loan matures on September 2, 2027, with two three-month extensions at the Company’s option, subject to the absence of a continuing default and the payment of an extension fee of 0.25% of the aggregate outstanding principal per extension, resulting in a final extended maturity date of March 2028.

The proceeds of the SpaceX Bridge Loan were used to repay the X B-1 Term Loan, the X B-3 Term Loan, the xAI Fixed Rate Loan, the xAI Floating Rate Loan and the xAI 12.5% Senior Secured Notes (as defined and described in Note 10, Debt, to the Audited Consolidated Financial Statements included elsewhere in this prospectus). The Company may also use the remaining proceeds for general corporate purposes.

The SpaceX Bridge Loan bears interest, at the Company’s election, at a rate per annum equal to (i) Term SOFR plus an applicable margin ranging from 0.75%-1.75% (depending on the Company’s debt rating), or (ii) a base rate equal to the highest of (a) the Federal Funds Rate plus 0.5%, (b) the Prime Rate, (c) Term SOFR plus 1.0% and (d) 1.00%, plus an applicable margin ranging from 0.00% to 0.75% (depending on the Company’s debt rating). In addition, the Company is obligated to pay duration fees equal to 0.125% of outstanding principal on the first anniversary of closing and 0.25% of outstanding principal on the fifteen-month anniversary of closing. As of March 31, 2026, the Company was in compliance with all covenants under the SpaceX Bridge Loan.

The obligations of the Company under the SpaceX Bridge Loan are guaranteed on a joint and several basis by X Corp., X.AI LLC, and CTC Property LLC (each a subsidiary of the Company). The SpaceX Bridge Loan may be prepaid at any time, in whole or in part, without premium or penalty. The Company is required to use an amount equal to the net cash proceeds of certain debt financings to repay amounts outstanding under the SpaceX Bridge Loan and to apply an amount equal to the net proceeds of a qualified initial public offering, including the global offering, to repay such amounts within six months following receipt of such proceeds.

The SpaceX Bridge Loan contains customary events of default and affirmative and negative covenants, including restrictions on liens, subsidiary indebtedness, fundamental changes (including a prohibition on the disposition of Starlink assets and other material businesses outside the consolidated group), and changes in the nature of the Company’s business. The sole financial maintenance covenant requires the Company to maintain a Consolidated Leverage Ratio – defined as consolidated funded indebtedness (net of 85% of unrestricted cash) to Consolidated EBITDA (as defined in the SpaceX Bridge Loan) – of no greater than 3.75 to 1.0 as of the end of each fiscal quarter, with a temporary step-up to 4.25 to 1.0 for four fiscal quarters following a qualifying acquisition of at least \$1.0 billion.

5.11.2 Past Capital Expenditures

The following table presents our capital expenditures by segment:

(unaudited) (in millions)	Three Months ended March 31,		Year Ended December 31,		
	2026	2025	2025	2024	2023
Space	\$1,052	\$759	\$3,832	\$2,032	\$1,497
Connectivity	1,332	814	4,178	3,498	2,455
AI.....	7,723	2,567	12,727	5,633	463
Total capital expenditures ⁽¹⁾	<u>\$10,107</u>	<u>\$4,140</u>	<u>\$20,737</u>	<u>\$11,163</u>	<u>\$4,415</u>

(1) Presented as “purchases of property, plant and equipment” within the Audited Consolidated Financial Statements and the Unaudited Consolidated Interim Financial Statements.

Capital expenditures during the periods presented primarily related to investments in launch infrastructure and manufacturing capabilities for Starship within the Space segment, expansion of the Starlink satellite constellation and related ground infrastructure within the Connectivity segment, and the rapid build-out

of terrestrial AI compute infrastructure, including data centers, processors, networking equipment and supporting power infrastructure, within the AI segment.

The increase in capital expenditures since 2023 reflects accelerated investment in Starship infrastructure and development activities, continued expansion of the Starlink constellation and related infrastructure, and significant investment in terrestrial AI compute infrastructure and data center capacity expansion.

5.11.2.1 Space Capital Expenditures

Space capital expenditures for the three months ended March 31, 2026 increased \$293 million to \$1,052 million compared to \$759 million for the three months ended March 31, 2025. The increase was primarily driven by increased investment in our launch site infrastructure for Starship.

Space capital expenditures for 2025 increased \$1,800 million to \$3,832 million compared to \$2,032 million in 2024, while Space capital expenditures for 2024 increased \$535 million to \$2,032 million compared to \$1,497 million in 2023. The increase in each year-over-year period was primarily driven by increased investment in our launch site infrastructure for Starship, including related to development of Starship production capabilities, launch site infrastructure, launch facilities, testing infrastructure and related equipment.

5.11.2.2 Connectivity Capital Expenditures

Connectivity capital expenditures for the three months ended March 31, 2026 increased \$518 million to \$1,332 million compared to \$814 million for the three months ended March 31, 2025. The increase was primarily driven by higher satellite and ground equipment costs as we continue to increase our number of satellites and grow our satellite network.

Connectivity capital expenditures for 2025 increased \$680 million to \$4,178 million compared to \$3,498 million in 2024, while Connectivity capital expenditures for 2024 increased \$1,043 million to \$3,498 million compared to \$2,455 million in 2023. The increase in each year-over-year period was primarily driven by higher satellite and ground equipment costs as we continue to increase our number of satellites and grow our satellite network.

5.11.2.3 AI Capital Expenditures

AI capital expenditures for the three months ended March 31, 2026 increased \$5,156 million to \$7,723 million compared to \$2,567 million for the three months ended March 31, 2025. The increase was primarily driven by investments in the rapid expansion of our terrestrial data centers, including the development, construction, and equipping of new facilities and supporting infrastructure associated with the expansion of COLOSSUS and COLOSSUS II.

AI capital expenditures for 2025 increased \$7,094 million to \$12,727 million compared to \$5,633 million in 2024, while AI capital expenditures for 2024 increased \$5,170 million to \$5,633 million compared to \$463 million in 2023. This increase was primarily driven by significant investments in the rapid expansion of our terrestrial data centers, including the development, construction, and equipping of new facilities and supporting infrastructure.

5.11.3 Material Cash Commitments

From time to time in the ordinary course of business, we enter into agreements with suppliers for the purchase of parts and raw materials to manufacture our products. However, due to contractual terms, variability in the precise growth curves of our development and production ramps, and opportunities to renegotiate pricing, these contracts generally do not have long-term binding and enforceable purchase orders, and the timing and magnitude of purchase orders beyond the short term is difficult to accurately project. Because we do not have long-term purchase orders for these parts and raw materials, future purchases may result in material cash commitments. For additional information about this risk, please refer to “*1. Risk Factors*” in this prospectus.

On September 7, 2025, the Company entered into a License Purchase Agreement (the “**Spectrum License Purchase Agreement**”) with Spectrum Business Trust 2025-1, a Nevada Business Trust (“**Trust**”) and EchoStar Corporation (EchoStar) for the purchase of EchoStar’s licenses related to 50 MHz of spectrum (the “**AWS-4 and H-Block Licenses**”) and the transactions contemplated thereby, “**Spectrum Transaction**”). On November 5, 2025 the parties amended and restated the Spectrum License Purchase Agreement to include EchoStar’s licenses for up to 15 MHz of additional unpaired AWS-3 spectrum (together with the AWS-4 and H-

Block Licenses, the **“Spectrum Licenses”**). The total consideration for the acquisition of the Spectrum Licenses is approximately \$19.6 billion, consisting of (i) approximately \$11.1 billion in equity, payable through the issuance of approximately 261.8 million shares of the Company’s Class A common stock at a fixed value of \$42.40 per share, and (ii) up to \$8.5 billion related to the payoff of designated EchoStar debt, with any shortfall below \$8.5 billion to be paid in cash. The allocation of cash and equity consideration is subject to certain adjustments based on the amount of EchoStar debt satisfied at or prior to closing. The Spectrum License Purchase Agreement provides that the transfer of the Spectrum Licenses occurs in two steps: first, the transfer of the Spectrum Licenses by EchoStar to the Trust (the **“Spectrum Transfer Closing”**), and second, the Spectrum Licenses will be transferred by the Trust to the Company (the **“Spectrum Acquisition Closing”**). The foreign assets will be transferred directly to the Company at the Spectrum Acquisition Closing, to the extent the required regulatory approvals have been obtained by such date; provided, however, that the failure to obtain such approvals will not delay or prevent the Spectrum Acquisition Closing.

In connection with the Spectrum License Purchase Agreement, the Company and the Trust entered into a credit agreement (the **“Spectrum Credit Agreement”**), pursuant to which the Company has agreed upon the Spectrum Transfer Closing, to make payments to the Trust (via loans which are contemplated to be forgiven at six-month intervals), for the Trust to make payments on EchoStar’s debt (interest only) through at least November 30, 2027, but in no event later than November 30, 2028. Although these payments are structured as loans from the Company to the Trust, there is no expectation of repayment as the loan payments are forgiven and are accounted for as additional consideration for the acquisition of the Spectrum Licenses. Accordingly, the payments are recognized as prepaid assets until the Spectrum Acquisition Closing at which point they will be recognized as intangible assets. Total payments expected to be made under the Spectrum Credit Agreement are \$1,241 million in 2026 and \$828 million in 2027, assuming an expected closing date of November 30, 2027. The Company may need to make additional payments totaling \$827 million if the Spectrum Acquisition Closing occurs at November 30, 2028.

The Spectrum Transaction was approved by the FCC on May 12, 2026, the Spectrum Transfer Closing occurred on May 22, 2026. On that date, the Spectrum Licenses were transferred to the Trust, where they will remain until the Spectrum Acquisition Closing. Upon closing, the Company intends to either use cash and cash equivalents on hand or seek alternative financing sources to fund the cash payment to EchoStar. The \$11.1 billion equity consideration will be issued at the Spectrum Acquisition Closing.

As of March 31, 2026, we and our subsidiaries had outstanding \$29,132 million in aggregate principal amount of indebtedness and no debt principal payments are due until August 28, 2027 if we choose not to extend. As March 31, 2026, our total minimum lease payments was \$5,823 million, of which \$1,026 million is due within this fiscal year. For details regarding our indebtedness and lease obligations, refer to Note 10, Debt, and Note 11, Leases of our Audited Consolidated Financial Statements and Note 9, Debt of our Unaudited Consolidated Interim Financial Statements included elsewhere in this prospectus.

5.11.4 Current and Future Capital Expenditures

In March 2026, the Company executed a purchase agreement with an unaffiliated third party to acquire additional turbines for the AI infrastructure totaling \$805 million through 2029 in the United States. For this deal, the Company expects to fund the purchase using cash and cash equivalents on hand. In September 2025, the Company announced their entry into a definitive agreement with EchoStar to purchase its AWS-4 and H-block spectrum licenses (transaction expected to close on or about November 30, 2027). These material investments and commitments are with respect to U.S. operations. For the EchoStar deal, the Company expects to fund the purchase using cash and cash equivalents on hand or seek alternative financing sources.

On April 30, 2026, the Company entered into an asset purchase agreement to purchase certain mobile gas turbines and related packages for approximately \$2,000 million. The seller has also agreed to enter into a post-closing services agreement to support the Company's turbine operations. This acquisition will help provide power to the Company's data centers.

As of the date of this prospectus, the Board of Directors has resolved on future capital expenditures for the year ending December 31, 2026, none of which, individually or in aggregate, are material for the SpaceX Group.

5.11.5 Summary of Cash Flows

The following table summarizes our cash flows for the periods indicated:

(audited, unless otherwise indicated) (in millions)	Three Months Ended March 31,		Year Ended December 31,		
	2026*	2025*	2025	2024	2023
Net cash provided by (used in)					
Operating activities	\$1,047	\$727	\$6,785	\$5,776	\$4,520
Investing activities	\$(16,724)	\$(4,170)	\$(19,575)	\$(10,796)	\$(4,867)
Financing activities	\$7,125	\$354	\$26,350	\$11,830	\$422

*— Unaudited

5.11.5.1 Operating Activities

Net cash provided by operating activities increased by \$320 million from \$727 million during the three months ended March 31, 2025 to \$1,047 million during the three months ended March 31, 2026. This increase was primarily driven by an increase in working capital for deferred revenue of \$1,153 million from upfront payments from our Space and Connectivity customers, partially offset by lower net income exclusive of non-cash items.

Net cash provided by operating activities increased by \$1,009 million from \$5,776 million during the year ended December 31, 2024 to \$6,785 million during the year ended December 31, 2025. This increase was primarily driven by higher net income exclusive of non-cash items and an increase of \$1,080 million for accounts payable and other liabilities as we continue to expand our infrastructure and timing of payments, and higher deferred revenue from cash received from upfront payments from our aviation customers. This increase was partially offset by \$449 million for higher prepaid expenses and inventory.

Net cash provided by operating activities increased by \$1,256 million from \$4,520 million during the year ended December 31, 2023 to \$5,776 million during the year ended December 31, 2024. This increase was primarily driven by higher net income exclusive of non-cash items, partially offset by \$628 million for higher inventory and prepaid expenses and other assets due to increase in our revenue and production of Starlink Kits.

5.11.5.2 Investing Activities

Net cash used in investing activities increased by \$12,554 million from \$4,170 million during the three months ended March 31, 2025 to \$16,724 million during the three months ended March 31, 2026. This increase was primarily driven by an increase in capital expenditures of \$5,967 million related to the build out of data centers and related infrastructure, and space launch facilities and related infrastructure, as well as an increase in purchases of marketable securities of \$7,489 million in the period. This increase was partially offset by an increase in cash received from product rebates of \$1,195 million.

Net cash used in investing activities increased by \$8,779 million from \$10,796 million during the year ended December 31, 2024 to \$19,575 million during the year ended December 31, 2025. This increase was primarily driven by an increase in capital expenditures of \$9,574 million related to the build out of data centers and related infrastructure, and space launch facilities and related infrastructure, partially offset by a net increase in cash received from marketable securities of \$1,264 million.

Net cash used in investing activities increased by \$5,929 million from \$4,867 million during the year ended December 31, 2023 to \$10,796 million during the year ended December 31, 2024. This increase was primarily driven by an increase in capital expenditures of \$6,748 million related to the build out of data centers and related infrastructure, and space launch facilities and related infrastructure, partially offset by an increase in cash received for the maturities of marketable securities of \$981 million.

5.11.5.3 Financing Activities

Net cash provided by financing activities increased by \$6,771 million from \$354 million during the three months ended March 31, 2025 to \$7,125 million during the three months ended March 31, 2026. This increase was primarily driven by an increase in proceeds from the SpaceX Bridge Loan and other financing arrangements of \$17,950 million and proceeds from sale of our capital stock of \$7,420 million, partially offset by an increase in payment on existing debt obligations and debt extinguishment costs of \$14,703 million from the proceeds from the SpaceX Bridge Loan as well as an increase in repurchases of our capital stock of \$3,838 million following the xAI Merger.

Net cash provided by financing activities increased by \$14,520 million from \$11,830 million during the year ended December 31, 2024 to \$26,350 million during the year ended December 31, 2025. This increase was primarily driven by an increase in proceeds from debt and other financing arrangements for our AI segment of \$16,055 million and proceeds from sale of our capital stock of \$5,706 million, partially offset by an increase in repayments on debt and other financing arrangements for our AI segment of \$6,781 million.

Net cash provided by financing activities increased by \$11,408 million from \$422 million during the year ended December 31, 2023 to \$11,830 million during the year ended December 31, 2024. This increase was primarily driven by an increase in proceeds from the sale of our capital stock of \$12,327 million, partially offset by an increase in the buyback of common and preferred shares by the Company of \$104 million.

5.12 Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with U.S. GAAP and the Company's discussion and analysis of its financial condition and operating results require the Company's management to make judgments, assumptions and estimates that affect the amounts reported. Note 2, "Summary of Significant Accounting Policies" of the Notes to Audited Consolidated Financial Statements included elsewhere in this prospectus describes the significant accounting policies and methods used in the preparation of the Company's Audited Consolidated Financial Statements. Management bases its estimates on historical experience and on various other assumptions it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities.

5.12.1 Revenue Recognition

Space contract revenue is derived from fixed-price contracts related to the development and provision of launch services for the deployment of spacecraft and other payloads to their intended orbit for both commercial customers and governmental agency space programs. Connectivity contract revenue for Starshield customers is mostly derived from fixed-price contracts related to the development of a secure satellite network designed specifically for government and national security applications.

The Company recognizes revenue over time when the Company's performance on the contract creates an asset with no alternative use and when the Company has an enforceable right to payment for performance to date. The Company measures progress on these contracts using the cost-to-cost input method, as the Company believes this represents the most appropriate measure towards satisfaction of its performance obligation. Under the cost-to-cost input method, the Company records revenue based upon costs (such as materials and labor hours) incurred to date relative to the total estimated cost at completion.

The Company's contracts recognized over time using the cost-to-cost input method are complex and require the Company to estimate the total costs to perform over the term of the contracts, as well as the measurement of progress towards completion for each performance obligation. For Space contracts, developing the estimated total cost at completion for each performance obligation requires the use of significant management judgment, including assumptions regarding launch timing, labor hours, allocation of shared costs for launch vehicles that have been identified as reusable for multiple launches, as well as expected technological changes to launch vehicles and spacecraft. For Connectivity contracts, developing the estimated total cost at completion for each performance obligation requires the use of significant management judgment, including assumptions regarding labor hours, allocation of shared costs used in the production of satellites, satellite material costs, as well as expected technological changes to satellites. Material changes in estimated contract revenue or costs at completion and the resulting changes in contract profit could have a material impact on the Company's financial condition and operating results.

The impact of net adjustments from contracts recognized over time using the cost-to-cost input method to our revenue and operating income was not material for the years ended December 31, 2025, 2024, and 2023 and for the three months ended March 31, 2026. If the combined gross margins for our contracts recognized over time using the cost-to-cost input method had been estimated to be higher or lower by 1% during 2025, it would have increased or decreased operating income for the year by approximately \$110 million.

5.12.2 Property, Plant, and Equipment, Net

Property, plant, and equipment, net is stated at cost less accumulated depreciation. The Company depreciates these assets primarily using the straight-line method over the estimated useful lives of the assets except flight vehicles and spacecraft, which are depreciated over the expected number of average flights for each flight

vehicle and spacecraft. Leasehold improvements are depreciated over the shorter of their estimated useful lives or the related lease term.

Determining the useful lives and the number of average flights a flight vehicle and spacecraft can fly require the Company to estimate the period over which we expect to recover the economic value of our property, plant, and equipment. For each of our flight vehicle hardware and spacecraft, we consider recovery and refurbishment success rates, refurbishment economics, customer acceptance limits that may prohibit the use of vehicles that have been flown more than a certain number of launches, expected future launches included in the mission manifest, as well as any anticipated retirement timing of certain flight vehicle and spacecraft models such as Falcon as a result of anticipated transition to Starship to determine the expected number of average flights for each vehicle.

For our satellites assets, we consider factors such as on-orbit performance, orbit-raise timing, expected service capability, and the evolution of constellation density and technology.

When we determine that the useful lives or expected remaining flights of assets are shorter or longer than we had originally estimated, we adjust the rate of depreciation to reflect the assets' revised useful lives or number of remaining flights.

The Company periodically evaluates impairment of its property, plant, and equipment assets whenever events or circumstances indicate that the carrying value of an asset or asset group may not be recoverable. Factors we consider to identify indicators of potential impairment include significant changes or planned changes in our use of certain property, plant and equipment, technological developments that reduce the utility of the existing assets, declines in forecasted cash flows, and significant negative industry or economic trends.

Impairment is assessed at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. If estimated future cash flows are less than the carrying value of the asset or asset group, an impairment charge is recognized to the extent its carrying value exceeds its estimated fair value to cost of revenue or selling, general, and administrative expenses depending on the nature of the assets, or to impairment charges if the impairment is considered to be outside the normal course of business. For the years ended December 31, 2025, 2024, and 2023, and for the three months ended March 31, 2026, impairments on fixed assets were not material.

If the average remaining flights for our flight vehicle and spacecraft had been estimated to be five more or fewer flights, the impact to our operating income for the year ended December 31, 2025 and three months ended March 31, 2026 would not be material. If the average useful life of our satellite assets had been changed by one year, it would have an approximately \$480 million and \$170 million impact on our operating income for the year ended December 31, 2025 and three months ended March 31, 2026, respectively.

5.12.3 Legal and Other Contingencies

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business, the outcomes of which are inherently uncertain. The Company records a liability when it is probable a loss has been incurred and the amount is reasonably estimable, the determination of which requires significant judgment. Resolution of legal matters in a manner inconsistent with management's expectations could have a material impact on the Company's financial condition and operating results.

5.13 Recent Accounting Pronouncements

Refer to Note 2, Summary of Significant Accounting Policies, to the Audited Consolidated Financial Statements included elsewhere in this prospectus.

5.14 Quantitative and Qualitative Disclosures about Market Risk

5.14.1 Foreign Currency Risk

We considered the historical trends in foreign currency exchange rates and determined that it is reasonably possible that adverse changes in foreign currency exchange rates of 10% for all currencies could be experienced in the near-term. These changes were applied to our total monetary assets and liabilities denominated in our non-functional currencies at the balance sheet date to compute the impact these changes would have had on our income (loss) before income taxes. These changes would have resulted in an immaterial gain or loss as of March 31, 2026 and December 31, 2025, respectively.

5.14.2 Interest Rate Risk

Our cash and cash equivalents consist of cash, time deposits, money market funds, U.S. government and agency securities. Our investment policy and strategy are focused on preservation of capital and supporting our liquidity requirements. Changes in U.S. interest rates affect the interest earned on our cash and cash equivalents. A hypothetical 100 basis point increase or decrease in market interest rates would have resulted in an immaterial increase or decrease in interest income for the year ended December 31, 2025 and three months ended March 31, 2026.

The effective interest rate on outstanding borrowings under the SpaceX Bridge Loan was 4.58% as of March 31, 2026. A hypothetical 100 basis point increase in U.S. interest rates would increase annual interest expense by approximately \$200 million.

6. STATEMENT ON WORKING CAPITAL

6.1 Statement on Working Capital

The Company is of the opinion that SpaceX Group has sufficient working capital for its present requirements, that is for at least the next twelve months from the date of this prospectus (without taking into account the net proceeds receivable by the Company pursuant to the issue of Class A common stock in the global offering).

6.2 No Significant Change

Between March 31, 2026 and the date of this Prospectus, there have been no significant changes in the SpaceX Group's financial position or financial performance. Except as set out below, there have been no significant changes in our borrowing and funding structure.

In May 2026, we executed the Amended SpaceX Credit Facility, which represented a significant change in our borrowing structure. For more information, please refer to “5.11.1.1 *SpaceX Credit Facility*”.

7. TERMS AND CONDITIONS OF THE SECURITIES

The following summary of the Company's capital stock and charter and bylaws (each as in effect upon completion of the global offering (on or about June 15, 2026)) does not purport to be complete and is qualified in its entirety by reference to the provisions of applicable law and to our charter and bylaws, which are referenced in "13. Documents Available for Inspection". To understand the material terms of our common stock and preferred stock, you should read our charter and our bylaws in their entirety. For purposes of this section, the term "common stock" refers to our Class A, Class B, and Class C common stock. Unless otherwise indicated, all information contained in this section assumes i) the 2026 Stock Split and ii) prior to completion of the global offering, pursuant to the terms of our certificate of formation in effect as a private company prior to the global offering, the reclassification of all of the outstanding shares of our Class C common stock into an aggregate of 494,050,675 shares of Class A common stock and the conversion of the outstanding shares of all our preferred stock into an aggregate of 3,448,110,450 shares of our Class A common stock and 3,274,452,900 shares of our Class B common stock. The common stock is issued under Texas law.

7.1 Description of Capital Stock

7.1.1 Common Stock

In connection with the global offering, the board of directors of the Company approved the offering and issuance of the shares in the initial public offering on June 3, 2026, and a pricing committee of the board of directors of the Company was authorized to determine the final pricing and related terms of the offering on June 3, 2026.

7.1.1.1 Voting Rights

7.1.1.1.1 General

Subject to the terms of our charter, each holder of our Class A common stock is entitled to one vote per share; each holder of our Class B common stock is entitled to ten votes per share; and the holders of our Class C common stock will have no voting rights. Generally speaking, with respect to matters to be voted on by shareholders of the Company, the holders of all classes of our voting common stock will vote together as a single class. Notwithstanding the foregoing, our charter will provide that (i) as further described below, (1) holders of our Class B common stock, voting separately as a class, are entitled to elect 51% of the total number of authorized directors (rounded up to the nearest whole number); and (2) removal of Mr. Musk from his board and leadership roles (Chief Executive Officer and Chairman of our board) requires the approval of the holders of at least a majority of the voting power of the outstanding shares of Class B common stock, voting separately as a class; and (ii) in addition to any other required vote, under our charter, the approval of the Class B common stock, voting separately as a class, is required to approve (1) any amendment to our charter that would make any change in the rights, powers, preferences and privileges of the Class B common stock (including with respect to Class B Directors (as defined below)); and (2) certain combinations, mergers or sales, as described in our charter. Otherwise, classes of common stock will not be entitled to any separate class votes, as our charter will provide for an opt-out from class votes that would otherwise be required under the TBOC.

7.1.1.1.2 Election and Removal of Directors

With respect to the election of directors, our charter will provide that (i) holders of our Class B common stock, voting separately as a class, are entitled to elect 51% of the total number of authorized directors (rounded up to the nearest whole number) (the "**Class B Directors**") for so long as any shares of Class B common stock remain outstanding; and that (ii) holders of all classes of our voting common stock, voting together as a single class, are entitled to elect the remaining directors (the "**Common Stock Directors**"). Class B Directors may be removed with or without cause by the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares of Class B common stock, voting separately as a class. Vacancies occurring with respect to the Class B Directors, including as a result of newly created directorships on the board, may be filled at any time by the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares of Class B common stock, voting separately as a class, or by the remaining Class B Directors, and not any other persons, subject to the terms of our charter. Common Stock Directors may be removed with or without cause by the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares of voting common stock, voting together as a single class. Vacancies occurring with respect to the Common Stock Directors, including as a result of newly created directorships on the board, may be filled at any time by the affirmative vote

of the holders of at least a majority of the voting power of the outstanding shares of voting common stock, voting together as a single class, or by the remaining directors, subject to the terms of our charter.

Upon completion of the global offering, Mr. Musk will continue to serve as our Chief Executive Officer, Chief Technical Officer and Chairman of the board. Notwithstanding the preceding paragraph, pursuant to the terms of our charter, Mr. Musk will only be subject to removal from the board and from his Chief Executive Officer and Chairman of the board leadership positions with the approval of the holders of at least a majority of the voting power of the outstanding shares of our Class B common stock, voting separately as a class.

Notwithstanding the above, each of the voting rights described above will be subject to the rights that may be granted in the future to the holders of any one or more series of preferred stock, as applicable.

7.1.1.2 Dividends

Subject to the prior rights of holders of all classes and series of the Company's capital stock at the time outstanding having prior rights as to dividends, the holders of shares of Class A common stock, Class B common stock and Class C common stock will be entitled to receive such dividends as may be declared from time to time by the board. Any dividends paid to the holders of shares of Class A common stock, Class B common stock and Class C common stock will be paid pro rata, on an equal priority, *pari passu* basis. Any unclaimed dividends would be surrendered to the Texas Comptroller of Public Accounts to be held until they are claimed. There are no dividend restrictions on Class A common stock for non-U.S. holders.

7.1.1.3 Trading Symbol, ISIN and Denomination

The trading symbol of the shares of Class A common stock is "SPCX", the International Securities Identification Number ("ISIN") is US84615Q1031, and the shares are denominated in U.S. dollar.

7.1.1.4 Dissolution and Liquidation

Upon the Company's liquidation, dissolution or winding up, holders of shares of Class A common stock, Class B common stock and Class C common stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preference of any then outstanding shares of capital stock of the Company.

7.1.1.5 Conversion

Holders of our Class A common stock and Class C common stock do not have conversion rights. Each share of Class B common stock is convertible at any time at the option of the holder into one share of our Class A common stock. In addition, subject to certain exceptions specified in the charter that do not constitute a "Transfer" (as defined below) and other than in the case of certain "permitted transfers" (as summarized below), each share of Class B common stock will convert automatically into one share of Class A common stock upon any sale, assignment, encumbrance, transfer, conveyance, hypothecation, pledge, gift, or other transfer or disposition of any kind of such share of Class B common stock or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law, including, without limitation, the transfer of, or entering into a binding agreement with respect to, voting control over such share by proxy or otherwise (each, a "**Transfer**").

For purposes of our charter, "permitted transfers" will include transfers to and from (i) the registered holders of Class B common stock; (ii) each natural person who transferred shares of Class B common stock or equity awards (including any option or warrant exercisable or convertible into shares of Class B common stock) to certain "permitted entities" (as defined in the charter); (iii) one or more family members of shareholders specified in clauses (i) and (ii); (iv) certain other trusts, general partnerships, limited partnerships, limited liability companies, corporations, or other entities owned by certain qualified shareholders (as defined in the charter), including certain permitted non-for-profits; as well as (v) certain transfers to bona fide trusts for the benefit of a charitable organization, contributions to which are deductible for federal income, estate, gift and generation skipping transfer tax purposes, to certain retirement accounts, and for certain estate or succession planning purposes. "Permitted Transferees" will include a transferee of shares of Class B common stock received in a Transfer that constitutes a "permitted transfer."

Except for those shares held by "affiliates" (as defined in Rule 144 under the U.S. Securities Act) and for the restrictions set forth in "*8.5 Lock-Up Arrangements*", all shares of our Class A common stock sold in the global offering will be freely transferable without restriction or further registration under the U.S. Securities Act.

7.1.1.6 No Preemptive or Other Rights

Holders of the Company's Class A common stock, Class B common stock, and Class C common stock do not have preemptive, subscription, redemption rights, or sinking fund.

7.1.1.7 Issuance of Additional Shares

We may issue additional authorized shares of Class A common stock, Class B common stock and Class C common stock at any time or from time to time, subject to applicable provisions of our charter, our bylaws and Texas law. Our charter will provide that additional shares of Class B common stock may only be issued in the future to Mr. Musk, his family members and certain entities permitted under our charter.

7.1.2 Preferred Stock

Our charter authorizes our board, subject to any limitations prescribed by applicable law and any stock exchange, without further shareholder approval, to establish and to issue from time to time one or more series of preferred stock. Each series of preferred stock will have the powers, designations, preferences and relative, participation, optional or other rights, if any, including voting rights, and the qualifications, limitations or restrictions thereof, if any, and the number of shares constituting the series, as determined by the board. Any issuance of preferred stock could have the effect of decreasing the market price of our Class A common stock.

7.2 Corporate Opportunities

Under our charter, to the fullest extent permitted by applicable law, we will renounce any interest or expectancy of the Company or its subsidiaries in, or in being offered an opportunity to participate in, certain business opportunities (as specified in our charter) that are from time to time presented to any member of the board or board observer or attendee, regardless of whether any such person is an employee of the Company and their respective affiliates (other than the Company and its subsidiaries) (together, the “**Business Opportunities Exempt Party**”), even if the business opportunity is one that we or our subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and no Business Opportunities Exempt Party shall have any duty to present any such business opportunity to us or be liable to us or any of our subsidiaries or any shareholder, including for breach of any fiduciary or other duty, as a director or officer or controlling shareholder or otherwise, and we shall indemnify each Business Opportunities Exempt Party against any claim that such person is liable to us or our shareholders for breach of any fiduciary duty, by reason of the fact that such person (i) fails to present any such business opportunity, (ii) pursues, acquires or exploits any such business opportunity, or (iii) directs, sells, assigns or transfers any such business opportunity to another person or entity, unless, in the case of a person who is our director or officer, such business opportunity is presented to, or acquired, created or developed by, or otherwise comes into the possession of, such Business Opportunities Exempt Party expressly and solely in his or her capacity as an employee, director, board observer or attendee, or shareholder of the Company.

7.3 Exclusive Forum and Venue and Arbitration, Jury Trial Waiver

Our bylaws will provide that, unless the Company consents in writing to the selection of an alternative forum, the sole and exclusive forum for any of the filing, adjudication and trial of all disputes between (i) one or more shareholders and (ii) the Company or its directors, officers, or controlling persons, or any underwriter of securities issued by the Company (or controlling person thereof) relating to any of the following: (1) any derivative proceeding, meaning a civil dispute brought in the right of the Company; (2) any action based on the governance, governing documents, or internal affairs of the Company; (3) any action based on state or federal securities or trade regulation laws; (4) any action based on the alleged act(s) or omission(s) by a person in its capacity as a shareholder, controlling person, director, officer, or other managerial official of the Company; (5) any action based on the alleged breach(es) by one or more shareholders, controlling persons, directors, officers, or other managerial officials of a duty owed, in his or her capacity as such, to the Company or to any shareholder thereof; (6) an action seeking to hold a shareholder, controlling person, director, officer, or other managerial official of the Company liable for an obligation of the Company, other than on account of a written contract signed by the person to be held liable in a capacity other than as a shareholder or managerial official; and (7) any action arising out of the TBOC, will be the Business Court (for purposes of this summary, each, an Internal Dispute). Please see also risk factors “*1.5.8 The TBOC and our charter include provisions that may limit shareholders’ ability to bring a cause of action against our directors or officers for certain acts or omissions in their capacity as directors or officers of the Company, including minimum share ownership for derivative proceedings and the presumption of the business judgment rule.*”, “*1.5.9 Our bylaws will impose minimum stock ownership and solicitation requirements on*

shareholders seeking to submit proposals for shareholder approval, which could limit the ability of our shareholders to bring matters before a meeting of shareholders.” and “1.5.10 Our bylaws place restrictions on the forum, venue and procedures for legal actions or proceedings initiated by our shareholders, including certain requirements for mandatory arbitration. These provisions could limit our shareholders’ ability to pursue certain claims and/or increase the cost of doing so and could also affect the procedures, rights, and remedies available to our shareholders in such legal actions or proceedings.”

Our bylaws will further provide that to the extent, and solely to the extent, that a court of competent jurisdiction (which is a court that possesses personal and subject matter jurisdiction) declines in a final and unappealable judgment to transfer an Internal Dispute to the Business Court (such Internal Dispute, an Other Dispute), such Other Dispute, irrespective of the amount in dispute, shall be exclusively and finally settled by arbitration before the ICC in Houston, Texas, conducted under the Expedited Procedure Provisions of the Rules (the “**Arbitration Rules**”) of the ICC as those rules may be periodically updated. If a court declines to transfer an Internal Dispute to the Business Court, but such court is later held not to have personal or subject matter jurisdiction with respect to such Internal Dispute, the arbitration provision would not be triggered because such action would be required to be dismissed and subsequently brought in a court of competent jurisdiction.

Our bylaws will provide the following for arbitration:

- The tribunal will include one arbitrator for claims of \$5 million or less or a panel of three arbitrators for claims exceeding \$5 million, and our bylaws will specify procedures governing the selection of the panel. The ICC fees and arbitrator(s) fees will be governed by the ICC fee and arbitrator fee schedule as may apply depending on the nature and amount of the claim.
- If more than three claims arising from the same or similar conduct, transaction, or occurrence are submitted to arbitration within any three-year period, all but the first-filed claim shall be stayed pending final resolution of that first-filed claim. In such circumstance, the Company and each shareholder asserting such a claim shall bear equal shares of the ICC fees and arbitrator(s) fees. However, if any shareholder party or parties are ultimately successful on all of their claims, the Company shall reimburse the successful shareholder party or parties for the ICC fees and arbitrator(s) fees paid by such shareholder party or parties.
- If more than three claims are submitted by the same shareholder(s) within any three-year period, then the Company shall pay the ICC fees and arbitrator(s) fees associated with the first three claims only. However, if any shareholder party or parties are ultimately successful on all of their claims, the Company shall reimburse the successful shareholder party or parties for the ICC fees and arbitrator(s) fees paid by such shareholder party or parties.
- If any claim submitted to arbitration is determined by the tribunal to be frivolous, without reasonable cause, or for an improper purpose such as bad faith or vexatious litigation, the Company shall be entitled to recover its reasonable attorney’s fees and costs incurred in defending against such claim, including any ICC fees and arbitrator(s) fees.
- The tribunal’s authority is subject to the same limits as the authority of a judge in a Texas court of law. The tribunal does not have authority to issue an award that (i) exceeds the tribunal’s authority under the Texas Arbitration Act; (ii) contains a reversible error of state or federal law, including as to the admissibility of evidence, or a clearly erroneous finding of fact; or (iii) applies a cause of action or provides a remedy not expressly provided for under applicable Texas or federal law. The tribunal’s application of the pleading and discovery limitations imposed by the Private Securities Litigation Reform Act is mandatory for applicable claims and shall not constitute a refusal to hear evidence pertinent and/or material to the controversy under Texas or federal law.
- Pursuant to the Texas Arbitration Act, the scope of judicial review of the tribunal’s award includes the ordinary grounds for vacatur, modification, and correction imposed by the Texas Civil Practice & Remedies Code §§ 171.088 and 171.091, and is expanded beyond what is otherwise available under the Texas Civil Practice & Remedies Code to include review of whether the award: (i) contains a reversible error of state or federal law, including as to the admissibility of evidence, or a clearly erroneous finding of fact; or (ii) applies a cause of action or provides a remedy not expressly provided for applicable Texas or federal law. The arbitral tribunal’s award and the findings of fact and conclusions of law shall be reviewable upon the same standards of review as if said award and supporting findings of fact and conclusions of law were entered by a Texas court.

- Any action seeking to confirm, vacate, modify, correct, or otherwise challenge the tribunal's award shall be brought in the Business Court. In any such action, the parties shall file all court filings under seal, to the fullest extent allowed by applicable law.

Our bylaws will further provide that to the extent, and solely to the extent, that a court of competent jurisdiction determines in a final and unappealable judgment that the requirement that Other Disputes be exclusively and finally settled by arbitration is unenforceable in whole or part, the sole and exclusive forum and venue for such Other Disputes which are determined not to be subject to mandatory arbitration shall be the United States District Court for the Southern District of Texas, Houston Division (the Federal Court), or if a court of competent jurisdiction determines in a final and unappealable judgment that the Federal Court lacks jurisdiction over any such Other Dispute, the sole and exclusive forum and venue for such Other Dispute shall be the state district courts of Harris County, Texas.

Our bylaws will further provide that Other Disputes will be governed either by Texas state law or federal law, depending on the claim asserted.

Our bylaws will also provide that:

- The Company and each shareholder, director, and officer of the Company irrevocably and unconditionally waives, and any person or entity purchasing or otherwise acquiring or holding any interest in shares of stock of the Company shall be deemed to have irrevocably and unconditionally waived, any right it may have to a trial by jury in any legal action or proceeding relating to Internal Disputes described above.
- Internal Disputes may not be brought as a class, or consolidated or joined, except at the Company's option.

Although we believe these provisions will benefit us by providing increased consistency in the application of Texas law for the specified types of actions and proceedings, the provisions may have the effect of discouraging or increasing the costs of lawsuits against our directors, officers, other managerial officials, employees and agents. However, it is possible that, in connection with a future legal proceeding, a court could rule that all or a portion of these provisions in our bylaws purporting to require an exclusive forum for certain disputes, to waive the right to a jury trial or to require arbitration for shareholder claims are inapplicable, unconstitutional or otherwise unenforceable.

7.4 Stock Ownership Requirement for Derivative Suits

Our bylaws will specify that the required ownership threshold for a shareholder or group of shareholders to institute or maintain a derivative proceeding in the right of the Company for purposes of Section 21.552(a)(3) of the TBOC will be 3% of the outstanding shares of the Company. This provision will continue to apply so long as any shares of the Company's common stock are listed for trading on a national securities exchange or the Company affirmatively elects to be governed by TBOC 21.419 and has 500 or more shareholders.

7.5 Limitations on Liability and Indemnification of Officers and Directors

Our charter will include a provision eliminating the liability of our directors and officers for monetary damages for an act or omission by the person in the person's capacity as a director or officer, respectively, except for: (i) a breach of the duty of loyalty to the Company or its shareholders; (ii) an act or omission not in good faith that constitutes a breach of duty of the person to the Company or involves intentional misconduct or a knowing violation of applicable law; (iii) a transaction from which the director or officer obtains an improper benefit, regardless of whether the benefit resulted from an action taken within the scope of the person's duties; or (iv) an act or omission for which the liability of a director or officer is expressly provided by an applicable statute (such as wrongful distributions). Our charter also will provide that if the TBOC is amended in the future to authorize corporate action further eliminating or limiting of the personal liability of directors and officers, the liability of directors and officers will be eliminated or limited to the fullest extent permitted by the TBOC as so amended.

Any amendment, repeal or modification of these provisions will be prospective only and would not affect any limitation on liability of a director or officer for acts or omissions that occurred prior to any such amendment, repeal or modification.

Our bylaws also provide that we will indemnify and advance expenses to our directors and officers to the fullest extent permitted by the TBOC, subject to reimbursement in the event it is ultimately determined that

the individual was not entitled to indemnification under the TBOC or the indemnification agreement. Our bylaws also will permit us to purchase insurance on behalf of any officer, director, employee, or other agent for any liability arising out of that person's actions as our officer, director, employee or agent, regardless of whether the TBOC would permit indemnification. We intend to enter into indemnification agreements with each of our current and future directors and officers. These agreements will require us to indemnify these individuals against liability that may arise by reason of their service to us, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. As permitted by the TBOC, because these agreements are expected to be approved by our shareholders, the agreements may require indemnification or payment of expenses in favor of the indemnitee in certain circumstances in which we would not otherwise have the power to do so under the provisions of the TBOC or our charter or bylaws. We believe that the limitation of liability provision that will be in our charter and the indemnification agreements will facilitate our ability to continue to attract and retain qualified individuals to serve as directors and officers.

Our bylaws will provide that the Company affirmatively elects to be governed by Section 21.419 of the TBOC and any successor provision thereto. Because the Company will have a class of voting common stock (our Class A common stock) listed on a national securities exchange, Section 21.419 will also be deemed to apply to the Company. Under Section 21.419 of the TBOC, in taking or declining to take any action on any matters of a corporation's business, a director or officer of the Company is presumed to act (i) in good faith, (ii) on an informed basis, (iii) in furtherance of the interests of the Company, and (iv) in obedience to the law and the Company's governing documents. In addition, neither the Company nor any of its shareholders has a cause of action against the director or officer as a result of any act or omission in the person's capacity as such unless the claimant rebuts one or more of the foregoing presumptions and it is proven by the claimant that (A) the director's or officer's act or omission constitutes a breach of one or more of the person's duties as a director or officer and (B) the breach involved fraud, intentional misconduct, an ultra vires act or a knowing violation of law.

7.6 Protection for Conflicts of Interest

Section 21.418 of the TBOC provides that, at any time a corporation's voting common stock is listed for trading on a national securities exchange, the corporation's directors and officers will not be liable to the corporation or its shareholders for claims alleging a breach of duty arising from the making, authorization, or performance of a contract or transaction solely because the director or officer had an interest in the transaction unless the claim would be permitted under Section 21.419 of the TBOC as described above. Because the Company will have a class of voting common stock (our Class A common stock) listed on a national securities exchange, Section 21.418 of the TBOC will be deemed to apply to the Company.

7.7 Registration Rights

For a description of registration rights with respect to our Class A common stock, see "*11.7.5 Investors' Rights Agreement*".

7.8 Transfer Agent and Registrar

The transfer agent and registrar for our Class A common stock is Fidelity Stock Transfer Solutions LLC. Its address is 245 Summer Street, Boston, Massachusetts 02210, United States, and its phone number is +1 (617) 563-5800.

7.9 Listing

We have applied to list our Class A common stock on Nasdaq and Nasdaq Texas under the symbol "SPCX."

7.10 Offerors

In addition to the Company, the shares are being offered by the European underwriters in the European retail offering.

7.11 General Provisions Governing the Liquidation of the Company

Under the TBOC, the Company will be required to wind up its business and affairs upon the occurrence of certain events, including, among others: (i) a voluntary decision to wind up the Company; (ii) the occurrence of an event requiring winding up as specified in our certificate of formation or bylaws (none currently included);

(iii) the expiration of our period of duration, if any (none currently); or (iv) the entry of a decree of judicial dissolution by a court of competent jurisdiction.

Upon the occurrence of any such event, the Company will cease carrying on its ordinary business except as necessary to wind up and liquidate its business. Following the satisfaction or provision for all liabilities, the Company will distribute any remaining assets to our shareholders in accordance with their respective rights and interests.

7.12 General Provisions Governing a Change in the Share Capital

The Company may issue additional authorized shares of Class A common stock, Class B common stock and Class C common stock at any time or from time to time, as authorized by its board without further shareholder approval, subject to applicable provisions of its charter, its bylaws, the TBOC and the rules of Nasdaq. The Company's charter will provide that additional shares of Class B common stock may only be issued in the future to Mr. Musk, his family members and certain entities permitted under its charter.

The Company's charter authorizes its board, subject to any limitations prescribed by applicable law and any stock exchange, without further shareholder approval, to establish and to issue from time to time one or more series of preferred stock. Each series of preferred stock will have the powers, designations, preferences and relative, participation, optional or other rights, if any, including voting rights, and the qualifications, limitations or restrictions thereof, if any, and the number of shares constituting the series, as determined by the board.

7.13 General Provisions Governing Subscription Rights

Holders of the Company's Class A common stock, Class B common stock, and Class C common stock do not have preemptive, subscription, or redemption rights.

7.14 Exclusion of Minority Shareholders

The TBOC does not provide a statutory squeeze-out mechanism based solely on ownership thresholds.

7.15 Mandatory Takeover Bids

No mandatory takeover bid regime applies to the Company under the TBOC.

7.16 Shareholder Notification Requirements

For more information on shareholder notification requirements applicable to the Company, please refer to "*11.2.1 Major Shareholders*".

7.17 Managers' Transactions

A person serving as a director or officer of a corporation that has a class of equity securities registered under Section 12 of the Exchange Act, and shareholders who own greater than ten percent of such corporation, must file with the SEC reports with respect to their ownership of such securities. Generally, such persons must file an initial statement of ownership within ten days of becoming subject to the requirement (or, for newly public companies, when the registration statement becomes effective, if earlier) and must file reports describing any subsequent transactions in the registered securities before the end of the second business day following the date on which such transactions were executed. These requirements also apply with respect to certain derivative securities referencing the registered equity securities.

Generally, such persons must also disgorge to the corporation any profit realized from any purchase and subsequent sale, or any sale and subsequent purchase, of the corporation's equity securities within any period of less than six months, irrespective of such person's intent. Short-swing profits are recoverable by, and inure to the benefit of, the corporation, and if the corporation fails or refuses to pursue recovery, a security holder of the corporation may institute an action on behalf of the corporation.

In this context, an "officer" of a corporation means a president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president of the issuer in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the corporation. "Policy-making function" does not include policy-making functions that are not significant.

7.18 Short Selling Regulation (Ban on Naked Short Selling)

Pursuant to Regulation (EU) No. 236/2012 of the European Parliament and of the Council of March 14, 2012, on short selling and certain aspects of credit default swaps, as amended (the “**Short Selling Regulation**”), the European Commission’s delegated regulation for the purposes of detailing the Short Selling Regulation and the German EU Short Selling Implementation Act (*EU-Leerverkaufs-Ausführungsgesetz*) of November 15, 2012, the short selling of a company’s shares is only permitted under certain conditions. In that context, “short selling” refers to the sale of shares that the seller does not own, with the intention of acquiring shares of the same class at a later point in time in order to be able to deliver the shares to the buyer. In addition, under the provisions of the Short Selling Regulation, significant net-short selling positions in a company’s shares must be reported to Bafin and publicly disclosed if they exceed a specific percentage. The details on the reporting and publication process are set forth in the German Regulation on Net-Short Positions (*Netto-Leerverkaufspositionsverordnung*) of December 17, 2012. The net short selling positions are calculated by offsetting the short positions of a natural person or legal entity in the company’s shares with its long positions in such shares. The details are regulated in the Short Selling Regulation and the other regulations the European Commission enacted on short selling. In certain situations, described in the Short Selling Regulation, Bafin is permitted to restrict short selling and comparable transactions.

7.19 Taxation

7.19.1 Taxation Warning

Prospective investors should be warned that the tax legislation of their country of citizenship, domicile or residency and the tax legislation of the Company’s country of incorporation (i.e., the United States) may have an impact on the income received from the shares. Prospective investors are strongly recommended to consult their own tax advisers.

7.19.2 Taxation Considerations for Certain Investors and Jurisdictions

The following sections outline certain key tax principles that may be relevant with respect to the acquisition, holding or transfer of the shares for private individuals as investors in their jurisdiction of tax residence. Each section solely addresses the jurisdiction to which the relevant section relates. For the avoidance of doubt, this summary does not cover any tax consequences for investors under the tax laws and regulations of the United States.

It is important to note that the legal situation may change, possibly with retroactive effect. This summary is not and does not purport to be a comprehensive or exhaustive description of all tax considerations that may be relevant to prospective investors, who may be subject to special tax treatment under any applicable law. In particular, this summary does not cover tax considerations for, nor intends to be applicable in respect of, all types of prospective investors. This section is based upon the relevant domestic tax laws in effect as of the date of this Prospectus and the provisions of double taxation treaties currently in force in the relevant jurisdictions. We cannot rule out that the tax authorities or courts will apply or interpret these laws and provisions differently than what is described in this summary.

This summary is intended as general information only and cannot replace the need for individual investors to seek personal tax advice. It is therefore recommended that investors consult their own tax advisors regarding the tax implications of acquiring, holding or transferring the shares.

7.19.2.1 Material Taxation Considerations for German Private Individuals

The following section outlines certain key German tax principles that may be relevant to individuals with a tax residency through their domicile or habitual abode in Germany and holding and having held (directly or indirectly or through a legal predecessor) less than 1% of the share capital of the Company as non-business assets (*Privatvermögen*) (“**German Private Individual Shareholders**”) with respect to the acquisition, holding or transfer of the shares. This summary does not cover all tax considerations potentially relevant to such shareholders but is strictly limited to the German income tax (*Einkommensteuer*) treatment of income from the shares.

7.19.2.1.1 Taxation of Dividend Income

Dividends received by German Private Individual Shareholders are, as a general rule, taxed as capital investment income (*Einkünfte aus Kapitalvermögen*).

If the shares are held in a custodial account with a German resident credit institution, financial services institution (*inländisches Kredit- oder Finanzdienstleistungsinstitut*) (including in each case a German branch of such foreign institution) or securities institution (*inländisches Wertpapierinstitut*) (the “**German Disbursing Agent**”) (*inländische auszahlende Stelle*), the German Disbursing Agent generally withholds German tax at a rate of 25% (plus 5.5% solidarity surcharge thereon and, if applicable, church tax) on the gross amount of the dividends paid by the Company. The German Private Individual Shareholder’s personal income tax liability with respect to dividends is generally satisfied through the withholding (overall the “**flat tax regime**”, *Abgeltungsteuer*).

German Private Individual Shareholders may provide to the German Disbursing Agent either a non-assessment certificate (*Nichtveranlagungsbescheinigung*) issued by their competent local tax office or an exemption declaration (*Freistellungsauftrag*) in the maximum amount of the annual saver’s allowance (*Sparer-Pauschbetrag*) of EUR 1,000 (or for individuals filing jointly EUR 2,000).

To the extent withholding tax has not been levied, such as in the case of the shares kept in a custody account maintained by a non-German resident custodian, the German Private Individual Shareholders must report their income derived from the shares on their tax return and then will also be taxed at a rate of 25% (plus solidarity surcharge and church tax thereon, where applicable).

The individual shareholder is taxed on his or her aggregate capital investment income, less the annual saver’s allowance of EUR 1,000 (or, for individuals filing jointly, EUR 2,000). Income-related expenses are not tax-deductible. Private investors can apply to have their capital investment income assessed in accordance with the general rules on determining the individual tax rate of the shareholder if this results in a lower tax, but even in this case, income-related expenses are not tax-deductible. However, in this case, the solidarity surcharge would be refunded.

If no German withholding tax was levied or the German Private Individual Shareholder applies to have the capital investment income assessed based on the individual tax rate, U.S. withholding tax withheld on the dividends paid by the Company can (to the extent of the applicable treaty rate) generally be credited against the German tax liability on the Company’s dividends received by the German Private Individual Shareholder subject to certain requirements. If German withholding tax is levied, the German Disbursing Agent must reduce the amount of the German withholding tax by the amount of tax withheld in the U.S. in accordance with the aforementioned credit rules, in particular the reduction of the withholding cannot exceed the applicable treaty rate. The German Federal Central Tax Office (*Bundeszentralamt für Steuern*) publishes the treaty rates to be applied by the German Disbursing Agents on an annual basis. The currently applicable double tax treaty between Germany and the U.S. does not provide for a reduction of U.S. withholding tax on dividends for individuals below 15% and this is also reflected in the respective guidelines.

German Private Individual Shareholders may be liable for church tax, which is generally deducted by way of withholding by the German Disbursing Agent, unless the shareholder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office. If church tax is withheld and remitted to the tax authority as part of the withholding tax deduction, the church tax on the dividends is also deemed to be discharged when it is deducted. Since the church tax is already deducted as a special expense (*Sonderausgabe*) in the course of the withholding tax deduction, the withheld church tax cannot be deducted in the tax assessment as a special expense. If no church taxes are withheld along with the withholding of the withholding tax, the shareholder who owes church tax is required to report their dividends in their income tax return. The church tax on the dividends will then be imposed by way of a tax assessment.

Dividends sourced from a tax contribution account (*steuerliches Einlagekonto*) are generally not taxable and, therefore, not subject to German withholding tax or income tax (including solidarity surcharge and church tax, if applicable). Non-German tax resident corporations can also maintain a tax contribution account for German tax purposes if they apply for a special assessment procedure with the German Federal Central Tax Office and subject to further prerequisites. Dividend payments sourced from a tax contribution account in accordance with the statutory requirements (a “**Return of Capital**”) reduce the shareholder’s acquisition costs of the shares. If the Return of Capital exceeds the shareholder’s acquisition costs, the German tax authorities take the view that negative acquisition costs will arise. Both can result in a higher capital gain in case of the shares’ disposal (please refer to “7.19.2.1.2 Taxation of Capital Gains” below).

7.19.2.1.2 Taxation of Capital Gains

Capital gains from the disposal of the shares by a German Private Individual Shareholder are generally subject to the flat tax regime. Losses from the sale of the shares can only be used to offset capital gains from the

disposal of shares in stock corporations during the same year or in subsequent years. The amount of the taxable capital gain from the sale is the difference between (i) the proceeds from the sale and (ii) the cost of acquisition of the shares and the expenses directly related to the sale. Other expenses may not be deducted from capital gains.

A Return of Capital which is officially certified by the German Federal Central Tax Office reduces the original acquisition costs; if the Return of Capital exceeds the acquisition costs, negative acquisition costs – which can increase a capital gain – can arise.

If the shares are deposited with or administered by a German Disbursing Agent, the tax on the capital gains is generally settled by way of withholding through the German Disbursing Agent which is required to deduct a withholding tax of 25% (plus 5.5% solidarity surcharge thereon and, if applicable, church tax), of the capital gains from the sale proceeds and remit it to the tax authority. To the extent withholding tax has not been levied, such as in the case of the shares kept in a custodial account not maintained by a German Disbursing Agent, the German Private Individual Shareholder must report their income derived from the shares on their tax return and then will also be taxed at a rate of 25% (plus 5.5% solidarity surcharge thereon and, if applicable, church tax).

7.19.2.2 *Material Taxation Considerations for Dutch Private Individuals*

The following section outlines a general summary of certain material Dutch personal income tax consequences in connection with the acquisition, holding and disposal of Class A common stock by an individual who is resident or deemed to be resident in the Netherlands for purposes of Dutch taxation (a “**Dutch Individual Shareholder**”) and:

- who does not derive profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder), to which enterprise the shares of Class A common stock are attributable or deemed to be attributable;
- for whom the shares of Class A common stock, or any benefit derived therefrom, is not a remuneration or deemed to be a remuneration for a membership of a management board or a supervisory board or for (deemed) employment activities performed by such holder or certain individuals related to such holder (as defined in the Dutch Income Tax Act (*Wet inkomstenbelasting 2001*));
- who does not derive income or capital gains from the shares of Class A common stock, as the case may be, that are taxable as benefits from ‘miscellaneous activities’ (*resultaat uit overige werkzaamheden*, as defined in the Dutch Income Tax Act), which include the performance of activities with respect to the shares, that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*) and also include benefits resulting from a lucrative interest (*lucratief belang*); or
- who does not have a Substantial Interest (as defined below) or deemed Substantial Interest in the Company.

Generally, a Dutch Individual Shareholder will have a substantial interest (*aanmerkelijk belang*) in the Company if such holder holds, alone or, together with his/her partner (statutorily defined term in Dutch tax law), whether directly or indirectly, the ownership of, or certain rights over, shares representing 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares, such as Class A common stock) of the Company, or rights to acquire shares, whether or not already issued, that represent 5% or more of our total issued and outstanding capital (or the issued and outstanding capital of any class of shares), or the ownership of certain profit participating certificates that relate to 5% or more of the Company’s annual profit, and/or 5% of the proceeds upon liquidation of the Company (“**Substantial Interest**”). A Dutch Individual Shareholder will also have a Substantial Interest if one of certain relatives of that holder or of his/her partner has a Substantial Interest in the Company. If a Dutch Individual Shareholder does not have a Substantial Interest, a deemed Substantial Interest (*fictief aanmerkelijk belang*) will be present if (part of) a Substantial Interest has been disposed of, or is deemed to have been disposed of, without recognising a taxable gain.

For Dutch tax purposes, a holder of Class A common stock may include an individual who does not have the legal title to shares of Class A common stock, but to whom nevertheless such shares or the income therefrom are attributed based on specific statutory provisions or on the basis of such individual having a(n) (beneficial) interest in shares of Class A common stock or the income therefrom.

Where this summary refers to the Netherlands or Dutch law it only refers to the part of the Kingdom of the Netherlands located in Europe and its law, respectively.

7.19.2.2.1 Taxation of Dividend Income and Capital Gains

A Dutch Individual Shareholder will with respect to shares of Class A common stock generally be subject to Dutch personal income tax on a deemed return pursuant to the regime for income from savings and investments, regardless of the actual income (including dividends received on the Class A common stock) and/or capital gains derived from the shares of Class A common stock.

As of January 1, 2023, transitional legislation applies to determine the income from savings and investments based on a deemed return, until a new system will be implemented based on the actual return (envisaged to enter into force as of 2028). Under this transitional regime, the taxable income from savings and investments is calculated by applying the individual's deemed return percentage (*effectieve rendementspercentage*) to the individual's yield basis (*rendementsgrondslag*) to the extent it exceeds the applicable personal threshold (*heffingvrij vermogen*) (*grondslag sparen en beleggen*). The individual's deemed return percentage is calculated on the basis of the actual composition of the individual's yield basis on 1 January of the relevant year (subject to certain rules against reference date arbitration; *peildatumarbitrage*), with separate (periodically announced) deemed return percentages applying for bank deposits (*banktegoeden* – estimated at 1.28% for 2026), other investments (such as shares of Class A common stock; *overige bezittingen* – 6.00% for 2026) and debts (*schulden* – estimated at 2.70% for 2026). The aforementioned deemed return percentages for bank deposits and debts are preliminary and will be confirmed at a later stage. The taxable income from savings and investments will be taxed at a rate of 36% (the rate for 2026).

However, on June 6, 2024, June 14, 2024, August 2, 2024 and December 20, 2024, the Dutch Supreme Court ruled in a number of cases that the application of the aforementioned transitional regime violates the principle of non-discrimination and the fundamental right to property, if and to the extent the deemed return applicable to the savings and investments of a taxpayer exceeds such taxpayer's actual return in the respective calendar year. In response to these rulings, legislation entered into force on July 19, 2025, introducing a rebuttal scheme intended to reflect the Dutch Supreme Court's guidance. The provisions of the legislation generally apply retroactively from January 1, 2017. Under the scheme, taxpayers may rebut the applicable deemed return if the actual return (determined in accordance with the specific rules set out in the aforementioned legislation) in a certain year is lower. For the purposes of this scheme, any increase in the value of the taxpayer's assets, including unrealised capital gains, is treated as part of the realised yield. To invoke the rebuttal provision, taxpayers must complete and submit a form made available by the Dutch tax authorities. Where the rebuttal succeeds, only the taxpayer's actual return for the relevant year is subject to tax under the savings and investment regime. This rebuttal scheme is intended as a temporary measure pending the introduction of a new system for taxing savings and investments on the basis of actual returns. The legislative proposal for taxing savings and investments on the basis of actual returns was adopted by the Lower Chamber of the Dutch Parliament on February 12, 2026, with an intended effective date of January 1, 2028. However, the Under-Minister for Finance has indicated that certain amendments to the legislative proposal will still be made before it proceeds to the Upper Chamber of the Dutch Parliament, and accordingly both the final legislative framework and whether the intended effective date of January 1, 2028 will be met are not yet clear. Dutch Individual Shareholders should consult their own tax advisors as to the application of this rebuttal scheme to their specific situations.

7.19.2.3 *Material Taxation Considerations for Swedish Private Individuals*

The following section outlines certain key Swedish tax principles that may be relevant to individuals resident in Sweden for tax purposes ("**Swedish Private Individual Shareholders**") with respect to the acquisition, holding or transfer of shares. This summary does not cover all tax considerations potentially relevant to such shareholders but is strictly limited to the high-level Swedish income tax treatment of income from the shares.

7.19.2.3.1 Taxation of Dividend Income

Dividends received on the shares by Swedish Private Individual Shareholders are, as a general rule, taxable as capital income (*kapitalinkomst*) at a flat rate of 30%. For Swedish Private Individual Shareholders, a preliminary tax of 30% is generally withheld by the Swedish nominee in respect of nominee-registered shares.

If any foreign withholding tax has been levied on a dividend distribution on the shares, a Swedish Private Individual Shareholder would generally be entitled to a tax credit in Sweden in respect of such foreign tax.

7.19.2.3.2 Taxation of Capital Gains

Capital gains from the disposal or redemption of the shares by a Swedish Private Individual Shareholder are generally taxable as capital income at a flat rate of 30%. Further, a capital gain on the shares in a liquidation of the Company would also generally be taxable as capital income at a flat rate of 30% for a Swedish Private Individual Shareholder.

The capital gain (or loss) is normally calculated as the difference between the proceeds received, after deducting transaction costs, and the tax basis. The tax basis for all shares of the same class and type is calculated together in accordance with the “average cost method”. Alternatively, the tax basis may be determined as 20% of the proceeds, after deducting transaction costs, under a notional rule.

Capital losses on listed shares are fully deductible against taxable capital gains on shares and on other listed equity-related securities, with the exception of units in securities funds or special funds that consist solely of Swedish receivables (*räntefonder*). Capital losses on listed shares and other equity-related securities which cannot be set off in this way can be deducted with up to 70% against other capital income. If there is a net loss in the capital income category, a tax reduction is allowed against municipal and national income tax, as well as against real estate tax and municipal real estate charges. A tax reduction is allowed with 30% on the portion of such net loss that does not exceed SEK 100,000 and with 21% on any remaining loss. Such net loss cannot be carried forward to future income years.

If any foreign withholding tax has been levied in connection with the disposal of the shares, a Swedish Private Individual Shareholder would generally be entitled to a tax credit in Sweden in respect of such foreign tax.

7.19.2.3.3 Taxation of shares held through an investment savings account

If the shares are held by a Swedish Private Individual Shareholder through an investment savings account (*investeringssparkonto*), dividends and capital gains on the shares would not be taxable. Instead and in short, a standardized tax will be levied on a yearly basis based on any capital held in the account exceeding SEK 300,000.

If any foreign withholding tax has been levied in connection with a dividend distribution or a disposal of the shares, a tax credit in Sweden in respect of such foreign tax should, subject to certain limitations, generally be available against the Swedish standardized tax levied on a holding in an investment savings account.

7.19.2.4 *Material Taxation Considerations for Danish Private Individuals*

The following section outlines certain key Danish tax principles that may be relevant to individuals who are fully tax resident in Denmark and who do not hold the shares in connection with a business activity (“**Danish Private Individual Shareholders**”), in relation to the acquisition, holding or transfer of the shares. This summary does not cover all relevant tax considerations but is limited to the high-level Danish tax treatment of income from the shares.

7.19.2.4.1 Taxation of Dividend Income

Dividends received by Danish Private Individual Shareholders are, as a general rule, taxed as share income (*aktieindkomst*).

For the income year 2026, share income is taxed at a rate of 27% on amounts up to DKK 79,400 (for cohabiting spouses, a total of DKK 158,800) and at a rate of 42% on share income exceeding such thresholds. These thresholds are subject to annual adjustment and encompass all share income (i.e. all capital gains and dividends derived by the individual, or cohabiting spouses, as applicable).

If the shares are held in custody with a Danish financial institution, such institution is generally obliged to report the dividend to the Danish Tax Agency. However, the Danish Private Individual Shareholder remains responsible for ensuring that the reported amount is correct. If the shares are held in custody with a foreign, non-Danish financial institution, the Danish Private Individual Shareholder is generally obliged to self-report dividends received and to pay any Danish tax due at year-end as well as market value of the shares held at year-end.

If non-Danish withholding tax has been levied on dividends, the Danish Private Individual Shareholder may, under certain conditions, be entitled to a credit pursuant to section 33 of the Danish Tax Assessment Act (*Ligningsloven*) or an applicable tax treaty. The credit generally equals the foreign tax paid but cannot exceed the proportionate share of the Danish tax attributable to the foreign income. Where a double tax treaty applies, the

credit cannot exceed the amount of tax that the foreign state is unconditionally entitled to levy under the treaty. The credit for U.S. withholding tax on dividends is generally limited to 15% of the gross dividend. The Danish Private Individual Shareholder is responsible for claiming the credit.

7.19.2.4.2 Taxation of Capital Gains

For the income year 2026, capital gains from the sale of shares are taxed as share income at a rate of 27% up to DKK 79,400 (for cohabiting spouses, a total of DKK 158,800) and a rate of 42% on share income exceeding such thresholds. Such thresholds are subject to annual adjustments and include all share income (i.e. all capital gains and dividends derived by the individual, or cohabiting spouses, as applicable).

Gains and losses on the sale of shares admitted to trading on a regulated market are calculated as the difference between the purchase price and the sales price. The purchase price is generally determined using the average method, meaning each share is considered acquired at a price equivalent to the average acquisition price of all the shareholder's shares in the issuing company.

Losses on the sale of shares admitted to trading on a regulated market or on a multilateral trading facility can only be offset against other share income derived from shares admitted to trading on a regulated market or on a multilateral trading facility. Excess losses may be offset against a cohabiting spouse's share income of the same category. Any remaining losses may be carried forward indefinitely and offset against future share income of the same category.

Losses on shares admitted to trading on a regulated market or on a multilateral trading facility can only be set off against other share income derived from other shares admitted to trading on a regulated market or on a multilateral trading facility if the Danish Tax Agency has received certain information concerning the ownership of the shares before expiry of the tax return filing deadline (typically 1 July of the year following the acquisition of the shares) for the income year in which the shares were acquired. This information is generally provided to the Danish Tax Agency by the financial institution in which the shares are held, if the financial institution is resident in Denmark.

If the shares are held in custody with a Danish financial institution, such institution is generally obliged to report the sale of shares to the Danish Tax Agency. However, the Danish Private Individual Shareholder remains responsible for ensuring that the reported amount is correct. If the shares are held in custody with a foreign, non-Danish financial institution, the Danish Private Individual Shareholder is generally obliged to self-report the sale of shares and pay any Danish tax due at year-end, as well as market value of the shares held at year-end.

7.19.2.4.3 Shares held on a share savings account (*Aktiesparekonto*) or through a pension scheme

Gains and losses on shares placed on a share savings account (*Aktiesparekonto*) are taxed on a mark-to-market basis. Gains and losses are calculated as the difference between the market value of the assets in the account at the beginning (1 January) and the end (31 December) of the income year, adjusted for deposits and withdrawals. The tax base is taxed at a flat rate of 17% and any loss may be carried forward.

For the income year 2026, the maximum aggregate value of deposits that may be held on a share savings account is DKK 174,200. This limit applies only to deposits, as shares already placed on the account may remain regardless of any subsequent increase in value beyond the deposit limit.

Taxation on a share savings account accrues annually irrespective of whether shares have been disposed of or gains or losses realised. If the shares owned are acquired and realised in the same income year, the taxable income equals the difference between the acquisition sum and the realisation sum. If the shares are acquired in the income year and not realised in the same income year, the taxable income equals the difference between the acquisition sum and the value at year-end.

Gains on the share savings account may not be set off against losses incurred outside the share savings account, and vice versa. The return on the account is treated independently of any share savings account held by a cohabiting spouse.

Gains and losses on shares held through pension fund schemes (*Pensionsdepot*) are taxed on a mark-to-market basis. Gains and losses are calculated annually as the difference between the market value of the shareholding at the beginning and end of the income year, adjusted for shares sold and purchased during the income year. Dividends are included in the taxable income in the year in which dividends are declared by the

distributing company. Gains and losses on shares and dividends within a pension fund scheme are taxed at a flat rate of 15.3%.

The specific (Danish) bank, pension institution or similar provider, in which the pension scheme or share savings account is held calculates and settles the applicable taxes together with any taxes relating to other shares held within the same pension fund scheme or share savings account.

7.19.2.5 *Material Taxation Considerations for French Private Individuals*

The following summary outlines certain French tax consequences in connection with the ownership and disposal of the shares by individual shareholders. For the purpose of this summary, the term “**French Individual**” means an individual who (i) is domiciled and is resident of France for tax purposes, (ii) is subject to personal income tax in France (*impôt sur le revenu*), (iii) does not carry out stock market transactions under conditions similar to those characterising a professional trading activity, (iv) owns the shares as part of the individual’s private portfolio and does not hold the shares through (a) a fixed base located outside of France or (b) an enterprise that carries out an industrial, commercial, farming or other professional activity and (v) does not hold and has not acquired the shares through a company savings plan (*plan d’épargne d’entreprise*), a group savings plan (*plan d’épargne de groupe*), a share savings plan (*plan d’épargne en actions*) or as part of an employee incentive scheme (e.g., free shares, restricted share units, shares acquired upon the exercise of stock options etc.).

This summary does not purport to be comprehensive. In particular, it does not take into account the specific circumstances of particular investors some of whom may be subject to special tax rules and is strictly limited to the French personal income tax.

7.19.2.5.1 Taxation of Dividend Income

The gross amount of dividend payments received by a French Individual will generally be subject to a 31.4% flat tax (unless the option for the standard progressive rate is exercised). Such flat tax is composed of (i) personal income tax at a 12.8% rate, and (ii) social levies at an overall rate of 18.6%.

The personal income tax component of this flat tax is subject to a two-step collection procedure: (i) first, the non-discharging tax levy of 12.8%, then (ii) final taxation the following year, settled as part of the tax return filed for personal income tax purposes.

The non-discharging levy of 12.8% is withheld by the paying agent, if it is located in France. When the paying agent is located outside of France, the income is declared and the corresponding levy is paid within the first 15 days of the month following the month in which the income is paid, either by the taxpayer or by the paying agent if it is established in a member State of the European Union or in another State party to the agreement on the EEA that has concluded an administrative assistance agreement with France to fight against tax fraud and tax evasion (namely, Iceland, Norway and Liechtenstein), and has been mandated for this purpose by the taxpayer.

This levy does not release the French Individual from personal income tax but it can be offset against the income tax due for the year in which it is levied, and any excess payment is refundable. In this respect, the gross amount of the dividends will be subject to personal income tax either (i) at a flat rate of 12.8%, or (ii) if expressly, globally, irrevocably and annually elected, at the progressive income tax rate scale (with a top marginal tax rate of 45%). In the latter case, the gross amount of the dividends is taken into account after application of a 40% rebate to it.

Provided that the U.S. - France tax treaty applies, under its Article 24, 1, a), any withholding tax levied in the U.S. on dividends will not be deductible from the French taxable income of the French Individual. However, France could grant a tax credit in respect of such withholding tax, the amount of which should correspond to the amount of the U.S. withholding tax, capped at the amount of the French personal income tax assessed on the dividends.

The gross amount of the dividends will also be included in the French Individual’s reference fiscal income, which may be subject to the exceptional contribution on high income (*contribution exceptionnelle sur les hauts revenus*) at a rate of 3% or 4%, as well as to the differential contribution on high income (*contribution différentielle sur les hauts revenus*), as applicable.

In addition, the gross amount of the distributed income (before application of any rebate) will be subject to social levies at an overall rate of 18.6%. If the dividends are subject to income tax at the abovementioned 12.8% flat rate, none of these social levies are deductible from the taxable income. If the French Individual elected for

the taxation based on the progressive income tax rate scale, only the general social contribution (*contribution sociale généralisée*) will be partially deductible, in the amount of 6.8%, from the taxable income of the year during which it is paid. These social levies are withheld and collected in the same way as the 12.8% non-discharging tax levy described above.

7.19.2.5.2 Taxation of Capital Gains

Capital gains realized upon the disposal of the shares will be subject to (i) income tax at a flat rate of 12.8%, without any rebate and (ii) social levies at a global 18.6% rate (as described above for the dividends). However, French Individuals may elect expressly, globally, irrevocably and annually before the deadline for filing their income tax return for the year in question, that such net capital gains be taken into account for the purposes of determining the overall net income subject to the progressive income tax rate scale. Capital losses incurred in a given year may be offset against capital gains of the same kind realized during that year and during the ten following years.

The capital gains are also included in the French Individual's reference fiscal income, which may be subject to the exceptional contribution on high income at a rate of 3% or 4%, as well as to the differential contribution on high income.

Pursuant to paragraph 6 of Article 13 of the U.S. – France tax treaty, capital gains realized upon the disposal of the shares by French Individuals should not be taxable in the U.S.

7.19.2.5.3 Transfer Taxes

Pursuant to Articles 718 and 726 of the French tax code, no French transfer, stamp or registration taxes, are payable by or on behalf of an investor by reason only of the purchase, ownership or disposal of the Shares, provided that no written agreement formalizing the transfer of the Shares is executed in France. Where applicable (i.e., if a deed is executed in France), a 0.1% transfer tax assessed on the higher of the sale price of the shares or their fair market value will apply.

7.19.2.6 *Material Taxation Considerations for Spanish Private Individuals*

The following section outlines certain key Spanish tax principles that may be relevant to individuals which are tax residency in Spain with respect to the acquisition, holding or transfer of shares. This summary does not cover all tax considerations potentially relevant to such shareholders but is strictly limited to Spanish income tax treatment of income from the shares. This description does not consider the regulations adopted by the different Spanish Autonomous Regions (*Comunidades Autónomas*) that may apply to investors regarding particular taxes or the regional tax regimes in force applicable in the Historical Territories of the Basque Country and the Historical Autonomous Region of Navarre (that is, the *Concierto* and the *Convenio Económico*, respectively).

7.19.2.6.1 Capital Income

Pursuant to article 25 of the PIT Law, capital income shall be considered to include dividends, considerations paid for attending at general meetings of shareholders, income from the creation or assignment of rights of use or enjoyment of the shares and, in general, the participation in the Company's profits, and any other income received by a Spanish tax resident individual from the entity in his or her position as shareholder of the Company.

Administration and custody expenses shall be deducted from capital income obtained by the shareholder as a result of ownership of the shares. However, discretionary or individualised portfolio management expenses shall not be offset against capital income. The amount net of administration and custody expenses shall be included in the savings taxable base of the year in which it is due. At the date of this Prospectus, the savings taxable base is taxed at the fixed rate of 19% (for the first €6,000 of capital income obtained by the individual), 21% (for income of between €6,000.01 and €50,000), 23% (for income of between €50,000.01 and €200,000), 27% (for income of between €200,000.01 and €300,000) and 30% (for income exceeding €300,000).

The Company should not have any obligation to apply Spanish withholding tax on capital income paid to shareholders who are individuals with tax residency in Spain. Nevertheless, Spanish withholding tax at the applicable rate (currently 19%) may have to be deducted by other entities (such as depositaries or financial entities), provided that such entities are resident for tax purposes in Spain or have a permanent establishment in the Spanish territory. The amounts withheld, if any, may be credited by the relevant investors against its final PIT liability.

In addition, any withholding tax levied in the US could be credited subject to certain limitations against the Spanish PIT, thus, reducing the effective tax rate to be paid in Spain.

7.19.2.6.2 Capital Gains and Losses

Gains or losses generated by a Spanish tax resident individual as a result of the transfer of the shares qualify for the purposes of the PIT Law as capital gains or losses and are subject to taxation according to the general rules applicable to capital gains. The amount of capital gains or losses shall be calculated as the negative or positive difference between the acquisition value of the securities and their transfer value, determined by: (i) the listed value of the shares as of the transfer date; or (ii) the agreed transfer price, when this exceeds the listed value of the shares.

Where the PIT taxpayer owns other securities of the same kind, the acquisition price of the transferred shares is based on the principle that those acquired first are sold first (FIFO). Both the acquisition and transfer values are increased or reduced, respectively, by the costs and taxes inherent to such transactions borne by the acquirer or transferor, respectively.

Capital gains or losses derived from the transfer of the shares shall be included and offset in the savings taxable base of the tax period in which the transfer takes place, being taxed as at the same tax rates described in the above section “7.19.2.6.1 Capital Income”.

Capital gains derived from transfer of the shares are not subject to withholding tax on account of PIT. Finally, certain losses derived from the transfer of the shares will not be treated as capital losses when identical securities are acquired during the two months prior or subsequent to the transfer date which originated that loss. In such cases, capital losses shall be included in the taxable base upon the transfer of the remaining shares of the taxpayer.

7.19.2.7 Material Taxation Considerations for Swiss Private Individuals

The following section outlines certain key Swiss tax principles that may be relevant to individuals with a tax residency through their domicile or habitual abode in Switzerland and holding the shares as non-business assets (“**Swiss Private Individual Shareholders**”) with respect to the acquisition, holding or transfer of the shares. This summary does not cover all tax considerations potentially relevant to such shareholders but is strictly limited to the Swiss income tax treatment on a federal, cantonal and communal level of income from the shares. Swiss-resident individuals who, for Swiss income tax purposes, are classified as “professional securities dealers” for reasons of, *inter alia*, frequent dealings or leveraged transactions in securities are holding their shares as business assets and are therefore not considered as Swiss Private Individual Shareholders.

7.19.2.7.1 Taxation of Dividend Income

Swiss Private Individual Shareholders who receive dividends and similar cash or in-kind distributions (including liquidation proceeds), which are not repayments of the par value or permissible repayment of qualifying additional paid in capital (reserves from capital contributions (*Reserven aus Kapitaleinlagen*) of the Company), are required to report such receipts in their individual income tax returns and are subject to Swiss federal, cantonal and communal income tax on any net taxable income for the relevant tax period.

7.19.2.7.2 Taxation of Capital Gains

A gain or a loss by Swiss Private Individual Shareholder realized upon the sale or other disposition of the shares to a third party will generally be a tax-free private capital gain or a not tax-deductible capital loss, as the case may be.

7.19.2.8 Material Taxation Considerations for Norwegian Private Individuals

The following section outlines certain key Norwegian tax principles with respect to the acquisition, holding or transfer of shares that may be relevant to private individuals who are tax resident in Norway and who hold the shares directly, i.e. not corporate shareholders, including holding companies of private individuals. This summary does not cover all tax considerations potentially relevant to such shareholders but is strictly limited to the Norwegian income tax treatment of income from the shares. Net wealth tax considerations have thus not been described.

7.19.2.8.1 Taxation of Dividend Income

Dividends distributed to Norwegian private individual shareholders are taxable under the “shareholder model”. According to the shareholder model, dividends distributed to private individual shareholders are multiplied with a factor of 1.72 before taken to taxation at the ordinary income rate of 22% (resulting in an effective tax rate of 37.84%) to the extent the dividend exceeds a basic tax-free allowance.

The tax-free allowance shall be computed for each individual shareholder on the basis of the cost price of each of the shares multiplied by a risk-free interest rate. The risk-free interest rate will be calculated every income year and is allocated to the shareholder owning the share on December 31 of the relevant income year. Any part of the calculated tax-free allowance in one year exceeding the dividend distributed on the share (“**unused allowance**”) may be carried forward and set off against future dividends received on (or gains upon realization of, see “7.19.2.8.2 *Taxation of Capital Gains and Losses*” below) the same share. Any unused allowance will also be added to the basis of computation of the tax-free allowance on the same share the following year.

The Shares will not qualify for Norwegian share saving accounts (*aksjesparekonto*) since the Company is resident outside the EEA for tax purposes.

U.S. withholding tax withheld on the dividends paid by the Company can (to the extent of the applicable treaty rate) generally be credited against the Norwegian tax liability on the Company’s dividends received by the Norwegian private individuals subject to certain requirements.

7.19.2.8.2 Taxation of Capital Gains and Losses

Sale, redemption or other disposal of shares is considered as a realization for Norwegian tax purposes.

Norwegian private individual shareholders are taxable in Norway for capital gains on the realization of shares, and have a corresponding right to deduct losses. This applies irrespective of how long the shares have been owned by the individual shareholder and irrespective of how many shares that are realized. Gains are taxable as ordinary income in the year of realization, and losses can be deducted from ordinary income in the year of realization. Any gains or losses are also multiplied with a factor of 1.72 before taken to taxation at the tax rate for ordinary income of 22% (resulting in an effective tax rate of 37.84%).

Under current tax rules, gain or loss is calculated per share, as the difference between the consideration received and the tax value of the share. The tax value of each share is based on the individual shareholder's purchase price for the share. Costs incurred in connection with the acquisition or realization of the shares may be deducted in the year of sale. Unused tax-free allowance connected to a share may be deducted from a capital gain on the same share, but may not lead to or increase a deductible loss. Further, unused tax-free allowance related to a share may not be set off against gains from realization of other shares.

If a Norwegian private individual shareholder realizes shares acquired at different point of time, the shares that were first acquired will be deemed as first sold (the “first in first out”-principle) upon calculating taxable gain or loss.

A Norwegian private individual shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares.

The Shares will not qualify for Norwegian share saving accounts (Nw: *aksjesparekonto*) since the Company is resident outside the EEA for tax purposes.

8. DETAILS OF THE OFFERING

Unless otherwise indicated, all information contained in this section assumes i) an initial public offering price of \$135.00 per share of Class A common stock (the expected price set for purposes of the U.S. offering) and ii) that the underwriters do not exercise their option to purchase additional shares of Class A common stock in the global offering from us.

8.1 Conditions to Which the Offering Is Subject

The offering consists of (i) a public offer in the United States, registered under the U.S. Securities Act pursuant to a registration statement on Form S-1 filed with the SEC, referred to as the U.S. offering, (ii) the public offer to eligible retail investors in Germany, Denmark, France, the Netherlands, Norway, Spain and Sweden contemplated by, and on the basis of, this prospectus, referred to as the European retail offering, (iii) a public offer in Australia, (iv) a public offer in certain provinces and territories of Canada, (v) a public offer in Japan, (vi) a public offer in the United Kingdom, (vii) a public offering in Switzerland to individual persons or legal entities which do not qualify as professional clients within the meaning of the FinSA and on the basis of this prospectus as filed with a Swiss prospectus office for automatic acceptance in accordance with article 54(2) FinSA, and (viii) private placements (the offerings contemplated under (ii) through (viii) are collectively referred to as the international offering, and together with the U.S. offering are referred to as the global offering).

In the European retail offering, a maximum of 55,555,555 newly issued shares of Class A common stock are offered (referred to as the European retail shares). The global offering initially comprises: (i) 555,555,555 newly issued shares of Class A common stock (referred to as the base shares) and (ii) up to 83,333,333 newly issued additional shares of Class A common stock to cover potential over-allotments (referred to as the additional shares). The European retail shares form a tranche within the global offering. Any shares offered in the global offering which do not form part of the European retail tranche are offered in any Member State of the EEA solely in circumstances falling within the scope of application of Article 1(4) of the Prospectus Regulation. All shares of the Company are held in registered book-entry form by the transfer agent and registrar Fidelity Stock Transfer Solutions LLC.

Under U.S. Securities laws, the Company has the ability to upsize the U.S. offering, and thereby increase the number of shares offered in the U.S. offering, by filing an amendment to the registration statement filed with the SEC prior to the effectiveness of such registration statement. In addition, under Rule 462(b) under the U.S. Securities Act governing the U.S. offering, the Company may register additional securities under its registration statement filed with the SEC by way of an amendment referred to as an automatically effective post-effective amendment in an amount and at a price that together represent no more than 20% of the maximum aggregate offering price, calculated as the gross proceeds to be received by the Company for the issuance of the offered base shares at the expected price for the U.S. offering together with the additional shares. Consequently, the total number of shares offered in the global offering may increase. However, there will be no increase of the number of shares offered in the European retail offering if the number of shares offered in the global offering is increased.

If and to the extent the European retail shares are not subscribed for by eligible retail investors or if the Company and the European underwriters decide to reduce the number of offered European retail shares or set a final amount of European retail shares offered below the maximum number of shares offered under this prospectus, the European retail shares not subscribed for or no longer offered under this prospectus, respectively, may be offered and sold in the global offering, provided that in any Member States of the EEA they will be offered solely in circumstances falling within the scope of application of Article 1(4) of the Prospectus Regulation.

The European retail offering contemplated by this prospectus is solely made by the Company together with Goldman Sachs, Morgan Stanley, BofA Securities, Citigroup, J.P. Morgan, Deutsche Bank, ING, Santander and Société Générale (referred to as the European underwriters).

The public offering in Switzerland to individual persons or legal entities which do not qualify as professional clients within the meaning of the FinSA made on the basis of this prospectus as filed with a Swiss prospectus office for automatic acceptance in accordance with article 54(2) FinSA is solely made by the Company together with UBS AG.

8.1.1 Securities Offered for Sale

The European retail offering contemplated by this prospectus comprises a

maximum of

55,555,555

**newly issued shares of Class A common stock,
par value \$0.001 per share, of the Company**

(referred to as the European retail shares).

The Company will publish the final amount of European retail shares placed to investors participating in the European retail offering in accordance with Article 17(2) of the Prospectus Regulation on or about June 11, 2026, by means of a notice to be published in electronic form on the Company's website at <https://www.spacexipo.com>.

8.1.2 Eligible investors

The European retail offering is solely addressed to individual persons or legal entities which do not qualify as qualified investors within the meaning of Article 2 point (e) of the Prospectus Regulation (referred to as retail investors) and which are resident or located in Germany, Denmark, France, the Netherlands, Norway, Spain and Sweden.

The Prospectus Regulation defines qualified investors as persons or entities that are listed in points (1) to (4) of Section I of Annex II to Directive 2014/65/EU, as amended ("**MiFID II**"), and persons or entities who are, on request, treated as professional clients in accordance with Section II of that Annex, or recognised as eligible counterparties in accordance with Article 30 of MiFID II unless they have entered into an agreement with their bank or financial intermediary to be treated as non-professional clients in accordance with the fourth paragraph of Section I of that Annex.

In Switzerland, the offering on the basis of this prospectus as filed with a Swiss prospectus office for automatic acceptance in accordance with article 54(2) FinSA is solely addressed to individual persons or legal entities which do not qualify as professional clients within the meaning of the FinSA. The FinSA defines "professional clients" as those persons or entities that either (i) are listed in article 4(3) FinSA and which have not declared an opting-in pursuant to article 5(5) FinSA or (ii) have requested to be treated as professional client (opting-out) pursuant to article 5(1) FinSA.

In each case, orders may also be placed by financial intermediaries which act on behalf of eligible retail investors and by financial intermediaries otherwise acting as a fiduciary or agent for one or more investor accounts, where (a) each such account is an eligible retail investor and (b) the financial intermediary has investment discretion with respect to each such account.

Investors who have doubts as to whether they meet the eligibility criteria should contact their bank or financial intermediary to verify their client classification with that bank or financial intermediary.

8.1.3 Offer Period and Application Process

The European retail offering allows eligible retail investors to submit purchase orders for the offered European retail shares during a period which commences on June 5, 2026 following publication of the prospectus and, in Denmark, France, the Netherlands, Norway, and Spain, following the notification into the respective country, and is expected to end, subject to determination by the Company, on or about June 11, 2026 6:00 p.m. (Central European Summer Time) (12:00 p.m./noon (Eastern Daylight Time)) (the "**offer period**"). With regard to the retail offering in Sweden, the offer period is expected to commence on June 6, 2026. With regard to the retail offering in Switzerland, the offer period is expected to commence following the filing of this prospectus with a Swiss prospectus office on June 5, 2026.

The Company will publish the end of the offer period by means of a notice to be published in electronic form on the Company's website at <https://www.spacexipo.com>. Notwithstanding any other terms of the European retail offering, the Company may at its option and in its sole discretion, at any time before the offer period has expired, extend or shorten the offer period as further set forth in "**8.1.8 Amendments of the Conditions of the**

Offering”. Eligible retail investors who intend to submit offers to purchase shares of Class A common stock offered in the European retail offering should verify with their bank or financial intermediary whether earlier deadlines apply for technical reasons or otherwise.

8.1.3.1 General

Eligible retail investors will be able to place their orders in the European retail offering contemplated by this prospectus including through the banks and financial intermediaries set forth in the following sections. Eligible retail investors wishing to place orders with one of the syndicate banks, their relevant affiliates or financial intermediary listed below, but do not have any relationship with them may be required to open a securities account and a cash account. Eligible retail investors wishing to place orders through any other bank or financial intermediary should check with their bank or financial intermediary whether orders can be transmitted to one of the European underwriters and may be required to open a securities account and a cash account with their bank or financial intermediary. Opening an account as well as placing a purchase order may require completing appropriate forms and/or documentation customarily required by the relevant bank or financial intermediary.

Eligible retail investors will not be charged expenses by the Company or the European underwriters (in their capacity as underwriters). Investors may, however, have to bear customary transaction and handling fees charged by their brokers or other financial institutions through which they order and/or hold their securities, including exchange rate conversion fees, and customary security commissions may apply.

If orders for the offered shares of Class A common stock are placed through financial intermediaries other than any syndicate members, the timeline, validity and form of instructions to the financial intermediary in relation to the placing of orders for the offered shares of Class A common stock will be determined by each financial intermediary in accordance with its usual procedures or as otherwise notified to investors. The Company and the European underwriters are not liable for any action or failure to act by any such financial intermediary in connection with any order or purported order for the offered shares of Class A common stock.

Unless otherwise stated in the following sections, the following general requirements apply to purchase orders by retail investors: Purchase order should be submitted in number of offered shares of Class A common stock only instead of currency amounts and may include a price limit. Depending on the jurisdiction and bank or financial intermediary, retail investors may or may not be able to indicate a price limit for their purchase orders or place unlimited orders. In case a price limit is allowed, price limits for purchase orders from retail investors must be expressed in full \$ amounts or increments of 25, 50 or 75 U.S. cents. Should no price limit be possible or indicated (i.e. orders at fixed prices as in France), purchase orders submitted by retail investors will be valid up until the maximum public offering price. Multiple purchase orders are permitted, unless otherwise stated in the following sections. There is no minimum and/or maximum number or amount for purchase orders.

The European retail offering of the shares of Class A common stock by the Company and the European underwriters is subject to receipt and acceptance and subject to the Company’s and the European underwriters’ right to reject any order in whole or in part, at their discretion.

8.1.3.2 Placement through syndicate members and local financial intermediaries

Eligible retail investors will be able to place orders through the following syndicate members and local financial intermediaries below.

8.1.3.2.1 Germany

Retail investors in Germany will be able to place their orders through Deutsche Bank (including maxblue), COMMERZBANK Aktiengesellschaft (including comdirect), Cooperative Banks of Genossenschaftliche FinanzGruppe Volksbanken Raiffeisenbanken (including GENO Broker GmbH), flatexDEGIRO Bank SE (“**flatexDEGIRO**”), LBBW and BW Bank, with Deutsche Bank acting as retail coordinator consolidating orders placed through any of the foregoing intermediaries.

Separately from the placement of orders through financial intermediaries for which Deutsche Bank acts as retail coordinator, retail investors in Germany will be able to place their orders through J.P. Morgan and ING as well as the financial intermediaries Interactive Brokers Ireland Limited (“**Interactive Brokers**”), Revolut Securities Europe UAB (“**Revolut**”) and Trade Republic Bank GmbH (“**Trade Republic**”), as described below.

8.1.3.2.2 Denmark, Norway and Sweden

Retail investors in Denmark will be able to place their orders through J.P. Morgan as well as the financial intermediaries Interactive Brokers, Nordnet Bank AB (“**Nordnet**”) and Saxo Bank (as defined below), retail investors in Norway will be able to place their orders through J.P. Morgan as well as the financial intermediary Nordnet, and retail investors in Sweden will be able to place their orders through J.P. Morgan as well as the financial intermediaries Nordnet and Interactive Brokers as described below.

8.1.3.2.3 France

Retail investors in France who wish to subscribe for offered shares of Class A common stock should submit their subscriptions to the retail networks of Société Générale and to Boursorama (Boursorama S.A.), which will be responsible for collecting subscriptions from eligible retail investors and for submitting their subscriptions to Société Générale as retail coordinator in France.

Separately from the placement of orders through the foregoing financial intermediaries, retail investors in France will be able to place their orders through J.P. Morgan as well as the financial intermediaries Interactive Brokers, flatexDEGIRO, Revolut, Saxo Bank (as defined below) and Trade Republic, as described below.

8.1.3.2.4 Netherlands

Retail investors in the Netherlands who wish to purchase offered shares of Class A common stock should submit their orders through their own financial intermediary. The financial intermediary will be responsible for collecting purchase orders from eligible retail investors and for submitting their orders to ING as retail coordinator in the Netherlands. The retail coordinator will consolidate orders submitted by Dutch retail investors to financial intermediaries and inform the representatives and the European underwriters and the Company. All questions concerning the timelines, validity and form of instructions to a financial intermediary in relation to the purchase of offered shares of Class A common stock will be determined by the financial intermediaries in accordance with their usual procedures or as otherwise notified to the retail investors. Neither the Company nor the European underwriters are liable for any action or failure to act by a financial intermediary in connection with any purchase, or purported purchase, of offered shares of Class A common stock.

Separately from the placement of orders through financial intermediaries for which ING acts as retail coordinator, retail investors in the Netherlands will be able to place their orders through J.P. Morgan as well as the financial intermediaries Interactive Brokers, flatexDEGIRO, Revolut, Saxo Bank (as defined below) and Trade Republic, as described below.

8.1.3.2.5 Spain

Retail investors in Spain will be able to place their orders through Santander, GVC Gaesco Valores, S.V., S.A. and Renta 4 Banco, S.A., with Santander acting as retail coordinator consolidating orders placed through any of the other foregoing intermediaries. Every order for which Santander will act as retail coordinator must be expressed in number of shares of Class A common stock with no indication of price and shall be deemed placed at the final public offering price.

Separately from the placement of orders through financial intermediaries for which Santander will act as retail coordinator, retail investors in Spain will be able to place their orders through J.P. Morgan and Deutsche Bank as well as the financial intermediaries Interactive Brokers, flatexDEGIRO, Revolut and Trade Republic, as described below.

8.1.3.2.6 Switzerland

Retail investors in Switzerland (i.e. individual persons or legal entities which do not qualify as professional clients within the meaning of the FinSA) will be able to place their orders through UBS AG and Saxo Bank (as defined below), as described below.

8.1.3.3 Placement through other financial intermediaries

In addition, eligible retail investors will be able to place orders through the following financial intermediaries:

8.1.3.3.1 Interactive Brokers

Retail investors in Netherlands, Spain, France, Germany, Norway, Denmark and Sweden will be able to place their orders through Interactive Brokers' electronic trading platform during the offer period (including through www.interactivebrokers.ie/en/trading/ipo-offers.php). Purchase orders can be submitted during the offer period. Every order must be expressed in number of shares of Class A common stock and will be made at and valid up until the maximum public offer price. There is no minimum or maximum amount or number of shares that may be purchased in one order. To ensure that they do not lose their right to any allotment, Interactive Brokers customers must have sufficient funds available in their account during the offer period and until the settlement date.

8.1.3.3.2 flatexDEGIRO

Retail investors in Germany, the Netherlands, France, and Spain will be able to place their orders through flatexDEGIRO. Application to purchase shares can be made via flatex, DEGIRO and ViTrade apps and frontends. Purchase orders can be submitted during the offer period. Every order must be expressed in number of shares of Class A common stock and will be made at and valid up until the maximum public offer price. The order might be subject to a minimum and/or maximum subscription amount when submitting an order. The cash amount corresponding to an order will be reserved in the client's account for the duration of the offer period and until the settlement date, if an order receives an allocation.

8.1.3.3.3 Nordnet

Retail investors in Denmark, Norway and Sweden will be able to place their orders through Nordnet's webservice. Application to purchase shares can be made via Nordnet's web platforms at www.nordnet.dk, www.nordnet.no and www.nordnet.se. Purchase orders can be submitted during the offer period. There is no minimum or maximum amount or number of shares that may be submitted in one purchase order. To ensure that they do not lose their right to any allotment, Nordnet customers must have sufficient funds available no later than the closing of the offer period and until the settlement date. For customers that have an investment savings account at Nordnet, should an application result in allotment, Nordnet will purchase the equivalent number of shares to the European retail offering and resell the shares to the customer at a price corresponding to the final public offering price.

8.1.3.3.4 Revolut

Retail investors in Germany, Denmark, France, the Netherlands, Norway, Spain and Sweden will be able to place their orders through the investment platform of Revolut accessible through Revolut mobile application. Application to acquire shares is made via the Revolut mobile application and can be submitted during the offer period. Revolut customers must have sufficient funds in U.S. dollars available in their Revolut General Investment Account before placing the order. The cash amount corresponding to a placed order will be reserved in the client's investment account for the duration of the offer period and until the settlement date. Eligible retail investors must indicate in their orders a cash subscription amount expressed in U.S. dollars (not as a number of shares) in full U.S. dollars amounts, where each order will be treated as a market order and will be deemed placed at the final public offering price. Only whole shares of Class A common stock will be allocated. The order might be subject to the minimum and/or maximum subscription amounts disclosed prior to submitting an order.

8.1.3.3.5 Saxo Bank

Retail investors in Denmark, France and the Netherlands will be able to place their orders through Saxo Bank A/S, and retail investors in Switzerland through Saxo Bank (Schweiz) AG (each "**Saxo Bank**"). Application to purchase shares can be made via Saxo Bank's web platforms at <https://www.home.saxo>. Purchase orders can be submitted during the offer period. Every order must be expressed in number of shares of Class A common stock and will be made at and valid up until the maximum public offer price. There is no minimum or maximum amount or number of shares that may be purchased in one order. The cash amount corresponding to an order will be reserved in the client's account for the duration of the offer period and until the settlement date, if an order receives an allocation.

8.1.3.3.6 Trade Republic

Retail investors in Germany, France, the Netherlands and Spain will be able to place their orders through Trade Republic. Application to purchase shares can be made via Trade Republic's App. Purchase orders can be submitted during the offer period. Every order must be expressed in number of shares of Class A common stock

and will be made at and valid up until the maximum public offer price. There is no minimum or maximum amount or number of shares that may be purchased in one order. The cash amount corresponding to an order will be reserved in the client's account for the duration of the offer period and until the settlement date, if an order receives an allocation.

8.1.4 Withdrawal of Applications

Investors are free to withdraw their offers to purchase until the end of the offer period, and in the circumstances set forth in “8.1.8 Amendments of the Conditions of the Offering” below.

8.1.5 Pricing

**In the European retail offering, our shares of Class A common stock are offered at a
maximum public offering price of
\$162.00 per share.**

Investors placing orders below \$135.00, which is the expected price for the U.S. offering, should not expect to receive an allocation in the European retail offering.

Depending on the jurisdiction and bank or financial intermediary, retail investors may or may not be able to indicate a price limit for orders or place unlimited orders. Orders without indicated price limit or unlimited orders submitted by retail investors will be valid up until the maximum public offering price.

For purposes of the U.S. offering, the Company and the representatives have set an expected price of \$135.00, which may be varied from time to time but will not exceed the maximum public offering price at which our shares of Class A common stock are offered in the European retail offering.

The final public offering price per share of Class A common stock in the European retail offering will be equal to the final initial public offering price per share of Class A common stock determined in the U.S. offering.

For example, if the expected price set for purposes of the U.S. offering were to be varied to \$138.00 and the final public offering price be set at that price, the final public offering price in the European retail offering would be set at \$138.00 as well.

The final public offering price will be exclusive of tax on stock exchange transactions or other taxes, and of costs (including exchange rate conversion fees), if any, charged by financial intermediaries (other than the European underwriters) for the placement of purchase orders.

The Company will publish the final public offering price in accordance with Article 17(2) of the Prospectus Regulation on or about June 11, 2026, by means of a notice to be published in electronic form on the Company's website at <https://www.spacexipo.com>.

In comparison to the maximum public offering price, during the last twelve months to June 4, 2026, our Chief Executive Officer, Chief Technical Officer and Chairman of the Board Elon Musk, our President, Chief Operating Officer and Director Gwynne Shotwell and our Chief Financial Officer Bret Johnsen have acquired shares of our common stock under option and equity awards at weighted average effective cash cost per share of approximately \$0.00 (all zero-cost awards), \$11.0628 (or \$11.2775 excluding zero-cost awards) and \$4.4251 (or \$4.4267 excluding zero-cost awards), respectively. For information of outstanding equity compensation arrangements allowing for the future acquisition of shares, see “9.3.5 Other Matters” and “9.3.6 Executive Compensation Tables”.

8.1.6 Determination of the Final Result of the Offering

Prior to the global offering, there has been no public market for the shares of our Class A common stock. The final public offering price and the final number of shares sold will be determined by negotiations between us and the representatives. Among the factors considered in determining the final public offering price and the final number of shares sold are prevailing market conditions, our future prospects and those of our industry in general, our historical financial and operating performance in recent periods, an assessment by our management and the

consideration of the above factors in relation to market valuation of companies engaged in activities similar to ours.

8.1.7 Publication of the Final Results of the Offering

The results of the global offering and the European retail offering are expected to be published on or about June 11, 2026, by means of a notice to be published in electronic form on the Company's website at <https://www.spacexipo.com>.

Investors who have placed purchase orders in the European retail offering with one of the European underwriters or financial intermediaries can obtain information from that European underwriter or financial intermediary about the final public offering price and the number of shares of Class A common stock allotted to them following the pricing. As trading in the Company's shares on Nasdaq is expected to begin on or about June 12, 2026, investors may not have obtained information about the number of shares allotted to them at the time of beginning of trading.

8.1.8 Amendments of the Conditions of the Offering

We reserve the right, after consultation with the representatives, to increase or decrease the total number of offered shares of Class A common stock in the global offering and the European retail offering, to increase or decrease the maximum public offering price, and/or to extend or shorten the offer period.

Changes in relation to the number of offered shares of Class A common stock, changes to the maximum public offering price, or the extension or shortening of the offer period will not invalidate any offers to purchase shares of Class A common stock that have already been submitted. If such change requires the publication of a supplement to the prospectus, investors who submitted purchase orders before the supplement is published shall have the right, pursuant to Article 23 of the Prospectus Regulation, to withdraw these offers to purchase within three working days (within the meaning of Article 2 point (t) of the Prospectus Regulation) of the publication of such supplement, provided that the significant new factor, material mistake or material inaccuracy requiring the publication of a supplement to this prospectus arose or was noted before the closing of the offer period or the delivery of the offered shares of Class A common stock. Investors who have submitted offers to purchase will not be notified individually. Instead of withdrawing their offers to purchase our Class A common stock placed prior to the publication of the supplement, investors may change their orders or place new limited or unlimited offers to purchase within three working days (within the meaning of Article 2 point (t) of the Prospectus Regulation) following the publication of the supplement, depending on the procedures of the syndicate banks and financial intermediaries through which orders are placed.

Any changes to the terms of the European retail offering and the global offering will be published on the Company's website at www.spacex.com, on the SEC's website at www.sec.gov, and/or, if required, as a supplement to this prospectus.

8.1.9 Conditions for the Closing of the Offering

The underwriting agreement, which we expect to enter into with representatives on or about June 11, 2026, will provide that the obligations of the several underwriters to pay for and accept delivery of the shares of Class A common stock offered in the global offering and by this prospectus are, and consequently the closing of the global offering and the European retail offering are, subject to certain conditions as further detailed in "8.3 Placing and Underwriting" below.

8.1.10 Termination of the Offering

Upon the occurrence or non-occurrence of certain customary events prior to the expected closing date or the closing date in relation to any additional shares sold pursuant to the option to purchase additional shares described in "8.4.1.2 Option to Purchase Additional Shares" below, the representatives, on behalf of the underwriters, may terminate the underwriting agreement, after the final results of the offering have been determined, please refer to "8.3.3 Termination and Indemnification" below.

If the global offering is not successful and the underwriting agreement is not executed or if the offering is successful and the underwriting agreement is executed, the conditions for the closing of the global offering are not satisfied or in case of a termination of the underwriting agreement prior to the expected closing date, the global offering, including the European retail offering, will not take place, orders placed for our class Class A common stock by investors will be automatically cancelled, allocations of our Class A common stock to investors will

become void, and investors have no claim regarding the delivery of our Class A common stock. Claims with respect to any subscription fees already paid and costs incurred by an investor in connection with the purchase of our Class A common stock will be governed solely by the legal relationship between the investor and the financial intermediary to which the investor submitted its purchase order. The Company and, if orders for the offered shares of Class A common stock are placed through financial intermediaries other than the European underwriters, the European underwriters will have no responsibility or liability for any loss incurred by any person as a result of a termination of the global offering, including the European retail offering, or the related annulment of any transactions in Class A common stock.

8.1.11 Payment and Delivery of Class A Common Stock

Payment for any shares sold in the global offering (if any) is expected to be made to the Company against delivery of such shares for the respective accounts of the several underwriters at 10:00 a.m., New York City time, on or about June 15, 2026, or at such other time on the same or such other date, not later than June 15, 2026 (the closing date).

Book-entry delivery of the allotted shares of Class A common stock to investors participating in the European retail offering against payment of the final public offering price is expected to take place as soon as practicable thereafter. Customary security commissions may apply.

8.1.12 Indicative Timetable for the Offering

The indicative timetable for the European retail offering, which may be extended or shortened and remains subject to change, is as follows:

June 5, 2026	Approval of the prospectus by Bafin
	Provision of certificate of approval attesting that the prospectus has been drawn up in accordance with the Prospectus Regulation to the Danish supervisory authority <i>Finanstilsynet</i> , the Dutch supervisory authority <i>Autoriteit Financiële Markten (AFM)</i> , the French supervisory authority <i>Autorité des Marchés Financiers (AMF)</i> , the Norwegian supervisory authority <i>Finanstilsynet - Financial Supervisory Authority</i> , the Spanish supervisory authority <i>Comisión Nacional del Mercado de Valores (CNMV)</i> and the Swedish supervisory authority <i>Finansinspektionen (FI)</i> by Bafin
	Publication of the approved prospectus on the Company's website (https://www.spacexipo.com)
June 5, 2026	Commencement of the offer period in Germany, Denmark, France, the Netherlands, Norway and Spain
June 6, 2026	Commencement of the offer period in Sweden
On or about June 11, 2026	Expiration of the offer period
On or about June 11, 2026	Determination and publication of the final amount of shares of Class A common stock placed to investors participating in the European retail offering and the final public offering price in the form of a notice pursuant to Article 17(2) of the Prospectus Regulation to be published in electronic form on the Company's website (https://www.spacexipo.com)
	Publication of the results of the global offering and the European retail offering in the form of a notice to be published in electronic form on the Company's website (https://www.spacexipo.com)
June 12, 2026	Commencement of trading in the Company's Class A common stock on Nasdaq

June 15, 2026	Closing of the global offering (delivery of the purchased Class A common stock to the underwriters)
As soon as practicable thereafter	Onward delivery of purchased Class A common stock to investors, including in the European retail offering

The prospectus will be published on the Company's website at <https://www.spacexipo.com>.

8.2 Plan of Distribution and Allotment

8.2.1 Plan of Allotment

The global offering of the shares of Class A common stock by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part, at their discretion, provided that the following criteria will be observed.

8.2.1.1 European Retail Offering

The European retail offering contemplated by this prospectus forms a tranche within the global offering. If and to the extent the European retail shares are not subscribed for by eligible retail investors or if the Company and the European underwriters decide to reduce the number of offered European retail shares or set a final amount of European retail shares offered below the maximum number of shares offered under this prospectus, the European retail shares not subscribed for or no longer offered under this prospectus, respectively, may be offered and sold in the global offering, provided that in any Member States of the EEA they will be offered solely in circumstances falling within the scope of application of Article 1(4) of the Prospectus Regulation.

8.2.1.2 Directed Share Program

At our request, the underwriters have reserved up to 5% of the shares of Class A common stock offered in the global offering for sale at the initial public offering price through a directed share program to certain employees and persons selected based on the discretion of our executive officers, which may include parties with whom we have a business relationship and friends and family of our executive officers. If purchased by these persons, these shares will not be subject to lock-up restriction. The number of shares of Class A common stock available for sale to the general public will be reduced by the number of reserved shares sold to these persons, provided that no European retail shares will be offered under the directed share program and, therefore, the number of European retail shares available for sale will remain unaffected. Any reserved shares not purchased by these persons will be offered by the underwriters to the general public on the same basis as the other shares of Class A common stock offered in the global offering other than in the European retail offering and the offering made in Switzerland on the basis of this prospectus. We will agree to indemnify the underwriters and their affiliates against certain liabilities and expenses, including liabilities under the U.S. Securities Act, in connection with sales of the shares reserved for the directed share program. Morgan Stanley & Co. LLC, an underwriter in the global offering, and its affiliates will administer the global directed share program.

8.2.1.3 Maximum Allocation to Discretionary Accounts

With respect to the global offering, the underwriters have informed us that they do not intend sales to discretionary accounts (i.e., customer accounts for which the underwriters (by virtue of being broker-dealers and holding customer funds) have investment authority to buy shares on their client's behalf (without requiring express client approval)) to exceed 5% of the total number of shares of Class A common stock offered by them.

8.2.2 Distribution through selling group members

In addition to allocations made to retail investors by the underwriters, we currently anticipate that certain of the shares of Class A common stock offered in the global offering will, at our request, be placed with retail investors in the United States through Charles Schwab & Co., Inc., Fidelity Brokerage Services LLC and Fidelity Capital Markets, a division of National Financial Services LLC, Robinhood Financial, LLC, and SoFi Securities LLC, as selling group members, via their respective online brokerage platforms. We also anticipate that certain of the shares of Class A common stock will be offered in the U.S. offering to retail investors through E*TRADE by Morgan Stanley, an affiliate of Morgan Stanley & Co. LLC, one of the underwriters of the global offering. These platforms are not affiliated with us. Purchases through these platforms will be subject to the terms, conditions and requirements set by each selling group member. Any purchase of our Class A common stock in the global offering

through these platforms will be at the same initial public offering price, and at the same time, as any other purchases in the global offering, including purchases by institutions and other large investors. The selling group members' platforms and information on the selling group members' applications do not form a part of nor are they incorporated by reference into this prospectus.

8.3 Placing and Underwriting

If the global offering is successful, the Company expects to enter into an underwriting agreement with the representatives, acting on behalf of the underwriters named below on or about June 11, 2026 after the end of the offer period. As of the date of this prospectus, the underwriters have not agreed to underwrite our shares of Class A common stock offered in the global offering and the European retail offering on a firm commitment basis, and are under no obligation to enter into the underwriting agreement. However, if the global offering is successful and a final public offering price is set, the Company expects the underwriters to underwrite our shares of Class A common stock finally placed in the global offering on a firm commitment basis (as set out immediately below).

8.3.1 Subject of and Arrangements on Underwriting

Under the terms and subject to the conditions in the underwriting agreement, the underwriters named below (collectively referred to as the “**underwriters**”) are expected to severally agree to purchase, and we expect to agree to sell to them, severally, all shares of Class A common stock finally placed in the global offering:

Underwriters

Goldman Sachs & Co. LLC, 200 West Street, New York, NY 10282, United States / Goldman Sachs Canada Inc., TD North Tower 77 King Street West Suite 3400, Toronto-Dominion Centre, Toronto, Ontario M5K 1B7, Canada / Goldman Sachs Bank Europe SE, Marienturm, Taunusanlage 9-10, 60329 Frankfurt am Main, Germany (jointly)

Morgan Stanley & Co. LLC, 1585 Broadway, New York, NY 10036, United States / Morgan Stanley Canada Limited, 181 Bay Street Suite 3700, Toronto, Ontario M5J 2T3, Canada / Morgan Stanley Europe SE, Große Gallusstraße 18, 60312 Frankfurt am Main, Germany (jointly)

BofA Securities, Inc., One Bryant Park, New York, NY 10036, United States / Merrill Lynch Canada Inc., 181 Bay Street, Suite 400, Toronto, Ontario M5J 2V8, Canada / BofA Securities Europe SA, 51 rue La Boétie, 75008 Paris, France (jointly)

Citigroup Global Markets Inc., 388 Greenwich Street, New York, NY 10013, United States / Citigroup Global Markets Canada Inc., 123 Front Street West, Suite 1900, Toronto, Ontario M5J 2M3, Canada / Citigroup Global Markets Europe AG, Börsenplatz 9, 60313 Frankfurt am Main, Germany (jointly)

J.P. Morgan Securities LLC, 270 Park Avenue, New York, NY 10017, United States / J.P. Morgan Securities Canada Inc., TD Bank Tower, Suite 4500, 66 Wellington Street West, Toronto, Ontario M5K 1E7, Canada / J.P. Morgan SE, Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Germany (jointly)

Barclays Capital Inc., 745 Seventh Avenue, New York, NY 10019, United States / Barclays Capital Canada Inc., 181 Bay Street, 47th floor, Toronto, Ontario M5J 2T3, Canada (jointly)

Deutsche Bank Securities Inc., 1 Columbus Circle, New York, NY 10019, United States / Deutsche Bank Aktiengesellschaft, Mainzer Landstr. 11-17 60329 Frankfurt am Main, Germany (jointly)

RBC Capital Markets, LLC, 200 Vesey Street, New York, NY 10281, United States / RBC Dominion Securities Inc., Royal Bank Plaza, 200 Bay Street, North Tower, P.O. Box 75, Toronto, Ontario M5J 2Z5, Canada (jointly)

UBS Securities LLC, 11 Madison Avenue, New York, NY 10010, United States / UBS Securities Canada Inc., 161 Bay Street, Suite 4000, Toronto, Ontario M5J 2S1, Canada / UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland (jointly)

Wells Fargo Securities, LLC, 500 West 33rd Street, 14th floor, New York, NY 10001, United States / Wells Fargo Securities Canada, Ltd., 22 Adelaide Street West, Suite 2200, Toronto, Ontario ON M5H 4E3, Canada (jointly)

Banco BTG Pactual S.A. – Cayman Branch, 601 Lexington Avenue, 57th floor, New York, NY 10022, United States

ING Bank N.V., Bijlmerdreef 106, 1102 CT Amsterdam, The Netherlands

Macquarie Capital (USA) Inc., 660 Fifth Avenue, New York, NY 10103, United States

Mirae Asset Securities Co., Ltd., Mirae Asset Center 1 Building, 26 Eulji-ro 5-gil, Jung-gu, Seoul 04539, Republic of Korea

Mizuho Securities USA LLC, 1271 Avenue of the Americas, New York, NY 10020, United States / Mizuho Securities Canada Inc., 1133 Melville Street, Suite 3500, The Stack Vancouver, British Columbia (CA-BC), V6E 4E5, Canada (jointly)

Santander US Capital Markets LLC, 437 Madison Avenue, New York, NY 10022, United States / Banco Santander, S.A., Paseo de Pereda, 9-12, Santander, Spain (jointly)

Allen & Company LLC, 711 Fifth Avenue, New York, NY 10022, United States

Cantor Fitzgerald & Co., 110 East 59th Street, New York, NY 10022, United States / Cantor Fitzgerald Canada Corporation, 181 University Avenue, Suite 1500, Toronto, Ontario M5H 3M7, Canada (jointly)

Needham & Company, LLC, 250 Park Avenue, New York, NY 10177, United States

Raymond James & Associates, Inc., 880 Carillon Parkway, St. Petersburg, FL 33716, United States / Raymond James Ltd., #5300, 40 King Street West, Scotia Plaza, P.O. Box 415, Toronto, Ontario M5H 3Y2, Canada (jointly)

Underwriters

SG Americas Securities, LLC, 245 Park Avenue, New York, NY 10167, United States / Société Générale S.A., 29 boulevard Haussmann, 75009 Paris, France (jointly)

Stifel, Nicolaus & Company, Incorporated, 787 7th Ave., 11th Floor, New York, NY 10019, United States / Stifel Nicolaus Canada Inc., 161 Bay Street, Suite 3800, Toronto, Ontario M5J 2S1, Canada (jointly)

William Blair & Company, L.L.C., 150 North Riverside Plaza, Chicago, Illinois 60606, United States

Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC, BofA Securities, Inc., Citigroup Global Markets Inc. and J.P. Morgan Securities LLC are acting as joint book-running managers and as representatives (collectively referred to as the “**representatives**”) for the underwriters in the global offering. The joint book-running managers and representatives advise the Company on the global offering and coordinate the structuring and execution of the global offering. The United States underwriters and international underwriters named in this prospectus will participate in the U.S. offering and the other international offerings (including private placements) but will not participate in the European retail offering.

The underwriters are offering the shares of Class A common stock subject to their acceptance of such shares from us and subject to prior sale. If the underwriting agreement is made, the underwriters will be obligated to take and pay for all of the shares of Class A common stock offered finally placed in the global offering (including the European retail offering) if any such shares are taken up by investors (firm commitment basis).

However, the individual underwriting quotas (i.e. the number of shares of Class A common stock to be severally underwritten by each underwriter) have not yet been determined as of the date of this prospectus. These quotas will only be determined upon pricing of the global offering. The Company will determine the individual quotas, taking into account, among other things, each underwriter’s contribution to the bookbuilding process and its respective role in the syndicate of the global offering. Irrespective of the allocation of individual quotas, the underwriters will, in the aggregate, severally underwrite all shares of Class A common stock finally placed in the global offering on a firm commitment basis, subject to and upon execution of the underwriting agreement.

The underwriting agreement will provide that the obligations of the several underwriters to pay for and accept delivery of the shares of Class A common stock offered by us in the global offering (including the European retail offering) are subject to various conditions, including, among other things, (i) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded any of the securities of the Company or any of its subsidiaries by any “nationally recognized statistical rating organization”, as such term is defined in Section 3(a)(62) of the Exchange Act (ii) there shall not have occurred any change, or any development involving a prospective change, in the condition, financial or otherwise, or in the earnings, business or operations of the Company and its subsidiaries, taken as a whole, from that set forth in the prospectuses relating to the global offering, including this prospectus, that, in the representatives’ judgment, is material and adverse and that makes it, in the representatives’ judgment, impracticable to market the Class A common stock on the terms and in the manner contemplated in the prospectuses, and (iii) the receipt of customary certificates, legal opinions and auditor letters.

To cover any over-allotments made through stabilization transactions, the Company will agree in the underwriting agreement to grant the underwriters an option to purchase up to 83,333,333 additional shares, as further detailed in “8.4.1.2 *Option to Purchase Additional Shares*” below. The underwriters are not required to take or pay for the shares covered by the underwriters’ option to purchase additional shares.

8.3.2 Underwriting Discounts and Commissions

The Company and the underwriters have not yet agreed on the underwriting discounts and commissions. The underwriting discounts and commissions will be determined by the Company at pricing and will be agreed with the underwriters in the underwriting agreement. The Company expects that the total underwriting discounts and commissions for the global offering will be approximately \$500 million.

The following table shows the per share and total public offering price, indicative maximum of underwriting discounts and commissions, and resulting proceeds before expenses to us (in each case including their respective attribution to European retail shares) assuming the shares are finally placed at the expected price for the purpose of the U.S. offering of \$135.00 and at the maximum public offering price in the European retail offering of \$162.00. These amounts are shown assuming no exercise and assuming full exercise of the underwriters’ option to purchase up to an additional 83,333,333 shares of Class A common stock.

	Per Share ⁽¹⁾		Total (million)			
			No Exercise		Full Exercise ⁽²⁾	
Public offering price per share..	\$135.00	\$162.00	\$135.00	\$162.00	\$135.00	\$162.00
Gross proceeds of the global offering.....			75,000	\$90,000	\$86,250	\$103,500
Underwriting discounts and commissions to be paid by us (indication of the maximum we expect not to exceed)	\$0.90	\$0.90	\$500	\$500	\$500	\$500
thereof attributable to the sale of all European retail shares	\$0.90	\$0.90	\$50.0	\$50.0	\$50.0	\$50.0
Proceeds, before expenses, to us.....	\$134.10	\$161.10	\$74,500	\$89,500	\$85,750	\$103,000
thereof attributable to the sale of all European retail shares	\$134.10	\$161.10	\$7,450	\$8,950	\$7,450	\$8,950

(1) Assuming sale of all base shares and assuming no sale of shares pursuant to the over-allotment option.

(2) The underwriters will not receive any discount or commission on any shares of our Class A common stock sold pursuant to the over-allotment option.

We have agreed to reimburse the underwriters for their reasonable expenses relating to clearance of the U.S. offering with the United States Financial Industry Regulatory Authority up to \$200,000.

8.3.3 Termination and Indemnification

The underwriters will have the right to terminate the underwriting agreement by notice given by the representatives to the Company, if after the execution and delivery of the underwriting agreement and prior to or on the closing date in relation to the final number of shares purchased or any option closing date in relation to the option to purchase additional shares as described in “8.4.1.2 Option to Purchase Additional Shares” below, as the case may be,

- trading generally shall have been suspended or materially limited on, or by, as the case may be, the New York Stock Exchange or the NASDAQ Global Market or, solely with respect of the European retail offering, the Frankfurt Stock Exchange,
- a material disruption in securities settlement, payment or clearance services in the United States or, solely with respect of the European retail offering, Europe shall have occurred,
- any moratorium on commercial banking activities shall have been declared by Federal or New York State authorities or, solely with respect of the European retail offering, shall have occurred in Frankfurt am Main,
- a material adverse change in national or international financial, political, or economic conditions or currency exchange rates or currency controls which has a material adverse impact on the financial markets in the United States or, solely with respect of the European retail offering, Europe shall have occurred, or
- there shall have occurred any outbreak or escalation of hostilities, the declaration of a national emergency or war, any acts of terrorism, or any change in financial markets or any calamity or crisis that, in the representatives’ reasonable judgment, is material and adverse and which, singly or together with any other event specified in this clause, makes it, in the representatives’ judgment, impracticable or inadvisable to proceed with the offer, sale or delivery of the Shares on the terms and in the manner contemplated in the prospectus for purposes of the U.S. offering.

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the U.S. Securities Act and other applicable securities laws that may arise in connection with the global offering.

8.3.4 *Selling Restrictions*

The distribution of this prospectus and the sale of our Class A common stock may be restricted by law in certain jurisdictions. Our Class A common stock may not be offered or sold, directly or indirectly, and neither the prospectus nor any other offering material or advertisement in connection with our Class A common stock may be distributed or published in or from any country or jurisdiction other than any country or territory in which a public offering is made under the global offering, except in compliance with any applicable rules and regulations of any other country or jurisdiction. It is the responsibility of any person who receives a copy of this prospectus to inform themselves about and observe any laws and restrictions, including, but not limited to, those set out below. Failure to comply with these restrictions may constitute a violation of securities laws.

No action has been or will be taken by the Company or the underwriters to permit a public offering of any shares of Class A common stock or the possession or distribution of this document in any country or jurisdiction other than any country or territory in which a public offering is made under the global offering where action for such purposes may be required.

In relation to each Member State of the EEA (each, a “**Relevant State**”), no shares of Class A common stock have been offered or will be offered in that Relevant State, except for (i) the European retail offering in Germany, Denmark, France, the Netherlands, Norway, Spain and Sweden contemplated by this prospectus (once the prospectus has been approved by Bafin and notified to the respective competent authority of each of Denmark, France, the Netherlands, Norway, Spain and Sweden and published, in each case in accordance with the Prospectus Regulation) and (ii) with respect to any shares other than the European retail shares in any Relevant State at any time under the following exemptions under the Prospectus Regulation:

- to any qualified investor as defined under Article 2 of the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or
- in any other circumstances falling within the scope of application of Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares of Class A common stock shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires the shares of Class A common stock or to whom any offer is made will be deemed to have represented, warranted and agreed to and with each of us and the underwriters that it is a qualified investor within the meaning of Article 2 point (e) of the Prospectus Regulation.

In the case of any shares of Class A common stock being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each financial intermediary will also be deemed to have represented, warranted and agreed that the shares of Class A common stock acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of the shares of Class A common stock to the public, other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of the underwriters has been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an “offer to the public” in relation to the shares of Class A common stock in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares of Class A common stock to be offered so as to enable an investor to decide to purchase or subscribe for the shares of Class A common stock.

8.4 **Admission to Trading and Dealing Arrangements**

We have applied to list our Class A common stock on Nasdaq and Nasdaq Texas under the symbol “SPCX”. The ISIN of our Class A common stock is US84615Q1031. We expect that trading in our Class A common stock on Nasdaq will commence on or about June 12, 2026. Any decision on the listing of the Company’s Class A common stock on Nasdaq and Nasdaq Texas will be made solely by Nasdaq and Nasdaq Texas at their discretion.

We do not currently intend to list our Class A common stock on any exchange in any other jurisdiction in which the global offering is made.

The Company has not engaged any entities which give a firm commitment to act as intermediaries in secondary trading on Nasdaq and Nasdaq Texas.

8.4.1 Stabilization, Over-Allotment, and Green Shoe

8.4.1.1 Stabilization Transactions

In order to facilitate the offering of our Class A common stock, the underwriters offering our Class A common stock for sale in the U.S. offering, with Morgan Stanley & Co. LLC acting as stabilization agent, may engage in transactions that stabilize, maintain or otherwise affect the price of our Class A common stock on Nasdaq. Specifically, the underwriters may sell more shares of Class A common stock than they will be obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares available for purchase by the underwriters under the option to purchase additional shares. The underwriters can close out a covered short sale by exercising the option to purchase additional shares described in “8.4.1.2 Option to Purchase Additional Shares” below or purchasing shares in the open market. In determining the source of shares to close out a covered short sale, the underwriters will consider, among other things, the open market price of our Class A common stock compared to the price available under the option to purchase additional shares. The underwriters may also sell shares of Class A common stock in excess of the option to purchase additional shares, creating a naked short position. The underwriters must close out any naked short position by purchasing shares of Class A common stock in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our Class A common stock in the open market after pricing that could adversely affect investors who purchase shares of Class A common stock in the global offering. As an additional means of facilitating the global offering, the underwriters may bid for, and purchase, shares of Class A common stock in the open market to stabilize the price of our Class A common stock.

These activities may raise or maintain the market price of our Class A common stock above independent market levels that would otherwise prevail or prevent or retard a decline in the market price of our Class A common stock. The underwriters are not required to engage in these activities and may end any of these activities at any time.

Under securities laws of the United States, there is no prescribed maximum period in which stabilization transactions may be carried out.

8.4.1.2 Option to Purchase Additional Shares

We will grant to the underwriters in the underwriting agreement an option, exercisable for 30 days from the date of the underwriting agreement, to purchase up to 83,333,333 additional shares of Class A common stock at the final public offering price for the purposes of covering any over-allotments made through short sales, as described in “8.4.1.1 Stabilization Transactions” above. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase about the same percentage of the additional shares of Class A common stock as the number listed next to the underwriter’s name in the table set forth in “8.3.1 Subject of and Arrangements on Underwriting” bears to the total number of shares of Class A common stock listed next to the names of all underwriters in the table set forth in “8.3.1 Subject of and Arrangements on Underwriting”.

8.4.2 MiFID Product Governance Requirements

Solely for the purposes of the product governance requirements contained within: (i) MiFID II; (ii) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (iii) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and without assuming any responsibility or liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Class A common stock has been subject to a product approval process, which has determined that such Class A common stock is: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”).

Notwithstanding the Target Market Assessment, the price of the Class A common stock may decline and investors could lose all or part of their investment; the Class A common stock offers no guaranteed income and no capital protection; and an investment in the Class A common stock is suitable only for investors who do not need a guaranteed income or capital protection, who have at least informed knowledge and experience with financial instruments and (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment, and who have sufficient resources to be able to bear any losses that may result therefrom.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal, or regulatory selling restrictions in relation to the European retail offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the underwriters will only procure investors who meet the criteria of professional clients and eligible counterparties in the private placement parts of the global offering. For the avoidance of doubt, the Target Market Assessment does not constitute: (i) an assessment of suitability or appropriateness for the purposes of MiFID II or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the Class A common stock. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Class A common stock and determining appropriate distribution channels.

8.5 Lock-Up Arrangements

The global offering only relates to the sale of newly issued shares of our Class A common stock. Our holders of existing Class A common stock will not sell any shares in the global offering. We expect to enter into, and all of our common stock is subject to, the following lock-up arrangements:

8.5.1 Lock-Up of the Company

We expect that we will agree with the underwriters in the underwriting agreement that during the period of 180 days after the date of the underwriting agreement (the “**lock-up period**”), without the prior written consent of Goldman Sachs & Co. LLC, on behalf of the underwriters, subject to certain exceptions, we will not

- (a) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, or file with the SEC a registration statement under the U.S. Securities Act relating to, any shares of our common stock or other securities substantially similar to our common stock, including but not limited to any options or warrants to purchase shares of our common stock or any securities that are convertible into or exchangeable for, or that represent the right to receive, common stock or any such substantially similar securities, or publicly disclose the intention to do any of the foregoing, or
- (b) enter into any swap or other agreement that transfers to another, in whole or in part, any of the economic consequences of ownership of any of our common stock or such other securities,

whether any such transaction described in clause (a) or (b) above is to be settled by delivery of our common stock or such other securities, in cash or otherwise (other than the shares sold in this offering or pursuant to employee stock option plans existing on, or upon the conversion or exchange of convertible or exchangeable securities outstanding as of, the date of this offering).

The lock-up restrictions applicable to the Company do not restrict the issuance and sale of shares by the Company in the global offering itself, but instead generally restrict subsequent issuances and sales of securities by the Company during the lock-up period, subject to customary exceptions.

These restrictions are subject to a number of exceptions which fall into the following principal categories set out below:

- (a) Exercise, vesting, settlement, and conversion of existing equity instruments: The Company may issue shares of common stock upon the exercise of options or warrants, the vesting and settlement of restricted stock units or similar equity awards, or the reclassification or conversion of securities.
- (b) Equity compensation: The Company may grant or issue, and settle or exercise, options, stock appreciation rights, restricted stock awards, restricted stock units, performance stock awards, or any other type of equity award or arrangement to employees, officers, directors, advisors, or consultants pursuant to employee benefit plans, including the issuance of shares pursuant to employee stock purchase plans. The Company may also file registration statements on Form S-8 with respect to such plans, and may sell

shares on behalf of employees to satisfy tax withholding obligations arising upon the vesting, exercise, or settlement of equity awards under such plans.

- (c) Rule 10b5-1 trading plans: The Company may establish or amend trading plans on behalf of its shareholders, officers, or directors pursuant to Rule 10b5-1 under the Exchange Act (i.e. a pre-established, written agreement that allows to buy or sell stock at predetermined times, providing an affirmative defense against insider trading allegations by demonstrating that the transactions were scheduled at a time when the individual did not possess material non-public information), provided that (i) no transfers of common stock may occur under such plans during the lock-up period (except as otherwise permitted under a lock-up agreement) and (ii) any public announcement or filing regarding the establishment or amendment of such plan includes a statement that no transfers may be made under the plan during the applicable lock-up period.
- (d) Acquisitions, joint ventures, and strategic transactions: The Company may sell, exchange, or issue shares of common stock or securities convertible into or exercisable or exchangeable for common stock in connection with acquisitions of equity interests or assets of any person, acquisitions of licenses, rights, businesses, properties, assets, products, technologies, or persons (whether by merger, stock or equity purchase, asset purchase, or otherwise), including pursuant to assumed employee benefit plans, or in connection with joint ventures, commercial relationships, or other strategic or collaborative corporate transactions or alliances, or any related registration statement filing.

Specifically, these restrictions do not apply to: (a) the shares sold in this offering, (b) the issuance by us of our common stock upon the exercise (including any net exercise) of an option or warrant, the vesting and settlement (including any net settlement) of restricted stock units or similar equity awards or the reclassification or conversion of a security, in each case outstanding on the date hereof and identified herein, (c) the grant or issuance by us, or exercise or settlement (in cash, shares of our common stock, or otherwise), of options, stock appreciation rights, restricted stock awards, restricted stock units, performance stock awards or any other type of equity award or arrangement to our employees, officers, directors, advisors or consultants pursuant to our employee benefit plans described herein or the issuance by us of our common stock pursuant to our employee stock purchase plan described herein, (d) the filing by us of one or more registration statements with the SEC on Form S-8 or any successor form thereto with respect to any of our employee benefit plans described herein, (e) the establishment or amendment of a trading plan on behalf of our shareholders, officers or directors pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of our common stock; provided that (i) such plan does not provide for the transfer of our common stock during the lock-up period (except to the extent otherwise allowed pursuant to the terms of a lock-up agreement) and (ii) to the extent a public announcement or filing under the Exchange Act, if any, is required of, or voluntarily made by, us regarding the establishment or amendment of such plan, such announcement or filing shall include a statement to the effect that no transfer of our common stock may be made under such plan during any lock-up period to which such shareholder, officer or director is bound, (f) sales of our common stock on behalf of our employees to satisfy the withholding taxes payable upon the vesting, exercise or settlement of such employee's equity awards pursuant to our employee benefit plans described herein, (g) the sale, exchange, or issuance of, or entry into an agreement to sell, exchange, or issue, our common stock or any securities convertible into or exercisable or exchangeable for our common stock (including, without limitation, options, restricted stock, restricted stock units, or warrants) in connection with any acquisition of the equity interests or assets of any person, the acquisition by the Company or its subsidiary by any means of any license, right to use, business, properties, assets, products, technologies or person, in one or a series of transactions (whether by means of merger, stock or equity purchase, asset purchase or otherwise), including pursuant to an employee benefit plan assumed by us in connection with such transaction, or in connection with joint ventures, commercial relationships or other strategic or collaborative corporate transactions or alliances, or any announcement or filing of a registration statement related thereto.

8.5.2 Lock-Up of Pre-IPO Shareholders

All shares of our common stock outstanding immediately prior to the global offering will be subject to restrictions on Transfer (as defined below) in connection with the global offering as follows. Shareholders (including our founder) may not (and may not cause or direct any of their affiliates to), without the prior written consent of Goldman Sachs & Co. LLC, on behalf of the underwriters:

- (a) offer, sell, contract to sell, pledge, grant any option, right or warrant to purchase, purchase any option or contract to sell, lend or otherwise transfer or dispose of (directly or indirectly) any shares of our common stock, or any options, rights, or warrants to purchase any shares of our common stock or any securities convertible into, exchangeable for or that represent the right to receive shares of our common stock (such

shares of our common stock, options, rights, warrants or other securities, collectively, the “**lock-up securities**”), including without limitation any such lock-up securities now owned or hereafter acquired by such lock-up party,

- (b) engage in any hedging or other transaction or arrangement (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) which is designed to or which reasonably could be expected to lead to or result in a sale, loan, pledge, or other disposition (whether by such lock-up party or someone other than such lock-up party), or transfer of any of the economic consequences of ownership, in whole or in part, directly or indirectly, of any lock-up securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of our common stock or such other securities, in cash or otherwise (for purposes of this section, any such sale, loan, pledge, or other disposition, or transfer of economic consequences, a “**Transfer**”),
- (c) make any demand for or exercise any right with respect to the registration of any lock-up securities, or
- (d) otherwise publicly announce any intention to engage in or cause any action, activity, transaction or arrangement described in clause (a), (b) or (c) above.

The restrictions on Transfer are subject to a number of exceptions which fall into the following principal categories set out below.

- (a) Permitted transfers to related parties and for estate and tax planning purposes: Lock-up parties may transfer lock-up securities without the prior consent of Goldman Sachs & Co. LLC in circumstances that do not involve a disposition into the open market. These include transfers for estate planning and charitable purposes, transfers to immediate family members, trusts, or entities wholly owned by the lock-up party or its immediate family, and, in the case of entity lock-up parties, transfers to affiliates, related funds, or as part of distributions to their equity holders. Furthermore, transfers by operation of law are also permitted. These permitted transfers are subject to certain conditions, including, as applicable, that (i) such transfer does not involve a disposition for value, (ii) the transferee executes a lock-up agreement for the remainder of the applicable lock-up period, and (iii) no filing under the Exchange Act or other public filing, report, or announcement reporting a reduction in beneficial ownership of lock-up securities is required or voluntarily made.
- (b) Transfers to the company and transactions under equity incentive arrangements: Lock-up parties may transfer lock-up securities back to us or our subsidiaries in connection with, among other things, death, disability, or termination of employment, the vesting, settlement, exercise, or conversion of equity awards or convertible securities, transactions to satisfy exercise prices or tax withholding obligations, and the exercise of repurchase rights or put rights. Any shares retained or received by the lock-up party must remain subject to a lock-up agreement.
- (c) Certain open-market and other transactions: Lock-up parties who are not officers, directors, or holders of 10% or more of our common stock may transfer shares acquired from the underwriters in this offering or purchased in the open market. Lock-up parties may also enter into or amend Rule 10b5-1 trading plans during the lock-up period, provided that no transfers under such plans may occur until after expiration of the lock-up period and no voluntary public disclosure of the plan is made. Furthermore, pledges under bona fide financing arrangements in effect as of the date of this Prospectus, as well as transfers of a de minimis amount of shares held by mutual funds or their affiliates, are permitted.
- (d) Change of control transactions and corporate reorganizations: Lock-up securities may be transferred in connection with a bona fide third-party tender offer, merger, consolidation, or other similar change-of-control transaction approved by our board of directors, provided that if the transaction is not completed, the lock-up restrictions continue to apply. Lock-up securities may also be transferred to us in connection with the conversion of preferred stock upon consummation of this offering, or any conversion, reclassification, redemption, or exchange of lock-up securities into another class of common stock, subject to the requirement that the resulting securities remain subject to a lock-up agreement.

Specifically, the restrictions on Transfer of the lock-up securities do not apply to the:

- (a) Transfer by the lock-up party of the lock-up securities: (i) as one or more *bona fide* gifts or charitable contributions, or for *bona fide* estate planning purposes, including without limitation to charitable organizations or educational institutions, (ii) upon death by will, testamentary document or intestate succession, (iii) if the lock-up party is a natural person, to any member of the lock-up party's immediate family, to other dependents or to any trust, partnership, limited liability company or other entity for the direct or indirect benefit of the lock-up party or the immediate family of the lock-up party or, if the lock-up party is a trust to a trustor, trustee or beneficiary of the trust or the estate of a trustor, trustee or beneficiary of such trust, (iv) to a corporation, partnership, limited liability company or other entity of which the lock-up party and the immediate family of the lock-up party are the legal and beneficial owner of all of the outstanding equity securities or similar interests, (v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (a)(i) through (iv) above, (vi) if the lock-up party is a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate of the lock-up party, or to any investment fund or other entity which fund or entity is controlling, controlled by, managing or managed by, advises or is advised by, sub-advises or is sub-advised by or under common control with the lock-up party or affiliates of the lock-up party or (B) as part of a distribution, transfer or other disposition by the lock-up party to its stockholders, current or former partners, members, managers, beneficiaries or other equityholders of the lock-up party or its affiliates or to the estate of any such stockholders, partners, members, manager, beneficiaries or other equityholders, (vii) by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree or separation agreement or other order of a court or regulatory agency, (viii) to us from our or any of our subsidiaries' employee or service provider upon death, disability or termination of employment, in each case, of such employee or service provider, (ix) if the lock-up party is not our officer or director or a stockholder holding 10% or more of our common stock, in connection with a Transfer of the lock-up party's shares of common stock acquired (A) from the underwriters in this offering or (B) in open market transactions after the pricing date of this offering, (x) to us in connection with the vesting, settlement or exercise of restricted stock units, options, warrants, exchange, conversion or other rights to purchase or otherwise acquire shares of common stock (including, in each case, by way of "net" or "cashless" exercise, settlement or similar procedure) that are vested, vest or are scheduled to expire or automatically vest during the applicable lock-up period, including any transfer to us for the purpose of satisfying any tax obligations (including withholdings and estimated taxes) or remittance payments due as a result of the grant, vesting, settlement or exercise of such restricted stock units, options, warrants, exchange, conversion or other rights, or in connection with the conversion of convertible securities, in all such cases of this clause (x) pursuant to equity awards granted under a stock incentive plan, long-term incentive plan or other equity award plan or arrangement, or pursuant to the terms of convertible or exchangeable securities, as applicable, each as described herein, provided that any securities received by the lock-up party upon such vesting, settlement, exercise or conversion must be subject to the terms of a lock-up agreement, (xi) in "sell to cover" or similar open market transactions to satisfy any exercise price or tax withholding obligations as a result of the exercise, vesting and/or settlement of equity awards (including options and restricted stock units) held by the lock-up party and issued pursuant to a stock incentive plan, long-term incentive plan or other equity award plan or arrangement, each as described herein, provided that, any shares of common stock retained by the lock-up party after giving effect to this provision must be subject to the terms of a lock-up agreement, (xii) to us or any of our subsidiaries pursuant to an agreement under which we or any such subsidiary have the option to repurchase shares or a right of first refusal with respect to transfer of such shares, (xiii) to us or any of our subsidiaries pursuant to an agreement under which the holder of shares or other securities convertible into or exercisable for shares has the option to require us or such subsidiary to repurchase such shares or other securities convertible into or exercisable for shares, (xiv) to us in connection with a tender offer by us for outstanding equity securities or other repurchase transaction by us that is approved by our board of directors, (xv) in certain cases, to any third-party pledgee in a *bona fide* transaction as collateral to secure obligations pursuant to a lending or similar financing arrangement effective on the date of this offering between such third party (or its affiliates or designees) and the lock-up party and/or its affiliates, or otherwise any action by the lock-up party and/or its affiliates to permit such pledgee to enforce its security interest under such arrangement by selling, transferring, appropriating or otherwise disposing of the lock-up securities, (xvi) a de minimis amount of shares held by mutual funds or their affiliates, or (xvii) the prior written consent of Goldman Sachs & Co. LLC on behalf of the underwriters; provided that (A) in the case of clauses (a)(i), (ii), (iii), (iv), (v) and (vi) above, such transfer or distribution must not involve a disposition for value, (B) in the case of clauses (a)(i), (ii), (iii), (iv), (v), (vi), (vii) and (xv) above, it is a condition to the transfer or distribution that the donee, devisee, transferee or distributee, as the case may be, must sign and deliver a lock-up agreement for the balance of the

applicable lock-up period (C) in the case of clauses (a)(ii), (iii), (iv), (v), (vi) and (ix) above, no filing by any party (including, without limitation, any donor, donee, devisee, transferor, transferee, distributor or distributee) under the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of lock-up securities must be required or must be voluntarily made in connection with such transfer or distribution, and (D) in the case of clauses (a)(i), (vii), (viii), (ix), (x), (xi), (xii), (xiii), (xiv) and (xv) above, no filing under the Exchange Act or other public filing, report or announcement must be voluntarily made in connection with such transfer or distribution, and if any such filing, report or announcement reporting a reduction in beneficial ownership of lock-up securities must be legally required in connection with such transfer or distribution during the applicable lock-up period, such filing, report or announcement must clearly indicate in the footnotes thereto (A) the circumstances of such transfer or distribution and (B) in the case of a transfer or distribution pursuant to clauses (a)(i) or (vii) above, that the donee, devisee, transferee or distributee has agreed to be bound by a lock-up agreement;

- (b) entry into or amendment of a written plan meeting the requirements of Rule 10b5-1 under the Exchange Act relating to the Transfer of the lock-up securities of the lock-up party, if then permitted by us, provided that none of the securities subject to such plan may be Transferred until after the expiration of the applicable lock-up period, other than as permitted by the lock-up agreement, and no public announcement, report or filing under the Exchange Act, or any other public filing, report or announcement, must be voluntarily made (whether by or on behalf of the lock-up party, us or any other party) regarding, or that otherwise discloses, the establishment of such plan during the applicable lock-up period, and if any such filing, report or announcement must be legally required during the applicable lock-up period, such filing, report or announcement must clearly indicate that that none of the securities subject to such plan may be Transferred pursuant to such plan until after the expiration of the applicable lock-up period;
- (c) (i) Transfer by the lock-up party of the lock-up securities pursuant to a *bona fide* third-party tender offer, merger, consolidation or other similar transaction that is approved by our board of directors and made to all our holders of capital stock involving a change of control, and (ii) entry into any lock-up, voting or similar agreement pursuant to which the lock-up party may agree to transfer, sell, tender or otherwise dispose of shares of common stock or such other securities convertible into or exercisable or exchangeable for common stock in connection with a transaction described in clause (i) above; provided that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the lock-up securities must remain subject to the lock-up restrictions;
- (d) Transfer by the lock-up party of the lock-up securities to us in connection with (i) the conversion of our outstanding preferred stock into shares of common stock in connection with the consummation of this offering or (ii) the conversion, reclassification, redemption, exchange of any shares of any class of common stock or lock-up securities into shares of another class of common stock, provided that any such shares of common stock or lock-up securities received upon such conversion, reclassification, redemption or exchange pursuant to clause (i) or (ii) must be subject to the terms of a lock-up agreement; and
- (e) exercise of any option to purchase any lock-up securities pursuant to any of our or our subsidiaries' stock incentive plan, long-term incentive plan, stock purchase plan or other equity award plan or arrangement, each as described herein, on a cash basis, and the receipt by the lock-up party from us of lock-up securities upon such exercise, provided that the underlying lock-up securities must be subject to the terms of a lock-up agreement.

Our founder has agreed with the underwriters that all of the shares of our common stock owned by him are subject to the restrictions described above until immediately after the close of the trading day on the 366th day after the date of the underwriting agreement. In addition, our founder may make Permitted Transfers (as defined in our charter), subject to the restrictions described in clauses (A), (B), and (D) of paragraph a. above. Our founder's shares are not subject to any early release provisions during the lock-up period.

Several of our shareholders have agreed with the underwriters that certain shares of our common stock owned by them are subject to the restrictions described above until the beginning of the second full trading day immediately following public release of our quarterly financial results for the quarter ended June 30, 2027 (such period of time, the “**extended lock-up period**”), subject to specified early release provisions described below.

The shares subject to the extended lock-up period, together with the shares held by our founder (which are subject to a 366-day lock-up period), represent approximately 7.8 billion shares of common stock, or greater than 63% of our shares outstanding immediately prior to this offering.

For those shares subject to the extended lock-up period (which does not include shares held by our founder), there are automatic early releases from the restrictions on Transfer commencing in the first quarter of 2027 as follows:

- (a) on or after the second full trading day on Nasdaq immediately following the public release of our quarterly financial results (which for this purpose does not include “flash” numbers or preliminary, partial earnings) for the quarter ended December 31, 2026, up to 20% of the shares may be Transferred;
- (b) on or after March 18, 2027 (the date that is 280 days after the date of the Company’s final prospectus to be filed with the SEC), up to an additional 10% of the shares may be Transferred;
- (c) on or after the second full trading day on Nasdaq immediately following the public release of our quarterly financial results (which for this purpose does not include “flash” numbers or preliminary, partial earnings) for the quarter ended March 31, 2027, up to an additional 20% of the shares may be Transferred;
- (d) on or after May 17, 2027 (the date that is 340 days after the date of the Company’s final prospectus to be filed with the SEC), up to an additional 10% of the shares may be Transferred;
- (e) on or after June 12, 2027 (the date that is 366 days after the date of the Company’s final prospectus to be filed with the SEC), up to an additional 20% of the shares may be Transferred; and
- (f) on or after the second full trading day on Nasdaq immediately following the public release of our quarterly financial results (which for this purpose does not include “flash” numbers or preliminary, partial earnings) for the quarter ended June 30, 2027, all of the shares may be Transferred.

All other outstanding shares of our common stock are subject to the Transfer restrictions described above until immediately after the close of the trading day on the 180th day after the date of the Company’s final prospectus to be filed with the SEC (such period of time, the “**180-day lock-up period**”), subject to the early release provisions described below.

For those shares subject to the 180-day lock-up period, there are automatic early releases from the restrictions on Transfer commencing in the third quarter of 2026 as follows:

- (a) on or after the second full trading day on Nasdaq immediately following the public release of our quarterly financial results (which for this purpose does not include “flash” numbers or preliminary, partial earnings) for the quarter ended June 30, 2026 (such date, the “**First Earnings Release Date**”), up to 20% of the shares may be Transferred;
- (b) if the reported closing price of our Class A common stock on Nasdaq is at least 30% greater than the public offering price set forth on the cover page of this prospectus for at least five of the ten consecutive trading days ending on, and including, the First Earnings Release Date, on or after the second full trading day immediately after the First Earnings Release Date, up to an additional 10% of the shares may be Transferred;
- (c) up to an additional 7% of the shares may be Transferred on or after each of the dates that are 70 days, 90 days, 105 days, 120 days, and 135 days, respectively, after the date of this prospectus;
- (d) on or after the second full trading day on Nasdaq immediately following the public release of our quarterly financial results (which for this purpose does not include “flash” numbers or preliminary, partial earnings) for the quarter ended September 30, 2026, up to an additional 28% of the shares may be Transferred; and
- (e) on or after the date that is 180 days after the date of this prospectus, all of the shares may be Transferred.

8.6 Dilution

Purchasers of the Class A common stock in the global offering (including the European retail offering) will experience immediate and substantial dilution in the net book value per share of the Class A common stock

for accounting purposes. After giving effect to the Class C Reclassification and the Preferred Conversion as if such reclassification and conversion occurred on March 31, 2026, our pro forma net asset value as of March 31, 2026 was approximately \$41,582.0 million, or \$3.32 per share of common stock. Pro forma net asset value per share is determined by dividing our net asset value (total assets less total liabilities) as of March 31, 2026 by the total number of outstanding shares of all classes of common stock outstanding immediately prior to the completion of the global offering (12,520,309,620). After giving effect to the sale of the base shares of Class A common stock in the global offering (which include the European retail shares) and the payment of underwriting discounts and commissions and estimated offering expenses by us, our adjusted pro forma net asset value as of March 31, 2026 would have been approximately \$116,027 million, or \$8.87 per share of common stock. This represents an immediate increase in the net asset value of \$5.55 per share of common stock or 167.2% to Mr. Musk and other existing investors and an immediate dilution (i.e., the difference between the offering price and the adjusted pro forma net asset value immediately after the global offering) to new investors purchasing shares of Class A common stock in the global offering of \$126.13 per share or 93.4%. The following table illustrates the per share dilution to new investors purchasing shares of Class A common stock in the global offering:

Initial public offering price per share	\$135.00
Pro forma net asset value per share as of March 31, 2026.....	\$3.32
Increase per share attributable to new investors in the global offering.....	<u>\$5.55</u>
As adjusted pro forma net asset value per share after giving effect to the global offering.....	<u>\$8.87</u>
Dilution in pro forma net asset value per share to new investors in the global offering (amount by which the initial public offering price exceeds the pro forma post-offering net asset value per share) (immediate dilution of the new shareholders, absolute and in per cent.) ⁽¹⁾	<u>\$126.13</u> <u>(93.4%)</u>
Amount by which the pro forma net asset value per share after giving effect to the global offering exceeds the net asset value per share immediately prior to the global offering (immediate accretion of existing investors, absolute and in per cent.)	<u>\$5.55</u> <u>(167.2%)</u>

- (1) If the number of shares of Class A common stock offered by us in the global offering were to increase or decrease by one million shares, then dilution in pro forma net asset value per share of Class A common stock to new investors in the global offering would increase or decrease by \$0.01.

The following table summarizes, on an adjusted pro forma basis as of March 31, 2026, the total number of shares of Class A and Class B common stock owned by Mr. Musk and other existing investors and to be owned by new investors in the global offering, the total consideration paid, and the average price per share paid by Mr. Musk and other existing investors and to be paid by new investors in the global offering at \$135.00, assuming sale of all base shares, calculated before deduction of underwriting discounts and commissions and estimated offering expenses.

	Shares Acquired ⁽¹⁾		Total Consideration ⁽²⁾		Average Price Per Share
	Number	Percent	Amount	Percent	
Elon Musk and other existing investors	12,520,309,620	95.8%	\$81,137,520,310	52.0%	\$6.48
New investors in the global offering	555,555,555	4.2%	\$74,999,999,925	48.0%	\$135.0
Total	13,075,865,175	100.0%	\$156,137,520,235	100.0%	\$11.94

- (1) If the underwriters exercise their option to purchase additional shares in full, Mr. Musk and other existing investors would own approximately 95.1% and our new investors in the global offering would own approximately 4.9% of the total number of shares of our common stock outstanding after the global offering.
- (2) If the underwriters exercise their option to purchase additional shares in full, the total consideration paid by our new investors would be approximately \$86,249,999,914 (or 51.5%).

An increase or decrease of one million shares in the number of shares of Class A common stock offered by us in the global offering would increase or decrease, as applicable, the total consideration paid by new investors

and the total consideration paid by all shareholders by \$135 million, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

For further information on the shareholdings after completion of the global offering, refer to “11.2 Shareholder Structure”.

9. CORPORATE GOVERNANCE

Unless otherwise indicated, all information contained in this section assumes i) the 2026 Stock Split and ii) prior to completion of the global offering (on or about June 15, 2026), pursuant to the terms of our certificate of formation in effect as a private company prior to the global offering, the reclassification of all of the outstanding shares of our Class C common stock into an aggregate of 494,050,675 shares of Class A common stock and the conversion of the outstanding shares of all our preferred stock into an aggregate of 3,448,110,450 shares of our Class A common stock and 3,274,452,900 shares of our Class B common stock.

9.1 Board of Directors

Below is certain information as of the date of this prospectus regarding individuals who are expected to serve as our executive officers and directors upon the completion of the offering.

Name	Age	Position
Elon Musk	54	Chief Executive Officer, Chief Technical Officer and Chairman of the Board
Gwynne Shotwell	62	President, Chief Operating Officer and Director
Bret Johnsen	57	Chief Financial Officer
Ira Ehrenpreis	57	Director
Randy Glein.....	60	Director
Antonio J. Gracias	55	Director
Donald Harrison	54	Director
Steve Jurvetson.....	59	Director
Luke Nosek.....	50	Director

Each executive officer will hold office until the until his or her successor is elected and qualified or until his or her earlier death, resignation or removal. Each director will hold office until his or her successor is elected and qualified or until his or her earlier death, resignation, retirement, disqualification or removal.

All our executive officers and directors can be reached at the Company's principal executive offices located at 1 Rocket Road, Starbase, Texas 78521, United States.

9.1.1 Executive Officers and Management Directors

Elon Musk has served as our Chief Executive Officer, Chief Technical Officer and Chairman of our board since May 2002. Mr. Musk is also the “Technoking” of Tesla and has served as Chief Executive Officer of Tesla since October 2008. Mr. Musk was Chief Technology Officer and on the board of directors of X, beginning October 2022 and served as the Chief Executive Officer and on the board of directors of xAI, beginning March 2023, in each case through the March 2025 merger of X and xAI. Following the merger, Mr. Musk served as the President, Treasurer, and Chief Executive Officer and on the board of directors of xAI, until it was acquired by the Company in February 2026. Mr. Musk is also a founder and Chief Executive Officer of Neuralink Corp., a company focused on developing brain-machine interfaces, and The Boring Company, an infrastructure company. Prior to the Company, Mr. Musk co-founded PayPal, an electronic payment system, which was acquired by eBay in October 2002, and Zip2 Corporation, a provider of Internet enterprise software and services, which was acquired by Compaq in March 1999. Mr. Musk serves on the board of directors of Tesla and previously served on the board of directors of Endeavor Group Holdings, Inc. from April 2021 to June 2022. Mr. Musk holds a B.A. in Physics from the University of Pennsylvania and a B.S. in Business from the Wharton School of the University of Pennsylvania. Mr. Musk brings to our board historical knowledge, operational and technical expertise, and continuity.

Gwynne Shotwell has served as our President and Chief Operating Officer since 2008 and has been a member of our board since March 2009. Previously, Ms. Shotwell served as our Vice President, Business Development, from 2002 to 2008. Prior to joining the Company, Ms. Shotwell held positions with Microcosm, Inc., an aerospace company, as a director, and The Aerospace Corporation, an independent, non-profit organization performing objective technical analyses and assessments for a variety of government, civil, and commercial customers, as a senior project engineer. Ms. Shotwell also serves on the board of directors of Polaris, Inc., a manufacturer of powersports vehicles, and on Northwestern University's Board of Trustees. Ms. Shotwell was inducted into the National Academy of Engineering and was previously named the Satellite Executive of the Year, included on Time's 100 Most Influential People, and Fortune Magazine's World's 50 Greatest Leaders. Ms.

Shotwell holds a B.S. in Mechanical Engineering and an M.S. in Applied Mathematics from Northwestern University. As one of the key members of our leadership team, Ms. Shotwell brings to our board extensive operational experience and in-house knowledge of the Company's operations, technology, research and development and business management.

Bret Johnsen has served as our Chief Financial Officer since 2011. In this role, Mr. Johnsen leads our global finance organization and is responsible for our long-term financial strategy, internal financial operations, interactions with the financial community, and the financial aspects of our growth initiatives. With more than two decades of experience in financial leadership, primarily in high-profile technology and semiconductor companies, his leadership continues to play a key role in driving our financial performance, long-term value creation and operational discipline. Prior to joining the Company, Mr. Johnsen served as Chief Financial Officer at Mindspeed Technologies, Inc., a publicly traded semiconductor company, from 2008 to 2011. Prior to that role, he spent nearly a decade at Broadcom Inc., a global semiconductor company, from 1999 to 2008, holding roles of increasing responsibility within the organization, including serving as Vice President and Corporate Controller. Mr. Johnsen serves as a Trustee of the University of Southern California and holds a B.S. in Accounting from the University of Southern California and an M.S. in Finance from San Diego State University, and he is a Certified Public Accountant (CPA).

9.1.2 Non-Management Directors

Ira Ehrenpreis has served on our board since February 2026. Mr. Ehrenpreis is a founder and managing member of DBL Partners, a leading impact investing venture capital firm, formed in 2015. Previously, he was a partner at Technology Partners, a venture capital firm. Mr. Ehrenpreis serves on the board of directors of Tesla. He serves as the Chairman of the VCNetwork, the largest and most active California venture capital organization. Mr. Ehrenpreis also serves as the Chair of the National Association of Corporate Directors (NACD) Northern California and the Co-Chair of the Stanford Precourt Institute for Energy Advisory Council. Among several other awards and honors, Mr. Ehrenpreis has been named a member of the NACD Directorship 100 for being "one of the most influential leaders in the boardroom and corporate governance community." Mr. Ehrenpreis holds a B.A. from the University of California, Los Angeles and a J.D. and M.B.A. from Stanford University. Mr. Ehrenpreis brings to our board experience in the technology, impact and venture capital industries, as well as valuable insights in corporate governance, strategic growth and shareholder values.

Randy Glein has served on our board since February 2026 and previously served as a board observer since 2009. Mr. Glein is co-founder and managing partner of DFJ Growth, a venture capital firm that has invested in more than 100 growth-stage technology companies over the past 20 years. He currently serves on the board of directors of several private technology companies and has previously served on the board of directors of Anaplan, Inc. and Tremor Video, Inc. Prior to DFJ Growth, Mr. Glein served as Chief Financial Officer of FeedBurner (acquired by Google in 2007) and Vice President of Tribune Company and its corporate investment group, Tribune Ventures. Mr. Glein began his career in the aerospace industry as a systems engineer with Hughes Space & Communications and in business development roles with its DIRECTV and New Ventures units. Mr. Glein holds a B.S.E.E. in Electrical Engineering from the University of Florida, an M.S.E.E. in Electrical Engineering from the University of Southern California, and an M.B.A. from the UCLA Anderson School of Management. Mr. Glein brings to our board experience in the venture capital industry and more than 35 years of business and leadership experience in the technology, media, and satellite communications industries.

Antonio J. Gracias has served on our board since October 2010. Since 2001, Mr. Gracias has been Chief Executive Officer and Chief Investment Officer of Valor Management LLC, a private equity firm. As Founder, CEO, and CIO of Valor (as defined below), he oversees one of the leading growth-focused investment firms in the United States with over \$55 billion in assets under management. He has served on the board of Neuralink Corp., a company focused on developing brain-machine interfaces, since May 2026, served on the board of The Boring Company, an infrastructure company, since May 2026 and served as a director of Harmony Biosciences Holdings, Inc., a pharmaceutical company, from September 2017 to May 2026. He also served as a director of Marathon Pharmaceuticals, LLC from November 2013 until its acquisition by PTC Therapeutics in May 2017, and SolarCity Corporation from 2012 to 2016. Mr. Gracias previously served as a director of Tesla from 2007 to 2021 helping take the company public and acting as Lead Independent Director for eight years. Prior to founding Valor Management LLC in 2001, Mr. Gracias served as Founder and Managing Member of MG Capital, a private equity firm headquartered in Chicago, where he was the lead transaction principal from 1995 through 2000. Prior to MG Capital, Mr. Gracias was an associate with Goldman, Sachs & Co. in New York, where he served the firm's institutional clients in the International Equity Division. Mr. Gracias is also actively involved in philanthropic activities. He is a trustee of The Aspen Institute, where he was a 2009 Henry Crown Fellow, an Aspen Institute program designed to engage the next generation of leaders in the challenge of community-spirited leadership.

Additionally, he serves as a member of several prestigious non-profit and endowment boards, including the Board of Visitors for the Georgetown University School of Foreign Service and the Pritzker School of Molecular Engineering at the University of Chicago. He is also a member of the University of Chicago Board of Trustees. Mr. Gracias holds a joint B.S. and M.S.F.S. (Honors Degree) in International Finance and Economics from the Georgetown University School of Foreign Service and a J.D. from the University of Chicago Law School. Mr. Gracias brings to our board skills and experience in investment strategy, portfolio company management and improvement, operations of business, and finance across several industries, including aerospace, technology, and manufacturing.

Donald Harrison has served on our board since February 2015. Mr. Harrison has served as President, Global Partnerships and Corporate Development at Google LLC, a technology company, since 2017. Mr. Harrison previously served as Vice-President, Corporate Development at Google from 2012 to 2017 and as Vice-President and Deputy General Counsel from 2005 to 2012. Mr. Harrison also sits on the board of directors of Reliance Jio, the largest mobile telecommunications services provider in India. Mr. Harrison holds a B.A. in Philosophy and Political Science from the University of King's College and a J.D. and LLB from the University of Toronto. Mr. Harrison brings to our board years of business and leadership experience and provides valuable experience in the areas of strategic transactions and partnerships.

Steve Jurvetson has served on our board since March 2009. Mr. Jurvetson is a co-founder of Future Ventures, a venture capital firm, which he founded in 2019, and previously he co-founded and served as Managing Director of Draper Fisher Jurvetson, a venture capital firm, from 1995 to 2017. Mr. Jurvetson serves as a director of The Metals Company, a deep sea mining exploration company, and also previously served as a director of Tesla from 2009 to 2020, and NeoPhotonics Corp. from 2004 to 2011. Mr. Jurvetson also served as a director of Planet Labs from 2011 to 2017 and a director of D-Wave from 2003 to 2020. Before co-founding Future Ventures and Draper Fisher Jurvetson, Mr. Jurvetson was an R&D Engineer at Hewlett-Packard, where seven of his chip designs were fabricated. He also worked in product marketing at Apple Inc. and NeXT and management consulting with Bain & Company. Mr. Jurvetson holds B.S. and M.S. degrees in Electrical Engineering from Stanford University and an M.B.A. from the Stanford Business School. Mr. Jurvetson brings to our board experience in the venture capital industry and years of business and leadership experience.

Luke Nosek has served on our board since July 2008. Mr. Nosek co-founded Gigafund, a venture capital firm, in July 2017, and has been Managing Partner since inception. Mr. Nosek previously co-founded Founders Fund, a venture capital fund, in April 2006, and served as General Partner through July 2017. Prior to that, Mr. Nosek co-founded and served as Vice President of Business Development, Vice President of Marketing, and Vice President of Strategy of PayPal, an electronic payment system, from November 1998 to February 2002. Mr. Nosek also serves as a member of the board of directors of various private companies, including Last Energy, a nuclear energy company that designs and manufactures small modular reactors, Emerald Cloud Lab, which operates remotely accessible and largely autonomous life science laboratories, and ResearchGate, an online platform connecting scientists and researchers with each other and their work. Mr. Nosek also served as a board member of DeepMind prior to its acquisition by Google. Mr. Nosek holds a B.S. in Computer Engineering from the University of Illinois Urbana-Champaign. Mr. Nosek brings to the board experience in the venture capital industry and years of business and leadership experience.

9.1.3 Additional Information

On October 16, 2018, the U.S. District Court for the Southern District of New York entered a final judgment approving the terms of a settlement, filed with the court on September 29, 2018, in connection with the actions taken by the SEC relating to Mr. Musk's August 7, 2018 Twitter (now known as X) posts stating that he was considering taking Tesla private at a specified price and with secured financing. The SEC alleged that these posts were materially false and misleading, in violation of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. In settling the action, Mr. Musk did not admit or deny the SEC's allegations and consented to the entry of a judgment that enjoined him from violating these laws, ordered him to pay a \$20 million civil penalty and required him to comply with procedures implemented by Tesla with respect to preclearing his public statements about Tesla. While he was required to step down as chairman of the board of Tesla for three years, there is no restriction on Mr. Musk's ability to serve as an officer or director on the board of directors of any public or private company. On April 26, 2019, this settlement was amended to further clarify the pre-clearance procedures applicable to his making certain public statements about Tesla. The amendment was subsequently approved by the District Court.

On April 3, 2026, in *Pampena v. Musk*, the U.S. District Court for the Northern District of California entered a partial judgment against Mr. Musk in his personal capacity only in favor of lead plaintiffs on behalf of

themselves and a class of investors who sold certain Twitter, Inc. equity securities between May 13 and October 4, 2022. The judgment is based on a jury verdict rendered on March 20, 2026 that found (i) in favor of plaintiffs on claims alleging that Mr. Musk violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder in connection with two statements made by Mr. Musk in May 2022 and (ii) in favor of Mr. Musk on claims challenging a third statement and alleging a “scheme to defraud” under Rules 10b-5(a) and (c). The claims in this case all concern Mr. Musk’s then-pending potential purchase of Twitter, Inc. On May 1, 2026, Mr. Musk challenged the partial judgment by filing a post-trial motion for judgment motions for judgment as a matter of law and motion to decertify the class. The motion practice is ongoing, and the Court is expected to hear these motions in June 2026.

9.1.4 Family Relationships

There are no family relationships among any of our directors or executive officers.

9.1.5 Controlled Company Exemption

Upon completion of the offering, if we sell all base shares, Mr. Musk will hold approximately 91.6% of our outstanding Class B common stock, which under our charter, as described under “7.1 Description of Capital Stock,” will be entitled to elect 51% of the total number of authorized directors (rounded up to the nearest whole number), and 83.6% of the total voting power of our outstanding common stock (or 83.5% if the underwriters exercise their option to purchase additional shares of Class A common stock in full). As a result, we will be a “controlled company” within the meaning of Nasdaq and Nasdaq Texas corporate governance standards. Under the listing rules of Nasdaq and Nasdaq Texas, a company of which more than 50% of the voting power with respect to director elections is held by another person or group of persons acting together is a “controlled company” and may elect not to comply with certain Nasdaq and Nasdaq Texas corporate governance requirements, including the requirements that:

- a majority of such company’s board of directors consist of independent directors as defined under the listing rules of Nasdaq and Nasdaq Texas;
- director nominees be selected or recommended for board of directors’ selection by a nominating committee composed entirely of independent directors, with a written charter addressing the nominations process as required under the listing rules of Nasdaq and Nasdaq Texas;
- the compensation committee be composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities; and
- annual performance evaluations of the compensation and nominating committees be conducted.

Following the completion of the offering, we intend to utilize certain of these exemptions. As a result, we do not expect to have a compensation and nominating committee that is composed entirely of independent directors or that has a committee charter that addresses all Nasdaq and Nasdaq Texas requirements applicable to companies that are not controlled companies. Additionally, we may elect to take advantage of certain other exemptions in the future for as long as we remain a “controlled company.” Accordingly, our Class A shareholders will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of Nasdaq and Nasdaq Texas. In the event that we cease to be a “controlled company” and our shares continue to be listed on Nasdaq and Nasdaq Texas, we will be required to comply with all of the applicable governance requirements within the applicable transition periods.

9.1.6 Composition of Our Board

Upon the consummation of the offering, our board will consist of eight directors. Subject to the terms of our charter and bylaws, the number of directors on our board will be determined from time to time by our board. Under the terms of our charter, the holders of our outstanding Class B common stock, voting separately as a class, will have the right to elect 51% of the total number of authorized directors, rounded up to the nearest whole number (the Class B Directors). Holders of Class A and Class B common stock, voting together as a single class, will elect the remaining members of our board (the Common Stock Directors). We expect that upon the completion of the offering Mr. Musk, Gwynne Shotwell, Antonio J. Gracias, Donald Harrison, and Luke Nosek will serve as the initial Class B Directors and Ira Ehrenpreis, Randy Glein, and Steve Jurvetson will serve as the initial Common Stock Directors.

Our board will be subject to annual elections. Each director will hold office until the next annual meeting of our shareholders and until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal (as provided in our charter). For additional information, please refer to “7.1 Description of Capital Stock.”

9.1.7 Role of our Board in Risk Oversight

Our board believes that risk management is an important part of establishing, updating and executing on our business strategy. Our board, as a whole and at the committee level, has oversight responsibility relating to risks that could affect our corporate strategy, business objectives, compliance, operations and financial condition and performance. Our board focuses its oversight on the most significant risks facing us and on the processes to identify, prioritize, assess, manage and mitigate those risks. While our board has an oversight role, management is principally tasked with direct responsibility for management and assessment of risks and the implementation of processes and controls to mitigate their effects on us.

9.1.8 Director Independence

Based upon information requested from and provided by each director concerning his or her background, employment and affiliations, our board has determined that each of Ira Ehrenpreis, Randy Glein, Donald Harrison, Steve Jurvetson, and Luke Nosek is independent within the meaning of the listing standards of Nasdaq and Nasdaq Texas currently in effect. In making this determination, our board considered the relationships that each of these directors has with our company and all other facts and circumstances our board deemed relevant in determining their independence, including (i) the beneficial ownership of our capital stock by each such director and/or investment funds or other entities affiliated with them and (ii) the relationships set forth below under “11.7 Transactions with Related Parties.” The board also considered that Donald Harrison was employed by an organization that does business with Company. The amount received by the Company or such other organization in each of the last three fiscal years did not exceed the greater of \$200,000 or 5% of either the Company’s or such organization’s consolidated gross revenues.

9.1.9 Board Leadership Structure

Upon the completion of the offering, as provided in our charter, our board will continue to be led by Mr. Musk. Pursuant to the terms of our charter, he can only be removed from the board and these leadership positions by the affirmative vote of the holders of a majority of the outstanding shares of our Class B common stock, voting separately as a class.

Our board has concluded that our current leadership structure is appropriate at this time.

9.1.10 Board Committees

In connection with the completion of the offering, our board will establish an audit committee and a compensation and nominating committee. Audit and compensation and nominating committees will be governed by their charters that will be available on our website at www.spacex.com. Pursuant to our bylaws, our board may, from time to time, establish other committees to facilitate the management of our business and operations. Information contained on our website or linked therein or otherwise connected thereto does not constitute part of nor is it incorporated by reference into this prospectus.

9.1.10.1 Audit Committee

The primary responsibilities of our audit committee will include, among other things:

- assisting our board in its oversight responsibilities regarding the integrity of our financial statements, our compliance with legal and regulatory requirements, the independent accountant’s qualifications and independence and our accounting and financial reporting processes and the audits of our financial statements;
- preparing the report required by the SEC for inclusion in our annual proxy or information statement;
- approving audit and non-audit services to be performed by the independent accountants; and
- performing such other functions as our board may from time to time assign to the audit committee.

The audit committee will be empowered to retain any advisors as it deems necessary or appropriate to assist it in fulfilling its responsibilities, and to approve the fees and other retention terms of such advisors.

Upon the completion of the offering, Randy Glein and Steve Jurvetson are expected to be the members of our audit committee. Randy Glein is expected to qualify as an “audit committee financial expert” as such term is defined under the rules of the SEC implementing Section 407 of the Sarbanes-Oxley Act and each of Randy Glein and Steve Jurvetson qualifies as an independent director for purposes of Rule 10A-3 of the Exchange Act and the listing standards of Nasdaq and Nasdaq Texas. We will identify the third member to serve on the audit committee within the applicable one year period under Nasdaq and Nasdaq Texas listing rules. Randy Glein is expected to serve as the chair of the audit committee.

9.1.10.2 Compensation and Nominating Committee

The primary responsibilities of our compensation and nominating committee will include, among other things:

- overseeing the Company’s overall compensation philosophy;
- reviewing and approving, or recommending to the full board for approval, the compensation and other benefits for executive officers;
- reviewing and recommending to our board for approval the form and amount of compensation for our independent directors;
- making recommendations to our board regarding director candidates and assisting our board in determining the composition of our board and its committees, subject to the terms of our charter; and
- performing such other functions as our board may from time to time assign to the committee.

Upon the completion of the global offering, Ira Ehrenpreis, Antonio J. Gracias, and Luke Nosek are expected to be the members of our compensation and nominating committee. As a “controlled company,” we will rely upon the exemption from Nasdaq’s and Nasdaq Texas’ requirement that we have a compensation and nominating committee that is composed entirely of independent directors with a committee charter that addresses all Nasdaq and Nasdaq Texas’ requirements applicable to companies that are not controlled companies. Each of Ira Ehrenpreis and Luke Nosek qualifies as an independent director under the listing standards of Nasdaq and Nasdaq Texas, including the heightened independence standards for members of a compensation committee, and as a “non-employee director” as defined in Rule 16b-3 of the Exchange Act. Ira Ehrenpreis is expected to serve as the chair of the compensation and nominating committee.

9.1.11 Compensation Committee Interlocks and Insider Participation

During the last completed fiscal year, we were not a publicly traded company and did not have a compensation committee or any other committee serving a similar function. Historically, the board has been responsible for determining, and has made all decisions regarding, the compensation for Mr. Musk. With respect to those expected to serve as our other executive officers, Mr. Musk has had primary responsibility for compensation-related decisions; however, all equity awards were approved by the board.

9.1.12 Code of Business Conduct and Ethics

In connection with the offering, our board will adopt a code of business conduct and ethics applicable to our employees, directors and officers, in accordance with applicable SEC rules and the corporate governance rules of Nasdaq and Nasdaq Texas. We expect that any amendments to the code or any waivers of its requirements applicable to our directors and executive officers will be disclosed on our website at www.spacex.com, as and to the extent required by applicable SEC rules and the corporate governance rules of Nasdaq and Nasdaq Texas. Information contained on our website or linked therein or otherwise connected thereto does not constitute part of, nor is it incorporated by reference into, this prospectus.

9.1.13 Corporate Governance Guidelines

In connection with the completion of the offering, we intend to adopt corporate governance guidelines, which will set forth expectations for directors, director qualification standards, committee structure and functions and other policies for the governance of our company. A copy of our corporate governance guidelines will be

posted on our website at www.spacex.com. Information contained on our website or linked therein or otherwise connected thereto does not constitute part of, nor is it incorporated by reference into, this prospectus.

9.1.14 Indemnification of Directors and Officers

Under the TBOC, the charter of a corporation may provide that a director or officer of the corporation is not liable, or is liable only to the extent provided by the charter, to the corporation or its shareholders for monetary damages for an act or omission by the person in the person's capacity as a director or officer. The TBOC does not authorize elimination or limitation of liability to the extent the director or officer is found liable under applicable law for:

- any breach of the director's or officer's duty of loyalty to the corporation or its shareholders;
- any act or omission not in good faith that constitutes a breach of duty of the director or officer to the corporation or that involves intentional misconduct or a knowing violation of law;
- any transaction from which the director or officer receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's duties; or
- an act or omission for which the liability of the director or officer is expressly provided by an applicable statute.

Our charter will provide that our directors and officers are not liable to the Company or its shareholders for monetary damages for an act or omission by the director or officer in his or her capacity as a director or officer or for a breach of any duty as a director or officer to the fullest extent permitted by the TBOC, as it exists or as amended from time to time.

The TBOC provides that a corporation must indemnify a director or former director against reasonable expenses actually incurred by the person in connection with a proceeding in which the person is a respondent because the person is or was a director, or is or was serving as a representative of another enterprise or organization or an employee benefit plan while serving as a director, if the director or former director is wholly successful, on the merits or otherwise, in the defense of the proceeding. If a court determines that a director, former director or representative is entitled to indemnification, the court will order indemnification by the corporation and award the person expenses incurred in securing the indemnification. The TBOC also permits corporations to indemnify present or former directors where indemnification is not mandated by the TBOC; however, such permissive indemnification is subject to certain limitations and the director satisfying specified standards of conduct. The TBOC also provides that officers must be indemnified to the same extent as directors are required to be indemnified under the TBOC and that a court may also order indemnification under various circumstances. In addition, the TBOC permits indemnification in certain circumstances in which we would not otherwise have the power to do so under the provisions of the TBOC or our charter or bylaws if that indemnification is approved by the shareholders of the Company.

Our bylaws will also provide that, to the fullest extent permitted by the TBOC, the Company must indemnify any person who was or is, or is threatened to be made, a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative, legislative or investigative, including an appeal thereof, by reason of the fact that the person is or was a director or an officer (who is appointed by our board or specifically designated as such by our chief executive officer, president or chief financial officer) of the Company, or while a director or officer of the Company is or was serving at the request of the Company as a director, officer, partner, venturer, trustee, employee, administrator or agent of another entity, trust or enterprise, against expenses (including attorneys' fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit or proceeding if the person satisfied a specified standard of conduct. Our bylaws will also provide that expenses (including attorneys' fees) actually and reasonably incurred by such director or officer in defending any proceeding will be paid by the Company in advance of the final disposition of the proceeding upon written request from that person subject to the person satisfying certain conditions. To the extent that indemnification for liabilities arising under the U.S. Securities Act may be permitted to our directors, officers and controlling persons, we have been advised that, in the opinion of the SEC, this indemnification is against public policy as expressed in the U.S. Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification is sought by a director, officer or controlling person for liabilities arising under the U.S. Securities Act, the enforceability of such indemnification may be subject to determination by a court of competent jurisdiction and would be governed by the final adjudication of such issue.

The TBOC and our bylaws permit the Company to purchase insurance on behalf of existing or former officers, employees, directors or agents against any liability asserted against and incurred by that person in such capacity, or arising out of that person's status in such capacity, whether or not the Company would have the power to indemnify that person under the TBOC. Pursuant to this authority, we expect to obtain such insurance for the officers, employees, directors and agents of the Company and its subsidiaries. We will also enter into written indemnification agreements with each of our officers and directors that provide, in general, that we will indemnify them against loss and liability arising from, and will pay or reimburse their actual and reasonable expenses incurred in advance of the final disposition of any legal proceeding involving their service to us or on our behalf. As permitted by the TBOC, and subject to shareholder approval, the agreements may provide for indemnification or payment of expenses in favor of the indemnitee in certain circumstances where indemnification might not otherwise be available solely under the TBOC, our charter or our bylaws. In addition, any director or officer who receives an advance or reimbursement of expenses will be required to repay those amounts if it is ultimately determined that such person was not entitled to indemnification under applicable law, our bylaws or the applicable indemnification agreement.

The proposed underwriting agreement will provide for indemnification of our directors and officers by the underwriters against certain liabilities in connection with the offering (please refer to “8.3.3 *Termination and Indemnification*”).

9.2 Certain Information Regarding the Board of Directors

In the last five years, no executive officer or director has been convicted of fraudulent offences.

In the last five years, no executive officer or director has been associated with any bankruptcy, receivership or liquidation acting in its capacity as a member of any administrative, management or supervisory body.

In the last five years, except as set out on F-55 (please refer to Note 17, Commitments and Contingencies, of our Audited Consolidated Financial Statements), no official public incriminations or sanctions have been made by statutory or legal authorities (including designated professional bodies) against any executive officer or director, nor have sanctions been imposed by the aforementioned authorities.

No court has ever disqualified any executive officer or director from acting as a member of the administrative, management, or supervisory body of a company, or from acting in the management or conduct of the affairs of any company for at least the previous five years.

9.3 Executive Compensation

9.3.1 Compensation Discussion and Analysis

This Compensation Discussion and Analysis, or CD&A, provides an overview of our executive compensation philosophy, objectives, and design and each element of our executive compensation program with regard to the compensation awarded, to, earned by, or paid to the following named executive officers (collectively, our “NEOs”) for the fiscal year ended December 31, 2025 (the “**2025 Fiscal Year**”), which includes all of our executive officers for the 2025 Fiscal Year. For the 2025 Fiscal Year, our NEOs were:

Name	Position
Elon Musk	Chief Executive Officer, Chief Technical Officer and Chairman of the Board
Gwynne Shotwell	President, Chief Operating Officer and Director
Bret Johnsen	Chief Financial Officer

9.3.2 Our Compensation Philosophy and Objectives

Our compensation program is designed to attract, retain and reward executives and employees, with a heavy emphasis on equity compensation to provide employees with a financial stake in our business and an ownership mindset. We offer a number of programs that allow employees to voluntarily elect to receive elements of their compensation in equity or to otherwise increase their ownership interests in the Company.

9.3.3 Process for Setting Compensation

Historically, our board has been responsible for determining, and has made all decisions regarding, the compensation for Mr. Musk. With respect to the other NEOs, Mr. Musk has had primary responsibility for compensation-related decisions (in consultation with Ms. Shotwell with respect to Mr. Johnsen's compensation). All equity awards are approved by our board.

In connection with the offering, we plan to establish a compensation and nominating committee of our board who will oversee our executive compensation program going forward. The compensation and nominating committee, in consultation with Mr. Musk (other than with respect to his own compensation), will have primary responsibility for evaluating and approving the compensation of our NEOs or making recommendations regarding such compensation to our board when appropriate, including with respect to Mr. Musk's compensation.

9.3.4 Elements of Compensation

9.3.4.1 Base Salary

Each NEO's base salary is a fixed component of compensation for performing specific job duties and functions. Base salaries are generally reviewed on an annual basis, taking into account the NEO's experience and responsibilities. Mr. Musk's base salary of \$54,080 has remained unchanged since 2019, and prior to our relocation to Texas in 2024 was tied to California's minimum salary for exempt employees. Mr. Musk has historically determined the base salary for Ms. Shotwell, which was increased from \$1,040,000 to \$1,080,000 effective April 20, 2025. Mr. Musk and Ms. Shotwell have historically determined the base salary for Mr. Johnsen, which was increased from \$780,000 to \$825,000 on April 6, 2025, with retroactive effect for the full 2025 Fiscal Year.

As participants in a broader employee equity election program, our NEOs, other than Mr. Musk, were eligible to elect to forgo all or a portion of their base salary in exchange for restricted stock units ("**RSUs**") with the number of RSUs calculated based on the fair market value of the underlying Class C common stock on the date of the grant. Each RSU granted during 2025 (including as part of long-term incentive compensation, as described below) represented the right to receive one share of Class C common stock at no cost to the holder. For the 2025 Fiscal Year, Ms. Shotwell received \$353,077 of her base salary in cash and elected to forgo the remainder of her base salary of \$726,923 in exchange for a grant of 19,650 RSUs that vested 50% on May 15, 2025 and 50% on November 15, 2025 (with the number of RSUs calculated based on the fair market value of the underlying Class C common stock on the date of the grant), and Mr. Johnsen elected to receive his base salary fully in cash. The base salaries paid to our NEOs reflect the only cash compensation that they are eligible to receive, as no NEO participates in an annual bonus program.

9.3.4.2 Long-Term Incentive Compensation

In 2025, we granted long-term incentive compensation under our 2024 Equity Incentive Plan (the "**2024 Plan**"), which replaced our 2015 Equity Incentive Plan (the "**2015 Plan**") with respect to new grants; however, outstanding grants under the 2015 Plan remained outstanding and subject to the terms of the 2015 Plan, which are substantially similar to the terms of the 2024 Plan. The 2024 Plan provides for the issuance of up to 365,950,000 shares of Class C common stock thereunder pursuant to stock options (which may be either incentive stock options or nonstatutory stock options), RSUs, and other equity awards, in each case, on the terms determined by our board. It is expected that, in connection with and following the completion of the offering, all outstanding awards under the 2015 Plan and the 2024 Plan will remain outstanding and continue to be subject to their existing terms; however, awards in respect of Class C common stock will be converted into awards in respect of Class A common stock on a one-for-one basis as part of the Class C Reclassification. It is expected that the 2024 Plan will be amended and restated in connection with the offering, as described below.

Given his significant ownership interest in our Company, Mr. Musk was not granted any annual long-term incentive compensation in 2025, and generally does not participate in our annual long-term incentive compensation program. However, as part of our efforts to further incentivize Mr. Musk to achieve our long-term business objectives, the board granted him a performance-based award of restricted shares of Class B common stock in January 2026, as described further under "**9.3.5.1 2026 Compensation Developments**" below.

Ms. Shotwell was eligible to participate in our long-term incentive election program with a target award of \$5 million, pursuant to which she could elect to receive 20% of her target award in cash or RSUs that vest after six months and 80% of her target award in cash vesting over five years, RSUs vesting over five years or stock

options vesting over six years. In accordance with her elections, on May 10, 2025, our board granted Ms. Shotwell 27,030 RSUs, representing \$1 million of her target award (based on the fair market value of a share of Class C common stock on the grant date), that vested on November 15, 2025 and stock options to purchase 324,325 shares of Class C common stock, representing \$4 million of her target award, which vest as to 12.5% on May 15, 2027 and monthly thereafter in equal installments through November 15, 2030, in each case, subject to Ms. Shotwell's continued employment with us through the applicable vesting date.

Because Mr. Johnsen held outstanding stock options tied to aggressive performance milestones, a portion of which were adjusted in 2026 as described further under “9.3.5.1 2026 Compensation Developments” below, he was not eligible to participate in the long-term incentive election program described above. Instead, Mr. Johnsen's long-term incentive award for the 2025 Fiscal Year consisted exclusively of stock options to purchase 324,325 shares of Class C common stock, which was granted by our board on May 10, 2025. These stock options vest as to 40% in equal monthly installments from January 1, 2027 through December 1, 2027 and as to 60% in equal monthly installments from January 1, 2028 through December 1, 2030, in each case, subject to Mr. Johnsen's continued employment with us through the applicable vesting date.

On October 20, 2025, as a special equity grant intended to further promote their retention, reward their individual performance, and encourage efforts to continue growing the Company, our board granted Ms. Shotwell stock options to purchase 3,537,740 shares of Class C common stock and granted Mr. Johnsen stock options to purchase 141,510 shares of Class C common stock. These special stock options vest as to 20% on September 30, 2027 and monthly thereafter in equal installments through September 30, 2031, in each case, subject to the NEO's continued employment with us through the applicable vesting date.

9.3.4.3 *Other Elements of Compensation*

9.3.4.3.1 Retirement Benefits

All of our U.S. employees, including our NEOs, are eligible to participate in our 401(k) plan, which is a broad-based, tax-qualified defined contribution retirement plan. Under the 401(k) plan, we may make discretionary matching and non-elective contributions, subject to certain limits under the Internal Revenue Code of 1986, as amended (the “Code”), and such contributions would vest ratably and would be 100% vested after five years of credited service; however, no such company contributions were made for 2025.

9.3.4.3.2 Employee Stock Purchase Plans

Historically, we have provided two employee stock purchase plans in which all of our U.S. employees, including the NEOs, are eligible to participate. Our Amended and Restated 2017 Employee Stock Purchase Plan (the “2017 ESPP”) is intended to qualify under Section 423 of the Code and allows eligible employees to purchase shares of Class C common stock using accumulated payroll contributions at a discount. It is expected that the 2017 ESPP will be amended and restated in connection with the offering, as described below. Our 2023 Non-Qualified ESPP (the “NQ ESPP”) is not intended to qualify under Section 423 of the Code and allows eligible employees to purchase shares of Class C common stock using accumulated payroll contributions at fair market value. Our NQ ESPP will be discontinued in connection with the offering.

9.3.4.3.3 Perquisites

The Company provides security equipment to enhance security at Ms. Shotwell's personal residence. The aggregate incremental cost of these security benefits are reported in the “9.3.6.1 2025 Summary Compensation Table” below. No other material perquisites are provided to our NEOs.

9.3.5 *Other Matters*

9.3.5.1 *2026 Compensation Developments*

On January 13, 2026, our board approved the grant of 1 billion performance-based restricted shares of Class B common stock to Mr. Musk. The restricted shares vest upon (i) our achievement of specified market capitalization milestones across 15 equal tranches and (ii) the Company's establishment of a permanent human colony on Mars with at least one million inhabitants, in each case, subject to Mr. Musk's continued employment with us through the date on which achievement is certified by our board. Mr. Musk has the right to vote all of these performance-based restricted shares of Class B common stock that remain outstanding. For any tranche of the award to vest, both the applicable market capitalization milestone for such tranche and the human colony milestone must be met. In connection with the xAI Merger that closed on February 2, 2026, the market

capitalization milestones were equitably adjusted in accordance with the terms of the award agreement to the following:

Restricted Shares Subject to Tranche	Market Capitalization Milestone
66,666,665	\$ 500,000,000,000
66,666,665	\$ 1,000,000,000,000
66,666,665	\$ 1,500,000,000,000
66,666,665	\$ 2,000,000,000,000
66,666,665	\$ 2,500,000,000,000
66,666,665	\$ 3,000,000,000,000
66,666,665	\$ 3,500,000,000,000
66,666,665	\$ 4,000,000,000,000
66,666,665	\$ 4,500,000,000,000
66,666,665	\$ 5,000,000,000,000
66,666,670	\$ 5,500,000,000,000
66,666,670	\$ 6,000,000,000,000
66,666,670	\$ 6,500,000,000,000
66,666,670	\$ 7,000,000,000,000
66,666,670	\$ 7,500,000,000,000

In connection with the xAI Merger, we also assumed a performance stock award originally granted to Mr. Musk by xAI on November 26, 2025. In accordance with the terms of that award agreement, the award was adjusted to account for the xAI Merger and, following such adjustment, reflected Mr. Musk's right to receive shares of our Class A common stock equal to 0.20% of the fully diluted capitalization of the Company upon achievement of each of 12 valuation milestones ranging from \$1.065 trillion to \$6.565 trillion, with each milestone reflecting \$500 billion in additional valuation, in each case, subject to Mr. Musk's continued employment with us. The first valuation milestone was achieved prior to the xAI Merger, and Mr. Musk was issued 25,172,695 shares of our Class A common stock in settlement of that portion of the award. On March 23, 2026, this award and the 25,172,695 shares earned upon achievement of the first valuation milestone were cancelled and replaced with a grant of 302,072,285 performance-based restricted shares of Class B common stock, which vest upon both (i) achievement of specified market capitalization milestones across 12 equal tranches ranging from \$1.065 trillion to \$6.565 trillion, with each milestone reflecting \$500 billion in additional valuation, and (ii) the Company's completion of non-Earth-based data centers capable of delivering 100 terawatts of compute per year, in each case, subject to Mr. Musk's continued employment with us through the date on which achievement is certified by our board. Mr. Musk has the right to vote all of these performance-based restricted shares of Class B common stock that remain outstanding.

On January 4, 2026, our board approved an amendment to Mr. Johnsen's 4 million performance-based stock options originally granted in 2024. In lieu of vesting based on free cash flow achievement in excess of a baseline, 371,125 of the stock options will vest for each \$10 billion in adjusted EBITDA achieved during the 2025 through 2029 fiscal years, assessed on an annual basis. For purposes of this award, adjusted EBITDA is calculated as income from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) impairment, and (iv) restructuring impacts. Once a tranche of the stock options have become earned as a result of our adjusted EBITDA performance as of the end of a particular fiscal year, such stock options remain subject to an additional one-year and one day service-based vesting requirement following December 31 of the fiscal year in which such tranche was earned. None of the stock options became earned on account of our 2025 Fiscal Year adjusted EBITDA performance.

9.3.5.2 Clawback Policy

In connection with the offering, we will adopt a compensation recoupment (clawback) policy that complies with Nasdaq and Nasdaq Texas listing standards implementing Rule 10D-1 of the Exchange Act.

9.3.6 Executive Compensation Tables

9.3.6.1 2025 Summary Compensation Table

The following table presents information regarding the total compensation awarded to, earned by, and paid to the NEOs for the 2025 Fiscal Year.

Name and Principal Position	Year	Salary (\$)	Option Awards \$(⁽¹⁾)	Stock Awards \$(⁽²⁾)	All Other Compensation \$(⁽³⁾)	Total Compensation (\$)
Elon Musk Chief Executive Officer, Chief Technical Officer and Chairman of the Board.....	2025	54,080	—	—	—	54,080
Gwynne Shotwell President, Chief Operating Officer and Director.....	2025	1,080,127 ⁽⁴⁾	82,969,515	1,727,160	30,095	85,806,897
Bret Johnsen Chief Financial Officer.....	2025	825,000	9,013,002	—	—	9,838,002

- (1) Amounts in this column represent the grant date fair value of stock options granted to the NEOs during the 2025 Fiscal Year calculated in accordance with FASB ASC Topic 718, disregarding the effect of estimated forfeitures. For additional information regarding the assumptions underlying this calculation, please refer to Note 15, Share-based Compensation – Fair Value Determination, to the Audited Consolidated Financial Statements included elsewhere in this prospectus.
- (2) Amounts in this column represent the grant date fair value of RSUs granted to the NEOs calculated in accordance with FASB ASC Topic 718, disregarding the effect of estimated forfeitures, based on the fair market value of a share of our Class C common stock on the applicable date.
- (3) Amounts in the column include, for Ms. Shotwell, the incremental cost to the Company of security equipment to enhance security at Ms. Shotwell’s personal residence. From time to time, each NEO may also be accompanied by personal guests on travel on Company-owned aircraft that otherwise has a business purpose; however, there is no incremental cost to the Company of such travel.
- (4) This amount includes the grant date fair value of 19,650 RSUs granted to Ms. Shotwell in lieu of base salary, calculated in accordance with FASB ASC Topic 718, disregarding the effect of estimated forfeitures, based on the fair market value of a share of our Class C common stock on the applicable date (\$37 on May 10, 2025). For additional information, please refer to “9.3.4.1 Base Salary” above and “9.3.6.2 Grants of Plan-Based Awards” below.

9.3.6.2 Grants of Plan-Based Awards

The following table provides information on the stock options to purchase shares of our Class C common stock and RSUs representing a right to receive shares of our Class C common stock, in each case, granted to each NEO during the 2025 Fiscal Year under the 2024 Plan. Mr. Musk did not receive any equity grants from the Company during the 2025 Fiscal Year.

Name	Grant Date	All Other Stock Awards: Number of Shares of Stock or Units (#) ⁽¹⁾	All Other Option Awards: Number of Securities Underlying Options (#) ⁽²⁾	Exercise or Base Price of Option Awards (\$/Sh) ⁽³⁾	Grant Date Fair Value of Stock and Option Awards (\$) ⁽⁴⁾
Gwynne Shotwell					
▪ RSUs	5/10/25	19,650	⁽⁵⁾		\$ 727,050
▪ RSUs	5/10/25	27,030			\$ 1,000,110
▪ Options	5/10/25		324,325	\$ 37.00	\$ 6,136,878
▪ Options	10/20/25		3,537,740	\$ 42.40	\$ 76,832,637
Bret Johnsen					
▪ Options	5/10/25		324,325	\$ 37.00	\$ 5,939,688
▪ Options	10/20/25		141,510	\$ 42.40	\$ 3,073,314

(1) Amounts in this column represent RSUs granted during the 2025 Fiscal Year. For more information, please refer to “9.3.4.2 Long-Term Incentive Compensation” and “9.3.4.1 Base Salary” above.

(2) Amounts in this column represent stock options granted during the 2025 Fiscal Year. For more information, please refer to “9.3.4.2 Long-Term Incentive Compensation” above.

(3) The exercise price of each stock option granted during the 2025 Fiscal Year reflects the fair market value of a share of our Class C common stock on the date of grant and was determined based on a third-party valuation obtained in accordance with Section 409A of the Code.

(4) Amounts in this column represent the grant date fair value of stock options and RSUs, calculated in accordance with FASB ASC Topic 718, disregarding the effect of estimated forfeitures. For additional information regarding the assumptions underlying this calculation, refer to Note 15, Share-based Compensation – Fair Value Determination, to the Audited Consolidated Financial Statements included elsewhere in this prospectus.

(5) Represents the RSUs granted to Ms. Shotwell in lieu of \$726,923 of her 2025 base salary. For additional information, please refer to “9.3.4.1 Base Salary” above.

9.3.6.3 Outstanding Equity Awards at Fiscal Year-End

The following table presents information regarding the outstanding stock option awards held by our NEOs as of December 31, 2025. No NEOs held outstanding RSUs or other unvested stock awards in the Company as of December 31, 2025. Awards in respect of Class C common stock reflected in this following table will be converted into awards in respect of Class A common stock on a one-for-one basis as part of the Class C Reclassification.

Name	Option Awards					
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price (\$)	Option Expiration Date	
Elon Musk						
▪ Class B Options	344,166,650	8,333,350	(1) —	\$ 8.3998	2/11/31	
▪ Gwynne Shotwell						
▪ Class C Options	27,800	305,550	(2) —	\$ 8.3998	4/20/31	
▪ Class C Options	14,885	163,690	(2) —	\$ 11.20	4/27/32	
▪ Class C Options	—	618,560	(3) —	\$ 19.40	5/16/34	
▪ Class C Options	—	324,325	(4) —	\$ 37.00	5/10/35	
▪ Class C Options	—	3,537,740	(5) —	\$ 42.40	10/20/35	
▪ Bret Johnsen						
▪ Class C Options	711,850	—	—	\$ 4.40	4/24/30	
▪ Class C Options	1,019,400	480,600	(2) —	\$ 8.3998	4/20/31	
▪ Class C Options	535,715	—	2,142,860	(6) \$ 11.20	4/27/32	
▪ Class C Options	139,285	375,005	(7) —	\$ 15.40	5/1/33	
▪ Class C Options	—	371,135	(3) —	\$ 19.40	5/16/34	
▪ Class C Options	—	—	4,000,000	(8) \$ 19.40	5/16/34	
▪ Class C Options	—	324,325	(9) —	\$ 37.00	5/10/35	
▪ Class C Options	—	141,510	(5) —	\$ 42.40	10/20/35	

- (1) These stock options to purchase shares of our Class B common stock vested on January 1, 2026.
- (2) These stock options to purchase shares of our Class C common stock vest in approximately equal monthly installments through November 15, 2026, subject to the NEO's continued employment.
- (3) These stock options to purchase shares of our Class C common stock vest as to 12.5% on May 15, 2026 and thereafter in approximately equal monthly installments through November 15, 2029, subject to the NEO's continued employment.
- (4) These stock options to purchase shares of our Class C common stock vest as to 12.5% on May 15, 2027 and thereafter in approximately equal monthly installments through November 15, 2030, subject to the NEO's continued employment.
- (5) These stock options to purchase shares of our Class C common stock vest as to 20% on September 30, 2027 and thereafter in approximately equal monthly installments through September 30, 2031, subject to the NEO's continued employment.
- (6) These stock options to purchase shares of our Class C common stock vest as follows: (i) 75% vests in three equal tranches upon achievement of a 50%, 80% and 90% reduction in cost per ton to orbit from such cost in April 2022, and (ii) 25% vests in two equal tranches upon achievement of 80% and 90% reduction in Starlink service delivery costs from such costs in April 2022, in each case, subject to the NEO's continued employment.
- (7) These stock options to purchase shares of our Class C common stock vest in approximately equal monthly installments through November 15, 2028, subject to the NEO's continued employment.
- (8) These stock options to purchase shares of our Class C common stock were eligible to vest based on our free cash flow performance exceeding \$2 billion beginning in 2025, subject to the NEO's continued employment. In 2026, these stock options were amended as described in more detail under "9.3.5.1 2026 Compensation Developments" above.

- (9) These stock options to purchase shares of our Class C common stock vest as follows: (i) 129,730 vest in approximately equal monthly installments from January 1, 2027 through December 1, 2027 and (ii) 194,595 vest in approximately equal monthly installments from January 1, 2028 through December 1, 2030, in each case, subject to the NEO's continued employment.

9.3.6.4 Option Exercises and Stock Vested

The following table reflects stock options to purchase Class C common stock exercised by our NEOs during the 2025 Fiscal Years and RSUs held by our NEOs which vested during 2025.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$) ⁽¹⁾	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$) ⁽²⁾
Elon Musk.....	—	—	—	—
Gwynne Shotwell.....	1,684,515	44,800,662	46,680	1,926,177
Bret Johnsen.....	1,182,150	41,906,655	—	—

- (1) The value realized on the exercise of stock options is determined based on the fair market value of a share of our Class C common stock on the exercise date, less the applicable exercise price.
- (2) The value realized on the vesting of RSUs is determined based on the fair market value of a share of our Class C common stock on the vesting date.

9.3.7 Potential Payments Upon Termination or Change in Control

None of our NEOs are party to an employment agreement or severance arrangement that provides for payments or benefits upon termination of employment or a change in control of the Company. Under the terms of the RSU award agreements, in the event of an NEO's death, the RSUs scheduled to vest within the following 12-month period would become vested. No NEOs held outstanding RSUs as of December 31, 2025. No other equity award agreements provide for benefits upon termination of employment or a change in control of the Company.

9.3.8 Amended and Restated 2024 Equity Incentive Plan

In connection with the offering, we intend to amend and restate our 2024 Plan (the "**A&R 2024 Plan**"). The purpose of the A&R 2024 Plan is to secure and retain the services of eligible employees, directors and consultants to provide incentives for such persons to exert maximum efforts for the success of the Company and to provide a means by which such eligible recipients may be given an opportunity to benefit from increases in value of our Class A common stock. The A&R 2024 Plan allows for the grant of stock options, both incentive stock options and "nonstatutory" stock options; stock appreciation rights ("**SARs**"); restricted stock; RSUs; and other equity awards. We refer to these collectively herein as "**Awards**."

The following description of the A&R 2024 Plan is not intended to be complete and is qualified in its entirety by reference to the complete text of the A&R 2024 Plan (please refer to "**13. Documents Available for Inspection**"). Please read the A&R 2024 Plan in its entirety.

9.3.8.1 Administration

The A&R 2024 Plan will be administered by our board or a committee thereof designated by our board to administer the A&R 2024 Plan, which we refer to herein as the "**Plan Administrator**." The Plan Administrator will have broad authority, subject to the provisions of the A&R 2024 Plan, to administer and interpret the A&R 2024 Plan and Awards granted thereunder. All decisions and actions of the Plan Administrator will be final, binding and conclusive on all persons.

9.3.8.2 Stock Subject to A&R 2024 Plan

The maximum number of shares of Class A common stock that may be issued under the A&R 2024 Plan will not exceed 365,950,000 shares (the "**Share Reserve**"), inclusive of shares issued under the 2024 Plan prior to the adoption of the A&R 2024 Plan. The Share Reserve is subject to certain adjustments in the event of a change

in our capitalization. Shares of Class A common stock issued under the A&R 2024 Plan may be authorized but unissued or reacquired shares, including shares repurchased by the Company on the open market or otherwise.

Shares of Class A common stock subject to any award under our 2012 Equity Incentive Plan or the 2015 Plan that expires, terminates or is forfeited or that are reacquired, withheld or not issued to satisfy a tax withholding obligation will be added to the Share Reserve. Shares of Class A common stock subject to any award under the A&R 2024 Plan that expires, terminates or is forfeited or that are reacquired, withheld or not issued to satisfy a tax withholding obligation or payment of an exercise price will be again be available for issuance under the A&R 2024 Plan.

9.3.8.3 Eligibility

Current or prospective employees, non-employee directors and consultants of the Company and its affiliates will be eligible to participate in the A&R 2024 Plan.

9.3.8.4 Types of Awards

Stock Options. Stock options granted under the A&R 2024 Plan may be granted as incentive stock options or nonstatutory stock options, in either case with a term not to exceed 10 years (or five years for incentive stock options granted to 10% shareholders). Subject to the express provisions of the A&R 2024 Plan, stock options generally may be exercised over such period, in installments or otherwise, as the Plan Administrator may determine. The exercise price for any stock option granted may not generally be less than the fair market value of the Class A common stock subject to that option on the grant date (or 110% of the fair market value for incentive stock options granted to 10% shareholders). The exercise price may be paid in cash or such other method as determined by the Plan Administrator, including an irrevocable commitment by a broker to pay over such amount from a sale of the shares issuable under an option, the delivery of previously owned shares, or withholding of shares deliverable upon exercise.

Stock Appreciation Rights. SARs represent, upon exercise, the right to receive the amount by which the fair market value of the Class A common stock at the time of exercise exceeds the exercise price of the SAR. This amount is payable in Class A common stock, cash, or a combination thereof, or in any other form of consideration at the Plan Administrator's discretion. The exercise price for any SARs may not generally be less than the fair market value of the Class A common stock subject to the SAR on the grant date and may not have a term in excess of 10 years.

Restricted Stock and RSUs. Awards of restricted stock consist of shares of stock that are transferred to the participant subject to restrictions that may result in forfeiture if specified conditions are not satisfied. RSUs result in the transfer of shares of Class A common stock, cash or other form of consideration to the participant only after specified conditions are satisfied. The Plan Administrator will determine the restrictions and conditions applicable to each award of restricted stock or RSUs, which may include performance vesting conditions.

Other Equity Awards. Other equity awards are Awards valued in whole or in part by reference to, or otherwise based, on Class A common stock, including the appreciation in value thereof. Other equity awards may be granted either alone or in tandem with other Awards under the A&R 2024 Plan.

9.3.8.5 Performance Criteria

The Plan Administrator may specify certain performance criteria which must be satisfied before Awards will be granted or will vest. The performance goals may vary from participant to participant, group to group, and period to period.

9.3.8.6 Transferability

Except as otherwise permitted by the Plan Administrator, Awards generally are not transferable except by will or by the laws of descent and distribution, and each stock option or SAR will be exercisable during the lifetime of the participant only by the participant.

9.3.8.7 Clawback

Awards will be subject to recoupment in accordance with any clawback policy that we adopt, including any clawback policy required under Rule 10D-1 of the Exchange Act.

9.3.8.8 *Amendment and Termination*

The Plan Administrator may amend, suspend or terminate the A&R 2024 Plan at any time; however certain enumerated material amendments may not be made without shareholder approval. Suspension or termination of the A&R 2024 Plan may not impair the rights and obligations of any outstanding Award. The Plan Administrator may also amend any outstanding Award, subject to the participant's consent in the event such amendment impairs such participant's rights under such Award. The A&R 2024 Plan is expected to be adopted by our board in connection with the offering and will terminate on December 10, 2034, unless earlier terminated by our board.

9.3.9 *Second Amended and Restated 2017 Employee Stock Purchase Plan*

In connection with the offering, we intend to further amend and restate our 2017 ESPP ("**A&R 2017 ESPP**"). The purpose of the A&R 2017 ESPP is to encourage and enable our eligible employees to acquire a proprietary interest in us through the ownership of our Class A common stock. The A&R 2017 ESPP, and the rights of participants to make purchases thereunder, is intended to qualify under the provisions of Section 423 of the Code.

The following description of the A&R 2017 ESPP is not intended to be complete and is qualified in its entirety by reference to the complete text of the A&R 2017 ESPP (please refer to "*13. Documents Available for Inspection*"). Please read the A&R 2017 ESPP in its entirety.

9.3.9.1 *Administration*

The A&R 2017 ESPP will be administered by our board or a committee thereof designated by our board to administer the A&R 2017 ESPP, which we refer to herein as the "**ESPP Administrator**." The ESPP Administrator has the final power to determine all questions of policy and expediency that may arise in the administration of the A&R 2017 ESPP. The ESPP Administrator may delegate its responsibilities under the A&R 2017 ESPP to one or more other persons.

9.3.9.2 *Stock Subject to A&R 2017 ESPP*

The maximum number of shares of Class A common stock that may be issued under the A&R 2017 ESPP will not exceed 75,000,000 shares (the "**ESPP Share Pool**"), inclusive of shares issued under the 2017 ESPP prior to the adoption of the A&R 2017 ESPP. The ESPP Share Pool is subject to certain adjustments in the event of a change in our capitalization. Shares of Class A common stock issued under the A&R 2017 ESPP may be either authorized and unissued shares or previously issued shares acquired by us. A participant does not have the rights of a shareholder until the shares are actually issued to the participant.

9.3.9.3 *Eligibility; Limitations*

An employee is eligible to participate in the A&R 2017 ESPP if the employee has been continuously employed by us or one of our related corporations incorporated in the United States since at least the last day of the calendar month preceding the month in which the offering date occurs and does not own 5% or more of the combined voting power of the Company or any related corporations (as determined under Section 423 and 424 of the Code). Eligible employees must enroll in a particular offering at least 10 business days prior to the offering date of such offering, and once enrolled for an offering, employees will be automatically enrolled in subsequent offerings unless the employee withdraws.

A participant is not permitted to purchase shares of our Class A common stock with a fair market value in excess of \$25,000 in any one calendar year (calculated based on the fair market value on the offering date).

9.3.9.4 *Offerings*

The offerings and purchase periods will be determined by the ESPP Administrator, subject to limitations under the Section 423 of the Code. It is expected that we will continue six-month successive purchase periods with purchase dates occurring on April 15th and October 15th of each year.

During the purchase period, a participant may contribute between 1% and 100% of their eligible earnings (in whole percentage increments) through payroll deductions. A participant may change their payroll deduction prior to the beginning of an offering; however, during an offering, a participant may not increase the contribution percentage and may only decrease it up to two times (with the second decrease required to be to 0%), subject to

the withdrawal provisions. At the end of each offering period, unless the participant has withdrawn from the A&R 2017 ESPP, payroll deductions are applied automatically to purchase shares of Class A common stock at the purchase price described below. The number of shares purchased is determined by dividing the payroll deductions by the applicable purchase price, with any remaining funds held in the participant's account for the subsequent purchase period (subject to the withdrawal provisions).

In the event of a participant's termination of employment or a participant's withdrawal from an offering (which may occur at any time prior to the ten-business day period preceding the purchase date), such participant's accumulated deductions will be returned to the participant as soon as administratively practicable.

9.3.9.5 Purchase Price

The price per share at which shares are purchased under the A&R 2017 ESPP in a particular offering period is determined by the ESPP Administrator, but in no event will be less than 85% of the lower of the fair market value of the Class A common stock on the offering date or the fair market value of the Class A common stock on the purchase date.

9.3.9.6 Adjustments

In the event of any reorganizations, recapitalizations, stock splits, reverse stock splits, stock dividends, extraordinary dividends or distributions, or similar events, the ESPP Administrator will appropriately adjust the number and class of shares available under the A&R 2017 ESPP and subject to the purchase limits under each ongoing offering and the applicable purchase price of such shares in each ongoing offering.

9.3.9.7 Transferability

Rights to purchase Class A common stock under the A&R 2017 ESPP may not be transferred by a participant and may be exercised during a participant's lifetime only by the participant.

9.3.9.8 Amendment and Termination

The A&R 2017 ESPP will become effective when it is approved by our board. Our board may amend, alter, or discontinue the A&R 2017 ESPP in any respect at any time, subject to shareholder approval as required by applicable laws and regulations.

9.3.10 Director Compensation

During 2025, our non-employee directors did not receive cash or equity compensation for their service on our board. All of our non-management directors qualify as non-employee directors. Mr. Musk and Ms. Shotwell do not receive any additional compensation for their respective services as directors.

9.4 Stock Issued Under Employee Plans

We intend to file a registration statement on Form S-8 under the U.S. Securities Act to register stock issuable under our A&R 2024 Plan and A&R 2017 ESPP and to register stock issuable pursuant to outstanding awards under our other Equity Plans. This registration statement on Form S-8 is expected to be filed following the effective date of the Company's registration statement on Form S-1 filed with the SEC and will be effective immediately upon filing. Accordingly, shares of Class A common stock registered under such registration statement will be available for sale in the open market following the effective date, unless such shares are subject to vesting restrictions with us or the lock-up restrictions described above.

9.5 Shareholdings

Please refer to "11.2.1 Major Shareholders."

10. FINANCIAL INFORMATION

Please refer to the Audited Financial Statements and Unaudited Consolidated Interim Financial Statements in F-1 *et seqq.* for the financial information of the Company.

11. SHAREHOLDER AND SECURITY HOLDER INFORMATION

Unless otherwise indicated, all information contained in this section assumes i) no purchase of shares of Class A common stock in the global offering by our directors, officers or existing shareholders and reflects the charter and bylaws in effect upon completion of the global offering (on or about June 15, 2026), ii) the 2026 Stock Split and iii) prior to completion of the global offering, pursuant to the terms of our certificate of formation in effect as a private company prior to the global offering, the reclassification of all of the outstanding shares of our Class C common stock into an aggregate of 494,050,675 shares of Class A common stock and the conversion of the outstanding shares of all our preferred stock into an aggregate of 3,448,110,450 shares of our Class A common stock and 3,274,452,900 shares of our Class B common stock.

11.1 Share Capital

11.1.1 Current Share Capital, Shares, Voting Rights, Dividend Entitlement

Upon completion of the offering, the authorized capital stock of the Company will consist of 36,132,150,000 shares of Class A common stock, par value \$0.001 per share, of which 7,380,196,910 shares will be issued and outstanding (or 7,463,530,243 shares, respectively, if the underwriters exercise their option to purchase additional shares in full), 6,125,000,000 shares of Class B common stock, par value \$0.001 per share, of which 5,695,668,265 shares will be issued and outstanding, 10,000,000,000 shares of Class C common stock, par value \$0.001 per share, of which no shares will be issued and outstanding, and 2,400,000,000 shares of preferred stock, par value \$0.001 per share, of which no shares will be issued and outstanding.

11.1.2 Development of the Share Capital over the Last Three Years

11.1.2.1 Recent Sales of Unregistered Securities

The following sets forth information regarding all unregistered securities we have issued in the last three years. Unless stated otherwise, the sale of the securities listed below were deemed to be exempt from registration pursuant to Section 4(a)(2) of the U.S. Securities Act, including Regulation D and Rule 506 promulgated thereunder, as transactions by an issuer not involving a public offering.

On February 2, 2026, we consummated the xAI Merger and, in connection therewith, issued 1.6 billion shares of Class A common stock and 608.4 million shares of Class B common stock as partial consideration, including 19.0 million shares of Class A common stock to Tesla following the completion of a regulatory review period on March 12, 2026. Such amounts do not give effect to the 2026 Stock Split.

On January 13, 2026, we granted 1.0 billion performance-based restricted shares of Class B common stock to Mr. Musk to vest upon (i) our achievement of specified market capitalization milestones across 15 equal tranches and (ii) our establishment of a permanent human colony on Mars with at least one million inhabitants, in each case, subject to Mr. Musk's continued employment with us through the date on which achievement is certified by our board.

In connection with the xAI Merger, we assumed a performance stock award originally granted to Mr. Musk by xAI. On March 23, 2026, this award and the shares earned upon achievement of the first valuation milestone relating to such award were cancelled and replaced with a grant of 302.1 million performance-based restricted shares of Class B common stock, which vest upon both (i) our achievement of specified market capitalization milestones across 12 equal tranches and (ii) our completion of non-Earth-based data centers capable of delivering 100 terawatts of compute per year, in each case, subject to Mr. Musk's continued employment with us through the date on which achievement is certified by our board.

On September 7, 2025, we entered into a License Purchase Agreement with Spectrum Business Trust 2025-1, a Nevada Business Trust, and EchoStar. The total consideration for the acquisition of EchoStar's spectrum is approximately \$19.6 billion, consisting of (i) approximately \$11.1 billion in equity, payable through the issuance of approximately 261.8 million shares of Class A common stock at a fixed value of \$42.40 per share, and (ii) up to \$8.5 billion related to the payoff of designated EchoStar debt, with any shortfall below \$8.5 billion to be paid in cash. The allocation of cash and equity consideration is subject to certain adjustments based on the amount of EchoStar debt satisfied at or prior to closing. The EchoStar Transaction is expected to close on or about November 30, 2027.

11.1.3 Convertible Securities, Exchangeable Securities or Securities with Warrants

For more information on the Company's convertible securities, please refer to Note 13, Redeemable Convertible Preferred Stock and Shareholders' Equity, in our Audited Consolidated Financial Statements.

11.1.4 Authorized Capital

For more information on the Company's authorized capital, please refer to "11.1 Share Capital" and "11.3.2.6 Authorized but Unissued Shares".

11.2 Shareholder Structure

11.2.1 Major Shareholders

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of May 1, 2026 and as adjusted to give effect to the completion of the global offering and transactions related thereto, for:

- each person (or group of affiliated persons) known to us to beneficially own more than 5% of any class of our voting securities;
- each of our NEOs and directors; and
- all of our executive officers and directors as a group.

Unless otherwise indicated, the address of each beneficial owner listed below is c/o Space Exploration Technologies Corp., 1 Rocket Road, Starbase, Texas 78521.

The percentage ownership information before the offering shown in the table is based on 6,932,508,000 shares of our Class A common stock and 5,602,790,410 shares of our Class B common stock outstanding as of May 1, 2026, after giving effect to the Class C Reclassification, the Preferred Conversion, and the 2026 Stock Split. The percentage ownership information after the global offering shown in the table is based on 7,488,063,555 shares of our Class A common stock and 5,602,790,410 shares of our Class B common stock outstanding May 1, 2026, after giving effect to the sale of 555,555,555 shares of Class A common stock in the global offering and to the Class C Reclassification, the Preferred Conversion, and the 2026 Stock Split.

To the extent that the underwriters sell more than 555,555,555 shares of Class A common stock, the underwriters have the option to purchase up to an additional 83,333,333 shares of Class A common stock from us. These amounts are shown assuming no exercise of the underwriters' option to purchase additional shares of Class A common stock and no upsizing of the global offering.

The following table does not reflect any of the shares of Class A common stock that may be purchased in the global offering through the directed share program described in "8.2.1.2 Directed Share Program."

We have determined beneficial ownership in accordance with the rules of the SEC. Shares of common stock subject to options, warrants and rights that are exercisable within 60 days of May 1, 2026 are considered outstanding and beneficially owned by the person holding such options or warrants for the purpose of computing the percentage ownership of that person but are not treated as outstanding for the purpose of computing the percentage ownership of any other person, except with respect to the percentage ownership of all directors and executive officers as a group.

	Shares Beneficially Owned Before The Global Offering					Shares Beneficially Owned After The Global Offering (No Exercise)				
	Class A common stock ⁽⁸⁾		Class B common stock		Combined voting power	Class A common stock		Class B common stock		Combined voting power
	Number	%	Number	%		Number	%	Number	%	
5% Shareholders:										
Elon Musk ⁽¹⁾	849,494,440	12.3%	5,569,053,075	93.6%	85.1%	849,494,440	11.3%	5,569,053,075	93.6%	84.4%
Named Executive Officers and Directors:										
Elon Musk ⁽¹⁾	849,494,440	12.3%	5,569,053,075	93.6%	85.1%	849,494,440	11.3%	5,569,053,075	93.6%	84.4%
Gwynne Shotwell ⁽²⁾	5,759,610	*	7,113,550	*	*	5,759,610	*	7,113,550	*	*

	Shares Beneficially Owned Before The Global Offering					Shares Beneficially Owned After The Global Offering (No Exercise)				
	Class A common stock ⁽⁸⁾		Class B common stock		Combined voting power	Class A common stock		Class B common stock		Combined voting power
	Number	%	Number	%		Number	%	Number	%	
Bret Johnsen ⁽³⁾	9,048,565	*	—	*	*	9,048,565	*	—	*	*
Ira Ehrenpreis ⁽⁴⁾	809,050	*	564,650	*	*	809,050	*	564,650	*	*
Randy Glein ⁽⁵⁾	277,800	*	—	*	*	277,800	*	—	*	*
Antonio J. Gracias ⁽⁶⁾	503,414,530	7.3%	—	*	*	503,414,530	6.7%	—	*	*
Donald Harrison ...	—	*	—	*	*	—	*	—	*	*
Steve Jurvetson	—	*	—	*	*	—	*	—	*	*
Luke Nosek ⁽⁷⁾	32,987,360	*	—	*	*	32,987,360	*	—	*	*
All executive officers and directors as a group (9 persons) ..	1,401,791,355	20.2%	5,576,731,275	93.7%	86.0 %	1,401,791,355	18.7%	5,576,731,275	93.7%	85.3%

* Represents beneficial ownership or voting power of less than 1%.

- (1) Includes (i) 1,302,072,285 shares of restricted Class B common stock issued to and held of record by Mr. Musk, which may be voted by Mr. Musk, and the vesting of which is subject to the satisfaction of certain performance and other conditions, (ii) 842,091,670 shares of Class A common stock and 3,788,654,145 shares of Class B common stock held of record by the Elon Musk Revocable Trust dated July 22, 2003, of which Mr. Musk serves as trustee, (iii) 900,495 shares of Class B common stock held of record by the Musk 2017 Sprinkling Trust dated 12/12/2017, of which Mr. Musk serves as trustee, (iv) 7,402,770 shares of Class A common stock held of record by the EM 2024 GRAT-A under agreement dated November 26, 2024, of which Mr. Musk serves as trustee, (v) 127,426,150 shares of Class B common stock held of record by the Mission Trust dated December 12, 2019, of which Mr. Musk serves as trustee, and (vi) 350,000,000 shares of Class B common stock issuable to Mr. Musk upon exercise of options exercisable within 60 days of May 1, 2026. The reported amounts include 237,530 shares of Class A common stock pledged as security for personal indebtedness.
- (2) Includes (i) 2,472,035 shares of Class A common stock and 7,113,550 shares of Class B common stock held of record by Ms. Shotwell, (ii) 1,556,055 shares of Class A common stock held of record by QM GS 2021 Exempt Trust, of which Ms. Shotwell and her spouse serve as trustees, (iii) 1,556,005 shares of Class A common stock held of record by QM RS 2021 Exempt Trust, of which Ms. Shotwell and her spouse serve as trustees, and (iv) 175,515 shares of Class A common stock issuable to Ms. Shotwell upon exercise of options exercisable within 60 days of May 1, 2026.
- (3) Includes (i) 2,518,540 shares of Class A common stock held of record by B & C Johnsen Holdings LLC, of which Mr. Johnsen and his spouse serve as managers, (ii) 3,867,560 shares of Class A common stock held of record by the Bret and Catherine Johnsen Family Trust dated July 2, 2015, of which Mr. Johnsen and his spouse serve as trustees, and (iii) 2,662,465 shares of Class A common stock issuable to Mr. Johnsen upon exercise of options exercisable within 60 days of May 1, 2026.
- (4) Consists of 809,050 shares of Class A common stock and 564,650 shares of Class B common stock held of record by a revocable trust, of which Mr. Ehrenpreis and his spouse serve as trustees.
- (5) Represents 277,800 shares of Class A common stock held of record by Galaxy2021 Partners, LLC for which Mr. Glein serves as a manager. Mr. Glein disclaims beneficial ownership of the shares held of record by Galaxy2021 Partners, LLC, except to the extent of his pecuniary interest therein.
- (6) Consists of shares of Class A common stock held of record by the following: (i) 16,250,015 shares held by CV Consortio A LLC, (ii) 5,154,650 shares held by CV Consortio F LLC, (iii) 4,464,250 shares held by CV Consortio G LLC, (iv) 2,375,295 shares held by CV Consortio M LLC, (v) 4,652,600 shares held by CV Consortio N LLC, (vi) 3,648,645 shares held by KVSX I L.P., (vii) 1,118,920 shares held by TM33 Partner Holdings LLC, (viii) 911,430 shares held by Valor Equity Partners Opportunity Fund I L.P., (ix) 190,610 shares held by Valor Equity Partners Opportunity Fund I-A L.P., (x) 1,576,525 shares held by Valor Equity Partners Opportunity Fund I-B L.P., (xi) 20,529,605 shares held by Valor Equity Partners VI L.P., (xii) 495,880 shares held by Valor Equity Partners VI-A L.P., (xiii) 13,152,840 shares held by Valor Equity Partners VI-B L.P., (xiv) 52,569,550 shares held by Valor IV Space Holdings, LLC, (xv) 39,793,000 shares held by Valor M33 II L.P., (xvi) 22,066,800 shares held by Valor M33 IV L.P., (xvii) 77,810,800 shares held by Valor M33 V L.P., (xviii) 8,939,445 shares held by Valor M33 VI L.P., (xix) 31,083,705 shares held by Valor M33 L.P., (xx) 7,552,000 shares held by Valor R&D Series LLC, (xxi) 97,883,000 shares held by Valor Space Holdings, LLC, (xxii) 34,051,100 shares held by Valor V Space Holdings, L.P., (xxiii) 1,179,245 shares held by Valor VII Space Holdings, L.P., (xxiv) 20,497,155 shares held by VG 1.0 L.P., (xxv) 4,272,795 shares held by VG 2.0 L.P., (xxvi) 783,920 shares held by VG AI Holdings L.P., (xxvii) 27,462,910 shares held by VGX 1.0 L.P., (xxviii) 669,600 shares held by VOF Space Holdings L.P., (xxix) 1,197,160 shares held by VSV II XAI Holdings L.P., and (xxx) 1,081,080 shares held by VX Holdings L.P. (collectively, “**Valor Entities**”). By virtue of his position with the Valor Entities or the general partners of the Valor Entities, Antonio J. Gracias may be deemed to have beneficial ownership of the shares held of record by the Valor Entities. Mr. Gracias disclaims beneficial ownership of the shares held of record by each of the Valor Entities, except to the extent of his pecuniary interest therein. The address for each of the Valor Entities identified in this footnote and Antonio Gracias is c/o Valor Equity Partners, 320 North Sangamon Street, Suite 1200, Chicago, IL 60607.
- (7) Includes (i) 24,889,350 shares of Class A common stock held of record by Mr. Nosek and (ii) 8,098,010 shares of Class A common stock held of record by Nosek Capital, LLC, for which Mr. Nosek is the managing member. The reported amounts include 2,381,000 shares of Class A common stock pledged as security for personal indebtedness.

- (8) The amounts in the table with respect to Class A Common Stock do not include the shares of Class B Common Stock beneficially owned by the persons listed therein. Each share of Class B common stock is convertible at any time at the option of the holder into one share of our Class A common stock. In addition, subject to certain exceptions, each share of Class B common stock will convert automatically into one share of Class A common stock upon any sale of such share of Class B common stock or any legal or beneficial interest in such share, as described in “7.1.1.5 Conversion.” Beneficial ownership is determined in accordance with the rules of the SEC, which generally attribute ownership to persons who have or share voting or investment power with respect to the relevant securities. Shares of Class A Common Stock that may be acquired within 60 days upon conversion of outstanding Class B Common Stock are deemed to be beneficially owned. Securities not outstanding, but included in the beneficial ownership of each such person, are deemed to be outstanding for the purpose of computing the percentage of outstanding securities of the class owned by such person, but are not deemed to be outstanding for the purpose of computing the percentage of the class(es) of securities owned by any other person. Except as indicated in these footnotes, and subject to community property laws where applicable, the persons named in the table have sole voting and investment power with respect to all securities shown as beneficially owned by them. Moreover, as described in “7.1.1.1 Voting Rights,” subject to the terms of our charter, each holder of our Class A common stock is entitled to one vote per share, and each holder of our Class B common stock is entitled to ten votes per share. Holders of our Class B common stock, voting separately as a class, are entitled to elect 51% of the total number of authorized directors (rounded up to the nearest whole number).

As of the date of this Prospectus, Elon Musk holds 12.2% of the Class A common stock and 93.3% of the Class B common stock of the Company. As a result, Elon Musk holds 84.3% of the voting rights of the Company.

Except as set out in the table above, there is no person who, directly or indirectly, has a beneficial ownership interest in the Company or voting rights which is notifiable under applicable laws.

11.2.2 Controlling Interest

Upon completion of the global offering and assuming sale of all base shares, Mr. Musk will hold approximately 91.6% of our outstanding Class B common stock, which under our charter, as described under “7.1 Description of Capital Stock,” will be entitled to elect 51% of the total number of authorized directors (rounded up to the nearest whole number), and 83.6% of the total voting power of our outstanding common stock (or 83.5% if the underwriters exercise their option to purchase additional shares of Class A common stock in full). As a result, we will be a “controlled company” within the meaning of Nasdaq corporate governance standards. Under Nasdaq rules, a company of which more than 50% of the voting power with respect to director elections is held by another person or group of persons acting together is a “controlled company” and may elect not to comply with certain Nasdaq corporate governance requirements, including the requirements that:

- a majority of such company’s board of directors consist of independent directors as defined under the rules of Nasdaq;
- director nominees be selected or recommended for board of directors’ selection by a nominating committee composed entirely of independent directors, with a written charter addressing the nominations process as required under the applicable listing exchange rules;
- the compensation committee be composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities; and
- annual performance evaluations of the compensation and nominating committees be conducted.

Following the completion of the global offering, we intend to utilize certain of these exemptions. As a result, we do not expect to have a compensation or nominating committee that are composed entirely of independent directors or that have committee charters that address all of Nasdaq requirements. Additionally, we may elect to take advantage of certain other exemptions in the future for as long as we remain a “controlled company.” Accordingly, our shareholders will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of Nasdaq. In the event that we cease to be a “controlled company” and our shares continue to be listed on Nasdaq, we will be required to comply with all of the applicable governance requirements within the applicable transition periods.

Generally, under Texas law, controlling shareholders owe fiduciary duties to the corporation, and these duties include the duty of care, the duty of loyalty, and the duty of obedience. The duty of care requires acting with the care that an ordinarily prudent person would exercise under similar circumstances. The duty of loyalty requires acting in good faith and in the best interests of the corporation. The duty of obedience requires acting in accordance with the corporation’s governing documents.

11.3 Anti-takeover Effects of Provisions of Our Charter, our Bylaws and Texas Law

Some provisions of Texas law, and our charter and our bylaws contain provisions that could make the following transactions more difficult: acquisitions of us by means of a tender offer, a proxy contest or otherwise; or removal of our incumbent officers and directors. These provisions may also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that shareholders may otherwise consider to be in their best interest or in our best interests, including transactions that might result in a premium over the market price for our shares of Class A common stock.

These provisions, as summarized below, are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with us. We believe that the benefits of increased protection and our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

11.3.1 Anti-takeover Statute under Texas law

We will be subject to Section 21.606 of the TBOC, which in general, prohibits a publicly held Texas corporation, like the Company after the completion of the offering, from engaging, under certain circumstances, in a business combination with an affiliated shareholder (as defined in the TBOC) for a period of three years following the date the person became an affiliated shareholder unless:

- the board approved either the business combination or the transaction that resulted in the shareholder becoming an affiliated shareholder before the affiliated shareholder's share acquisition date; or
- at or subsequent to the date of the transaction, the business combination is approved by the board and authorized at an annual or special meeting of shareholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting shares not beneficially owned by the affiliated shareholder or any of its affiliates or associates at a meeting of shareholders called for that purpose not less than six months after the affiliated shareholder's share acquisition date.

11.3.2 Provisions of Our Charter and our Bylaws that May Have an Anti-takeover Effect

11.3.2.1 Election of Class B Directors

As discussed above, our charter will provide that holders of our Class B common stock, voting separately as a class, are entitled to elect 51% of the total number of authorized directors (rounded up to the nearest whole number). Upon completion of the global offering and assuming sale of all base shares, Mr. Musk will beneficially own 849,494,440 shares of our Class A common stock and 5,569,053,075 shares of our Class B common stock (including 350,000,000 shares of Class B Common stock underlying options), representing approximately 84.4% of the combined voting power of our outstanding shares of voting common stock. As the holder of a majority of our outstanding shares of Class B common stock, Mr. Musk will be able to elect, remove or fill any vacancy among the Class B Directors. As a result, Mr. Musk will have the power to control the outcome of matters requiring shareholder approval, including election of the board, and our business and affairs. This may have the effect of deferring, delaying or discouraging hostile takeovers, or changes in control or management, of the Company.

11.3.2.2 No Cumulative Voting

Our charter will not permit cumulative voting in the election of directors.

11.3.2.3 Special Meetings of Shareholders

Our charter will provide that special meetings of shareholders may be called by the chairman of the board, the chief executive officer, the president (to the extent required by the TBOC), our board, our founder or by shareholders holding not less than 50% (or the highest percentage of ownership that may be set under the TBOC) of the Company's then outstanding shares of capital stock entitled to vote on the proposed action at the meeting.

11.3.2.4 Shareholder Action by Written Consent

Our charter will provide that any action required to be taken at any annual or special meeting of the shareholders may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock entitled to vote thereon were present and voted. Our charter will also provide that any action required or permitted to be taken by the holders of Class B common stock, voting separately as a class, may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding Class B common stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of Class B common stock entitled to vote thereon were present and voted.

11.3.2.5 Requirements for Advance Notification of Shareholder Meetings, Nominations and Proposals

Our bylaws will establish advance notice procedures with respect to shareholder proposals and the nomination of candidates for election as a director. In order for any matter to be “properly brought” before a meeting, a shareholder (other than Mr. Musk and his permitted transferees) must comply with such advance notice procedures and provide us with certain information.

Section 21.373 of the TBOC permits a “nationally listed corporation” to amend its governing documents to elect to impose stock ownership requirements on shareholders seeking to submit a proposal on a matter (other than director nominations and procedural resolutions ancillary to the conduct of a shareholder meeting) to the shareholders of such corporation for approval at a shareholder meeting. If a “nationally listed corporation” elects to be governed by Section 21.373 of the TBOC, a shareholder or group of shareholders may submit a proposal on a matter to the shareholders of such corporation for approval at a meeting of shareholders only if such shareholder or group of shareholders (i) holds an amount of voting shares (determined as of the date of submission of the proposal) equal to at least \$1,000,000 in market value or 3% of the corporation’s voting shares, and (ii) holds such amount for a continuous period of at least six months before the date of the meeting and throughout the entire duration of the meeting and (iii) solicits the holders of shares representing at least 67% of the voting power of shares entitled to vote on the proposal at the shareholder meeting. For the purpose of this paragraph, “voting shares” means shares that entitle the holder of the shares to vote on the proposal. Our bylaws will adopt these requirements for submitting a shareholder proposal to go into effect immediately upon the completion of the offering, when we will qualify as a “nationally listed corporation.”

11.3.2.6 Authorized but Unissued Shares

As mentioned above, our authorized but unissued shares of common stock and preferred stock will generally be available for future issuance without the approval of our shareholders. The TBOC does not require shareholder approval for any issuance of authorized shares. However, Nasdaq and Nasdaq Texas listing requirements require shareholder approval of certain issuances equal to or exceeding 20% of the then-outstanding voting power or the then-outstanding number of shares of common stock. We may issue additional shares for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. For more information please refer to Note 13, Redeemable Convertible Preferred Stock and Shareholders’ Equity, in our Audited Consolidated Financial Statements

11.4 Material Contracts

For more information on our material contracts, please refer to “5.11.1 Debt Agreements”, “5.11.3 Material Cash Commitments”, and “9.3.9 Second Amended and Restated 2017 Employee Stock Purchase Plan”.

11.5 Legal and Arbitration Proceedings

We are subject to claims and litigation arising in the ordinary course of business. During the twelve-month period prior to the date of this prospectus, there were no governmental, legal or arbitration proceedings (including pending or threatened proceedings that we are aware of), which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company or SpaceX Group other than the following cases:

In December 2023, the European Commission opened a formal investigation into X and its Irish subsidiary, X Internet Unlimited Company (“XIUC”), regarding alleged breaches of the DSA relating to deceptive design of the blue checkmark verification system, deficiencies in X’s advertisement repository, and inadequate

data access for third-party researchers. On December 5, 2025, the European Commission issued a final decision upholding its preliminary findings and imposing a fine of €120 million on XIUC, X, x.AI, and Elon Musk. On February 16, 2026, the parties challenged the decision before the General Court of the European Union. The challenge remains pending.

In March 2016, a non-practicing entity filed a patent infringement suit against Twitter, Inc. in the U.S. District Court for the Northern District of Texas concerning video-sharing patents. Following extended proceedings, the case went to jury trial, and on April 16, 2025 the jury found that Twitter willfully infringed one patent claim and awarded \$105 million in damages. In November 2025, the court affirmed the award and granted an additional \$67 million in prejudgment interest. Twitter has appealed and the plaintiff has cross-appealed. Both appeals remain pending before the U.S. Court of Appeals for the Federal Circuit.

In June 2023, members of the National Music Publishers' Association filed a copyright infringement complaint against X in the U.S. District Court for the Middle District of Tennessee, alleging that X failed to expeditiously remove infringing music posted by users and to suspend the accounts of repeat infringers. The court dismissed the direct and vicarious infringement claims, and part of the contributory infringement claim. Settlement discussions during a litigation stay from June to September 2025 were unsuccessful. Fact discovery is now closed. On April 1, 2026, the court granted a stay to allow X to file a renewed motion to dismiss based on the U.S. Supreme Court's decision in *Cox Communications, Inc. v. Sony Music Entertainment*. The music publishers have a deadline of May 11, 2026 to amend their remaining contributory infringement claims, with X's renewed motion to dismiss due by June 11, 2026.

In September 2023, *Stichting Data Bescherming Nederland* ("SDBN") filed a putative class action in the District Court of Amsterdam against various X group entities, alleging that Twitter's MoPub real-time bidding ad exchange violated the GDPR. SDBN claims to represent approximately eleven million Dutch internet users and seeks monetary damages in the range of €250 to €2,500 per person. On February 4, 2026, the court declined to allow the case to proceed as a class action and indicated that it is considering staying the proceedings pending a ruling by the Court of Justice of the European Union in a related matter. The Twitter parties filed a brief in support of the proposed stay, which plaintiffs opposed on March 4, 2026.

In August 2024, *Stichting Onderzoek Marktinformatie* ("SOMI") initiated a collective action in the District Court of Amsterdam on behalf of approximately 7.8 million Dutch X users, seeking damages against various X group entities for alleged data breaches and insufficient security measures, alleged unauthorized microtargeting and lack of transparency, and alleged failure to moderate hate speech, in each case in alleged violation of the GDPR and/or the DSA. The alleged data breaches relate to a Twitter API vulnerability that came to light in 2022. SOMI seeks compensation to be assessed at a later stage, including symbolic damages for affected class members. The hearing took place on April 2, 2026. The court handed down its decision on May 27, 2026. The court determined that SOMI satisfies most admissibility requirements but held that it was unable to establish that SOMI meets the financial safeguard requirements under Dutch law. The court therefore ordered SOMI to provide further information about its financing arrangements by June 24, 2026.

In September 2025, non-practicing entity Search and Share Technologies, LLC filed a patent infringement complaint against X Corp. in the U.S. District Court for the Western District of Texas, alleging infringement of two U.S. patents through features in X's mobile app and website enabling users to interact with and share content in ranked feeds and search results. X Corp. has moved to partially dismiss the complaint and has filed inter partes review petitions challenging both asserted patents. The proceedings remain at an early stage.

Beginning in January 2026, the Company and certain subsidiaries have been named as defendants in multiple lawsuits alleging that Grok's image-generation and editing features enabled the creation and dissemination of nonconsensual explicit imagery. These include two putative class actions filed in the U.S. District Court for the Northern District of California asserting claims including strict liability, negligence, and privacy violations, and a case filed in Baltimore City Circuit Court asserting claims under Baltimore's Consumer Protection Ordinances. The plaintiffs seek, among other things, compensatory, statutory, and punitive damages, as well as injunctive relief.

On April 14, 2026, the National Association for the Advancement of Colored People and the NAACP Mississippi State Conference (together, the "NAACP") filed suit against X.AI Corp. and MZX Tech, LLC alleging that the mobile gas turbines powering the COLOSSUS II data center with the permission of the Mississippi Department of Environmental Quality are in violation of the Clean Air Act because they allegedly constitute stationary sources without the proper permits. On May 6, 2026, the NAACP filed a preliminary

injunction motion seeking to enjoin the operation of the turbines. The Company intends to defend itself vigorously in these actions.

For more information on these legal proceedings, please refer to Note 17, Commitments and Contingencies, of our Audited Consolidated Financial Statements and Note 16, Commitments and Contingencies, of our Unaudited Consolidated Interim Financial Statements included elsewhere in this prospectus.

11.6 Board of Directors' Conflicts of Interest and Lock-Up of Executive Officers and Directors

Mr. Musk serves in leadership and ownership capacities at several other companies, including Tesla, Inc., Neuralink Corp., and The Boring Company. Although Mr. Musk devotes significant time to our businesses and is highly active in our management, he does not devote his full time and attention to our businesses and devotes time and attention to other significant roles (and may in the future serve additional roles). Conflicts of interest could also arise between us, on the one hand, and Mr. Musk and these and other entities owned by or affiliated with him, on the other hand, now or in the future concerning among other things, business transactions, potential competitive business activities or other opportunities. In the normal course of business, we have engaged in a variety of transactions with some of these companies. In addition, we have previously engaged, are currently engaged, and expect to continue to engage in the future in a number of strategic collaborations with Tesla, including with respect to Macrohard and Terafab. For more information, please refer to *"1.5.1 Conflicts of interest could arise in the future between us, on the one hand, and Mr. Musk and entities owned by or affiliated with him, on the other hand, concerning among other things, business transactions, potential competitive activities or other business opportunities."*

Please also refer to *"11.7 Transactions with Related Parties"* for an overview of past transactions with related parties.

For more information on lock-up arrangements relating to our executive officers and directors, please refer to *"8.5.2 Lock-Up of Pre-IPO Shareholders."*

11.7 Transactions with Related Parties

The following is a description of certain relationships and transactions that exist, are proposed to exist or have existed or that we have entered into or propose to enter into with our directors, executive officers, holders of more than 5% of our capital stock or their affiliates and immediate family members since January 1, 2023 and where:

- we have been or are to be a participant;
- the amount involved exceeded or will exceed \$120,000; and
- any of our directors, executive officers, or holders of more than 5% of our capital stock, or any immediate family member of, or persons sharing their household with, any of these individuals, had or will have a direct or indirect material interest.

11.7.1 Note Regarding the xAI Merger

On February 2, 2026, we effected the xAI Merger, pursuant to which we acquired xAI (which includes X). For the purposes of the disclosures set forth in this section pursuant to Item 404 of Regulation S-K, the transactions described below also include certain agreements and transactions originally entered into by xAI or X Holdings prior to the xAI Merger to the extent that such agreements and transactions are ongoing following the consummation of the xAI Merger.

11.7.2 Transactions with Elon Musk and Affiliated Entities

Elon Musk, our founder, Chief Executive Officer, Chief Technical Officer, Chairman of our board, and principal shareholder, also serves as the "Technoking", Chief Executive Officer and director of Tesla, and is an approximately 20% shareholder of Tesla as of November 10, 2025. Mr. Musk is also the founder of several other ventures, including The Boring Company (an infrastructure company). In addition, Mr. Musk was a stockholder, director, and officer of each of xAI and X prior to the X Merger and the xAI Merger. We have certain relationships and/or transactions with Mr. Musk and affiliated entities, as described below.

11.7.2.1 Transactions with Tesla

Tesla is the beneficial owner of 18,990,195 shares of our Class A common stock as of May 1, 2026, representing an ownership of less than 1.0% of the total outstanding number of shares of our Class A common stock, after giving effect to the sale of shares of Class A common stock in the offering.

Tesla designs, develops, manufactures, sells, and leases fully electric vehicles and energy generation and storage systems that deliver AI-related and enhanced software and services to its customers. We have historically collaborated with Tesla through commercial, licensing, and support agreements. Certain amounts presented below that may have been incurred in one year could be paid in another year.

- **SpaceX commercial, licensing and support agreements.** We are party with Tesla to certain agreements which generally relate to commercial, licensing, and support agreements and standardized commercial transactions with Tesla done on terms no less favorable to SpaceX than those generally available to unaffiliated third parties under similar circumstances. Pursuant to those agreements, we obtained goods and services of \$11 million in 2023, \$4 million in 2024, \$147 million in 2025, and \$4.0 million from January 1, 2026 through April 30, 2026.
- **xAI commercial, licensing and support agreements.** xAI is party to certain commercial, licensing, and support agreements with Tesla. Under these agreements, xAI obtained goods and services of \$191 million in 2024, \$506 million in 2025, and \$303 million from January 1, 2026 through April 30, 2026 (\$269 million of which relates to purchases of Megapacks in April 2026), and xAI recognized revenue of \$2 million in 2025 and \$1 million from January 1, 2026 through April 30, 2026 from Tesla.
- **X Holdings advertising agreements.** Tesla has directly and indirectly purchased advertising on our X platform. These amounts totaled \$0.5 million in 2024, \$4 million in 2025, and \$0.1 from January 1, 2026 through April 30, 2026.
- **Aircraft usage.** Since April 2016, we have owned and operated aircraft used by Mr. Musk, in his capacity as the Chief Executive Officer of Tesla, and other Tesla personnel for business travel, and we have invoiced Tesla for the use of such aircraft owned and operated by us at rates determined by Tesla and SpaceX, subject to rules of the FAA governing such arrangements. For such aircraft use, we charged Tesla \$1 million in 2023, \$1 million in 2024, \$2 million in 2025, and \$0 from January 1, 2026 through April 30, 2026.

11.7.2.2 Transactions with The Boring Company

In 2024, X entered into a lease for office space with a subsidiary owned by The Boring Company (an entity affiliated with Mr. Musk). Under this agreement, X made lease payments of \$0.1 million in 2024, \$1 million in 2025, and \$0.3 million from January 1, 2026 through April 30, 2026. In addition, SpaceX incurred expenses of \$1 million in 2025 in connection with the construction of tunnels by The Boring Company in Bastrop, Texas.

11.7.2.3 Relationships with Musk Industries LLC

xAI leases a real property owned by the Musk Industries LLC, which is owned by Mr. Musk. Under this agreement, xAI made lease payments of \$0.5 million in 2024, \$2 million in 2025, and \$1 million from January 1, 2026 through April 30, 2026.

11.7.2.4 Security Services provided to Mr. Musk

We are party to a services agreement with a security company owned by Mr. Musk and organized to provide security services concerning him, including in connection with his duties to and work for SpaceX. SpaceX incurred expenses of \$2 million for such SpaceX-related security services in 2023, \$3 million for such security services in 2024, \$4 million for such security services in 2025, and \$2 million for such security services from January 1, 2026 through April 30, 2026.

11.7.3 Relationship with Antonio J. Gracias and Affiliated Entities

11.7.3.1 Transactions with Valor Equity Partners and Affiliated Entities

Mr. Antonio J. Gracias, a member of our board, also serves as the founder, CEO and Chief Investment Officer of Valor Equity Partners (together with its affiliates, “**Valor**”).

Certain subsidiaries of xAI, have entered into certain equipment lease, sublease, and access agreements with Valor. These arrangements include (i) an equipment lease agreement under which a subsidiary of xAI leases computing and related equipment from Valor, which provides for aggregate cash payments of \$6,986 million to be made by such subsidiary over the life of the lease, (ii) a second equipment lease agreement under which such subsidiary leases certain computing and related equipment from Valor, which provides for aggregate cash payments of \$6,633 million to be made by such subsidiary over the life of the lease, and (iii) a third equipment lease under which such subsidiary leases certain computing and related equipment from Valor, which provides for aggregate cash payments of \$6,587 million to be made by such subsidiary over the life of the lease. The lessees' payments and performance obligations under these agreements are guaranteed by SpaceX or one of its subsidiaries. Pursuant to the lease agreements described above, our subsidiaries have made payments of \$885 million in 2025, and \$1,917 million from January 1, 2026 through April 30, 2026.

In connection with certain X API services, X received payments from Valor of \$1 million in 2024, \$1 million in 2025, and \$0.1 million from January 1, 2026 through April 30, 2026.

11.7.4 Other Transactions with our Directors and Executive Officers

We own and operate, through our subsidiary, Falcon Landing, LLC, three aircraft for use by our directors, executive officers and employees in connection with the performance of their duties for business purposes. One of the aircraft is maintained and serviced by Craft Aviation Services, LLC, an affiliate of Mr. Musk. The amount of the expenses incurred by us for the maintenance and service of this aircraft was \$1 million in 2023, \$1 million in 2024, \$3 million in 2025, and \$3 million from January 1, 2026 through April 30, 2026. As disclosed above, we have also invoiced Tesla for their use of one of the aircraft owned and operated by us at rates determined by Tesla and SpaceX, subject to rules of the FAA governing such arrangements.

In certain circumstances, when our aircraft are unavailable, Mr. Musk uses his personal aircraft for SpaceX business purposes and is reimbursed by us, subject to rules of the FAA governing such arrangements. In connection with the use of such aircraft, SpaceX has incurred expenses of \$0.1 million in 2023, \$3 million in 2024, \$2 million in 2025, and \$0.2 million from January 1, 2026 through April 30, 2026.

Ms. Shotwell, our President, Chief Operating Officer and Director, and Mr. Johnsen, our Chief Financial Officer, separately co-own an aircraft for their personal use. In certain circumstances, when none of our aircraft are available for business use, our directors and employees, including Ms. Shotwell and Mr. Johnsen, have used this aircraft for SpaceX business purposes. Any leasing fees for the use of such aircraft for our business purposes have been waived by the owners, and we have agreed to assume the cost of maintenance, crew and operation of such aircraft for such use, subject to rules of the FAA governing such arrangements. In connection with the use of this aircraft, SpaceX has incurred expenses of \$3 million in 2023, \$3 million in 2024, \$3 million in 2025, and \$1 million from January 1, 2026 through April 30, 2026.

11.7.5 Investors' Rights Agreement

Certain existing investors in our equity securities, including entities affiliated with Elon Musk, Google, Valor, and DFJ Growth, are party to an Amended and Restated Investors' Rights Agreement, dated as of August 4, 2020 (the "**Investors' Rights Agreement**"). Under the Investors' Rights Agreement, such existing investors are entitled to registration rights with respect to shares of our Class A common stock beneficially owned by them (collectively, the "**Registrable Securities**"). These registration rights, if exercised, would require us to register such existing investors' Registrable Securities under the U.S. Securities Act, and would facilitate the resale of such securities by such existing investors into the public markets.

We will pay all registration expenses, other than underwriting discounts and commissions, associated with registrations effected pursuant to the Investors' Rights Agreement, subject to limited exceptions.

11.7.5.1 Demand Registration Rights

At any time commencing six months after the effective date of the first registration statement for a public offering of our securities (other than a registration on certain registration forms or for transactions not providing for the sale of Registrable Securities), such holders of a majority of the then-outstanding Registrable Securities, excluding for this purpose shares issuable or issued upon conversion of certain series of our preferred stock, may request that we file a registration statement within 60 days after receipt of the request covering the offer and sale of Registrable Securities, provided that, among other things, the anticipated aggregate offering price, net of underwriting discounts and selling expenses, exceeds \$250.0 million. Further, the initiating holders may require

that such registration be an underwritten offering, in which case the underwriter will be selected by a majority in interest of the initiating holders, subject to our reasonable approval.

11.7.5.2 Piggyback Registration Rights

If we propose to register any of our securities under the U.S. Securities Act for sale to the public for cash (other than on certain registration forms or for transactions that do not permit piggyback participation), we must promptly give each holder of Registrable Securities notice of such proposed registration and, upon timely request, cause to be registered all Registrable Securities that such holder requests to be included, subject to any cutbacks, as permitted by the agreement.

11.7.6 Policies and Procedures for Review of Related Person Transactions

In connection with the completion of the offering, we will adopt a written policy pursuant to which the audit committee will review and approve or disapprove certain “related person transactions” (as defined in the policy and summarized below) with our directors, executive officers and holders of more than 5% of any class of our voting securities and certain of their family members and affiliates. In approving or disapproving any such transaction, we expect that our audit committee will consider the relevant facts and circumstances available and deemed relevant to the audit committee. Any member of the audit committee who is a related person with respect to a transaction under review will not be permitted to participate in the deliberations or vote on approval or disapproval of the transaction. In addition, certain transactions (including compensation arrangements with our executives and directors) will constitute pre-approved related person transactions under the terms of our policy.

For purposes of the policy, (i) “related person transaction” is a transaction, arrangement or relationship in which we or any of our subsidiaries was, is or will be a participant, the amount of which involved exceeds \$120,000, and in which any related person had, has or will have a direct or indirect material interest; and (ii) “related person” means: (1) any person who is, or at any time during the applicable period was, one of our executive officers or one of our directors; (2) any person who is known by us to be the beneficial owner of more than 5.0% of any class of our common stock; and (3) any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of a director, executive officer or a beneficial owner of more than 5.0% of any class of our common stock, and any person (other than a tenant or employee) sharing the household of such director, executive officer or beneficial owner of more than 5.0% of any class of our common stock.

12. DIVIDEND POLICY

We do not anticipate declaring or paying any cash dividends to holders of our common stock in the foreseeable future. We currently intend to retain future earnings, if any, to finance the growth of our business. Our future dividend policy is within the discretion of our board and will depend upon then-existing conditions, including our results of operations, financial condition, capital requirements, investment opportunities, statutory restrictions on our ability to pay dividends, restrictions in our existing and any future debt agreements and other factors our board may deem relevant. Covenants under our Credit Agreements also restrict our ability to pay dividends, and we may enter into credit agreements or other borrowing arrangements in the future that restrict our ability to declare or pay cash dividends or make distributions in the future. Please refer to “*5.11 Liquidity and Capital Resources*” for a description of the restrictions on our ability to pay dividends.

13. DOCUMENTS AVAILABLE FOR INSPECTION

For the period during which this prospectus remains valid, the following documents will be available on the Company's website (<https://www.spacexipo.com>):

- the Form of Restated Certificate of Formation; and
- the Form of Amended and Restated Bylaws.

For purposes of the U.S. offering, the Company has filed with the SEC a registration statement on Form S-1 under the U.S. Securities Act relating to the shares of its Class A common stock offered by this prospectus. The registration statement, including the exhibits and schedules filed therewith, is available under the following website: www.sec.gov. In particular, the following documents are available for inspection under the aforementioned website:

- Form of Underwriting Agreement;
- Agreement and Plan of Merger and Reorganization, by and among Space Exploration Technologies Corp., X.AI Holdings Corp., K2 Merger Sub Inc. and K2 Merger Sub 2 LLC, dated January 31, 2026;
- Form of Restated Certificate of Formation of Space Exploration Technologies Corp.;
- Form of Amended and Restated Bylaws of Space Exploration Technologies Corp.;
- Form of Indemnification Agreement;
- Form of Space Exploration Technologies Corp. Amended and Restated 2017 Employee Stock Purchase Plan;
- Space Exploration Technologies Corp. Amended & Restated 2015 Equity Incentive Plan and Form of Stock Option Grant Notice and Option Agreement;
- Form of Space Exploration Technologies Corp. Amended and Restated 2024 Equity Incentive Plan;
- Space Exploration Technologies Corp. 2024 Equity Incentive Plan and Forms of Grant Notices and Award Agreements;
- Class B Restricted Stock Award Agreement between Space Exploration Technologies Corp. and Elon R. Musk, dated as of January 13, 2026;
- Class B Restricted Stock Award Agreement between Space Exploration Technologies Corp. and Elon R. Musk, dated as of March 23, 2026;
- Amended and Restated License Purchase Agreement, dated as of November 5, 2025, by and among EchoStar Corporation, Space Exploration Technologies Corp. and Spectrum Business Trust 2025-1;
- Bridge Loan Credit Agreement, dated as of March 2, 2026, by and among Space Exploration Technologies Corp., as borrower, the guarantors from time to time party thereto, the lenders from time to time party thereto and Goldman Sachs Bank USA, as administrative agent and a lender;
- Credit Agreement, dated as of February 7, 2025, by and among Space Exploration Technologies Corp., as borrower, the guarantors from time to time party thereto, the lenders from time to time party thereto and Bank of America, N.A., as administrative agent;
- First Amendment to Credit Agreement and Waiver, dated as of March 2, 2026, by and among Space Exploration Technologies Corp., the lenders party thereto and the other L/C Issuers party thereto; and
- List of subsidiaries of Space Exploration Technologies Corp.

The Company's future audited consolidated financial statements and consolidated interim financial statements will be available under the following website: www.sec.gov/search-filings.

Information on the Company's website www.spacex.com, the SEC's website www.sec.gov and information accessible via this website and any other website referred to in this prospectus is neither part of, nor incorporated by reference into, this prospectus, and such information has not been scrutinized or approved by Bafin.

14. INDEX TO THE FINANCIAL STATEMENTS

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Audited consolidated financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 prepared by the Company in accordance with U.S. GAAP

Audited consolidated financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 prepared by the Company in accordance with U.S. GAAP:

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Space Exploration Technologies Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Space Exploration Technologies Corp. and its subsidiaries (the “Company”) as of December 31, 2025 and 2024, and the related consolidated statements of operations, of comprehensive income (loss), of redeemable convertible preferred stock and shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2025, including the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for digital assets in 2024.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Significant Transactions with Related Parties

As discussed in Note 18 to the consolidated financial statements, the Company has entered into significant transactions with related parties.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition – Estimate of Total Cost at Completion for Certain Contracts Recognized Over Time

As described in Notes 2 and 3 to the consolidated financial statements, the Company recognized revenue of \$4.1 billion and \$11.4 billion for the year ended December 31, 2025 within the Space and Connectivity segments, respectively, a portion of which related to contracts recognized over time using the cost-to-cost input method. Under the cost-to-cost input method, the Company records revenue based upon costs (such as materials and labor hours) incurred to date relative to the total estimated cost at completion. Developing the estimated total cost at completion for each performance obligation requires the use of significant management judgment, including assumptions regarding (i) launch timing, labor hours, allocation of shared costs for launch vehicles that have been identified as reusable for multiple launches, as well as expected technological changes to launch vehicles and spacecraft for Space contracts, and (ii) labor hours, allocation of shared costs used in the production of satellites, satellite material costs, as well as expected technological changes to satellites for Connectivity contracts. The Company recognizes changes in estimated contract revenue or costs at completion and the resulting changes in contract profit on a cumulative basis.

The principal considerations for our determination that performing procedures relating to revenue recognition – estimate of total cost at completion for certain contracts recognized over time is a critical audit matter are (i) the significant judgment by management in developing the estimate of total cost at completion, including significant judgments and assumptions on a contract by contract basis, and (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence related to management’s estimate of total cost at completion, including estimated labor hours.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others, (i) testing the completeness and accuracy of underlying data used by management related to actual costs to date, (ii) testing management’s process for developing the estimate of total cost at completion, including evaluating on a test basis, the reasonableness of certain significant judgments and assumptions considered by management specific to each contract, including estimated labor hours. Evaluating the significant judgments and assumptions related to the estimates of total cost at completion involved evaluating whether the significant judgments and assumptions used by management were reasonable considering (i) management’s historical forecasting accuracy; (ii) evidence to support the relevant aforementioned assumptions; (iii) the consistent application of accounting policies; and (iv) the timely identification of circumstances which may require a modification to a previous estimate.

/s/PricewaterhouseCoopers LLP

Los Angeles, California

March 30, 2026, except for the effects of the reorganization of entities under common control and the effects of the stock split discussed in Note 1 to the consolidated financial statements and the change in reportable segments discussed in Note 19 to the consolidated financial statements, as to which the date is May 7, 2026

We have served as the Company’s auditor since 2012.

Space Exploration Technologies Corp.
Consolidated Balance Sheets
(in millions, except per share data)

	December 31,	
	2025	2024
Assets		
Current assets		
Cash and cash equivalents	\$ 24,747	\$ 11,385
Marketable securities	—	800
Accounts receivable, net of allowance for credit losses of \$39 and \$119 at December 31, 2025 and 2024, respectively	1,579	1,052
Inventory	2,416	2,003
Prepaid expenses and other current assets	2,210	868
Total current assets	30,952	16,108
Property, plant, and equipment, net ^(a)	42,602	21,147
Finance lease right-of-use assets	1,260	1,686
Intangible assets, net	1,548	2,211
Digital assets	1,637	1,749
Goodwill	11,809	11,129
Deferred tax assets	141	696
Other assets	2,130	2,336
Total assets	\$ 92,079	\$ 57,062
Liabilities, Redeemable Convertible Preferred Stock, and Shareholders' Equity		
Current liabilities		
Accounts payable	11,792	4,413
Deferred revenue, current	6,111	5,498
Debt and finance leases, current (related party of \$455 and \$- at December 31, 2025 and 2024, respectively)	928	372
Accrued expenses and other current liabilities	2,569	1,508
Total current liabilities	21,400	11,791
Long-term liabilities		
Deferred revenue, net of current	6,005	4,681
Debt and finance leases, net of current (related party of \$4,052 and \$- at December 31, 2025 and 2024, respectively)	21,968	13,421
Other liabilities	1,381	1,365
Total liabilities	50,754	31,258
Commitments and contingencies (Note 17)		
Redeemable convertible preferred stock		
Redeemable convertible preferred stock, par value \$0.001; 2,351 and 1,997 shares issued; 2,046 and 1,748 shares outstanding as of December 31, 2025 and 2024, respectively	38,752	20,941
Shareholders' equity		
Class A common stock, par value \$0.001; 2,036 and 1,832 shares issued; 1,954 and 1,832 shares outstanding as of December 31, 2025 and 2024, respectively	3	2
Class B common stock, par value \$0.001; 644 and 768 shares issued and outstanding as of December 31, 2025 and 2024, respectively	1	1
Class C common stock, par value \$0.001; 482 and 421 shares issued and outstanding as of December 31, 2025 and 2024, respectively	0	0
Class D common stock, par value \$0.0001; no shares issued and outstanding as of December 31, 2025 and 2024, respectively	—	—
Additional paid-in capital	37,706	35,865
Accumulated deficit	(37,035)	(32,098)
Accumulated other comprehensive income	1,898	1,093
Total shareholders' equity	2,573	4,863
Total liabilities, redeemable convertible preferred stock, and shareholders' equity	\$ 92,079	\$ 57,062

(a) Refer to Note 18, Related Party Transactions for additional details on related party arrangements.

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Operations
(in millions, except per share data)

	Year Ended December 31,		
	2025	2024	2023
Revenue	\$ 18,674	\$ 14,015	\$ 10,387
Costs and expenses			
Cost of revenue	9,451	7,996	6,110
Research and development	8,643	3,464	2,105
Selling, general, and administrative	2,644	1,813	1,665
Restructuring charges	487	213	237
Impairment	38	63	3,775
Total costs and expenses	21,263	13,549	13,892
Income (loss) from operations	(2,589)	466	(3,505)
Interest expense (related party of \$66, \$-, and \$- for December 31, 2025, 2024, and 2023, respectively)	(1,945)	(1,580)	(1,693)
Interest income	492	371	249
Other income (expense), net	(177)	985	(42)
Income (loss) before income taxes	(4,219)	242	(4,991)
Provision for (benefit from) income taxes	718	(549)	(363)
Net income (loss)	\$ (4,937)	\$ 791	\$ (4,628)
Net income (loss) attributable to shareholders - basic	\$ (4,937)	\$ 18	\$ (4,628)
Net income (loss) attributable to shareholders - diluted	\$ (4,937)	\$ 21	\$ (4,628)
Net income (loss) per share of common stock attributable to common shareholders			
Basic	\$ (1.69)	\$ 0.01	\$ (1.68)
Diluted	\$ (1.69)	\$ 0.00	\$ (1.68)
Weighted average shares used in computing net income (loss) per share of common stock			
Basic	2,926	2,848	2,759
Diluted	2,926	9,956	2,759

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Comprehensive Income (Loss)
(in millions)

	Year Ended December 31,		
	2025	2024	2023
Net income (loss)	\$ (4,937)	\$ 791	\$ (4,628)
Other comprehensive income (loss)			
Change in foreign currency translation adjustments, net of tax	805	(391)	222
Unrealized gains (losses) on marketable securities, net of tax	0	(1)	1
Other comprehensive income (loss)	805	(392)	223
Comprehensive income (loss)	<u>\$ (4,132)</u>	<u>\$ 399</u>	<u>\$ (4,405)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Redeemable Convertible Preferred Stock and Shareholders' Equity
(in millions)

	Redeemable Convertible Preferred Stock		Common Stock				Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Deficit		
Balances at December 31, 2022	136	\$ 7,239	2,742	\$ 3	\$ 35,275	\$ (28,757)	\$ 1,262	\$ 7,783
Share-based compensation	—	3	—	—	784	—	—	784
Issuance of redeemable convertible preferred stock	750	750	—	—	—	—	—	—
Common stock issued, net of tax withholding	—	—	249	0	(41)	—	—	(41)
Repurchase of common stock	—	—	(11)	0	(170)	—	—	(170)
Net loss	—	—	—	—	—	(4,628)	—	(4,628)
Other comprehensive income (loss)	—	—	—	—	—	—	223	223
Balances at December 31, 2023	886	\$ 7,992	2,980	\$ 3	\$ 35,848	\$ (33,385)	\$ 1,485	\$ 3,951
Adjustment for prior periods from adoption of ASU 2023-08	—	—	—	—	—	496	—	496
Share-based compensation	—	—	—	—	914	—	—	914
Issuance of redeemable convertible preferred stock	862	13,001	—	—	—	—	—	—
Common stock issued, net of tax withholding	—	—	75	0	72	—	—	72
Repurchase of common and redeemable convertible preferred stock	0	(21)	(46)	0	(1,000)	—	—	(1,000)
Conversion of redeemable convertible preferred stock to common stock	0	(31)	14	0	31	—	—	31
Net income	—	—	—	—	—	791	—	791
Other comprehensive income (loss)	—	—	—	—	—	—	(392)	(392)
Balances at December 31, 2024	1,748	\$ 20,941	3,023	\$ 3	\$ 35,865	\$ (32,098)	\$ 1,093	\$ 4,863
Share-based compensation	—	—	—	—	2,087	—	—	2,087
Issuance of redeemable convertible preferred stock	299	17,898	—	—	—	—	—	—
Common stock issued, net of tax withholding	—	—	97	1	740	—	—	741
Repurchase of common stock	—	—	(69)	0	(1,125)	—	—	(1,125)
Conversion of redeemable convertible preferred stock to common stock	(1)	(87)	28	0	87	—	—	87
Transfer of equity in business combination	—	—	0	0	52	—	—	52
Net loss	—	—	—	—	—	(4,937)	—	(4,937)
Other comprehensive income (loss)	—	—	—	—	—	—	805	805
Balances at December 31, 2025	2,046	\$ 38,752	3,079	\$ 4	\$ 37,706	\$ (37,035)	\$ 1,898	\$ 2,573

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Cash Flows
(in millions)

	Year Ended December 31,		
	2025	2024	2023
Cash flows from operating activities			
Net income (loss)	\$ (4,937)	\$ 791	\$ (4,628)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	6,701	3,824	2,635
Share-based compensation	1,947	784	679
Intangible asset impairment	—	—	3,775
Deferred income taxes	626	(675)	(409)
Unrealized (gain) loss on digital assets	112	(955)	—
Impairment and loss on disposal of fixed assets, net	88	135	36
Amortization of debt discount and issuance costs	93	84	212
Other	66	115	214
Changes in operating assets and liabilities			
Accounts receivable	(543)	(347)	345
Inventory	(413)	(309)	(72)
Prepaid expenses and other assets	(673)	(328)	41
Accounts payable	709	472	220
Deferred revenue	1,929	1,876	1,695
Operating lease liabilities, net	(56)	(37)	(15)
Other liabilities	1,136	346	(208)
Net cash provided by operating activities	\$ 6,785	\$ 5,776	\$ 4,520
Cash flows from investing activities			
Purchases of property, plant, and equipment (related party of \$666, \$171, and \$11 for December 31, 2025, 2024, and 2023, respectively)	(20,737)	(11,163)	(4,415)
Capitalized interest	(169)	—	—
Proceeds from product rebates	118	—	—
Purchases of marketable securities	(611)	(3,542)	(3,535)
Maturities of marketable securities	548	3,712	2,731
Proceeds from sales of marketable securities	1,457	193	333
Investments in unconsolidated affiliates	(86)	—	—
Other investing activities, net	(95)	4	19
Net cash used in investing activities	\$ (19,575)	\$ (10,796)	\$ (4,867)
Cash flows from financing activities			
Principal repayments on finance leases	(295)	(154)	—
Proceeds from debt and other financing obligations	16,055	—	—
Payment of debt issuance costs	(66)	—	—
Repayments on debt and other financing obligations	(6,858)	(77)	(112)
Proceeds from issuance of capital stock, net of issuance costs	18,807	13,101	774
Proceeds from employee equity award plans	328	224	141

	Year Ended December 31,		
	2025	2024	2023
Payments for repurchase of common and redeemable convertible preferred stock	(1,125)	(1,021)	(170)
Taxes paid related to net share settlement of equity award	(496)	(243)	(211)
Net cash provided by financing activities	\$ 26,350	\$ 11,830	\$ 422
Effect of exchange rate changes on cash and cash equivalents	63	1	(2)
Net change in cash and cash equivalents and restricted cash	13,623	6,811	73
Cash and cash equivalents and restricted cash, beginning of year	11,501	4,690	4,617
Cash and cash equivalents and restricted cash, end of year	\$ 25,124	\$ 11,501	\$ 4,690
Supplemental disclosures of cash flow information			
Cash paid for the following:			
Interest, net of interest capitalized	\$ 1,476	\$ 1,500	\$ 1,365
Income taxes, net	\$ 154	\$ 134	\$ 45
Supplemental schedule of noncash investing and financing activities			
Share-based compensation capitalized in property, plant, and equipment, net	\$ 154	\$ 132	\$ 108
Acquisition of property, plant, and equipment included in accounts payable	\$ 7,088	\$ 2,481	\$ 505

The accompanying notes are an integral part of these consolidated financial statements.

SPACE EXPLORATION TECHNOLOGIES CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(tables in millions, except per share data)

Note 1 - Nature of Business

Description of Business

Space Exploration Technologies Corp. and its wholly owned subsidiaries, collectively referred to as the “Company” or “SpaceX,” operate three segments – (i) the Space segment designs, manufactures, and launches reusable rockets to provide high cadence, reliable, and affordable access to space at unprecedented scale, (ii) the Connectivity segment operates a worldwide high-speed, low-latency broadband network powered by thousands of Starlink satellites in Low-Earth Orbit, delivering connectivity to millions of consumer, enterprise, and government customers through our Starlink offering, and (iii) the AI segment operates a vertically integrated AI platform spanning a frontier LLM Grok, AI solutions for consumer and enterprise customers, X — a real-time information, entertainment, and free speech platform — and AI computational infrastructure.

SpaceX is advancing the boundaries of space technology and human spaceflight through its Falcon launch vehicles and Dragon spacecraft and is currently developing Starship, a fully reusable transportation system that is designed to carry crew, cargo, satellites, and data centers to Earth orbit, the Moon, Mars, and beyond.

SpaceX operates Starlink which delivers high-speed, low-latency broadband internet to customers around the globe, including to those who live in some of the most remote places on Earth. The Company also provides access to satellite-to-mobile texting and voice services to mobile users (referred to as “Starlink Mobile”).

SpaceX operates a global platform for public conversation known as X (formerly known as Twitter) as well as the Grok suite of text and multi-modal AI models, accessible to individual users via online platforms such as x.com and to enterprise clients for applications in research, productivity, and decision-making.

The Company’s corporate headquarters is located in Starbase, Texas. SpaceX was incorporated in the state of Delaware on March 14, 2002 and converted into a corporation organized under the laws of the State of Texas on February 14, 2024.

On May 4, 2026, the Company effected a five-for-one forward stock split of its authorized, issued, and outstanding shares of Class A, Class B, and Class C Common Stock (“2026 Stock Split”). The conversion rate of SpaceX Redeemable Convertible Preferred Stock was proportionately adjusted to factor in the 2026 Stock Split. All share and per share information has been retroactively adjusted to reflect the 2026 Stock Split for all periods presented.

On February 2, 2026, the Company completed its acquisition of X.AI Holdings Corp. (“xAI”), pursuant to which xAI became a wholly-owned subsidiary of the Company (“xAI Merger”). Prior to the xAI Merger, on March 28, 2025, xAI completed its acquisition of X Holdings Corp. (“X”) and X.AI Corp., in which X and X.AI Corp. became wholly-owned subsidiaries of xAI (“X Merger”, and collectively with xAI Merger, “Mergers”). X.AI Corp began operations in March 2023 and Twitter, Inc. (“Twitter”) was acquired by Mr. Elon Musk in October 2022. The Mergers were each effected through a share exchange.

The Mergers have been accounted for as reorganizations of entities under common control as Mr. Elon Musk had a controlling financial interest in the Company, xAI and X through his majority voting interest in each such entity during the years presented in these consolidated financial statements. The Company’s consolidated financial statements have been prepared to reflect the retrospective combination of the net assets of the entities at their historical carrying amounts for all periods presented. No new goodwill or other intangible assets have been recorded and all historical related party transactions between the entities have been eliminated in consolidation. The capital stock and shareholders’ equity for all periods presented reflects a continuation of the historical SpaceX capital stock and shareholders’ equity, combined with the historical capital stock and shareholders’ equity of X and xAI merged under common control, as adjusted by the respective exchange ratios used to effect the Mergers, except for xAI’s historical redeemable convertible preferred stock. This presentation constitutes a change in reporting entity. Refer to

Note 13, Redeemable Convertible Preferred Stock and Shareholders' Equity for additional details.

As the consolidated financial statements already reflect the reorganization of entities under common control for all periods presented, separate financial statements of xAI and X are not provided.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements are presented in accordance with generally accepted accounting principles ("GAAP") in the United States of America ("U.S.").

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Amounts which are subject to significant judgment and use of estimates include revenues recognized over time using the cost-to-cost input method, the determination of valuation allowances associated with deferred tax assets and estimates of tax liabilities, reserves for excess and obsolete inventory, fair value of indefinite-lived intangible assets and goodwill, useful lives of property, plant, and equipment, the determination of incremental borrowing rate for lease liabilities, litigation and settlement costs, and the valuation and assumptions underlying share-based compensation. On an ongoing basis, the Company evaluates its estimates compared to historical experience and current trends, which forms the basis for making judgments about the carrying value of assets and liabilities. In addition, the Company engages valuation specialists to assist in the valuation of equity instruments.

Concentration of Supplier Risk

Certain materials and products that are key inputs in the Company's Space, Connectivity, and AI segments are available from a limited number of suppliers, including sole or limited-source suppliers; and the Company's direct chip suppliers are dependent on a concentrated group of advanced semiconductor fabrication facilities. The Company believes that alternative suppliers are available for many, but not all, of these products and services. The inability of these suppliers to deliver necessary components of the products in a timely manner and at prices, quality levels, and volumes acceptable to the Company, or interruptions in supply of materials or products on which these suppliers rely, could have an adverse effect on the Company's ability to meet customer demands and contractual obligations, to execute on its growth strategy, or to manage its expenses or timelines as expected, which could adversely impact the Company's financial condition and operating results.

Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents consist of cash in checking accounts, money market accounts, and certificates of deposit at high quality financial institutions primarily in the U.S. All highly liquid investments with an original maturity of three months or less at the date of purchase are considered to be cash equivalents. The Company maintains certain cash and cash equivalents for which the withdrawal or use is restricted. The restricted cash and cash equivalents are generally held in separate, dedicated accounts required to secure letters of credit related to various customer, insurance, and facility lease agreements.

The Company's total cash and cash equivalents and restricted cash, as presented in the consolidated statements of cash flows, are as follows:

	Year Ended December 31,		
	2025	2024	2023
Cash and cash equivalents.....	\$ 24,747	\$ 11,385	\$ 4,620
Restricted cash included in prepaid expenses and other current assets.....	182	23	28
Restricted cash included in other assets.....	195	93	42
Total as presented in the consolidated statements of cash flows.....	\$ 25,124	\$ 11,501	\$ 4,690

Marketable Securities

The Company's marketable securities consist primarily of debt securities of the U.S. Government, time deposits and certificates of deposits, and are classified and accounted for as either available-for-sale or held-to-maturity. Management determines the classification of its investments at the time of purchase and reevaluates the classification at each balance sheet date. Marketable securities are classified as held-to-maturity when the Company has the positive intent and ability to hold the securities to maturity and are carried at cost. The Company's available-for-sale investments in marketable securities are recorded at fair value, with any unrealized gains and losses, net of taxes, reported as a component of accumulated other comprehensive income (loss) in shareholders' equity until realized. Realized gains and losses on the sale of available-for-sale marketable securities are recorded in Other income (expense), net. Interest on marketable securities is included in Interest income.

The Company classifies its marketable securities as either short-term or long-term based on each instrument's underlying contractual maturity date. Marketable securities with maturities of 12 months or less from the balance sheet date are classified as short-term, and maturities greater than 12 months from the balance sheet date are classified as long-term and included in Other assets.

Accounts Receivable, Unbilled Receivables, and Allowance for Credit Losses

The Company extends credit in the normal course of business to its customers and performs credit evaluations on a case-by-case basis. The Company generally does not obtain collateral or other security to secure accounts receivable. Billed receivables are recorded at their carrying amount, net of allowance for credit losses, and do not bear interest. Unbilled receivables is comprised principally of revenue recognized on contracts that are not contractually billable at the balance sheet date.

The allowance for credit losses is established through a provision for bad debt expense which is recorded in Selling, general, and administrative expense in the consolidated statements of operations. The Company determines the adequacy of its allowance for credit losses by considering a number of factors including: age of invoices, each customer's expected ability to pay and collection history, customer-specific information, and current economic conditions that may impact a customer's ability to pay. Accounts receivable are written off when they are deemed uncollectible.

Fair Value Measurement

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement*, states that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability. The three-tiered fair value hierarchy, which prioritizes which inputs should be used in measuring fair value, is comprised of:

Level I Observable inputs such as quoted prices in active markets

Level II Inputs other than quoted prices in active markets that are observable either directly or indirectly

Level III Unobservable inputs for which there is little or no market data

The fair value hierarchy requires the use of observable market data when available in determining fair value. The Company's financial assets only include cash equivalents, certain restricted cash accounts, digital assets and marketable securities that are measured and recorded at fair value on a recurring basis. The carrying amounts of the Company's other financial instruments, including cash, accounts receivable, and accounts payable approximate fair value because of their short maturities. The carrying value of financing obligations approximate fair value based on the interest rate remaining relatively consistent from the dates these arrangements were initially entered into and/or the overall materiality of the related liability balances.

Launch Vehicles and Spacecraft

The Company has four types of launch vehicles - Falcon 9, Falcon Heavy, Dragon, and Starship. Falcon 9 and Falcon Heavy are comprised of the following significant components: boosters (also known as first stages), second stages, Merlin engines, and fairings. Boosters, fairings, and Merlin engines are reusable and are classified as Property, plant, and equipment, net. The second stages are not reusable and are recorded as inventory until they are launched for point-in-time revenue transactions or assigned for over-time revenue transactions. Dragon is composed of a fully reusable capsule that is classified as Property, plant, and equipment, net. Starship is a fully reusable rocket composed of boosters, ships, and Raptor engines and is currently in the development stage. A majority of Starship costs are expensed to Research and development as incurred.

Inventory

Inventory consists primarily of raw materials and work-in-progress used in the production of launch vehicles and Starlink Kits, and finished goods for Starlink Kits, Falcon 9 and Falcon Heavy second stages awaiting launch.

Inventory is computed using standard cost or weighted average, which approximates actual cost on a first-in, first-out basis and is stated at the lower of cost or net realizable value. The Company records inventory write-downs in Cost of revenue in the consolidated statements of operations for estimated obsolescence or unmarketable inventories based upon assumptions about future demand and design, and technological or other changes.

Property, Plant, and Equipment, net

Property, plant, and equipment are stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets except flight vehicles, which is computed based on the expected number of average flights for each flight vehicle. Leasehold improvements are depreciated over the shorter of their estimated useful lives or the related lease term. Management periodically reviews these useful life estimates with engineering and operations teams and revises them as additional data becomes available.

The Company estimates the useful lives of its satellite assets based on engineering studies, historical on-orbit performance, propellant life, utilization patterns, design enhancements across generations, and planned transitions to newer satellite technology. The Company estimates broadband satellites to have a five-year useful life and the first generation mobile satellites to have a three-year useful life.

The Company estimates the expected flights for its flight vehicle hardware based on three key criteria: (1) the continued ability to successfully recover and refurbish the hardware for additional flights, (2) the continued economic feasibility of using the hardware on incremental flights, supported by declining refurbishment costs and sensitivity analyses, and (3) customer acceptance for reflown hardware as evidenced by the Company's launch manifest.

Expenditures for maintenance and repairs that do not extend the lives of the respective assets are expensed as incurred while significant refurbishment, renewals, and enhancements that increase the functionality, output or expected life of an asset are capitalized and depreciated ratably over the identified useful life.

Satellites include costs to build the satellites (parts, labor, and allocated overhead) as well as capitalized launch costs incurred by the Space segment to launch the satellites to orbit, which include an allocation of the flight vehicle hardware costs.

The Company capitalizes certain interest costs associated with significant acquisition or construction of certain Property, plant, and equipment, net. The Company begins to capitalize qualified interest cost once activities necessary to get the asset ready for its intended use have commenced. The Company calculates qualified interest capitalization using the average amount of accumulated expenditures during the period the asset is being prepared for its intended use and a capitalization rate which is derived from the Company's weighted average borrowing rate during such time, in the absence of specific borrowings related to the significant long term construction projects. The Company ceases capitalization on any portions substantially completed and ready for their intended use. Capitalized interest is considered a part of the assets' historical cost, and depreciates over the estimated useful lives of the underlying assets.

The Company evaluates impairment of its Property, plant, and equipment assets at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. The Company reviews Property, plant, and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset or asset group may not be recoverable. If estimated future cash flows are less than the carrying value of the asset or asset group, an impairment charge is recognized to the extent its carrying value exceeds its estimated fair value. Routine asset disposals, scrapping, gateway decommissions, and other recurring operational losses are charged to Cost of revenue or Selling, general, and administrative expenses depending on the nature of the assets, or to impairment if the impairment is considered to be outside the normal course of business.

The estimated useful lives of the Company's Property, plant, and equipment, net are as follows:

Classification	Estimated Useful Life
Servers and networking equipment	5 - 6 years
Satellites	3 - 5 years
Machinery and equipment	3 - 10 years
Flight vehicle hardware	5 - 25 flights
Data center infrastructure	20 - 25 years
Launch sites	7 - 20 years
Buildings and improvements	30 years
Leasehold improvements	Shorter of 7 - 20 years or the life of the lease

Leases

The Company leases facilities, corporate offices, data centers, and manufacturing equipment primarily in the U.S. under various operating and finance leases. In addition, the Company enters into various lease agreements for its satellite gateway sites throughout the world.

The Company determines whether an arrangement is or contains a lease at inception. If a lease exists, any lease arrangements with contractual terms longer than twelve months are classified as either an operating or finance lease. Finance leases are generally those leases that allow the Company to substantially utilize or pay for the entire asset over its estimated life. All other leases that do not meet any of the criteria for finance lease classification are classified as operating leases.

Leases with a lease term of twelve months or less are not recorded on the consolidated balance sheets and are expensed on a straight-line basis over the lease term in the consolidated statements of operations.

Certain lease agreements include options that grant the Company the ability to renew or extend the lease term, or early terminate the lease. When determining the lease term, the Company does not include renewal or early termination options unless they are deemed to be reasonably certain of being exercised at the lease commencement date.

Upon lease commencement, the Company recognizes a lease liability measured at the present value of the fixed future minimum lease payments and a right-of-use asset for an amount equal to the lease liability, adjusted by prepaid and accrued rent, lease incentives, and initial direct costs. The Company has elected the practical expedient to not separate lease and non-lease components. Operating lease expense is recognized on a straight-line basis over the lease term, with the cost presented as a component of Cost of revenue, Research and development, or Selling, general, and administrative expenses in the consolidated statements of operations depending on the nature of the operating lease. Finance lease cost is composed of a separate interest component and amortization component. The interest component of a finance lease is included in Interest expense in the consolidated statements of operations and the amortization component of a finance lease is included in Cost of revenue, Research and development, or Selling, general, and administrative expenses in the consolidated statements of operations depending on the nature of the finance lease.

The Company's leases generally do not provide information about the rate implicit in the lease. Therefore, the Company utilizes an incremental borrowing rate to calculate the present value of future lease obligations. The Company's incremental borrowing rate is estimated to approximate the interest rate on a collateralized basis with similar terms and payments, and in economic environments where the leased asset is located.

Goodwill and Indefinite-Lived Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of identifiable assets acquired and the liabilities assumed in connection with a business combination. Goodwill and indefinite-lived intangible assets are not amortized but rather, are tested for impairment annually on October 1 and more frequently if events and circumstances indicate that the asset might be impaired. Events that could indicate impairment of goodwill and other indefinite-lived intangible assets that trigger an impairment assessment include, but are not limited to, adverse economic market conditions, long-term declining industry outlook conditions, entity-specific financial underperformance, changes in the use of the asset, and other adverse legal and regulatory events. Goodwill is tested for impairment at the reporting unit level.

The Company may elect to utilize a qualitative assessment to evaluate whether it is more likely than not that the fair value of a reporting unit or indefinite-lived intangible asset is less than its carrying value and if so, the Company performs a quantitative test. Impairment is recognized when the quantitative assessment results in the carrying value exceeding the fair value. The reporting unit's estimated fair value is determined on the basis of discounted future cash flows and market approach using the guideline public company method.

The Company conducted its annual goodwill impairment test and no goodwill impairments were identified for the years ended December 31, 2025, 2024, and 2023. Refer to Note 6, Intangible Assets and Goodwill for additional discussion on indefinite-lived intangible assets.

Digital Assets

The Company has ownership of and control over its digital assets, which consist of bitcoin, and utilizes, and expects to continue to utilize, third-party custodians to hold its bitcoin.

The Company determines and records the fair value of its bitcoin based on quoted prices on the active exchange that the Company has determined is the principal market for bitcoin (Level I inputs). The cost of bitcoin is based upon the specific identification method. Realized and unrealized gains and losses are recorded to Other income (expense), net in the Company's consolidated statements of operations.

The Company adopted Accounting Standards Update No. 2023-08, *Intangibles—Goodwill and Other—Crypto Assets (Subtopic 350-60)* ("ASU 2023-08"), using a modified retrospective approach effective January 1, 2024. The

cumulative effect of the changes made on the Company's January 1, 2024 consolidated balance sheet for the adoption of ASU 2023-08 were as follows:

	Balance at December 31, 2023	Adjustment from adoption of ASU 2023-08	Balance at January 1, 2024
Assets			
Digital assets	\$ 299	\$ 496	\$ 794
Shareholders' Equity			
Accumulated deficit	\$ (4,664)	\$ 496	\$ (4,168)

Loss Contingencies

The Company is currently involved in, and may in the future be involved in, legal proceedings, claims, investigations, and government inquiries and investigations arising in the ordinary course of business. The Company records a liability when it believes that it is both probable that a loss has been incurred and the amount or range can be reasonably estimated. If the Company determines there is a reasonable possibility that it may incur a loss and the loss or range of loss can be estimated, it discloses the possible loss to the extent material. Significant judgment is required to determine both probability and the estimated amount. The Company reviews these provisions on a regular basis and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. Legal fees are expensed as incurred.

Joint Ventures and Investments

The Company has made strategic investments in joint ventures. The Company evaluates each investment to determine if the investee is a variable interest entity, and, if so, whether the Company is the primary beneficiary of the variable interest entity. The Company has determined, as of December 31, 2025, there were no variable interest entities required to be consolidated in the Company's consolidated financial statements. The Company's investments in unconsolidated affiliates are primarily non-marketable equity securities without readily determinable fair values. The Company accounts for each of its investments in unconsolidated affiliates either under equity method accounting, fair value, or by adjusting the carrying value of its non-marketable equity securities to fair value upon observable transactions for identical or similar investments of the same issuer or upon impairment (referred to as the measurement alternative). The investments in unconsolidated affiliates are included within Other assets on the consolidated balance sheets. Gains and losses on the Company's non-marketable equity securities are recognized in Other income (expense), net in the consolidated statements of operations. Refer to Note 9, Investments in unconsolidated affiliates for additional details.

Revenue Recognition

Below describes the Company's significant revenue recognition policies by segment.

Space Segment

The Company's Space segment generates revenue primarily through (i) Launch Services for the deployment of payloads to their intended orbits for both commercial and government customers utilizing Falcon 9 and Falcon Heavy, and (ii) Launch and Development for the development of spacecraft and provision of launch and mission services for government agency space programs utilizing Falcon 9, Falcon Heavy, Starship, and Dragon.

Space revenue is derived from fixed-price contracts related to the development and provision of launch services for the deployment of spacecraft and other payloads to its intended orbit for both commercial customers and governmental agency space programs. The Company recognizes revenue as control is transferred to the customer, either "over time" or at a "point in time". The Company recognizes revenue over time for Launch and Development contracts when the Company's performance on the contract creates an asset with no alternative use and when the Company has an enforceable right to payment for performance to date. The Company measures progress on these

contracts using the cost-to-cost input method, as the Company believes this represents the most appropriate measure towards satisfaction of its performance obligation. Under the cost-to-cost input method, the Company records revenue based upon costs (such as materials and labor hours) incurred to date relative to the total estimated cost at completion. For Launch Services contracts where revenue is recognized at a point in time, due to the interchangeability of flight hardware and minimal unique engineering costs, revenue and costs are deferred and not recognized until the launch or deployment of the customer's spacecraft to its intended orbit.

The Company's contracts are complex and require the Company to estimate total costs to perform over the term of the contracts, as well as the measurement of progress towards completion for each performance obligation. Developing the estimated total cost at completion for each performance obligation requires the use of significant management judgment, including assumptions regarding launch timing, labor hours, allocation of shared costs for launch vehicles that have been identified as reusable for multiple launches, as well as expected technological changes to launch vehicles and spacecraft. The Company recognizes changes in estimated contract revenue or costs at completion and the resulting changes in contract profit on a cumulative basis.

Connectivity Segment

The Company's Connectivity segment generates revenue primarily through broadband and Starlink Mobile services to consumers, and enterprise and government customers throughout 156 markets.

Substantially all of the Company's contracts with Starlink customers contain multiple performance obligations. These performance obligations typically include (i) the broadband services provided through Starlink and (ii) the sale of the Starlink Kit (inclusive of the terminal). For customer contracts that include multiple performance obligations, the Company accounts for individual performance obligations if they are distinct. The transaction price is allocated to each performance obligation based on its standalone selling price. The Company determines the standalone selling price based on the price at which the good or service is sold separately on a standalone basis to similar customers in similar locations. Starlink Mobile services have one performance obligation.

The Company's performance obligation to provide broadband and Starlink Mobile services is satisfied over time as the customer simultaneously receives and consumes the benefits provided. The Company generates service revenue by (i) fixed price services that require advanced or recurring monthly payments by the customer or (ii) variable priced services based on actual data usage of the Starlink broadband. The amounts received from customers for advanced payment for broadband and Starlink Mobile service are included in deferred revenue on the Company's consolidated balance sheets and revenue is recognized either ratably over the subscription term or based on actual data usage. The Company's contracts are generally month to month and the revenue recognized for these recurring customers is equal to the amount billed in that month.

The Company's performance obligation to provide the Starlink Kit and other related hardware is satisfied at the point in time when control is transferred to the customer. In almost all circumstances, control passes to the customer upon delivery of the Starlink Kit and other related hardware to the customer, or in the instance of certain enterprise customers, when it is installed. Starlink Kit revenue is reported net of sales returns and chargebacks. Shipping and handling charges are included in the transaction price. The Company recognizes shipping and handling activities as fulfillment activities and not as a separate performance obligation.

The Company recognizes revenue over time for certain contracts related to the Starshield business that are long-term in nature using the cost-to-cost input method. The Company records revenue based upon costs (such as materials and labor hours) incurred to date relative to the total estimated cost at completion.

The Company's Starshield contracts are complex and require the Company to estimate the total costs to perform over the term of the contracts, as well as the measurement of progress towards completion for each performance obligation. Developing the estimated total cost at completion for each performance obligation requires the use of significant management judgment, including assumptions regarding labor hours, allocation of shared costs used in the production of satellites, satellite material costs, as well as expected technological changes to satellites. The Company recognizes changes in estimated contract revenue or costs at completion and the resulting changes in contract profit on a cumulative basis.

AI Segment

The AI segment generates revenue from the sale of advertising and from AI solutions and infrastructure services, which include (i) subscription offerings, (ii) data licensing arrangements, and (iii) API access to Grok models.

Revenue from advertising is recognized in the period in which the advertising is delivered, as evidenced by a user engaging with the ad in a manner that satisfies the advertiser's selected engagement criteria. The Company evaluates whether it acts as principal or agent when third parties are involved. For advertising products sold directly through its X platform, the Company controls the specified ad services prior to transfer to the advertiser, is responsible for serving the advertisements, and fulfills the advertiser's engagement criteria. Accordingly, it acts as principal and recognizes revenue on a gross basis. For advertising sold through supply side platform ("SSP") partners, the Company receives a percentage share of gross advertising spend. The SSP partner controls the advertising inventory prior to its transfer to the advertisers, is primarily responsible for fulfilling the performance obligation to the advertiser, and has discretion in pricing. As a result, the Company acts as agent and recognizes revenue on a net basis.

Subscription revenue is recognized ratably over the period of the subscription term.

Data licensing arrangements grant customers a right to access, search, and analyze the Company's historical and real-time intellectual property ("IP") on the X platform through the developer channel for a defined period. These arrangements may contain a single performance obligation (satisfied at a point in time for historical IP or over time for future IP) or multiple performance obligations satisfied separately. For arrangements with a fixed monthly fee and a single future IP performance obligation, revenue is recognized on a straight-line basis over the period in which the Company provides the data. When such arrangements contain multiple performance obligations, the Company allocates revenue on a relative basis between the performance obligations based on standalone selling price based on directly observable standalone transactions and recognizes revenue as the performance obligations are satisfied. For certain data licensing arrangements, the Company charges customers based on the amount of sales they generate from downstream customers using its data. For arrangements with a minimum guarantee and a single future IP performance obligation, the minimum guarantee is recognized on a straight-line basis over the period. For arrangements with a minimum guarantee and two or more performance obligations, the Company allocates revenue on a relative basis between the performance obligations based on standalone selling price based on directly observable standalone transactions and recognizes revenue as each performance obligation is satisfied. Any royalties in excess of minimum guarantees, if any, are recognized over the contract term, on a straight-line, on a cumulative catch-up basis.

For the Company's API services, the primary performance obligation is to stand ready to provide customers with access to the platform to process data through token-based inputs and utilize compute hours for outputs. Revenue is recognized ratably on a straight-line basis over the contract term for subscription arrangements that provide stand-ready access. For usage-based arrangements, revenue is recognized as the services are consumed (i.e., as tokens are processed or compute hours are utilized).

For all segments, the Company records payment processing fees for its credit card sales within Cost of revenue. Taxes collected from customers and remitted to government authorities are not included in the transaction price. The Company expenses sales commissions as incurred when the amortization period is one year or less within Selling, general, and administrative expenses in the consolidated statements of operations.

Cost of Revenue

Cost of revenue includes the cost of materials, depreciation and amortization, shipping and handling, payment processor fees, customs and duties, revenue share costs, infrastructure costs, allocated overhead, and employee compensation costs (including salaries, benefits, and share-based compensation). Infrastructure costs consist primarily of rocket, kit, and satellite manufacturing facilities and data center costs related to the Company's colocated facilities, which include lease and hosting costs, related support and maintenance costs, energy and bandwidth costs, and public cloud hosting costs.

Warranty on Starlink Kits

The Company offers a standard product warranty for a period of one to two years on Starlink Kits. The Company has an obligation to either repair or replace the defective Starlink Kit. At the time revenue is recognized, an estimate of future warranty costs is recorded as a component of Cost of revenue. Factors that affect the warranty obligation include historical as well as current product failure rates and costs incurred in correcting product failures. Warranty expenses and related liabilities are not material to the consolidated financial statements.

Research and Development Expenses

The Company sponsors various research and development projects, whose costs are expensed as incurred. Research and development (“R&D”) expenses consist of cost of materials, employee compensation costs (including salaries, benefits, and share-based compensation), contractor compensation expenses, cloud computing expenses, data services, equipment lease expenses, depreciation for R&D equipment and allocated overhead. R&D costs also include certain expenses related to the development of features and modules created through engineering services for the Company’s products, where the Company retains the associated intellectual property.

Software Development Costs

The Company expenses software development costs marketed under on-premise perpetual license agreements. Costs incurred prior to the establishment of technological feasibility are expensed as research and development costs. Due to the nature of the Company’s development cycle, technological feasibility typically occurs shortly before the product is available for general release. All software development costs for the years ended December 31, 2025, 2024, and 2023 were expensed as incurred.

Share-Based Compensation

The fair value of stock options, restricted share units (“RSUs”) and restricted share awards (“RSAs”) with service and/or performance conditions and the employee share purchase plan (“ESPP”) are estimated on the grant or offering date. The fair value of RSUs, RSAs, and ESPP is determined based on the fair value of the Company’s common stock on the date of grant and the fair value of stock options is determined using the Black-Scholes option-pricing model. The Black-Scholes option-pricing model requires inputs such as the fair value of the Company’s common stock, risk-free interest rate, expected award term and expected share price volatility.

Share-based compensation expense for equity awards with performance conditions is recognized over the requisite service period when the vesting of the award becomes probable. Share-based compensation expense is recognized on a straight-line basis for equity awards with only a service condition and on a graded vesting basis for equity awards with a performance condition. The Company accounts for forfeitures as they occur rather than on an estimated basis.

The fair value and derived service period of awards granted to the Company’s CEO with market, service, and performance conditions are estimated on the grant date using a Monte Carlo simulation model. A Monte Carlo simulation model requires inputs such as fair value of the Company’s common stock, the risk-free interest rate, expected award term, expected share dilution and expected share price volatility. These inputs, which are subjective and generally require judgment, are unique to each award based on the best available information at the valuation date. For these awards, share-based compensation expense is not recognized until the performance condition is probable. Once the performance condition is met, share-based compensation is recorded based on the requisite service period associated with the probable performance condition.

Advertising Expense

The Company expenses the cost of advertising and other promotional expenditures to primarily market Starlink services as incurred. For the years ended December 31, 2025, 2024, and 2023, advertising expenses included in Selling, general, and administrative expenses on the consolidated statements of operations are \$69 million, \$31 million, and \$29 million, respectively.

Net Income (Loss) per Share of Common Stock Attributable to Common Shareholders

Net income (loss) per share attributable to common shareholders is computed using the two-class method required for participating securities. Under this method, net income is allocated to common shareholders and participating securities based on their respective rights to receive dividends as if all earnings for the period had been distributed. Certain series of the Company's redeemable convertible preferred stock are considered participating securities because they are entitled to receive dividends on an as-converted basis if and when dividends are declared on common stock. These securities do not participate in net losses. The Company's classes of common stock have identical economic rights, resulting in the same net income (loss) per share for each class. Accordingly, the Company presents a single net income (loss) per share for all classes of common stock.

Diluted net (loss) income per share is computed based on the more dilutive of (i) the two-class method or (ii) the if-converted method. Potentially dilutive shares from outstanding share-based compensation awards, including stock options and restricted stock units, are included when calculating diluted net income (loss) per share of attributable to common shareholders using the treasury stock method when their effect is dilutive.

Refer to Note 13, Redeemable Convertible Preferred Stock and Shareholders' Equity for additional details of the Company's preferred and common stock.

Income Taxes

The Company utilizes the asset and liability method of accounting for income taxes as set forth in ASC Topic 740, *Income Taxes* ("ASC 740"). Under this method, deferred tax assets and liabilities are recognized using enacted tax rates for the effect of temporary differences between the book and tax bases of recorded assets and liabilities. ASC 740 also requires that deferred tax assets be reduced by a valuation allowance if it is more likely than not that some portion or all of the net deferred tax assets will not be realized. The Company's ability to realize deferred tax assets is assessed at each year-end and a valuation allowance is established if necessary. The factors used to assess the likelihood of realization may include forecasts of future taxable income, future reversal of existing taxable temporary differences, and available tax planning strategies that could be implemented to realize net deferred tax assets.

The Company applies the provisions of ASC 740-10, which requires the Company to recognize in the consolidated financial statements the impact of a tax position only if it is more likely than not to be sustained upon examination based on the technical merits of the position. The Company recognizes interest and penalties related to uncertain tax positions in income tax expense.

In December 2023, the FASB issued ASU No. 2023-09, *Improvements to Income Tax Disclosures (Topic 740)* ("ASU 2023-09"). ASU 2023-09 requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. The Company adopted this ASU on a prospective basis effective January 1, 2025. Refer to Note 16, Income Taxes for the inclusion of new disclosures required.

Investment Tax Credits

The Company recognizes investment tax credits when there is reasonable assurance that the credit will be received and the Company will comply with the conditions specified in the agreement or statutory requirements. The Company records capital-related credits as a reduction to Property, plant, and equipment, net within the consolidated balance sheets and recognizes a reduction to depreciation expense over the useful life of the corresponding acquired asset.

Foreign Currency

The reporting currency of the Company is the United States ("U.S.") dollar. The Company determines the functional and reporting currency of each of its international subsidiaries based on the primary currency in which they operate. If the functional currency is not the U.S. dollar, the Company recognizes a cumulative translation adjustment created by the different rates the Company applies to current period income or loss and the balance sheet. For each

subsidiary, the Company applies the monthly average functional exchange rate to its monthly income or loss and the month-end functional currency rate to translate the balance sheet.

Foreign currency transaction gains and losses are a result of the effect of exchange rate changes on transactions denominated in currencies other than the functional currency. Transaction gains and losses are recognized in Other income (expense), net in the consolidated statements of operations. Net foreign currency transaction gains (losses) were not material to the consolidated financial statements.

Recent Accounting Pronouncements

In November 2024, the FASB issued ASU No. 2024-03, *Disaggregation of Income Statement Expenses (Subtopic 220-40)*. The ASU requires the disaggregated disclosure of specific expense categories, including purchases of inventory, employee compensation, depreciation, and amortization, within relevant income statement captions. This ASU also requires disclosure of the total amount of selling expenses along with the definition of selling expenses. The ASU is effective for annual periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Adoption of this ASU can either be applied prospectively to consolidated financial statements issued for reporting periods after the effective date of this ASU or retrospectively to any or all prior periods presented in the consolidated financial statements. This ASU will likely result in the required additional disclosures being included in the consolidated financial statements, once adopted. The Company is currently evaluating the provisions of this ASU.

In July 2025, the FASB issued ASU No. 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The amendments in this update provide a practical expedient permitting an entity to assume that conditions at the balance sheet date remain unchanged over the life of the asset when estimating expected credit losses for current classified accounts receivable and contract assets. This update is effective for annual periods beginning after December 15, 2025, including interim periods within those fiscal years. Adoption of this ASU can be applied prospectively for reporting periods after its effective date. Early adoption is permitted. The Company is currently evaluating the provisions of this ASU and does not expect this ASU to have a material impact on the consolidated financial statements.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*. The ASU simplifies the capitalization guidance by removing all references to prescriptive and sequential software development stages (referred to as “project stages”) throughout ASC 350-40. The ASU is effective for annual periods beginning after December 15, 2027, and interim periods within those fiscal years. Adoption of this ASU can be applied prospectively for reporting periods after its effective date; or follow a modified transition approach that is based on the status of the respective projects and whether software costs were capitalized before the date of adoption; or retrospectively to any or all prior periods presented in the consolidated financial statements. Early adoption is permitted. The Company is currently evaluating the provisions of this ASU and does not expect this ASU to have a material impact on the consolidated financial statements.

In December 2025, the FASB issued ASU No. 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities*. The ASU establishes authoritative guidance in GAAP about accounting for government grants received by business entities, clarifies the appropriate accounting, in an effort to reduce diversity in practice, and increase consistency of application across business entities. The ASU is effective for annual reporting periods beginning after December 15, 2028, and interim reporting periods within those annual reporting periods. Adoption of this ASU can be applied a modified prospective approach, a modified retrospective approach, or a retrospective approach. Early adoption is permitted. The Company is currently evaluating the provisions of this ASU and does not expect this ASU to have a material impact on the consolidated financial statements.

Note 3 - Revenue

Revenue disaggregated by products and services is as follows:

	Year Ended December 31,		
	2025	2024	2023
Products	\$ 1,510	\$ 1,470	\$ 1,093
Services	17,164	12,545	9,294
Total revenues	\$ 18,674	\$ 14,015	\$ 10,387

All of products revenue is attributable to the Connectivity segment.

Revenue disaggregated by type and segment is as follows:

	Year Ended December 31,		
	2025	2024	2023
Launch Services	\$ 2,576	\$ 2,584	\$ 1,964
Launch & Development	1,510	1,212	1,593
Space	4,086	3,796	3,557
Consumer	7,208	4,830	2,817
Enterprise & Government ⁽¹⁾	4,179	2,769	1,052
Connectivity	11,387	7,599	3,869
Advertising	1,844	1,728	2,323
AI Solutions & Infrastructure	1,357	892	638
AI	3,201	2,620	2,961
Total revenues	\$ 18,674	\$ 14,015	\$ 10,387

(1) Enterprise & Government revenue includes revenue from Starlink Mobile service offerings.

Deferred revenue

Deferred revenue is recorded when cash payments are received or due, in advance of the Company's performance. Deferred revenue primarily relates to Space agreements and Connectivity enterprise and government contracts. Total deferred revenue as of December 31, 2024 was \$10,179 million, of which \$4,080 million was recognized as revenue for the year ended December 31, 2025. Total deferred revenue as of December 31, 2025 was \$12,116 million. Revenue recognized during the years ended December 31, 2024 and 2023 that were included in the deferred revenue balance at the beginning of each period was \$3,414 million and \$2,691 million, respectively.

Backlog

The Company's backlog represents the transaction price of performance obligations to customers for which work remains to be performed. The amount of backlog increases with new contracts or additions to existing contracts and decreases as revenue is recognized on existing contracts. Contracts are included in backlog when an enforceable agreement has been reached. Backlog does not include amounts related to performance obligations that are billed and recognized as they are delivered, optional purchases that do not represent material rights and any estimated amounts of variable consideration that are subject to constraint. Backlog totaled \$28,377 million as of December 31, 2025, of which \$12,116 million was recognized as deferred revenue at December 31, 2025. Approximately 32% is expected to be recognized within one year, and approximately 53% to be recognized in 2027 and 2028, with the remaining 15% to be recognized thereafter.

Concentration of risk

Consolidated revenue from a significant customer is as follows:

	Year Ended December 31,		
	2025	2024	2023
Customer A	20.9 %	24.2 %	25.2 %

Revenue from this customer relates to all three segments. No other customers represented more than 10% of consolidated revenue during the years ended December 31, 2025, 2024 and 2023.

Note 4 - Inventory

Inventory consists of the following:

	December 31,	
	2025	2024
Raw materials	\$ 1,030	\$ 923
Work-in-progress	803	730
Finished goods	583	350
Inventory	\$ 2,416	\$ 2,003

Note 5 - Property, Plant, and Equipment, Net

Property, plant, and equipment, net consist of the following:

	December 31,	
	2025	2024
Servers and networking equipment	\$ 22,694	\$ 6,892
Satellites	11,949	7,591
Machinery and equipment	6,343	5,343
Data center infrastructure	2,960	224
Launch sites	2,404	2,121
Land, buildings and improvements ⁽¹⁾	1,876	913
Flight vehicle hardware	1,689	1,577
Leasehold improvements	784	1,019
Construction-in-progress	4,604	3,007
Property, plant, and equipment	55,303	28,687
Less: Accumulated depreciation	(12,701)	(7,540)
Property, plant, and equipment, net	\$ 42,602	\$ 21,147

(1) Land is not a depreciable asset.

Construction in progress is primarily comprised of ongoing construction and expansion of the facilities and equipment as well as AI infrastructure that has not yet been placed in service.

Depreciation expense for the years ended December 31, 2025, 2024 and 2023 was \$5,915 million, \$2,977 million and \$1,897 million respectively.

Interest is capitalized during the construction period for significant long term construction projects, such as the AI infrastructure data centers. For the year ended December 31, 2025, the Company capitalized \$169 million of interest,

which is included in Construction-in-progress amounts above. No interest was capitalized during the years ended December 31, 2024 and 2023.

For the years ended December 31, 2025 and 2024, the Company recorded impairment charges of \$38 million and \$63 million, respectively, related to the write off of (i) damaged flight vehicle in the Space segment, and (ii) abandoned production line and damaged satellite hardware in the Connectivity segment. These charges are reflected in Impairment in the consolidated statements of operations. There was no impairment related to Property, plant, and equipment recorded in Impairment during the year ended December 31, 2023.

During the years ended December 31, 2024 and 2023, the Company also recorded impairment charges of \$36 million and \$54 million, respectively, related to its leasehold improvements and office equipment as part of its facilities consolidation efforts in the AI segment in Restructuring charges in the consolidated statements of operations. There was no impairment related to Property, plant, and equipment recorded in Restructuring charges during the year ended December 31, 2025. Refer to Note 20, Restructuring for additional details.

In 2024, the Company closed two taxable revenue bond transactions with a local municipality, in order to receive a personal property tax abatement on newly acquired server and networking equipment in the state. Pursuant to this transaction, the municipality issued taxable revenue bonds of \$442 million and \$258 million principal amount each to the Company and used the constructive proceeds to purchase the server and networking equipment from the Company, and then leased the equipment back to the Company. As this effectively created a bond receivable and a corresponding financing obligation with the municipality, and the Company has the legal right to set-off and intends to set-off the corresponding lease expense and bond service payments received, there was no impact to the consolidated statements of operations and consolidated balance sheets.

Note 6 - Intangible Assets and Goodwill

Intangible Assets

Finite-lived intangible assets consist of the following:

December 31, 2025				
	Weighted-Average Useful Life (years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Brand	5.0	\$ 743	\$ (335)	\$ 408
User base	9.0	1,291	(456)	835
Existing technology	3.2	27	(16)	11
Advertising customer relationships	5.0	752	(478)	274
Acquired workforce	2.0	9	—	9
Total		<u>\$ 2,822</u>	<u>\$ (1,285)</u>	<u>\$ 1,537</u>

December 31, 2024				
	Weighted-Average Useful Life (in years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Brand	5.0	\$ 707	\$ (177)	\$ 530
User base	9.0	1,225	(297)	928
Existing technology	3.0	1,140	(823)	317
Advertising customer relationships	5.0	714	(311)	403
Data licensing customer relationships	3.0	102	(74)	28
Developed technology	2.0	3	(2)	1
Total		<u>\$ 3,891</u>	<u>\$ (1,684)</u>	<u>\$ 2,207</u>

Amortization expense associated with finite-lived intangible assets was \$786 million, \$847 million, and \$738 million in the years ended December 31, 2025, 2024, and 2023, respectively.

The Company also has indefinite-lived intangible assets of \$11 million and \$4 million as of December 31, 2025 and 2024, respectively. Indefinite-lived intangible assets primarily consist of domain names, which are expected to provide long-term branding and marketing benefits. No impairment charges were recognized on indefinite-lived intangible assets for the years ended December 31, 2025, 2024, and 2023 other than the Twitter impairment described below.

Estimated future amortization expense of finite-lived intangible assets as of December 31, 2025 is as follows:

2026	\$ 452
2027	421
2028	256
2029	143
2030	142
Thereafter	123
	<u>\$ 1,537</u>

Twitter Impairment

In 2023, the Company rebranded its Twitter platform to X. As a result of the rebranding, the Company performed an impairment assessment and recorded an impairment charge of \$3,775 million on its previously indefinite-lived brand intangible for the AI segment. The Company's brand intangible asset was determined to no longer be indefinite-lived and is presented as a finite-lived intangible asset with a five-year useful life. The fair value of the brand intangible asset was determined using the relief-from-royalty method.

Spectrum Transactions

On September 7, 2025, the Company entered into a License Purchase Agreement (the "Spectrum License Purchase Agreement") with Spectrum Business Trust 2025-1, a Nevada Business Trust ("Trust") and EchoStar Corporation ("EchoStar", and the transactions contemplated thereby, "Spectrum Transactions") for total consideration of \$17,000 million as discussed below.

Pursuant to the terms and subject to the conditions set forth in the Spectrum License Purchase Agreement, the Company agreed to purchase EchoStar's rights and licenses related to an aggregate of 50 MHz of spectrum in frequency ranges 2000–2020, 2180–2200, 1915–1920 and 1995–2000 (the "AWS-4 and H-Block Licenses" and such spectrum, "the Spectrum") granted by the Federal Communication Commissions ("FCC"), together with certain international authorizations, filings, concessions, licenses, rights and priorities related to that spectrum and certain assets associated therewith (collectively, the "Foreign Assets"). The transfer of the AWS-4 and H-Block Licenses will occur in two steps: first, the AWS-4 and H-Block Licenses will be transferred by EchoStar to the Trust (the "Spectrum Transfer Closing"), and second, the AWS-4 and H-Block Licenses will be transferred by the Trust to the Company (the "Spectrum Acquisition Closing"). The Foreign Assets will be transferred directly to the Company at the Spectrum Acquisition Closing, to the extent the required regulatory approvals have been obtained by such date; provided, however, that the failure to obtain such approvals will not delay or prevent the Spectrum Acquisition Closing.

In connection with the Spectrum License Purchase Agreement and the Spectrum Transactions, on September 7, 2025, the Company and the Trust entered into a Credit Agreement, pursuant to which the Company has agreed upon the Spectrum Transfer Closing, to loan to the Trust (via loans which are able to be canceled at six-month intervals) to be used by the Trust to make debt service payments on EchoStar's debt through at least November 30, 2027, but in no event later than November 30, 2028. These loans will be secured on a junior lien basis by the AWS-4 and H-Block Licenses. The aggregate amount of debt service payments through November 30, 2028 will equal approximately \$3,000 million.

On November 5, 2025, the parties amended and restated the Spectrum License Purchase Agreement to include EchoStar’s licenses for up to 15MHz of additional unpaired AWS-3 spectrum, and increased the consideration by \$2,600 million, to a total amount of consideration of \$19,600 million. The cash payoff consideration (as noted below), two-step transfer process, debt service payments, trust structure, and maintenance obligations remain unchanged.

The total consideration, approximating \$19.6 billion, consisting of (i) approximately \$11.1 billion in equity, payable through the issuance of approximately 261.8 million shares of the Company’s Class A common stock at a fixed value of \$42.40 per share, and (ii) up to \$8.5 billion related to the payoff of designated EchoStar debt, with any shortfall below \$8.5 billion to be paid in cash. The allocation of cash and equity consideration is subject to certain adjustments based on the amount of EchoStar debt satisfied at or prior to closing.

The Spectrum Acquisition Closing is expected to occur on or about November 30, 2027. The completion of the Spectrum Transactions is subject to the satisfaction or waiver of customary closing conditions, including, among others, receipt of certain consents and approvals from the FCC and the Department of Justice (“DOJ”). The Spectrum License Purchase Agreement also provides for specified termination rights. As of December 31, 2025, the Spectrum Transfer Closing has not yet occurred, and as a result, the Company is not yet obligated to make any payments under the Credit Agreement with the Trust. Once the Spectrum Transfer Closing occurs, the Spectrum Transactions will be recognized as acquired intangible assets.

Goodwill

The activity for goodwill is as follows:

Balance at December 31, 2023	\$	11,418
Cumulative translation adjustments		(289)
Balance at December 31, 2024		11,129
Business combination		52
Cumulative translation adjustments		628
Balance at December 31, 2025	\$	11,809

As of December 31, 2025 and 2024, goodwill attributable to the Connectivity segment was \$513 million and \$505 million, respectively, and goodwill attributable to the AI segment was \$11,296 million and \$10,624 million, respectively.

Note 7 - Digital Assets

Digital assets consist of the following:

(in millions except units of digital assets)	December 31,					
	2025			2024		
	Units	Cost Basis	Fair Value	Units	Cost Basis	Fair Value
Digital assets held:						
Bitcoin	18,712	\$ 661	\$ 1,637	18,712	\$ 661	\$ 1,749
Total	18,712	\$ 661	\$ 1,637	18,712	\$ 661	\$ 1,749

The fair value of digital assets is determined using a Level I in the fair value hierarchy. The following table provides activities related to digital assets:

	Year Ended December 31,	
	2025	2024
Beginning balance, at fair value	\$ 1,749	\$ 794
Unrealized gain (loss), net	(112)	955
Ending balance, at fair value	\$ 1,637	\$ 1,749

Note 8 - Financial Instruments

The Company's assets that are measured at fair value on a recurring basis are as follows:

As of December 31, 2025					
	Level	Cost	Unrealized Gain	Unrealized Loss	Fair Value
Cash and cash equivalents					
Cash	I	\$ 3,408	\$ —	\$ —	\$ 3,408
Money market funds	I	21,339	—	—	21,339
Prepaid expenses and other current assets					
Restricted cash	I	30	—	—	30
Restricted cash in money market funds	I	152	—	—	152
Other assets					
Restricted cash	I	182	—	—	182
Restricted cash in money market funds	I	13	—	—	13
Total		\$ 25,124	\$ —	\$ —	\$ 25,124

As of December 31, 2024					
	Level	Cost	Unrealized Gain	Unrealized Loss	Fair Value
Cash and cash equivalents					
Cash	I	\$ 3,865	\$ —	\$ —	\$ 3,865
Money market funds	I	7,520	—	—	7,520
Marketable securities					
Government securities	II	800	1	(1)	800
Prepaid expenses and other current assets					
Restricted cash	I	23	—	—	23
Other assets					
Restricted cash	I	88	—	—	88
Restricted cash in money market funds	I	5	—	—	5
Government securities	II	581	1	—	582
Total		\$ 12,882	\$ 2	\$ (1)	\$ 12,883

Note 9 - Investments in Unconsolidated Affiliates

Equity method investment

In April 2025, the Company, through its wholly-owned subsidiary CTC Property LLC (“CTC”), entered into a joint venture Stateline Power, LLC (“Stateline”), with Solaris Power Solutions Stateline, LLC (“Stateline Power Solutions”), a wholly owned subsidiary of Solaris Energy Infrastructure, Inc. (“Solaris”).

Stateline was formed to provide off-grid power to CTC’s data center campus pursuant to a long-term equipment rental arrangement. In connection with the formation of Stateline, Solaris contributed non-cash assets valued at \$86 million, consisting primarily of progress payments on power generation equipment now owned by Stateline and pre-funded expenses, in exchange for a 50.1% equity interest in Stateline. CTC contributed \$86 million in cash in exchange for the remaining 49.9% equity interest. Interests in Stateline held by CTC were subsequently assigned to MZX Tech LLC (“MZX”), another wholly-owned subsidiary of the Company.

Concurrent with its formation, CTC (subsequently assigned to MZX) entered into a master equipment rental agreement (“Rental Agreement”) with Stateline under which Stateline will lease power generation equipment to MZX for use at the Company’s data center facility. The Rental Agreement lease commences upon completion of equipment deployment and commissioning activities by Stateline. No rental payments were made by the Company for the year ended December 31, 2025.

The Company evaluated its interest in Stateline under ASC 810 and determined that Stateline is a variable interest entity but the Company is not the primary beneficiary because it does not have the power to direct the activities that most significantly impact Stateline’s economic performance, which are the operations of the assets managed by a subsidiary of Solaris and the Company’s lack of control over how the assets are managed and redeployed after the initial term of the Rental Agreement. As a result, the Company accounts for its interest in Stateline using the equity method of accounting. As of December 31, 2025, the carrying value of the equity method investment was \$86 million, which represents the Company’s initial investment in Stateline. Activity in Stateline during the year ended December 31, 2025 was not material.

Equity investments without readily determinable fair value

As of December 31, 2025 and 2024, the Company held investments in unconsolidated affiliates which are accounted for as equity investments without readily determinable fair values of \$157 million and \$154 million, respectively. For the years ended December 31, 2025, 2024, and 2023, the Company recorded a total of \$0 million, \$1 million, and \$45 million of impairment charges related to the equity method investments in Other income (expense), net in the consolidated statements of operations. The Company recorded cumulative downward adjustments of \$59 million on these investments as of December 31, 2025. No upward adjustments were recorded in the years ended December 31, 2025, 2024 and 2023.

Note 10 - Debt

	As of December 31, 2025		
	Principal	Unamortized Deferred Financing Costs	Net
X 2027 and X 2030 Notes	\$ 27	\$ —	\$ 27
X B-1 Term Loan	6,504	280	6,224
X B-3 Term Loan	5,966	54	5,912
xAI Fixed Rate Term Loan	995	4	991
xAI Floating Rate Term Loan	995	40	955
xAI 12.5% Secured Senior Notes	3,000	12	2,988
Other financings ⁽¹⁾	4,562	—	4,562
Total debt	22,049	390	21,659
Finance lease liability	1,237	—	1,237
Total debt and finance leases	\$ 23,286	\$ 390	\$ 22,896
Less: Short-term portion	928	—	928
Total debt and finance leases, net of current	22,358	390	21,968

	As of December 31, 2024		
	Principal	Unamortized Deferred Financing Costs	Net
X 2027 and X 2030 Notes	\$ 27	\$ —	\$ 27
X B-1 Term Loan	6,571	359	6,212
X Bridge Credit Facilities	5,966	—	5,966
Other financings	57	—	57
Total debt	12,621	359	12,262
Finance lease liability	1,531	—	1,531
Total debt and finance leases	14,152	359	13,793
Less: Short-term portion	372	—	372
Total debt and finance leases, net of current	13,780	359	13,421

(1) Includes obligations related to certain AI infrastructure assets recorded as failed sale-leaseback transactions. Refer to Other Financings below for additional details.

SpaceX ABL Credit Agreement

General. In 2018 and subsequently amended through 2023, SpaceX entered into a senior secured asset-based revolving credit agreement (“SpaceX ABL Credit Agreement”) with a syndicate of banks. The SpaceX ABL Credit Agreement provided for a senior secured asset-based revolving credit facility, from which the Company may draw upon as needed for up to \$1,500 million. The SpaceX ABL Credit Agreement was collateralized primarily by a pledge of certain of SpaceX’s inventory and equipment, and availability under the SpaceX ABL Credit Agreement was based on the estimated fair value of such assets, as reduced by certain reserves. The Company was required to meet various covenants, including meeting certain reporting requirements, and certain financial covenants applied once more than 85.0% of the SpaceX ABL Credit Agreement was drawn upon. In February 2025, SpaceX terminated the SpaceX ABL Credit Agreement. No amounts were outstanding at the time of termination.

SpaceX Credit Facility

General. In February 2025, the Company entered into a five-year senior unsecured revolving credit agreement (“SpaceX Credit Facility”) with a syndicate of banks, under which the Company may draw up to \$1,500 million,

subject to a customary financial covenant and other reporting requirements. The SpaceX Credit Facility terminates, and all outstanding loans become due and payable, on February 7, 2030, unless the parties agree to an extension. No amounts were borrowed under the SpaceX Credit Facility during 2025.

Interest Rates. Under the SpaceX Credit Facility, borrowings bear interest at the Company's option, at a rate per annum of (i) between 0.75%-1.25%, depending on the Company's current debt rating, plus the relevant Term SOFR or (ii) between 0.0%-0.25% depending on the Company's current debt rating plus the greater of (a) the Federal Funds Rate plus 0.5%, (b) the Prime Rate, (c) Term SOFR plus 1.0% and (d) 1.0%. The Company may also borrow in various alternative currencies at various alternative rates, including rates based on SONIA for Pound Sterling loans and EURIBOR for Euro loans plus an applicable margin. The fee for undrawn amounts is between 0.07%-0.11% per annum, depending on the Company's current debt rating. Interest is payable either monthly or quarterly, depending on the interest loan option.

Covenants. The Company was in compliance with the covenants of the SpaceX Credit Facility as of December 31, 2025; however, the Company had a technical default when the Company acquired xAI on February 2, 2026 due to the amount of debt assumed as part of the acquisition at the subsidiary level. On March 2, 2026, the Company obtained a waiver from the syndicate of banks and amended the SpaceX Credit Facility allowing for the debt refinance completed on March 2, 2026 (refer to Note 21, Subsequent Events for additional details), resulting in the Company being in compliance with all covenants.

X 2027 and 2030 Notes

General. In 2019, a subsidiary of X, an indirect subsidiary of the Company, issued \$700 million aggregate principal amount of 3.875% senior notes due 2027 (the "X 2027 Notes") in a private placement. The X 2027 Notes mature on December 15, 2027. In 2022, a subsidiary of X issued \$1,000 million aggregate principal amount of 5.000% senior notes due 2030 (the "X 2030 Notes") in a private placement. The X 2030 Notes mature on March 1, 2030. The X 2027 and X 2030 Notes represent senior unsecured obligations of the Company.

Interest Rates. For the X 2027 Notes, the interest rate is fixed at 3.875% per annum and interest is payable semi-annually in arrears on June 15 and December 15 of each year. For the X 2030 Notes, the interest rate is fixed at 5.000% per annum and interest is payable semi-annually in arrears on March 1 and September 1 of each year.

Principal Repayments. In November 2022, the Company purchased approximately \$675 million aggregate principal amount of X 2027 Notes and \$998 million aggregate principal amount of the X 2030 Notes in settlement of the change in control of Twitter. The X 2027 Notes and X 2030 Notes that remain outstanding may be redeemed at the option of the Company, in whole or in part, at any time prior to September 15, 2027 and December 1, 2029, respectively, at a price equal to 100.0% of the principal amounts plus a "make-whole" premium and accrued and unpaid interest, if any, up to, but excluding, the redemption date.

Covenants. The Company was in compliance with the covenants of the X 2027 Notes and X 2030 Notes as of December 31, 2025.

X First Lien Senior Credit Facilities

General. In 2022, X Corp., an indirect subsidiary of the Company, entered into the First Lien Credit Agreement which provided for a new term loan commitment of \$6,705 million ("X B-1 Term Loan") and a \$500 million Secured First Lien Revolving Credit Facility (including a letter of credit subfacility with an aggregate face value of up to \$100 million) (together referred to as "X First Lien Senior Credit Facilities"). The Secured First Lien Revolving Credit Facility matures on October 27, 2027 and the X B-1 Term Loan matures on October 27, 2029.

Amendments. In February 2025, X Corp., an indirect subsidiary of the Company, amended the X First Lien Senior Credit Facilities and entered into a new term loan commitment for \$4,741 million with a maturity date of October 27, 2029 ("X B-3 Term Loan") and reduced the Secured First Lien Revolving Credit Facility commitment to \$0. As part of the issuance of the X B-3 Term Loan, the Company is required to pay an arrangement fee of \$51 million, which is due and payable on February 19, 2027. In April 2025, the Company entered into an amendment to the X

B-3 Term Loan for an additional commitment of \$1,225 million with the same terms and conditions, increasing the total X B-3 Term Loan borrowings to \$5,966 million.

Proceeds. The proceeds from the X B-3 Term Loan were used to pay down and extinguish the First Lien Bridge Credit Facility and the Second Lien Bridge Credit Facility. The Company accounted for the pay down as a partial modification and extinguishment of debt, expensing immaterial debt issuance costs.

Interest Rates. The X B-1 Term Loan bears interest at a rate per annum of, initially, adjusted Term SOFR plus 6.50%. The Secured First Lien Revolving Credit Facility bore interest at a rate per annum of, initially, an adjusted Term SOFR plus 4.50%, with leverage-based step-downs. Undrawn commitments under the Secured First Lien Revolving Credit Facility were subject to an unused commitment fee of 0.50% per annum, subject to quarterly leverage based step-downs. The X B-3 Term Loan has a fixed interest rate of 9.50% per annum. Interest on the X B-1 Term Loan and X B-3 Term Loan is payable monthly, quarterly, or bi-annually at the option of the Company. The effective interest rate on outstanding borrowings under the X B-1 Term Loan and X B-3 Term Loan was 12.40% and 9.80%, respectively, as of December 31, 2025.

Principal Repayments. The X B-1 Term Loan is repayable at any time, in whole or in part, without premium or penalty, subject to mandatory quarterly prepayments of principal beginning on the last day of the fiscal quarter ended March 31, 2023, in amounts equal to 0.25% of the original principal amount of borrowings thereunder, with the unpaid balance being payable on the final maturity date thereof. The X B-1 Term Loan is also subject to additional customary mandatory prepayment provisions from the proceeds of certain debt issuances and asset sales, as well as sweeps of a portion of excess cash flow, subject to certain leverage-based step-downs and exceptions. None of these additional customary mandatory prepayment provisions have been triggered as of December 31, 2025. The X B-3 Term Loan has prepayment penalties of 107.13% of the outstanding principal before October 27, 2026, 104.75% of the outstanding principal before October 27, 2027, and 102.38% of the outstanding principal before October 27, 2028.

Guarantors and Collateral. Obligations under the First Lien Senior Credit Facilities were guaranteed by X, and were collateralized by a first priority lien on substantially all of the assets of X and its subsidiaries (subject to customary exceptions) which had a carrying amount of \$42,132 million as of December 31, 2025.

Covenants. The Company was in compliance with the covenants of the First Lien Senior Credit Facilities as of December 31, 2025.

X Bridge Credit Facilities

General. On October 27, 2022, X Corp., an indirect subsidiary of the Company, entered into the First Lien Bridge Loan Credit Agreement and the Second Lien Bridge Loan Credit Agreement as borrower, which provided for a \$3,000 million First Lien Bridge Credit Facility and a \$3,000 million Second Lien Bridge Credit Facility (together, the “X Bridge Credit Facilities”), respectively. The initial term loans under each Bridge Credit Facility automatically convert to permanent term loans (“Permanent Bridge Loans”) on July 31, 2025 (“Bridge Conversion Date”), as amended. The Permanent Bridge Loans mature on October 27, 2029 and October 27, 2030 for the First Lien Bridge Credit Facility and the Second Lien Bridge Credit Facility, respectively. In February 2025, the Company repaid the full outstanding amount of \$2,966 million resulting in the full payoff of the First Lien Bridge Credit Facility prior to the Bridge Conversion Date. In February and April 2025, the Company made principal payments of \$1,775 million and \$1,225 million respectively, resulting in the full payoff of the Second Lien Bridge Credit Facility prior to the Bridge Conversion Date.

Interest Rates. Borrowings under the First Lien Bridge Credit Facility bore interest at a rate per annum of, initially, an adjusted term SOFR plus 6.75%, with 0.50% step-ups occurring on each successive three-month period until the Bridge Conversion Date, but subject to a maximum all-in rate of, prior to January 20, 2023, 9.25% and, on and after January 20, 2023, 9.50% (“First Lien Bridge Total Cap”). After the Bridge Conversion Date, any outstanding borrowings under the First Lien Bridge Credit Facility bore interest at the First Lien Bridge Total Cap. Borrowings under the Second Lien Bridge Credit Facility bore interest at a rate per annum of, initially, an adjusted term SOFR plus 10.00%, with 0.50% step-ups occurring on each successive three-month period thereafter until the Bridge Conversion Date, but subject to a maximum all-in rate of, prior to January 20, 2023, 12.75% and, on and after

January 20, 2023, 13.00% (“Second Lien Bridge Total Cap”). After the Bridge Conversion Date, any outstanding borrowings under the Second Lien Bridge Credit Facility bore interest at the Second Lien Bridge Total Cap.

xAI First Lien Credit Agreement

General. In June 2025, X.AI Corp. and X.AI LLC, indirect subsidiaries of the Company, entered into the First Lien Credit Agreement to provide borrowings up to \$2,000 million. The Company executed a \$1,000 million Fixed Rate Term Loan maturing on June 30, 2030 (“xAI Fixed Rate Term Loan”); and a \$1,000 million Floating Rate Term Loan maturing on June 30, 2030 (“xAI Floating Rate Term Loan”).

Interest Rates. The xAI Fixed Rate Term Loan has a fixed interest rate of 12.50% per annum and the xAI Floating Rate Term Loan has a floating interest rate per annum of Term SOFR plus 7.25% or ABR plus 6.25%. Interest on the xAI Fixed Rate Term Loan is payable bi-annually on January 31 and July 31, commencing on January 31, 2026. Interest on the xAI Floating Rate Term loan is payable monthly, quarterly, or bi-annually at the option of the Company. The effective interest rate on outstanding borrowings under the xAI Fixed Rate Term Loan and xAI Floating Rate Term Loan was 11.91% and 12.48%, respectively, as of December 31, 2025.

Principal Repayments. The xAI Fixed Rate Term Loan and the xAI Floating Rate Term Loan have prepayment penalties of 103% on the principal outstanding balance prior to June 30, 2027 and 101% on the principal outstanding balance prior to June 30, 2028.

Guarantors. Obligations under the xAI Fixed Rate Term Loan and xAI Floating Rate Term Loan were guaranteed each jointly and severally by X.AI Corp. and the following subsidiaries of X.AI Corp.: AIQ Phase LLC, CTC Holding LLC, CTC, LLZ Build LLC, and MZX.

Covenants. The Company was in compliance with the covenants of the xAI Fixed Rate Term Loan and xAI Floating Rate Term Loan as of December 31, 2025.

xAI 12.5% Secured Senior Notes

General. In June 2025, X.AI LLC and, X.AI Co Issuer Corp, indirect subsidiaries of the Company, issued \$3,000 million aggregate principal amount of 12.5% interest Senior Secured Notes due in 2030 (“xAI 12.5% Senior Secured Notes”). The Senior Secured Notes were issued at 100% of the principal amount and the entire principal amount will be due on June 30, 2030.

Interest Rates. The xAI 12.5% Senior Secured Notes have a fixed interest rate of 12.50% per annum. Interest is payable bi-annually on January 15 and July 15, commencing on January 15, 2026.

Principal Repayments. The xAI 12.5% Senior Secured Notes have prepayment penalties of 106.25% on the principal outstanding balance prior to July 15, 2027 and 103.13% on the principal outstanding balance prior to July 15, 2028.

Guarantors. Obligations under the xAI 12.5% Senior Secured Notes were guaranteed each jointly and severally by xAI and the following subsidiaries of xAI: AIQ Phase LLC, CTC Holding LLC, CTC, LLZ Build LLC, and MZX.

Covenants. The Company was in compliance with the covenants of the 12.5% Senior Secured Notes as of December 31, 2025.

xAI Revolving Line of Credit

General. In April 2024 and amended in May 2024, a subsidiary of xAI, an indirect subsidiary of the Company, entered into a revolving line of credit for an aggregate face amount up to \$150 million. The Company had no

borrowings under the line of credit during 2025. Letters of credit issued under the revolving line of credit were \$145 million as of December 31, 2025.

Interest Rates. Interest on any borrowings is calculated based on the 30-day average SOFR plus the International Swaps and Derivatives Association spread adjustment plus a spread of 40 basis points.

Guarantors and Collateral. The agreement permits borrowings up to the value of the pledged collateral held in custody, less any outstanding loan balances, accrued interest, and fees. The pledged collateral consisted of securities held in xAI's custodial account.

Other Financings

The Company has entered into various other financing arrangements, generally collateralized by specific machinery and equipment. These arrangements have an average fixed interest rate of 5.5% and 5.3% per annum as of December 31, 2025 and 2024, respectively, with principal and interest payments due monthly, and in certain instances, a lump sum payment at the end of term.

In addition, in November 2025, CTC completed a sale-leaseback transaction for its AI infrastructure assets which would have been deemed finance leases resulting in failed sale-leaseback transactions. X.AI Corp. guarantees certain of CTC's obligations under the lease agreement. As a result, the Company recorded the related debt of \$455 million and \$4,052 million within Debt and finance leases, current and Debt and finance leases, net of current, respectively, in the Company's consolidated balance sheets. Refer to Note 18, Related Party Transactions for additional details.

The future scheduled principal maturities of debt as of December 31, 2025 are as follows:

2026	\$	560
2027		858
2028		1,063
2029		13,539
2030		6,029
Thereafter		—
	\$	22,049

The Company recognized interest expense for debt prior to capitalization of interest of \$1,797 million, \$1,580 million and \$1,693 million, in the years ended December 31, 2025, 2024, and 2023, respectively.

The Company measures the fair value of its long-term fixed-rate debt for disclosure purposes. The fair value estimates for these debts were determined based on a discounted cash flow approach using yields calibrated from recent issuances of the securities, resulting in Level II measurement.

The carrying amounts and fair values of the long-term fixed-rate debt included in the consolidated balance sheets are as follows:

	As of December 31, 2025	
	Carrying Amount	Fair Value
X B-3 Term Loan	\$ 5,912	\$ 6,190
xAI Fixed Rate Term Loan	\$ 991	\$ 1,057
xAI 12.5% Secured Senior Notes	\$ 2,988	\$ 3,173

Note 11 - Leases

The balances of the Company's operating and finance leases, included in Other assets, Accrued expenses and other current liabilities, and Other liabilities for operating leases, and Finance lease right-of-use assets, Debt and finance leases, current, and Debt and finance leases, net of current for finance leases, in the consolidated balance sheets, are as follows:

	December 31,	
	2025	2024
Operating leases:		
Operating lease right-of-use assets	\$ 1,338	\$ 1,367
Operating lease liabilities, current	422	382
Operating lease liabilities, net of current	1,136	1,259
Total operating lease liabilities	\$ 1,558	\$ 1,641
Finance leases:		
Finance lease right-of-use assets	\$ 1,260	\$ 1,686
Finance lease liabilities, current	369	295
Finance lease liabilities, net of current	868	1,236
Total finance lease liabilities	\$ 1,237	\$ 1,531

The components of lease expense are as follows within the consolidated statements of operations:

	Year Ended December 31,		
	2025	2024	2023
Operating lease expense:			
Operating lease expense	\$ 475	\$ 311	\$ 295
Short-term lease cost	267	101	25
Variable lease cost	106	83	75
Total operating lease expense	848	495	395
Finance lease expense:			
Amortization of leased assets	330	—	—
Interest on lease liabilities	317	—	—
Total finance lease expense	647	—	—
Total lease expense	\$ 1,495	\$ 495	\$ 395

Other information related to leases is as follows:

	December 31,	
	2025	2024
Weighted-average remaining lease term (in years):		
Operating leases	5.9	5.2
Finance leases	3.0	4.0
Weighted-average discount rate:		
Operating leases	10.3 %	10.9 %
Finance leases	22.6 %	22.6 %

During the years ended December 31, 2024 and 2023, the Company recorded restructuring charges of \$30 million and \$106 million, respectively, for operating lease right-of-use assets as part of its facilities consolidation restructuring efforts in Restructuring charges in the consolidated statements of operations. There was no impairment related to leases during the year ended December 31, 2025.

Supplemental cash flow and other information related to the Company's leases are as follows:

	Year Ended December 31,		
	2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash outflows from operating leases	\$ 533	\$ 372	\$ 303
Operating cash outflows from finance leases	\$ 317	\$ —	\$ —
Financing cash outflows from finance leases	\$ 295	\$ 154	\$ —
Leased assets obtained in exchange for operating lease liabilities	\$ 288	\$ 564	\$ 168
Leased assets obtained in exchange for finance lease liabilities	\$ —	\$ 1,686	\$ —

The above tables exclude operating lease agreements that have been signed as of December 31, 2025, but not yet commenced for the aggregate lease payments of \$1,627 million and an average lease term of 7.2 years, including the operating lease arrangement with Stateline. Refer to Note 9, Investments in unconsolidated affiliates for additional details.

The maturities of the Company's lease liabilities as of December 31, 2025 are as follows:

	Operating Leases	Finance Leases
2026	\$ 682	\$ 611
2027	593	611
2028	531	459
2029	492	—
2030	446	—
Thereafter	995	—
Total undiscounted liabilities	3,739	1,681
Less: Leases not yet commenced	(1,627)	—
Less: Imputed interest	(554)	(444)
Total lease liabilities	\$ 1,558	\$ 1,237

Note 12 - Balance Sheet Components

Certain financial statement details are as follows:

	December 31,	
	2025	2024
Prepaid expenses and other current assets		
Tax related assets	\$ 618	\$ 160
Rebates and credits	597	—
Unbilled receivables	223	314
Restricted cash and deposits	182	23
Other	590	371
Prepaid expenses and other current assets	\$ 2,210	\$ 868
Accrued expenses and other current liabilities		
Tax related liabilities	\$ 563	\$ 112
Operating lease liabilities, current	422	382
Accrued interest	416	118
Restructuring liabilities	339	149
Payroll & employee benefit accruals	322	366
Other current liabilities	507	381
Accrued expenses and other current liabilities	\$ 2,569	\$ 1,508

Note 13 - Redeemable Convertible Preferred Stock and Shareholders' Equity

SpaceX Preferred and Common Stock

On February 14, 2024, the holders of outstanding stock of the Company approved and adopted a Plan of Conversion, pursuant to which the Company converted from a Delaware corporation into a corporation organized under the laws of the State of Texas.

In connection with the Plan of Conversion, the Company updated its authorized capitalization to issue five classes of stock - four classes to be designated Class A common stock ("Class A"), Class B common stock ("Class B"), Class C common stock ("Class C"), Class D common stock ("Class D") (collectively the "SpaceX Common Stock"), and one class of stock to be designated preferred stock and subdivided into several series of redeemable convertible preferred stock (collectively the "SpaceX Redeemable Convertible Preferred Stock"). All references to "Class" refer to that particular class of SpaceX Common Stock and all references to "Series" refer to that particular series of SpaceX Redeemable Convertible Preferred Stock.

As of December 31, 2025, the total number of shares of SpaceX Common Stock the Company is authorized to issue is 53,855 million shares, each with a par value of \$0.001 per share, except for Class D, which has a par value of \$0.0001 per share. 36,130 million shares are Class A, 5,325 million shares are Class B, 10,000 million shares are Class C, and 2,400 million shares are Class D. The total number of SpaceX Redeemable Convertible Preferred Stock that the Company is authorized to issue is 2,607 million shares, of which 2,400 million shares are undesignated.

With the exception of the expanded conversion rights described below, there were no changes to the dividend provisions, liquidation preferences, conversion rights, redemption rights or the voting rights of the SpaceX Convertible Redeemable Preferred Stock and SpaceX Common Stock during the years ended December 31, 2025, 2024, and 2023.

In 2022, the Board approved a stock split (the "2022 Stock Split"), pursuant to which each share of the SpaceX Common Stock issued and outstanding was split into ten shares of SpaceX Common Stock. In May 2026, the Board

approved the 2026 Stock Split, pursuant to which each share of the Class A, Class B, and Class C SpaceX Common Stock issued and outstanding was split into five shares of SpaceX Common Stock.

xAI Redeemable Convertible Preferred Stock and Common Stock

On March 28, 2025, xAI adopted an Amended and Restated Articles of Incorporation, which established its capital structure and designated multiple classes of common stock and several series of redeemable convertible preferred stock. The Articles were subsequently amended and restated through January 30, 2026 (collectively, the “xAI Articles of Incorporation”) to add and authorize additional series of redeemable convertible preferred stock with no economic changes to any previously existing series.

Pursuant to the xAI Articles of Incorporation, xAI’s authorized capitalization prior to the xAI Merger consisted of three classes of common stock, which are designated Class A common stock (“xAI Class A”), Class B common stock (“xAI Class B”), Limited Voting common stock (“xAI Limited Voting”), (collectively the “xAI Common Stock”) and several series of redeemable convertible preferred stock (collectively the “xAI Redeemable Convertible Preferred Stock”). All references to “xAI Class” refer to that particular class of xAI Common Stock and all references to “xAI Series” refer to that particular series of xAI Redeemable Convertible Preferred Stock.

As of December 31, 2025, the total number of xAI Common Stock that xAI authorized to issue is 7,884 million shares, each with a par value of \$0.001 per share, 5,874 million shares are xAI Class A, 2,000 million shares are xAI Class B, and 10 million shares are xAI Limited Voting. The total number of xAI Redeemable Convertible Preferred Stock that the Company is authorized to issue is 3,302 million shares.

Effect of the xAI Merger

xAI Redeemable Convertible Preferred Stock

Upon the effective date of the xAI Merger, all outstanding shares of xAI Redeemable Convertible Preferred Stock converted into shares of SpaceX Common Stock, based on the share-for-share exchange mechanics specified in the Merger Agreement. Each share of xAI Series A-1, B, C, D, and E redeemable convertible preferred stock (classified as “xAI Low Vote Stock”) was converted into 0.1433 shares of SpaceX Class A Common Stock per preferred share (on a pre-2026 Stock Split basis), rounded up to the nearest whole number for fractional shares. Each share of xAI Series A redeemable convertible preferred stock (classified as “xAI High Vote Stock”) was converted into 0.1433 shares of SpaceX Class B Common Stock per preferred share (on a pre-2026 Stock Split basis), rounded up to the nearest whole number for fractional shares. For xAI Series A Redeemable Convertible Preferred Stock, all holders that are an eligible service provider may instead elect to receive cash of \$75.46 per share (on a pre-2026 Stock Split basis) of xAI Series A Redeemable Convertible Preferred Stock. Upon conversion, all shares of xAI Redeemable Convertible Preferred Stock were canceled and retired, and former xAI Redeemable Convertible Preferred Stock shareholders received the applicable shares of SpaceX Common Stock. Any shares of xAI Redeemable Convertible Preferred Stock previously held by the Company were canceled and retired and did not receive any consideration.

Although xAI Redeemable Convertible Preferred Stock converted into SpaceX Common Stock upon the xAI Merger closing, the xAI Redeemable Convertible Preferred Stock balances are presented as Redeemable Convertible Preferred Stock in the consolidated financial statements for all periods presented. Because the xAI Redeemable Convertible Preferred Stock was legally outstanding during all historical periods prior to the xAI Merger and represented a separate equity class of a legally distinct predecessor entity, the conversion of xAI Redeemable Convertible Preferred Stock into SpaceX Common Stock is recognized only in the period in which the exchange actually occurs, and not retrospectively. Accordingly, the historical consolidated balance sheets and consolidated statements of redeemable convertible preferred stock and shareholders’ equity reflect the xAI Redeemable Convertible Preferred Stock as outstanding xAI Redeemable Convertible Preferred Stock consistent with its legal form and rights during those periods and are not recast on an as-converted basis. The impact of the conversion will be presented prospectively in the period of the merger (Q1 2026).

xAI Warrants

xAI also issued warrants to customer that were outstanding as of the effective date of the xAI Merger, which had a ten-year term originally set to expire in 2035, with an exercise price equal to the par value of the stock, and vesting terms that resulted in the warrants vesting proportionally to the payments received under the related agreement. The closing of the xAI Merger triggered an acceleration clause in which all outstanding xAI warrants, both vested and unvested components, were automatically exercised on a cashless basis exercised and converted into fully vested SpaceX Class A Common Stock at the exchange ratio of 0.1433 (on a pre-2026 Stock Split basis).

xAI and X Common Stock

Upon the effective date of the xAI Merger, every outstanding share of xAI Common Stock, whether Class A, Class B, or Limited Voting, converted into the right to receive SpaceX Common Stock at a fixed exchange ratio of 0.1433 SpaceX shares per share of xAI Common Stock (on a pre-2026 Stock Split basis), unless the holder was an eligible service provider and elected to receive cash of \$75.46 per share of xAI Class A or Class B. No fractional SpaceX shares were issued and all share amounts were rounded up to the nearest whole number. Any shares of xAI Common Stock previously held by the Company were canceled and retired and did not receive any consideration.

Effect of the X Merger

Upon the effective date of the X Merger, each class of common stock of X Holdings Corp. (“X Common Stock”) was converted to 2.776 shares of xAI Common Stock of the same class (rounded down to the nearest whole share), each class of common stock of X.AI Corp. (“xAI Corp. Common Stock”) was converted to 1.000 share of xAI Common Stock of the same class, and each series of X.AI Corp. preferred stock (“xAI Corp. Preferred Stock”) (other than shares held by X or any of its subsidiaries) was converted to 1.000 share of xAI Redeemable Convertible Preferred Stock of the same series.

As a result of the Mergers, all of X, X.AI Corp. and xAI Common Stock are being presented in the historical financial statements as if they had been converted into SpaceX Common Stock at the applicable exchange rate for all periods presented. As such, all shares of historical X, X.AI Corp. and xAI Common Stock are included in the share counts for SpaceX Common Stock below. X.AI Corp. and xAI Redeemable Convertible Preferred Stock are being presented in the consolidated financial statements at historical values with an adjustment to the conversion rate at the applicable exchange ratio per the xAI Merger.

Redeemable Convertible Preferred Stock

Information for each series of SpaceX and xAI Redeemable Convertible Preferred Stock (collectively, the “Combined Redeemable Convertible Preferred Stock”) at December 31 is as follows:

	Dividend Per Share		Initial Price Per Share		Authorized Shares		Outstanding ⁽¹⁾		Liquidation Preference		Net Carrying Value	
	2025		2025		2025		2025		2024		2025	
SpaceX Redeemable Convertible Preferred Stock												
Series A	\$	0.05	\$	1.00	61.0	60.4	60.5	\$	60	\$	59	
Series A-1	\$	0.05	\$	1.00	61.0	0.2	0.2		—		—	
Series B	\$	0.10	\$	2.00	5.5	5.1	5.1		10		10	
Series B-1	\$	0.10	\$	2.00	5.5	0.1	0.1		—		—	
Series C	\$	0.15	\$	3.00	10.5	9.7	9.7		29		23	
Series D	\$	0.19	\$	3.88	7.5	5.2	5.2		40		20	
Series E	\$	0.23	\$	4.50	10.5	10.2	10.2		46		647	
Series F	\$	0.38	\$	7.50	6.8	6.7	6.7		50		48	
Series G	\$	3.87	\$	77.46	13.0	12.6	12.8		978		978	
Series H	\$	6.75	\$	135.00	3.4	3.2	3.3		429		429	
Series I	\$	8.45	\$	169.00	3.0	3.0	3.0		499		499	
Series J	\$	9.30	\$	186.00	2.7	2.5	2.6		457		457	

	Dividend Per Share		Initial Price Per Share	Authorized Shares	Outstanding ⁽¹⁾		Liquidation Preference	Net Carrying Value
	2025		2025	2025	2025	2024	2025	2025
Series K	\$ 10.20	\$	204.00	2.7	2.5	2.5	518	518
Series L	\$ 10.70	\$	214.00	1.5	1.4	1.4	295	295
Series M	\$ 11.00	\$	220.00	2.7	2.7	2.7	596	596
Series N	\$ 13.50	\$	270.00	9.5	9.3	9.4	2,520	2,520
Total SpaceX Redeemable Convertible Preferred Stock				206.8	134.8	135.4	\$ 6,527	\$ 7,099
xAI Redeemable Convertible Preferred Stock								
Series A	\$ 0.05	\$	1.00	1,000.0	750.0	750.0	\$ 750	\$ 753
Series A-1	\$ 0.05	\$	1.00	1,000.0	—	—	—	—
Series B	\$ 0.60	\$	11.97	584.9	584.9	584.9	7,001	7,001
Series C	\$ 1.08	\$	21.65	277.1	277.1	277.1	6,000	6,000
Series D	\$ 1.83	\$	36.56	174.8	120.1	—	4,390	4,388
Series E	\$ 3.77	\$	75.46	265.0	179.2	—	13,523	13,510
Total xAI Redeemable Convertible Preferred Stock				3,301.8	1,911.3	1,612.0	\$ 31,664	\$ 31,652
Total Combined Redeemable Convertible Preferred Stock				3,508.6	2,046.1	1,747.4	\$ 38,191	\$ 38,751

(1) The number of issued redeemable convertible preferred stock is equal to the number of outstanding redeemable convertible preferred stock, with the exception of xAI Series A and xAI Series D, of which the number of issued shares is 1,000.0 million and 175.0 million, respectively, due to redeemable convertible preferred stock held by X and SpaceX, respectively.

The following describes the various rights and preferences of the SpaceX Redeemable Convertible Preferred Stock:

Dividend Provisions

On a per annum basis, holders of shares of SpaceX Redeemable Convertible Preferred Stock are entitled to receive dividends prior and in preference to any declaration or payment of any dividend to common shareholders at a rate described in the table above for each outstanding share of SpaceX Redeemable Convertible Preferred Stock. Any such dividends are declared at the discretion of the Board of Directors and are not cumulative. For the period from inception through December 31, 2025, no dividends on SpaceX Redeemable Convertible Preferred Stock have been declared. The SpaceX Redeemable Convertible Preferred Stock do not participate in distributions beyond their preferred dividend as described above.

Liquidation Preference

The series of SpaceX Redeemable Convertible Preferred Stock listed in the table above were issued by the Company chronologically and in alphabetical order, with Series A issued first and Series N issued most recently. Each series of SpaceX Redeemable Convertible Preferred Stock is senior in rank to all earlier issued series and junior in rank to all later issued series, except that: (i) Series A, A-1, B, B-1, and C SpaceX Redeemable Convertible Preferred Stock are all on parity with each other and junior in rank to all subsequently issued series of SpaceX Redeemable Convertible Preferred Stock; and (ii) series E, F, and G SpaceX redeemable convertible preferred stock are all on parity with each other, are senior in rank to all earlier issued series of SpaceX Redeemable Convertible Preferred Stock, and junior in rank to all subsequently issued series of SpaceX Redeemable Convertible Preferred Stock.

In the event of a liquidation, dissolution, or winding up of the Company, holders of a given series of SpaceX Redeemable Convertible Preferred Stock are entitled to receive, in preference to the holders of SpaceX Common Stock and any junior-ranking SpaceX Redeemable Convertible Preferred Stock, the liquidation preference indicated in the table above for such series of SpaceX Redeemable Convertible Preferred Stock, plus any declared but unpaid dividends. Holders of all series of SpaceX Redeemable Convertible Preferred Stock are entitled to receive the

greater of the liquidation preference per share indicated above, or the amount each series would be entitled to receive if all such outstanding SpaceX Redeemable Convertible Preferred Stock were converted to Class A or Class B SpaceX Common Stock, as applicable, immediately prior to such liquidation, dissolution, or winding up of the Company. Upon completion of the distributions described above, if any assets remain in the Company, the then remaining assets will be distributed on an equal priority, pro rata basis to the holders of SpaceX Common Stock.

Conversion Rights

Each share of Series A and Series B SpaceX Redeemable Convertible Preferred Stock is convertible at the option of the holder at any time after the date of issuance of such share into shares of Class A, Class B, or Class C SpaceX Common Stock and each share of all other series of preferred stock are convertible at the option of the holder at any time after the date of issuance of such share into shares of Class A or Class C SpaceX Common Stock. The number of shares of SpaceX Common Stock to which a holder of SpaceX Redeemable Convertible Preferred Stock is entitled shall be at a conversion rate determined by dividing the initial price by the conversion price. Each share of SpaceX Redeemable Convertible Preferred Stock is convertible into fifty shares of SpaceX Common Stock following the 2026 Stock Split. The conversion price is subject to adjustment set forth in the charter for certain dilutive issuances, splits and combinations. Prior to Company's conversion to a Texas entity, holders of Series A and Series B SpaceX Redeemable Convertible Preferred Stock were only permitted to convert to Class B SpaceX Common Stock, and holders of other series of SpaceX Redeemable Convertible Preferred Stock were only permitted to convert to Class A SpaceX Common Stock.

The SpaceX Redeemable Convertible Preferred Stock automatically converts upon the earlier of (i) the Company's sale of its common stock in a public offering pursuant to a registration statement under the Securities Act of 1933, in which the pre-public offering market capitalization of the Company is at least \$6.0 billion and which results in aggregate cash proceeds to the Company of not less than \$250 million ("Qualified IPO") or (ii) the date specified by written consent or agreement of the applicable holders of shares of SpaceX Redeemable Convertible Preferred Stock (with respect to each applicable series of SpaceX Redeemable Convertible Preferred Stock), voting in accordance with the charter.

In the event of a transfer of a share of Series A or Series B (other than a Permitted Transfer as defined in the charter), such share shall automatically be cancelled and converted into a corresponding share of Series A-1 or Series B-1.

Voting Rights

Holders of each share of Series A and Series B have the right to ten votes for each share of Class B into which such share is convertible. Holders of each share of all other series of SpaceX Redeemable Convertible Preferred Stock have the right to one vote for each share of Class A into which such share is convertible. Such holders will have full voting rights and powers equal to the voting rights and powers of the holders of SpaceX Common Stock, except as required by law.

Classification

The liquidation preference provisions of the SpaceX Redeemable Convertible Preferred Stock are considered contingent redemption provisions as deemed liquidation events such as a change of control are not solely within the control of the Company. Accordingly, SpaceX Redeemable Convertible Preferred Stock are presented outside of permanent equity on the Company's consolidated balance sheets as Redeemable convertible preferred stock. SpaceX Redeemable Convertible Preferred Stock has not been remeasured to their redemption amount as they are not currently redeemable or probable of becoming redeemable.

The following describes the various rights and preferences of the xAI Redeemable Convertible Preferred Stock:

Dividend Provisions

On a per annum basis, holders of shares of xAI Redeemable Convertible Preferred Stock are entitled to receive dividends prior and in preference to any declaration or payment of any dividend to common shareholders at a rate

described in the table above for each outstanding share of xAI Redeemable Convertible Preferred Stock. Any such dividends declared at the discretion of the Board of Directors and are not cumulative. After payment of any such preferred dividends, holders of xAI Redeemable Convertible Preferred Stock are entitled to participate in any additional dividends or distributions on an as-converted basis with holders of xAI Common Stock. For the period from inception through December 31, 2025, no dividends were declared on xAI Redeemable Convertible Preferred Stock.

Liquidation Preference

The series of xAI Redeemable Convertible Preferred Stock listed in the table above were issued by xAI chronologically and in alphabetical order, with Series A issued first and Series E issued most recently. Each of Series A, Series A-1, Series B, Series C, Series D, and Series E xAI Redeemable Convertible Preferred Stock has a liquidation preference equal to the greater of (i) the applicable original issue price plus any declared but unpaid dividends or (ii) the amount the holder would receive if the xAI Redeemable Convertible Preferred Stock were converted to xAI Common Stock immediately prior to such event. In the event of a liquidation, dissolution, winding up, or deemed liquidation event, holders of xAI Redeemable Convertible Preferred Stock would receive their liquidation preference prior to holders of xAI Common Stock. After payment of all liquidation amounts owed to xAI Redeemable Convertible Preferred Stock, remaining assets or consideration not payable to holders of xAI Redeemable Convertible Preferred Stock (as applicable), if any, would be distributed to holders of xAI Common Stock on a pro rata basis.

Conversion Rights

Each share of xAI Redeemable Convertible Preferred Stock is convertible at the option of the holder into xAI Common Stock at any time after the date of issuance. The number of shares of xAI Common Stock issuable upon conversion is determined by dividing the initial price of the applicable series by its conversion price, with the conversion price subject to adjustment for customary anti-dilution events, including stock splits, combinations, and certain dilutive issuances as presented in the table above. Each share of xAI Series A Redeemable Convertible Preferred Stock is convertible into xAI Class B Common Stock or Series A-1 Redeemable Convertible Preferred Stock, while each remaining series of xAI Redeemable Convertible Preferred Stock is convertible into xAI Class A Common Stock.

The xAI Redeemable Convertible Preferred Stock would automatically convert into xAI Common Stock upon the earlier of (i) the consummation of a qualified public offering that meets the criteria set forth in the Articles, or (ii) the written consent of the requisite percentage of voting power of the outstanding shares of xAI Redeemable Convertible Preferred Stock.

Voting Rights

Holders of each share of xAI Series A have the right to ten votes for each share of Series A held by such holder. Holders of each share of all other series of xAI Redeemable Convertible Preferred Stock have the right to one vote for each share of xAI Class A into which such share is convertible. Such holders have full voting rights and powers equal to the voting rights and powers of the holders of xAI Common Stock (other than xAI Limited Voting).

Classification

The liquidation preference provisions of the xAI Redeemable Convertible Preferred Stock are considered contingent redemption provisions as deemed liquidation events such as a change of control are not solely within the control of xAI. Accordingly, xAI Redeemable Convertible Preferred Stock are presented outside of permanent equity on the Company's consolidated balance sheets as Redeemable convertible preferred stock. xAI Redeemable Convertible Preferred Stock has not been remeasured to their redemption amount as they are not currently redeemable or probable of becoming redeemable.

Common Stock

The following describes all of the activity that occurred within each class of SpaceX Common Stock during the years ended December 31, 2025 and 2024, incorporating all activity that occurred within the class of xAI Common Stock on an as-converted basis to the class of SpaceX Common Stock it was converted into per the xAI Merger and X Merger.

	Class A Common Stock		Class B Common Stock		Class C Common Stock		Class D Common Stock	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Balance at December 31, 2022	1,778	\$ 2	647	\$ 1	317	\$ 0	—	\$ —
Common stock issued, net of tax withholding	6	0	188	0	55	0	—	—
Conversion between classes of common stock	32	0	(32)	0	—	—	—	—
Repurchase of common stock	(6)	0	0	0	(5)	0	—	—
Balance at December 31, 2023	1,810	2	803	1	367	0	—	—
Common stock issued, net of tax withholding	8	0	9	0	58	0	—	—
Repurchase of common stock	(35)	0	(8)	0	(3)	0	—	—
Conversion of redeemable convertible preferred stock to common stock	13	0	—	—	1	—	—	—
Conversion between classes of common stock	36	0	(36)	0	—	—	—	—
Balance at December 31, 2024	1,832	2	768	1	423	0	—	—
Common stock issued, net of tax withholding	33	1	4	0	60	0	—	—
Repurchase of common stock	(31)	0	(38)	0	—	—	—	—
Conversion of redeemable convertible preferred stock to common stock	27	0	—	—	1	0	—	—
Conversion between classes of common stock	91	0	(91)	0	—	—	—	—
Balance at December 31, 2025	1,952	\$ 3	643	\$ 1	484	\$ 0	—	\$ —

The following describes the various rights and preferences of the SpaceX Common Stock:

Dividend Provisions

Subject to the prior rights of holders of all classes and series of stock at the time outstanding having prior rights as to dividends, holders of SpaceX Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of any funds legally available, such dividends as may be declared from time to time by the Board of Directors. For the period from inception through December 31, 2025, no dividends were declared on SpaceX Common Stock.

Liquidation Rights

In the event of a liquidation, dissolution, or winding up of the Company, upon the completion of the distributions required with respect to the SpaceX Redeemable Convertible Preferred Stock, if assets remain in the Company, the then remaining assets will be distributed on an equal priority, pro rata basis to the holders of SpaceX Common Stock.

Conversion Rights

Each share of Class B is convertible at the option of the holder, at any time, into one share of Class A. Each share of Class B will automatically convert into one share of Class A upon a transfer, other than a Permitted Transfer (as defined in the charter), of such share of Class B.

Voting Rights

Each holder of Class A is entitled to one vote for each share held. Each holder of Class B is entitled to ten votes for each share held. The holders of Class C have no voting rights, except as required by law. Voting rights with respect to Class D will be established when and if any shares of Class D are issued by the Board of Directors.

Reserve for Unissued Shares of Common Stock

The Company is required to reserve and keep available out of its authorized but unissued shares of SpaceX Common Stock such number of shares sufficient to effect the conversion of all outstanding shares of SpaceX Redeemable Convertible Preferred Stock and Class B, as applicable, plus shares granted and available for grant under the Company's share plans.

The amount of such shares of the SpaceX Common Stock reserved for these purposes at December 31, 2025 is as follows:

	Number of Shares			
	Class A	Class B	Class C	Class D
Redeemable Convertible Preferred Stock issued (low-vote)	4,291	—	3,459	—
Redeemable Convertible Preferred Stock issued (high-vote)	3,275	3,812	3,275	—
Outstanding Class B	644	—	—	—
Outstanding stock options	10	468	474	—
Outstanding RSUs	47	43	62	—
Future grants under share-based compensation ..	161	—	383	—
	<u>8,428</u>	<u>4,323</u>	<u>7,653</u>	<u>—</u>

Share Repurchases

SpaceX Share Repurchases

During the year ended December 31, 2025, SpaceX repurchased \$522 million or 14.0 million shares of SpaceX Common Stock from eligible current and former employees. Similarly, the Company repurchased \$920 million or 38.7 million shares of SpaceX Common Stock from eligible current and former employees and existing shareholders during the year ended December 31, 2024, as well as \$101 million or 0.1 million shares of SpaceX Redeemable Convertible Preferred Stock in a number of unrelated transactions with existing shareholders at their then-current fair market value. The Company only repurchased shares held by eligible participants for more than six months at a purchase price per share equal to the then current fair market value.

All SpaceX shares repurchased to date have been retired.

xAI Share Repurchase

During the year ended December 31, 2025, the Company also purchased 11.8 million shares of xAI Common Stock for \$600 million from an existing shareholder of xAI. Following the xAI Merger, this transaction is considered as a repurchase of xAI Common Stock in the consolidated statements of redeemable convertible preferred stock and shareholders' equity.

All xAI shares repurchased to date have been retired.

Note 14 - Earnings per Share

The following table presents the reconciliation of net income (loss) attributable to common shareholders to net income (loss) used in computing basic and diluted net income (loss) per share of common stock:

	Year Ended December 31,		
	2025	2024	2023
Numerator:			
Net income (loss)	\$ (4,937)	\$ 791	\$ (4,628)
Less: Deemed dividend ⁽¹⁾	—	80	—
Less: Dividends and undistributed earnings allocated to participating securities	—	693	—
Net income (loss) attributable to common shareholders - basic	(4,937)	18	(4,628)
Add: Effect of assumed conversion of SpaceX Redeemable Convertible Preferred Stock	—	3	—
Add: Effect of assumed conversion of stock options	—	0	—
Add: Effect of assumed conversion of restricted stock units	—	0	—
Add: Effect of assumed issuance of shares under the ESPP	—	0	—
Net income (loss) attributable to common shareholders - diluted ..	<u>\$ (4,937)</u>	<u>\$ 21</u>	<u>\$ (4,628)</u>
Denominator:			
Weighted average shares of common stock outstanding - basic	2,926	2,848	2,759
Weighted average shares of common stock equivalents:			
Conversion of SpaceX Redeemable Convertible Preferred Stock	—	6,771	—
Exercise of stock options	—	292	—
Conversion of restricted stock units	—	45	—
Conversion of ESPPs	—	0	—
Weighted average common stock and common stock equivalent outstanding - diluted	<u>2,926</u>	<u>9,956</u>	<u>2,759</u>
Earnings (loss) per share attributable to common shareholders			
Basic	<u>\$ (1.69)</u>	<u>\$ 0.01</u>	<u>\$ (1.68)</u>
Diluted	<u>\$ (1.69)</u>	<u>\$ 0.00</u>	<u>\$ (1.68)</u>

- (1) The excess of fair market value over the consideration transferred for the repurchase of SpaceX Redeemable Convertible Preferred Stock was treated as a deemed dividend and resulted in a decrease to net income (loss) attributable to common shareholders in the calculation of earnings (loss) per share.

The following potentially dilutive securities on an as-converted basis are excluded from the calculation of diluted net income (loss) per share attributable to common shareholders for the periods presented because the impact of including them would be anti-dilutive (refer to Note 15, Share-based Compensation for additional details):

	Year Ended December 31,		
	2025	2024	2023
xAI Redeemable Convertible Preferred Stock	1,369	—	537
SpaceX Redeemable Convertible Preferred Stock	6,733	—	6,780
Share-based compensation	623	18	767

The table above excludes 14.5 million, 38.3 million, and 21.2 million share-based compensation awards outstanding as of December 31, 2025, 2024, and 2023, respectively, as these awards are subject to performance and market conditions that were not met as of those dates.

Note 15 - Share-based Compensation

X and xAI Mergers

As part of the xAI Merger, each xAI option for a share of xAI common stock outstanding and unexercised at the time of the xAI Merger (vested and unvested) was converted into a SpaceX option to receive 0.1433 shares of SpaceX Class A or Class B Common Stock (on a pre-2026 Stock Split basis), as applicable, under the same terms and conditions (including the vesting and exercisability conditions) as the original xAI stock options at an exercise price equal to the original xAI option exercise price divided by 0.1433 (on a pre-2026 Stock Split basis). Each xAI RSU that was vested and outstanding was converted to the right to receive 0.1433 of a share of SpaceX Class A or Class B Common Stock (on a pre-2026 Stock Split basis), as applicable. Each xAI RSU that was unvested was converted to 0.1433 of a SpaceX RSU (on a pre-2026 Stock Split basis). Each xAI RSA was converted to 0.1433 shares of SpaceX RSA for SpaceX Class A or Class B Common Stock (on a pre-2026 Stock Split basis), as applicable, with the same terms and conditions (including the vesting terms). Holders of vested xAI options and vested xAI RSUs also had the option to receive cash payment for \$75.46 per share in lieu of conversion. Refer to Note 13, Redeemable Convertible Preferred Stock and Shareholders' Equity for additional details.

As part of the X Merger, each X RSU that was outstanding was converted to a xAI RSU to receive 2.776 shares of xAI Common Stock.

General

The Company grants RSUs, RSAs, and non-statutory options to eligible employees, key executives, and certain non-employee service providers (collectively, the "Plans"). The Company also has a number of performance-based awards. RSUs entitle the grantee to receive shares of Class A or Class B Common Stock upon vesting, with vesting generally occurring either (i) 25% after the first service year with quarterly vesting for the remaining four-year service period, (ii) 12.5% after the first six months of service with quarterly vesting for the remaining four-year service period, or (iii) 20% after the first service year with semi-annual vesting for the remaining five-year service period, subject to continued service through the applicable vesting date. RSAs entitle the grantee to receive shares of Class A or Class B Common Stock with 25% after the first service year with monthly vesting for the remaining four-year service period. Options generally vest over (i) four years with 25% vesting after one year then one thirty-sixth of the remainder vesting thereafter on a monthly basis or (ii) six years with 20% vesting after two years, and then one forty-eighth of the remainder vesting thereafter on a monthly basis. Options are exercisable up to ten years from the date of grant. At December 31, 2025, 543.8 million shares remained available for future grant under the Plans.

The Company offers an ESPP, under which eligible employees can purchase the Company's Common Stock at a discounted price. The Company also offers a Non-Qualified Employee Stock Purchase Plan ("NQ ESPP"), under which employees can purchase the Company's Common Stock at the fair market value. At December 31, 2025, 27.0 million and 4.8 million shares remained available for future grant under the ESPP and NQ ESPP plans, respectively.

Summary Activity under the Plans

Below table summarizes activities related to the Company's Plans, presented on an as-converted basis per the xAI Merger. For the purposes of the table below, each xAI option, RSU and RSA is presented as 0.1433 SpaceX option, RSU and RSA, respectively.

	Stock Options			
	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Aggregate Intrinsic Value
Balance at December 31, 2024	530	\$ 8.86	6.5	\$ 14,342
Granted	20	\$ 37.27		
Exercised	(34)	\$ 5.80		
Cancelled	(20)	\$ 9.81		
Outstanding at December 31, 2025	496	\$ 10.18	5.7	\$ 37,171
Vested and expected to vest at December 31, 2025	496	\$ 10.18	5.7	\$ 37,171
Vested and exercisable at December 31, 2025	398	\$ 8.31	5.2	\$ 30,346

	RSUs		RSAs	
	Number of Restricted Stock Units	Weighted Average Grant Date Fair Value Per Share	Number of Restricted Stock Awards	Weighted Average Grant Date Fair Value Per Share
Balance at December 31, 2024	110	\$ 12.57	109	\$ 0.00
Granted	74	\$ 54.84	0	\$ 93.87
Exercised	(51)	\$ 25.53	(34)	\$ 0.42
Cancelled	(24)	\$ 33.44	(42)	\$ 0.00
Balance at December 31, 2025	109	\$ 40.49	34	\$ 0.11

The weighted-average grant-date fair value per share of options granted during the years ended December 31, 2025, 2024, and 2023 was \$21.29, \$5.02, and \$7.60 respectively. The total intrinsic value of options exercised during the years ended December 31, 2025, 2024, and 2023 was \$1,249 million, \$392 million and \$261 million, respectively.

The weighted-average grant date fair value per share of RSUs granted during the years ended December 31, 2025, 2024, and 2023 was \$54.84, \$17.68, and \$15.60, respectively. The total fair market value of RSUs released for the years ended December 31, 2025, 2024, and 2023 was \$2,151 million, \$871 million and \$729 million, respectively.

The weighted-average grant date fair value per share of RSAs granted during the years ended December 31, 2025, 2024, and 2023 was \$93.87, \$—, and \$0.00, respectively. There were no RSAs released during the years ended December 31, 2025 and 2024, and the total fair value of the RSAs released during the year ended December 31, 2023 was \$38 million.

At December 31, 2025, total remaining share-based compensation expense for unvested stock options, RSUs, and RSAs was \$4,842 million, which is expected to be recognized over a weighted-average period of 3.2 years.

ESPP

During the years ended December 31, 2025, 2024, and 2023, under the ESPP, the Company issued 6.3 million, 8.0 million and 6.5 million shares, respectively. For the year ended December 31, 2025, the Company issued 0.2 million shares under the NQ ESPP. No shares were issued under NQ ESPP during the years ended December 31, 2024 and 2023.

CEO Award

In November 2025, the Company granted a performance-based award (“xAI Award”) to Elon Musk consisting of twelve tranches. Each tranche represents the right to receive a number of shares at fair market value equal to 1.0% of xAI’s valuation at the valuation milestone. The xAI Award is subject to market conditions based on valuation milestones, ranging from \$213 billion to \$1,313 billion, performance condition requiring the Company to receive not less than \$2,000 million in proceeds from investors through capital raises on the milestone date, and a service condition requiring Mr. Musk’s continued service over the ten-year performance period.

The grant date fair value of the award was determined to be \$2,205 million and the Company recorded \$28 million of share-based compensation expense for the year ended December 31, 2025. In March 2026, the Company terminated the xAI Award, refer to Note 21, Subsequent Events for further discussion.

Performance-based awards

In March 2023, X issued performance-based RSU awards to all X employees that also included service conditions. The performance conditions would only be satisfied upon a change in control or completion of an initial public offering (deemed a liquidity event). For the years ended December 31, 2024 and 2023, no share-based compensation expense was recorded as it was not probable the performance-based vesting condition would be met. In 2025, these awards were modified to remove the performance-based condition, resulting in additional share-based compensation expense of \$588 million.

Fair Value Determination

The weighted-average assumptions that were used to calculate the grant date fair value of the Company’s employee stock option grants are as follows:

	Year Ended December 31,		
	2025	2024	2023
Expected term (years)	6.94	6.80	6.70
Volatility	43.14 %	39.80 %	43.20 %
Risk-free interest rate	4.02 %	4.30 %	3.60 %
Dividend yield	— %	— %	— %

The expected term of employee stock options represents the weighted-average period that the stock options are expected to remain outstanding. The Company determined the expected term of options granted using the simplified method. Under the simplified method, the expected term of an award is presumed to be the mid-point between the vesting period and the contractual life of the award.

The Company determined the expected volatility assumption using the frequency of daily historical prices of comparable public companies’ common stock for a period equal to the expected term of the options.

The risk-free interest rate assumption is based upon observed interest rates on U.S. Government securities for a period consistent with the expected term of the Company’s employee stock options.

The dividend yield assumption is based on the Company’s history and expectation of dividend payouts. The Company has never declared or paid any cash dividends on its Common Stock and does not anticipate paying any cash dividends in the foreseeable future.

The weighted-average assumptions that were used to calculate the grant date fair value of the CEO's xAI Award are as follows:

Expected term (years)	10.0
Volatility	45% – 55%
Risk-free interest rate	4.06
Dividend yield	0.00

The expected term is the period from the grant date to the end of the performance period. The Company determined the expected volatility assumption using the frequency of daily historical prices of comparable public companies' common stock for a period equal to the expected term. The risk-free interest rate assumption is based upon observed interest rates on U.S. Government securities for a period consistent with the expected term. The dividend yield assumption is based on the Company's history and expectation of dividend payouts. The Company has never declared or paid any cash dividends on its Common Stock and does not anticipate paying any cash dividends in the foreseeable future.

Summary of Share-Based Compensation Information

The following table summarizes our share-based compensation expense by line item in the consolidated statements of operations:

	Year Ended December 31,		
	2025	2024	2023
Cost of revenue	\$ 253	\$ 193	\$ 167
Research and development	859	230	179
Selling, general, and administrative	835	360	333
Total	\$ 1,947	\$ 784	\$ 679

During the years ended December 31, 2025, 2024, and 2023, share-based compensation expense capitalized to the consolidated balance sheets was \$154 million, \$132 million, and \$108 million, respectively. No income tax benefit was recognized from share-based compensation expense during the years ended December 31, 2025, 2024, and 2023 due to the valuation allowance on U.S. deferred tax assets. Refer to Note 16, Income Taxes for additional details.

Note 16 - Income Taxes

The U.S. and foreign components of consolidated income (loss) before income taxes for the years ended December 31, 2025, 2024, and 2023 are as follows:

	Year Ended December 31,		
	2025	2024	2023
Domestic	\$ (3,959)	\$ 73	\$ (3,598)
Foreign	(260)	169	(1,393)
Income (loss) before income taxes	\$ (4,219)	\$ 242	\$ (4,991)

The current and deferred provisions (benefits) for federal, state, and foreign income taxes consist of the following:

	Year Ended December 31,		
	2025	2024	2023
Current:			
Federal	\$ (11)	\$ 57	\$ 11
State	18	18	24
Foreign	82	51	15
Total current provision	89	126	50
Deferred:			
Federal	659	(667)	(305)
State	4	2	(70)
Foreign	(34)	(10)	(38)
Total deferred provision	629	(675)	(413)
Total provision for (benefit from) income taxes	\$ 718	\$ (549)	\$ (363)

Upon adoption of ASU 2023-09, as described in Note 2, Summary of Significant Accounting Policies, the reconciliation of the U.S. federal statutory income tax rate to the Company's effective income tax rate is as follows:

	Year Ended December 31,	
	2025	
U.S. federal statutory income tax rate	\$ (886)	21.0 %
State and local income taxes, net of federal income tax effect ⁽¹⁾	(105)	2.5 %
Foreign tax effects		
Ireland	81	(1.9)%
Other	22	(0.5)%
Effect of cross-border tax laws	(1)	— %
Tax credits		
Research and development tax credits	(602)	14.3 %
Foreign tax credits	(27)	0.6 %
Other	(11)	0.3 %
Change in valuation allowance	2,194	(51.6)%
Nontaxable or nondeductible items		
Share-based compensation	(274)	6.5 %
Other	45	(1.1)%
Change in unrecognized tax benefits	297	(7.0)%
Other adjustments	(15)	(0.1)%
Effective tax rate	\$ 718	(17.0)%

(1) State taxes in California made up the majority (greater than 50%) of the tax effect in this category.

The following table is a reconciliation of taxes at the U.S. federal statutory income tax rate to the Company's benefit from income taxes for the years ended December 31, 2024 and 2023 in accordance with the guidance prior to the Company's adoption of ASU 2023-09:

	Year Ended December 31,	
	2024	2023
Federal statutory income tax rate.....	\$ 51	\$ (1,048)
State and local income taxes, net of federal income tax effect.....	(213)	(276)
Share-based compensation	(90)	(73)
Foreign tax effects	(3)	84
Research and development tax credits	(689)	(489)
Change in valuation allowance	137	1,209
Change in unrecognized tax benefits	299	206
Other adjustments	(41)	24
Provision for (benefit from) income taxes	\$ (549)	\$ (363)

Upon adoption of ASU 2023-09, cash paid for income taxes, net of refunds, during the year ended December 31, 2025 is as follows:

	Year Ended December 31, 2025
Federal	\$ 70
State and Local	17
Foreign	
Ireland	20
Mexico	9
Other	38
Total cash paid for income taxes, net of refunds	\$ 154

The significant components of the deferred tax assets and liabilities are as follows:

	December 31,	
	2025	2024
Deferred tax assets:		
Net operating loss carryforwards	\$ 2,275	\$ 572
Research and development and other credits	3,627	2,988
Intangible assets	812	568
Operating lease liability	1,613	313
Capitalized research and development costs	4,077	3,215
Share-based compensation	366	254
Deferred revenue	757	664
Disallowed interest expense	762	785
Other	233	206
Total deferred tax assets	14,522	9,565
Valuation allowance	(8,286)	(5,621)
Deferred tax assets, net of valuation allowance	6,236	3,944
Deferred tax liabilities:		
Fixed assets	(5,209)	(2,372)
Operating lease right-of-use asset	(627)	(632)
Unrealized gains/losses	(248)	(244)
Other	(39)	(32)
Total deferred tax liabilities	(6,123)	(3,280)
Deferred tax assets, net of valuation allowance	\$ 113	\$ 664

In assessing the realizability of deferred tax assets, management considered whether it is more likely than not that some or all of the deferred tax assets will not be realizable based on the relevant weight of all positive and negative evidence, including the retrospective combination of the financial results of the entities due to the Mergers described in Note 1, Nature of Business. As a result of the Mergers, management assessed the realizability of the deferred tax assets of the combined group and concluded that the majority of the U.S. federal and state deferred tax assets are not more likely than not to be realized based on cumulative pretax losses adjusted for permanent differences and other negative evidence. Accordingly, the Company has recorded a full valuation allowance against its net U.S. deferred tax assets as of December 31, 2025 with the exception of certain state deferred tax assets and transferrable investment tax credits that are expected to be realizable. The Company will continue to assess the realizability of its deferred tax assets in future periods and will adjust the valuation allowance as necessary based on changes in facts and circumstances.

In addition, the Company continues to record a valuation allowance in certain foreign jurisdictions where the Company has concluded it is more likely than not that the deferred tax assets will not be realized.

A reconciliation of the valuation allowance is as follows:

	Year Ended December 31,		
	2025	2024	2023
Beginning balance	\$ 5,621	\$ 5,582	\$ 4,347
Charged to income tax expense	2,551	204	1,210
Charged to other comprehensive income	114	(55)	25
Cumulative effect adjustment	—	(110)	—
Ending balance	\$ 8,286	\$ 5,621	\$ 5,582

The valuation allowance on the Company's net deferred tax assets increased by \$2,665 million, \$39 million and \$1,235 million during the years ended December 31, 2025, 2024, and 2023, respectively. The changes in valuation allowance are primarily driven by the generation of net operating loss carry-forwards ("NOLs") and tax credits, which are not more likely than not to be realizable. For the year ended December 31, 2024, the Company released a partial valuation allowance on SpaceX's U.S. deferred tax assets for the retrospectively combined comparative results. Based on available projections as of December 31, 2024, management forecasted \$659 million of deferred tax assets related to U.S. R&D credits would be utilized in the following year on a separate company basis in 2025 before the Mergers occurred, and as such, no valuation allowance was recorded on those credits.

At December 31, 2025, the Company had NOLs for federal and state income tax purposes of \$9,728 million and \$5,234 million, which are available to offset taxable income in future periods. The federal NOLs generated through December 31, 2017 expire at various dates beginning in 2034 and will continue to expire through 2037, while U.S. federal net operating loss carryforwards generated in 2018 or later do not expire. The state NOLs will expire at various dates beginning in 2027.

At December 31, 2025, the Company had tax credits for federal and state income tax purposes of \$3,586 million and \$2,104 million, respectively, which are available to offset future periods and begin to expire in 2036 for federal income tax purposes. Of the \$2,104 million in state tax credits, \$161 million will begin to expire in 2026 and the remaining credits do not expire.

Additionally, the Company's net operating loss carryforwards and other tax attributes are subject to various limitations and restrictions, including those arising from ownership changes under applicable tax laws, which may limit the Company's ability to utilize such attributes in the future.

At December 31, 2025, the Company had foreign NOLs of \$126 million, which will expire at various dates based on the tax laws of the different jurisdictions we operate in.

In assessing whether uncertain tax positions should be recognized in the financial statements, the Company first determines whether it is more likely than-not that a tax position will be sustained upon examination, including resolution of any related appeals or litigation process, based on the technical merits of the position. In evaluating whether a tax position has met the more likely than-not recognition threshold, the Company presumes that the position will be examined by the appropriate taxing authority that would have full knowledge of all relevant information. For tax positions that meet the more likely than not recognition threshold, the Company measures the amount of benefit recognized in its financial statements at the largest amount of benefit that is greater than 50.0% likely of being realized upon ultimate settlement.

The following table reflects changes in gross unrecognized tax benefits:

	Year Ended December 31,		
	2025	2024	2023
Beginning balance	\$ 1,619	\$ 1,320	\$ 1,114
Gross increases - current year tax positions	282	302	233
Gross increases - prior year tax positions	16	—	—
Gross decreases - current year tax positions	—	—	—
Gross decreases - prior year tax positions	(1)	(3)	(27)
Gross decreases - settlements with tax authorities	—	—	—
Gross decreases - lapse of statute of limitations	—	—	—
Ending balance	\$ 1,916	\$ 1,619	\$ 1,320

For the years ended December 31, 2025, 2024, and 2023, the Company had unrecognized tax benefits of \$1,916 million, \$1,619 million, and \$1,320 million respectively. The Company's policy is to recognize interest and penalties associated with uncertain tax benefits as part of the income tax provision. The amount of interest and penalties recognized in the periods presented were insignificant. As of December 31, 2025 and 2024, the Company has accrued \$6 million and \$5 million, respectively, related to interest and penalties on our unrecognized tax

benefits. As of December 31, 2025, unrecognized tax benefits of \$11 million, if recognized, would affect our effective tax rate.

The Company files income tax returns in the U.S. and all state and various foreign jurisdictions. To the extent the Company has tax attribute carryforwards, the tax years in which the attribute was generated may still be adjusted upon examination by the federal, state or foreign tax authorities to the extent utilized in a future period. As of December 31, 2025, the major jurisdictions in which the Company remains subject to examinations are U.S. federal and California for tax years 2003 and forward. Based on all available information, the Company is not aware of any new information that would require the remeasurement of its uncertain tax positions.

On July 4, 2025, the One Big Beautiful Bill Act, Public Law No. 119-21 and formally titled “An Act to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14” (“OBBBA”) was enacted in the United States. The OBBBA includes a broad range of tax provisions, such as the permanent extension of certain provisions of the 2017 Act and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The Company has evaluated the provisions of the OBBBA and determined that the most significant impacts relate to the expensing of research and experimental expenditures under IRC Section 174A and interest expense limitation under IRC Section 163(j). The effects of applicable provisions of OBBBA have been reflected in the Company’s income tax provision.

Note 17 - Commitments and Contingencies

Unconditional Obligations

The Company’s unconditional obligations are non-cancelable contractual commitments primarily relate to the Company’s investments in AI infrastructure and third-party cloud capacity arrangements and other service arrangements. It also includes the Company’s commitments under the Spectrum Transaction, which are payable in cash and in the Company’s Class A Common Stock. Refer to Note 6, Intangible Assets and Goodwill for additional details. The following table summarizes the Company’s non-cancelable contractual commitments as of December 31, 2025:

2026	\$	2,720
2027		21,476
2028		1,250
2029		4
2030		1
Thereafter		—
Total	\$	25,451

Letters of Credit and Surety Bonds

The Company had outstanding letters of credit of \$348 million at December 31, 2025 related to various customer contracts, insurance agreements, and facility lease agreements. All of the outstanding letters of credit were collateralized by restricted cash. The Company also had surety bonds of \$51 million for self-insured workers’ compensation programs and other governmental licenses at December 31, 2025.

Legal Proceedings

In the normal course of its business, the Company is involved from time to time in various arbitrations, class actions, commercial litigation, investigations and other legal, regulatory or governmental actions, including the significant matters described below that could have a material impact on our results of operations. The Company assesses, in conjunction with its legal counsel, the need to record a liability for litigation and contingencies. With respect to the cases, actions, and inquiries described below, the Company evaluates the associated developments on a regular basis and will accrue a liability when it believes a loss is probable and the amount can be reasonably estimated. In

addition, the Company believes there is a reasonable possibility that it may incur a loss in some of these matters and the loss may be material or exceed its estimated ranges of possible loss.

The outcomes of the matters described in this section, such as whether the likelihood of loss is remote, reasonably possible, or probable, or if and when the reasonably possible range of loss is estimable, are inherently uncertain, and unless specified otherwise, possible losses are not reasonably estimable at this time. If one or more of these matters were resolved against the Company for amounts above management's estimates, the Company's financial condition and results of operations, including in a particular reporting period in which any such outcome becomes probable and estimable, could be materially adversely affected.

In November 2022, the European Union's Digital Services Act ("DSA") came into force as a result of which X has to comply with extensive content moderation and other duties. The Company published its first Transparency Report under the DSA in November 2023. In December 2023, the European Commission ("EC") opened a formal investigation into X and its Irish subsidiary, Twitter International Unlimited Company ("TIUC"), which was later renamed to X Internet Unlimited Company (XIUC). On July 12, 2024, in relation to alleged breaches of Articles 25(1), 39 and 40(12) of the DSA, the EC issued preliminary findings that X's blue checkmark is deceptive, its advertisement repository does not meet DSA requirements, and it grants inadequate access to data to third-party researchers. On September 26, 2024, XIUC and X submitted their observations challenging the EC's preliminary findings. On December 5, 2025, the EC delivered a final decision in which it upheld its preliminary findings and imposed a fine of EUR 120 million on XIUC, X., x.AI, and Elon Musk (together, the "parties"). On February 16, 2026, the parties challenged the EC's decision in the General Court of the European Union. This challenge remains pending.

In March 2016, non-practicing entity Youtoo Technologies filed suit against Twitter, Inc. in the United States District Court for the Northern District of Texas alleging its Vine and Periscope products infringe Youtoo's video-sharing patents (the '304, '506, and '997 patents). On Twitter's motion, the district court dismissed the '304 and '506 patents as invalid. Twitter filed petitions for Inter Partes Review before the Patent Trial and Appeals Board (PTAB) challenging all three patents-in-suit. The PTAB upheld the '304 and '506 Patents and invalidated the '997 Patent; the Federal Circuit affirmed. On March 16, 2020, Plaintiff (now Vidstream LLC, which allegedly acquired the patents from Youtoo Technologies in a bankruptcy proceeding), moved the Court to reconsider its earlier ruling invalidating the '304 and '506 patents. On April 1, 2022, the Court reversed its original ruling on the '304 and '506 patents. On September 27, 2024, Vidstream filed a motion for partial summary judgment, which the Court granted in part. The case went to a jury trial, and on April 16, 2025, the jury rendered a verdict finding (i) that Twitter did not infringe any claim of the '506 patent and two out of three claims of the '304 patent and that each of those patent claims was invalid, but (ii) that Twitter willfully infringed one claim of the '304 patent. The jury awarded Plaintiff \$105 million in damages. In November 2025, the district court affirmed the jury's award and awarded an additional \$67 million in prejudgment interest. Twitter has appealed and Vidstream has cross-appealed. Both appeals remain pending before the Federal Circuit.

In June 2023, music publishing companies that are members of the National Music Publishers' Association (the "NMPA") filed a complaint against X in the U.S. District Court for the Middle District of Tennessee, claiming direct, contributory, and vicarious copyright infringement based on Twitter's alleged failure to expeditiously take down infringing music posted by users after the music publishers allegedly gave Twitter notice of those infringements. The music publishers also allege that Twitter did not suspend the accounts of "repeat infringers," so that Twitter is not entitled to a "safe harbor" from liability under the DMCA. X filed a motion to dismiss the complaint on August 14, 2023. On March 5, 2024, the Court dismissed plaintiffs' direct infringement and vicarious infringement claims, and part of plaintiffs' claim for contributory infringement. X answered the complaint on April 9, 2024. Litigation was stayed from June 11, 2025 to September 9, 2025 for settlement discussions that were not successful. Accordingly, discovery is ongoing.

In September 2023, Dutch foundation Stichting Data Bescherming Nederland ("SDBN") filed a putative class action lawsuit in the District Court of Amsterdam in the Netherlands against TIUC, Twitter, Inc., X Corp., and Twitter Netherlands b.v. related to Twitter's operation of the MoPub platform. SDBN primarily claims that MoPub's real-time bidding ad exchange violated the GDPR. SDBN claims to represent 11 million Dutch internet users who downloaded and used third-party mobile apps containing the MoPub software development kit during the period

2013-2022 and it seeks a monetary award in the range of € 250 to € 2,500 per person. On February 4, 2026, the Court declined to allow the case to proceed as a class action and indicated that it is considering staying the proceedings until the Court of Justice of the European Union has ruled in a separate case concerning the applicability of Dutch class action requirements to GDPR claims. The Twitter parties filed a brief in support of the proposed stay, which the plaintiffs opposed, on March 4, 2026.

In August 2024, Dutch foundation Stichting Onderzoek Marktinformatie (SOMI) initiated a collective action in the District Court of Amsterdam in the Netherlands on behalf of approximately 7.8 million Dutch X users. Among other things, SOMI seeks damages against TIUC, X Corp. and Twitter Netherlands B.V. (collectively, the “X entities”) for: (1) alleged data breaches and insufficient security measures; (2) alleged unauthorized microtargeting and lack of transparency; and (3) the alleged failure to moderate hate speech and the obstruction of research, all in violation of the GDPR and/or DSA. The alleged data breaches relate to a Twitter API bug that came to light in 2022 and that had allowed persons who knew the email address or phone number of a user to determine the user’s Twitter ID. SOMI has requested compensation (to be assessed at a later stage) for each member of the class, including symbolic damages of EUR 1 for each member of the class that is allegedly affected by hate speech on the X platform. The X entities filed a procedural defense on March 12, 2025. A hearing has been scheduled for April 2, 2026.

In September 2025, non-practicing entity Search and Share Technologies, LLC (“SaS”) filed a patent complaint against X Corp. in the Federal District Court for the Western District of Texas. SaS alleges that X Corp. infringed on U.S. Patent Nos. 10,180,952 and 11,106,744, through features in its mobile app and website enabling users to interact with content through dedicated interfaces that directly share what other users see in ranked feeds and search results. SaS filed an Amended Complaint on January 5, 2026. On January 20, 2026, X Corp. moved to dismiss SaS’s willful infringement and induced infringement claims. On February 3, 2026, SAS responded to, but did not oppose, X Corp.’s partial motion to dismiss. On February 10, 2026, X Corp. filed its reply. On February 4, 2026, X Corp. filed an IPR petition challenging the ‘744 Patent and on February 18, 2026, filed an IPR petition challenging the ‘952 Patent.

Beginning in January 2026, the Company and certain subsidiaries have been named as defendants in multiple lawsuits arising from Grok’s image-generation and editing features. The complaints generally allege that Grok’s image-generation and editing features enabled the creation and dissemination of nonconsensual explicit images and/or content representing women and/or children in sexualized contexts. The actions include Jane Doe v. X.AI Corp. and X.AI LLC, instituted in the U.S. District Court for the Northern District of California on January 23, 2026, and Jane Doe 1 et al. v. X.AI Corp. and X.AI LLC (the “Jane Doe 1 Case”) instituted in the U.S. District Court for the Northern District of California on March 16, 2026. These cases are putative class actions, asserting claims including, among other things, claims of strict liability, negligence, nuisance, rights of privacy or publicity, and, in the Jane Doe 1 Case, certain federal statutory claims. Plaintiffs in these two cases seek, among other things, compensatory, statutory and punitive damages, restitution, disgorgement and injunctive relief. In addition, a case, Mayor and City Council of Baltimore ex rel. Ebony M. Thompson v. X Corp., X.AI Corp., X.AI LLC, and Space Exploration Technologies Corp, was instituted in the Baltimore City Circuit Court on March 24, 2026 (the “Baltimore Case”). The plaintiff in the Baltimore Case, the Mayor and City Council of Baltimore, asserts similar claims to those in the two cases discussed above under Baltimore’s Consumer Protection Ordinances. The plaintiff in the Baltimore Case seeks statutory penalties and/or injunctive relief. The defendants intend to defend themselves vigorously in these actions.

The Company has recorded an accrual of \$530 million for litigation losses that are probable and reasonably estimable in Accrued expenses and other current liabilities and Other liabilities on the consolidated balance sheet as of December 31, 2025. For other matters, the Company is not currently able to estimate the reasonably possible loss or range of loss.

Non-Income Taxes

The Company is under various non-income tax audits by domestic and foreign tax authorities. These audits primarily revolve around routine inquiries, refund requests, and employee benefits. The Company accrues non-income taxes that may result from these audits when they are probable and can be reasonably estimated. Due to the

complexity and uncertainty of some of these matters, however, as well as the judicial process in certain jurisdictions, the final outcome of these audits may be materially different from the Company's expectations.

Indemnifications

In the ordinary course of business, the Company may provide indemnifications of varying scope and terms to customers, vendors, lessors, investors, directors, officers, employees, and other parties with respect to certain matters, including, but not limited to, losses arising out of the Company's breach of certain agreements, services to be provided by the Company, or from intellectual property infringement claims made by third parties. These indemnifications may survive the termination of the underlying agreement and the maximum potential amount of future payments the Company could be required to make under these indemnification provisions may not be subject to maximum loss clauses. It is not possible to determine the maximum potential amount under these indemnification agreements due to the unique facts and circumstances involved in each particular agreement. Historically, payments made by us under these agreements have not had a material impact on our consolidated financial statements. At December 31, 2025 and 2024, the Company has not accrued a liability for any indemnification claims, because the likelihood of incurring a payment obligation, if any, in connection with any such indemnification claims is not probable or reasonably estimable.

Note 18 - Related Party Transactions

The Company periodically does business with certain entities with which its CEO and directors are affiliated.

During the years ended December 31, 2025 and 2024, the Company purchased \$506 million and \$191 million of Megapack products, respectively, from Tesla, Inc. ("Tesla") recorded in Property, plant, and equipment, net in the consolidated balance sheets. The Company also obtained \$131 million of Cybertrucks at manufacturer's suggested retail price from Tesla recorded in Property, plant, and equipment, net in the consolidated balance sheets during the year ended December 31, 2025.

On October 12, 2025, and as subsequently amended on November 10, 2025, CTC, a subsidiary of xAI and an indirect subsidiary of the Company, entered into an equipment lease agreement with Valor Equity Partners ("Valor") for certain AI infrastructure hardware (the "Valor transaction"). The founder, CEO and Chief Investment Officer of Valor, Antonio J. Gracias, serves as one of the directors of the Company. The Valor transaction was deemed to be a failed sale-leaseback transaction and the Company recorded the related debt of \$455 million and \$4,052 million within Debt and finance leases, current and Debt and finance leases, net of current, respectively, as of December 31, 2025 in the Company's consolidated balance sheets, and \$66 million in Interest expense for the year ended December 31, 2025 in the Company's consolidated statements of operations. Refer to Note 10, Debt for additional details. The related asset is recorded within Property, plant, and equipment, net in the Company's consolidated balance sheets.

In 2025, Elon Musk, through his trust, purchased \$1,421 million of common stock from current and former employees.

Other transactions with Tesla and other related parties during the years ended December 31, 2025, 2024, and 2023 were immaterial.

Note 19 - Segments

Following the Mergers, the Company evaluated how to view and measure performance of the combined company and potential realignment of individual entity's historical segment structure. Following this evaluation, the Company determined that as a combined company, effective in Q1 2026, the Company's Chief Executive Officer, as the Chief Operating Decision Maker ("CODM"), organizes the Company, manages resource allocations, and measures performance among three operating and reportable segments: (i) Space, (ii) Connectivity, and (iii) AI. Prior period presentations for segments conform to the current segment reporting structure.

The Company's CODM assesses performance and allocates resources to operating segments based on segment income (loss) from operations by comparing actual income (loss) from operations to historical results and previously forecasted financial information. The Company's CODM does not evaluate operating and reportable segments using asset or liability information.

The following tables present information as to revenues, significant segment expenses, and income (loss) from operations by the Company's reportable segments:

	Year Ended December 31,			
	2025			
	Space	Connectivity	AI	Total Reportable Segments
Revenue	\$ 4,086	\$ 11,387	\$ 3,201	\$ 18,674
Costs and expenses				
Cost of revenue	1,352	5,921	2,178	9,451
Research and development	3,004	575	5,064	8,643
Selling, general, and administrative	349	468	1,827	2,644
Restructuring charges	—	—	487	487
Impairment	38	—	—	38
Total costs and expenses	4,743	6,964	9,556	21,263
Income (loss) from operations	(657)	4,423	(6,355)	(2,589)
Interest expense				(1,945)
Interest income				492
Other income (expense), net				(177)
Income (loss) before income taxes				\$ (4,219)
Supplemental segment information				
Depreciation and amortization	\$ 757	\$ 2,376	\$ 3,568	\$ 6,701
Share-based compensation	\$ 515	\$ 369	\$ 1,063	\$ 1,947
Impairment	\$ 38	\$ —	\$ —	\$ 38
Capital expenditures	\$ 3,832	\$ 4,178	\$ 12,727	\$ 20,737

	Year Ended December 31,			
	2024			
	Space	Connectivity	AI	Total Reportable Segments
Revenue	\$ 3,796	\$ 7,599	\$ 2,620	\$ 14,015
Costs and expenses				
Cost of revenue	1,541	4,768	1,687	7,996
Research and development	1,835	453	1,176	3,464
Selling, general, and administrative	375	333	1,105	1,813
Restructuring charges	—	—	213	213
Impairment	24	39	—	63
Total costs and expenses	3,775	5,593	4,181	13,549
Income (loss) from operations	21	2,006	(1,561)	466
Interest expense				(1,580)
Interest income				371
Other income (expense), net				985
Income (loss) before income taxes				\$ 242
Supplemental segment information				
Depreciation and amortization	\$ 637	\$ 1,508	\$ 1,679	\$ 3,824
Share-based compensation	\$ 472	\$ 296	\$ 16	\$ 784
Impairment	\$ 24	\$ 39	\$ —	\$ 63
Capital expenditures	\$ 2,032	\$ 3,498	\$ 5,633	\$ 11,163

	Year Ended December 31,			
	2023			
	Space	Connectivity	AI	Total Reportable Segments
Revenue	\$ 3,557	\$ 3,869	\$ 2,961	\$ 10,387
Costs and expenses				
Cost of revenue	1,669	2,786	1,655	6,110
Research and development	1,538	381	186	2,105
Selling, general, and administrative	351	233	1,081	1,665
Restructuring charges	—	—	237	237
Impairment	—	—	3,775	3,775
Total costs and expenses	3,558	3,400	6,934	13,892
Income (loss) from operations	(1)	469	(3,973)	(3,505)
Interest expense				(1,693)
Interest income				249
Other income (expense), net				(42)
Income (loss) before income taxes				\$ (4,991)
Supplemental segment information				
Depreciation and amortization	\$ 571	\$ 884	\$ 1,180	\$ 2,635
Share-based compensation	\$ 427	\$ 249	\$ 3	\$ 679
Impairment	\$ —	\$ —	\$ 3,775	\$ 3,775
Capital expenditures	\$ 1,497	\$ 2,455	\$ 463	\$ 4,415

The following tables provide revenue by geography based on the country of domicile in which the transaction originated:

	Year Ended December 31,		
	2025	2024	2023
USA	\$ 12,966	\$ 10,008	\$ 7,473
Ireland	1,827	1,371	1,047
Canada	764	582	447
All Other	3,117	2,054	1,420
Total Revenues	\$ 18,674	\$ 14,015	\$ 10,387

As of December 31, 2025 and 2024, substantially all of the Company's long-lived assets were located within the United States.

Note 20 - Restructuring

In 2022, X, an indirect subsidiary of the Company (through the X Merger and subsequently, xAI Merger), initiated global employee workforce reductions, the effects of which continued through 2025. The charges associated with the workforce reduction include cash severance expense and other termination benefits. Restructuring charges also include impairment of operating lease right-of-use assets for excess office space and related leasehold improvements and office equipment, as well as lease termination penalties for office space terminated before the end of the lease term as a result of the workforce reduction.

Total charges of \$487 million, \$147 million, and \$77 million associated with the workforce reduction were recorded in Restructuring charges in the consolidated statements of operations for the years ended December 31, 2025, 2024, and 2023, respectively. Additionally, the Company recorded restructuring charges of \$36 million, and \$54 million related to its leasehold improvements and office equipment, and restructuring charges of \$30 million, and \$106 million for operating lease right-of-use assets as part of its facilities consolidation efforts for the years ended December 31, 2024 and 2023, respectively.

The following table is a summary of the changes in the restructuring liabilities for each period presented, included within Accrued expenses and other current liabilities and Other liabilities on the consolidated balance sheets:

Restructuring liabilities as of December 31, 2023	\$ 8
Severance and other personnel costs	147
Cash payments	(11)
Other adjustments	8
Restructuring liabilities as of December 31, 2024	152
Severance and other personnel costs	487
Cash payments	(212)
Other adjustments	16
Restructuring liabilities as of December 31, 2025	<u>\$ 443</u>

Note 21 - Subsequent Events

The Company has evaluated subsequent events that occurred from January 1, 2026 through March 30, 2026, which is the date the consolidated financial statements were available to be issued, and determined that there were no subsequent events or transactions that required recognition or disclosure in the consolidated financial statements, except as discussed below.

Officer Equity Awards

In January 2026, the Company granted 1,000 million performance-based restricted shares of Class B common stock to Elon Musk. The restricted shares vest upon (i) the Company's achievement of specified market capitalization milestones across 15 equal tranches ranging from \$500 billion to \$7.5 trillion, with each milestone reflecting \$500 billion in additional valuation, and (ii) the Company's establishment of a permanent human colony on Mars with at least one million inhabitants, in each case, subject to Mr. Musk's continued employment.

In March 2026, the Company cancelled Mr. Musk's xAI Award and replaced it with a grant of 302.1 million performance-based restricted shares of Class B common stock, which vest upon (i) the achievement of specified market capitalization milestones across 12 equal tranches ranging from \$1.065 trillion to \$6.565 trillion, with each milestone reflecting \$500 billion in additional valuation, and (ii) the Company's completion of non-Earth-based data centers capable of delivering 100 terawatts of compute per year, in each case, subject to Mr. Musk's continued employment.

In January 2026, the Company approved an amendment to 4 million performance-based stock options granted to Bret Johnsen, Chief Financial Officer, that were originally issued in 2024. In lieu of vesting based on free cash flow achievement in excess of a baseline, 371 thousand of the stock options will vest for each \$10 billion in adjusted EBITDA achieved during the 2025 through 2029 fiscal years, assessed on an annual basis. For purposes of this award, adjusted EBITDA is calculated as income from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) impairment, and (iv) restructuring impacts. Once a tranche of the stock options have become earned as a result of the Company's adjusted EBITDA performance as of the end of a particular fiscal year, such stock options remain subject to an additional one-year and one day service-based vesting requirement following December 31 of the fiscal year in which such tranche was earned. The number of options granted was not changed in the amendment. None of the stock options became earned on account of the Company's adjusted EBITDA performance for the year ended December 31, 2025.

Share Repurchases

Between January and March 2026, the Company repurchased Redeemable Convertible Preferred Stock and Common Stock from eligible current and former employees as well as third-party investors totaling \$1,396 million.

Sale-Leaseback Transaction

In January 2026, and as further amended on February 18, 2026, CTC entered into an equipment lease agreement with Valor for certain AI infrastructure hardware ("Valor transaction II"). Similar to the Valor transaction, the Valor transaction II was considered to be a transaction with a related party. The Valor transaction II is deemed to be a failed sale-leaseback transaction and the Company recorded the related debt of \$5,365 million in the Company's consolidated balance sheets.

xAI Merger Closing

Pursuant to the terms of the xAI Merger on February 2, 2026, the Company issued, prior to the 2026 Stock Split, 321.7 million shares of Class A Common Stock, 121.7 million shares of Class B Common Stock and paid \$2,947 million in cash to holders of xAI Common Stock and Redeemable Convertible Preferred Stock. Refer to Note 13, Redeemable Convertible Preferred Stock and Shareholders' Equity for additional details.

Tesla's xAI Investment and SpaceX Class A Common Stock Issuance

In January 2026, Tesla entered into an agreement with xAI to invest \$2,000 million via a purchase of xAI Series E Redeemable Convertible Preferred Stock. Pursuant to the terms of that agreement and a letter agreement entered into between xAI and Tesla on January 16, 2026, xAI's issuance of the shares of Series E Redeemable Convertible Preferred Stock, and Tesla's payment therefore, was conditioned upon the receipt of required regulatory approvals.

Following the xAI Merger, Tesla's right to acquire Series E Redeemable Convertible Preferred Stock of xAI was converted into the right to acquire SpaceX Class A common stock. On March 12, 2026, following expiration of the

applicable regulatory waiting period, SpaceX issued 3.8 million shares of Class A Common Stock (on a pre-2026 Stock Split basis) to Tesla in accordance with the terms of the foregoing agreements.

Tesla Collaboration

In March 2026, the Company announced a collaboration with Tesla to build a chip manufacturing facility (referred to as Terafab).

SpaceX Bridge Loan Credit Agreement

In March 2026, SpaceX entered into a new bridge loan credit agreement (“SpaceX Bridge Loan”) for \$20,000 million with a syndicate of banks. The SpaceX Bridge Loan matures on September 2, 2027 with two three-month extensions, at the option of the Company, reaching a final maturity date of March 2, 2028. The SpaceX Bridge Loan proceeds were used to extinguish and pay off the X B-1 Term Loan, X B-3 Term Loan, xAI Fixed Rate Loan, xAI Floating Rate Loan, and the xAI 12.5% Senior Secured Notes. The SpaceX Bridge Loan bears interest at a rate per annum of (i) between 0.75%-1.75%, dependent upon the debt rating of the Company, plus the relevant Term SOFR or (ii) the highest of (a) the Federal Funds Rate plus 0.5%, (b) the Prime Rate, (c) Term SOFR plus 1.0% and (d) 1.0%, plus an applicable margin ranging from 0.00% to 0.75% (depending on the Company’s debt rating). Obligations under the SpaceX Bridge Loan were guaranteed jointly and severally by certain subsidiaries of the Company. The SpaceX Bridge Loan is repayable at any time, in whole or in part, without premium or penalty. The Company is required to meet various covenants, including meeting certain reporting requirements, and certain financial covenants.

Concurrently with the SpaceX Bridge Loan, the Company repaid the outstanding principal and accrued interests of the X B-1 Term Loan, X B-3 Term Loan, xAI Fixed Rate Term Loan, xAI Floating Rate Term Loan and xAI 12.5% Secured Senior Notes for an aggregate amount of \$18,905 million, including \$1,163 million of prepayment penalty.

Purchase Commitments

In March 2026, the Company executed a purchase agreement with an unaffiliated third party to acquire additional turbines for the AI infrastructure totaling \$805 million through 2029.

Note 22 - Subsequent Events to the Original Issuance of the Consolidated Financial Statements (Unaudited)

The Company has evaluated subsequent events that occurred from the date the consolidated financial statements were originally issued on March 30, 2026 through May 7, 2026, the date the consolidated financial statements were available to be reissued, and determined that the following subsequent events require disclosure in the consolidated financial statements.

Collaboration Agreement

On April 19, 2026, the Company entered into a compute agreement with Anysphere, Inc., doing business as Cursor, a San Francisco-based private software company (“Cursor”). Pursuant to the compute agreement, the Company will collaborate with Cursor to improve the Company’s existing models, including Grok, and potentially to jointly develop AI models and related model-specific deliverables.

Concurrent with the compute agreement, the Company also entered into an option agreement for the right, but not the obligation, to acquire Cursor. The option agreement generally provides that the Company may exercise the call option at any time during the 30-day period following the earlier of (i) seven trading days following the completion of the Company’s IPO and (ii) September 30, 2026. Exercise of the call option is in the Company’s sole discretion and subject to further approval by the board of directors. Cursor is also subject to certain exclusivity obligations under the option agreement. The consideration for the acquisition of Cursor would consist of shares of Class A common stock based on an implied equity value of Cursor of \$60.0 billion, and the price of Class A common stock that equals, if the acquisition closed prior to the completion of this offering, the most recent quarterly valuation, or, if the acquisition closed after the completion of the Company’s IPO, the volume-weighted average closing price thereof over the seven consecutive trading days immediately preceding the closing of the acquisition. If either (i) the Company decides to terminate the option agreement or (ii) Cursor is eligible to and decides to terminate due to the

Company's material breach of the option agreement, Cursor is entitled to a \$1.5 billion termination fee under the option agreement and an \$8.5 billion deferred services fee under the compute agreement. These fees are payable in cash (or Class A common stock, if the Company's IPO has not been consummated at the time the fees become payable).

The Company has conducted preliminary due diligence on Cursor's business, technology and operations, and expect to continue such diligence in connection with any decision to exercise the call option. The Company cannot predict whether the Company will elect to exercise the call option or, if exercised, whether the acquisition will close on the anticipated terms or at all.

Sale-Leaseback Transaction

On April 24, 2026, CTC entered into a five-year equipment lease agreement with Valor, a related party, for certain AI infrastructure hardware ("Valor transaction III") for total undiscounted lease payments of \$6,587 million.

Asset Acquisition

On April 30, 2026, the Company entered into an asset purchase agreement with an unaffiliated third party to purchase certain mobile gas turbines and related packages for approximately \$2,000 million (the "Turbine Acquisition"). The closing of the Turbine Acquisition is expected to occur in May 2026 and is subject to customary closing conditions. The seller has also agreed to enter into a post-closing services agreement to support the Company's turbine operations. The Turbine Acquisition will help provide power to the Company's data centers.

Cloud Services Agreement

On May 3, 2026, the Company entered into a cloud services agreement with Anthropic PBC, an AI research and development public benefit corporation, with respect to access to compute capacity. Pursuant to this agreement, the customer has agreed to pay a monthly fee through May 2029, with capacity ramping in May 2026 at a reduced fee. The agreement may be terminated by either party upon 90 days' notice. The customer will retain ownership and intellectual property rights in its content, AI models, and related data.

**Unaudited consolidated financial statements as of and for the quarter ended March 31, 2026, prepared by the
Company in accordance with U.S. GAAP**

**Unaudited consolidated financial statements as of and for the quarter ended March 31, 2026,
prepared by the Company in accordance with U.S. GAAP:**

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Space Exploration Technologies Corp.
Consolidated Balance Sheets
(in millions, except per share data)
(unaudited)

	March 31, 2026	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	\$ 15,852	\$ 24,747
Marketable securities	7,823	—
Accounts receivable, net of allowance for credit losses of \$47 and \$39 at March 31, 2026 and December 31, 2025, respectively	1,833	1,579
Inventory	2,588	2,416
Prepaid expenses and other current assets	1,636	2,210
Total current assets	29,732	30,952
Property, plant, and equipment, net ^(a)	53,879	42,602
Finance lease right-of-use assets	1,182	1,260
Intangible assets, net	1,432	1,548
Digital assets	1,293	1,637
Goodwill	11,681	11,809
Deferred tax assets	213	141
Other assets	2,682	2,130
Total assets	<u>\$ 102,094</u>	<u>\$ 92,079</u>
Liabilities, Redeemable Convertible Preferred Stock, and Shareholders' Equity		
Current liabilities		
Accounts payable	10,002	11,792
Deferred revenue, current	7,207	6,111
Debt and finance leases, current (related party of \$1,121 and \$455 at March 31, 2026 and December 31, 2025, respectively)	1,538	928
Accrued expenses and other current liabilities	5,689	2,569
Total current liabilities	24,436	21,400
Long-term liabilities		
Deferred revenue, net of current	6,029	6,005
Debt and finance leases, net of current (related party of \$7,920 and \$4,052 at March 31, 2026 and December 31, 2025, respectively)	28,727	21,968
Other liabilities	1,320	1,381
Total liabilities	60,512	50,754
Commitments and contingencies (Note 16)		
Redeemable convertible preferred stock		
Redeemable convertible preferred stock, par value \$0.001; 189 and 2,351 shares issued; 135 and 2,046 shares outstanding as of March 31, 2026 and December 31, 2025, respectively	7,049	38,752
Shareholders' equity		
Class A common stock, par value \$0.001; 2,965 and 2,036 shares issued; 2,883 and 1,952 shares outstanding as of March 31, 2026 and December 31, 2025, respectively	3	3
Class B common stock, par value \$0.001; 2,421 and 643 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	3	1
Class C common stock, par value \$0.001; 494 and 484 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	0	0
Class D common stock, par value \$0.0001; no shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	74,083	37,706
Accumulated deficit	(41,311)	(37,035)
Accumulated other comprehensive income	1,755	1,898
Total shareholders' equity	34,533	2,573
Total liabilities, redeemable convertible preferred stock, and shareholders' equity	<u>\$ 102,094</u>	<u>\$ 92,079</u>

(a) Refer to Note 17, Related Party Transactions for additional details on related party arrangements.

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Operations
(in millions, except per share data)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Revenue	\$ 4,694	\$ 4,067
Costs and expenses		
Cost of revenue	2,388	1,962
Research and development	3,514	1,557
Selling, general, and administrative	746	493
Restructuring charges (credits)	(11)	4
Impairment	—	24
Total costs and expenses	6,637	4,040
Income (loss) from operations	(1,943)	27
Interest expense (related party of \$186 and \$- for March 31, 2026 and 2025, respectively)	(664)	(447)
Interest income	213	117
Other expense, net	(1,876)	(211)
Loss before income taxes	(4,270)	(514)
Provision for income taxes	6	14
Net loss	\$ (4,276)	\$ (528)
Net loss attributable to shareholders - basic and diluted	<u><u>\$ (4,947)</u></u>	<u><u>\$ (528)</u></u>
Net loss per share of common stock attributable to common shareholders		
Basic and Diluted	<u><u>\$ (1.27)</u></u>	<u><u>\$ (0.18)</u></u>
Weighted average shares used in computing net loss per share of common stock		
Basic and Diluted	<u><u>3,884</u></u>	<u><u>2,875</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Comprehensive Loss
(in millions)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Net loss	\$ (4,276)	\$ (528)
Other comprehensive income (loss)		
Change in foreign currency translation adjustments, net of tax	(140)	257
Unrealized gains (losses) on marketable securities, net of tax	(3)	2
Other comprehensive income (loss)	(143)	259
Comprehensive loss	<u>\$ (4,419)</u>	<u>\$ (269)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Redeemable Convertible Preferred Stock and Shareholders' Equity
(in millions)
(unaudited)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount	Shares	Amount				
Balances at December 31, 2024	1,748	\$ 20,941	3,023	\$ 3	\$ 35,865	\$ (32,098)	\$ 1,093	\$ 4,863
Share-based compensation	—	—	—	—	262	—	—	262
Common stock issued, net of tax withholding	—	—	26	0	931	—	—	931
Repurchase of common stock	—	—	(28)	0	(508)	—	—	(508)
Conversion of redeemable convertible preferred stock to common stock	0	(1)	2	0	1	—	—	1
Transfer of equity in business combination	—	—	1	0	39	—	—	39
Net loss	—	—	—	—	—	(528)	—	(528)
Other comprehensive income	—	—	—	—	—	—	259	259
Balances at March 31, 2025	1,748	\$ 20,940	3,024	\$ 3	\$ 36,590	\$ (32,626)	\$ 1,352	\$ 5,319

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount	Shares	Amount				
Balances at December 31, 2025	2,046	\$ 38,752	3,079	\$ 4	\$ 37,706	\$ (37,035)	\$ 1,898	\$ 2,573
Share-based compensation	—	—	—	—	693	—	—	693
Issuance of redeemable convertible preferred stock	78	5,869	—	—	—	—	—	—
Common stock issued, net of tax withholding	—	—	1,346	1	2,460	—	—	2,461
Repurchase of common and redeemable convertible preferred stock	(2)	(69)	(31)	—	(1,864)	—	—	(1,864)
Conversion of redeemable convertible preferred stock pursuant to the xAI Merger	(1,987)	(37,476)	1,424	1	37,474	—	—	37,475
Repurchase of common stock pursuant to xAI Merger	—	—	(25)	—	(2,413)	—	—	(2,413)
Conversion of redeemable convertible preferred stock to common stock	—	(27)	5	—	27	—	—	27
Net loss	—	—	—	—	—	(4,276)	—	(4,276)
Other comprehensive loss	—	—	—	—	—	—	(143)	(143)
Balances at March 31, 2026	135	\$ 7,049	5,798	\$ 6	\$ 74,083	\$ (41,311)	\$ 1,755	\$ 34,533

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Cash Flows
(in millions)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities		
Net loss	\$ (4,276)	\$ (528)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	2,442	1,443
Share-based compensation	639	232
Unrealized loss on digital assets	344	188
Impairment and loss on disposal of fixed assets, net	5	32
Amortization of debt discount and issuance costs	19	18
Loss on debt extinguishment	1,526	—
Other	(26)	31
Changes in operating assets and liabilities		
Accounts receivable	(218)	(197)
Inventory	(384)	(322)
Prepaid expenses and other assets	(74)	(88)
Accounts payable	(528)	93
Deferred revenue	1,119	(34)
Operating lease liabilities, net	(5)	(1)
Other liabilities	464	(140)
Net cash provided by operating activities	<u>\$ 1,047</u>	<u>\$ 727</u>
Cash flows from investing activities		
Purchases of property, plant, and equipment (related party of \$34 and \$84 for March 31, 2026 and 2025, respectively)	(10,107)	(4,140)
Capitalized interest	(7)	—
Proceeds from product rebates	1,195	—
Purchases of marketable securities	(7,801)	(312)
Maturities of marketable securities	—	289
Other investing activities, net	(4)	(7)
Net cash used in investing activities	<u>\$ (16,724)</u>	<u>\$ (4,170)</u>
Cash flows from financing activities		
Principal repayments on finance leases	(82)	(66)
Proceeds from debt and other financing obligations	22,694	4,744
Payment of debt issuance costs	(23)	(3)
Repayments on debt and other financing obligations	(18,295)	(4,745)
Payment of debt extinguishment premium	(1,153)	—
Proceeds from issuance of capital stock, net of issuance costs	8,319	899
Proceeds from employee equity award plans	111	33
Payments for repurchase of common and redeemable convertible preferred stock	(4,346)	(508)
Taxes paid related to net share settlement of equity awards	(100)	—
Net cash provided by financing activities	<u>\$ 7,125</u>	<u>\$ 354</u>
Effect of exchange rate changes on cash and cash equivalents	36	70
Net change in cash and cash equivalents and restricted cash	(8,516)	(3,019)
Cash and cash equivalents and restricted cash, beginning of the period	25,124	11,501
Cash and cash equivalents and restricted cash, end of the period	<u>\$ 16,608</u>	<u>\$ 8,482</u>

	Three Months Ended March 31,	
	2026	2025
Supplemental disclosures of cash flow information		
Cash paid for the following:		
Interest, net of interest capitalized	\$ 990	\$ 382
Income taxes, net	\$ 8	\$ 7
Supplemental schedule of noncash investing and financing activities		
Share-based compensation capitalized in property, plant, and equipment, net	\$ 60	\$ 30
Purchases of property, plant, and equipment included in accrued expenses and accounts payable	\$ 10,649	\$ 565
Purchases of property, plant, and equipment financed by other financings	\$ 2,684	\$ —

The accompanying notes are an integral part of these consolidated financial statements.

SPACE EXPLORATION TECHNOLOGIES CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(tables in millions, except per share data)
(unaudited)

Note 1 - Nature of Business

Description of Business

Space Exploration Technologies Corp. and its wholly owned subsidiaries, collectively referred to as the “Company” or “SpaceX,” operate three segments – (i) the Space segment designs, manufactures, and launches reusable rockets to provide high cadence, reliable, and affordable access to space at unprecedented scale, (ii) the Connectivity segment operates a worldwide high-speed, low-latency broadband network powered by thousands of Starlink satellites in Low-Earth Orbit, delivering connectivity to millions of consumer, enterprise, and government customers through our Starlink offering, and (iii) the AI segment operates a vertically integrated AI platform spanning a frontier LLM Grok, AI solutions for consumer and enterprise customers, X — a real-time information, entertainment, and free speech platform — and AI computational infrastructure.

On February 2, 2026 (“xAI Merger Date”), the Company completed its acquisition of X.AI Holdings Corp. (“xAI”), pursuant to which xAI became a wholly-owned subsidiary of the Company (“xAI Merger”). Prior to the xAI Merger, on March 28, 2025, xAI completed its acquisition of X Holdings Corp. (“X”) and X.AI Corp., in which X and X.AI Corp. became wholly-owned subsidiaries of xAI (“X Merger”, and collectively with xAI Merger, “Mergers”). X.AI Corp began operations in March 2023 and Twitter, Inc. (“Twitter”) was acquired by Mr. Elon Musk in October 2022. The Mergers were each effected through a share exchange.

The Mergers have been accounted for as reorganizations of entities under common control as Mr. Elon Musk had a controlling financial interest in the Company, xAI and X through his majority voting interest in each such entity during the periods presented in these consolidated financial statements. The Company’s consolidated financial statements have been prepared to reflect the retrospective combination of the net assets of the entities at their historical carrying amounts for all periods presented. No new goodwill or other intangible assets have been recorded and all historical related party transactions between the entities have been eliminated in consolidation. The capital stock and shareholders’ equity for all periods presented reflects a continuation of the historical SpaceX capital stock and shareholders’ equity, combined with the historical capital stock and shareholders’ equity of X and xAI merged under common control, as adjusted by the respective exchange ratios used to effect the Mergers, except for xAI’s historical redeemable convertible preferred stock through the date of the xAI Merger. All of xAI’s redeemable convertible preferred stock were converted to SpaceX common stock as part of the xAI Merger and are presented as such from the date of the xAI Merger. This presentation constitutes a change in reporting entity. Refer to Note 12 - Redeemable Convertible Preferred Stock and Shareholders’ Equity for additional details.

On May 4, 2026, the Company effected a five-for-one forward stock split of its authorized, issued, and outstanding shares of Class A, Class B, and Class C Common Stock (“2026 Stock Split”). The conversion rate of SpaceX Redeemable Convertible Preferred Stock was proportionately adjusted to factor in the 2026 Stock Split. All share and per share information has been retroactively adjusted to reflect the 2026 Stock Split for all periods presented.

Note 2 - Summary of Significant Accounting Policies

Unaudited Interim Financial Statements

The consolidated financial statements, including the consolidated balance sheet as of March 31, 2026, the consolidated statements of operations, the consolidated statements of comprehensive loss, the consolidated statements of redeemable convertible preferred stock and shareholders’ equity and the consolidated statements of cash flows for the three months ended March 31, 2026 and 2025, as well as other information disclosed in the accompanying notes, are unaudited. The consolidated balance sheet as of December 31, 2025 was derived from the audited consolidated financial statements as of that date. The interim consolidated financial statements and the

accompanying notes should be read in conjunction with the annual consolidated financial statements and the accompanying notes.

The interim consolidated financial statements and the accompanying notes have been prepared on the same basis as the annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for a fair statement of the results of operations for the periods presented. The consolidated results of operations for any interim period are not necessarily indicative of the results to be expected for the full year or for any other future years or interim periods.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Amounts which are subject to significant judgment and use of estimates include revenues recognized over time using the cost-to-cost input method, the determination of valuation allowances associated with deferred tax assets and estimates of tax liabilities, reserves for excess and obsolete inventory, fair value of indefinite-lived intangible assets and goodwill, useful lives of property, plant, and equipment, the determination of incremental borrowing rate for lease liabilities, litigation and settlement costs, and the valuation and assumptions underlying share-based compensation. On an ongoing basis, the Company evaluates its estimates compared to historical experience and current trends, which forms the basis for making judgments about the carrying value of assets and liabilities. In addition, the Company engages valuation specialists to assist in the valuation of equity instruments.

Cash and Cash Equivalents and Restricted Cash

The Company's total cash and cash equivalents and restricted cash, as presented in the consolidated statements of cash flows, are as follows:

	March 31, 2026	December 31, 2025
Cash and cash equivalents	\$ 15,852	\$ 24,747
Restricted cash included in prepaid expenses and other current assets	67	182
Restricted cash included in other assets	689	195
Total as presented in the consolidated statements of cash flows	\$ 16,608	\$ 25,124

Significant Accounting Policies

There have been no material changes to the Company's significant accounting policies from the annual consolidated financial statements for the year ended December 31, 2025.

Recent Accounting Pronouncements

In December 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*. The ASU improves the guidance in Topic 270 by improving the navigability of the required interim disclosures and clarifying when that guidance is applicable. The amendments also provide additional guidance on what disclosures should be provided in interim reporting periods. The amendments add to Topic 270 a principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. Adoption of this ASU can either be applied prospectively or retrospectively to any or all prior periods presented in the financial statements, and early adoption is permitted. The Company is currently evaluating the provisions of this ASU and does not expect this ASU to have a material impact on the consolidated financial statements.

Recently adopted accounting pronouncements

In July 2025, the FASB issued ASU No. 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The amendments in this update provide a practical expedient permitting an entity to assume that conditions at the balance sheet date remain unchanged over the life of the asset when estimating expected credit losses for current classified accounts receivable and contract assets. The Company adopted this ASU on a prospective basis effective January 1, 2026. While this ASU was adopted, the Company did not elect the practical expedient permitted under this ASU. Therefore, the adoption has no impact on the consolidated financial statements.

Note 3 - Revenue

Revenue disaggregated by products and services is as follows:

	Three Months Ended March 31,	
	2026	2025
Products	\$ 380	\$ 352
Services	4,314	3,715
Total revenues	\$ 4,694	\$ 4,067

All of products revenue is attributable to the Connectivity segment.

Revenue disaggregated by type and segment is as follows:

	Three Months Ended March 31,	
	2026	2025
Launch Services	\$ 330	\$ 566
Launch & Development	289	299
Space	619	865
Consumer	2,148	1,492
Enterprise & Government ⁽¹⁾	1,109	983
Connectivity	3,257	2,475
Advertising	343	443
AI Solutions & Infrastructure	475	284
AI	818	727
Total revenues	\$ 4,694	\$ 4,067

(1) Enterprise & Government revenue includes revenue from Starlink Mobile service offerings.

Deferred revenue

Deferred revenue is recorded when cash payments are received or due, in advance of the Company's performance. Deferred revenue primarily relates to Space agreements and Connectivity enterprise and government contracts. Total deferred revenue as of December 31, 2025 was \$12,116 million, of which \$1,165 million was recognized as revenue for the three months ended March 31, 2026. Total deferred revenue as of March 31, 2026 was \$13,236 million.

Backlog

The Company's backlog represents the transaction price of performance obligations to customers for which work remains to be performed. The amount of backlog increases with new contracts or additions to existing contracts and decreases as revenue is recognized on existing contracts. Contracts are included in backlog when an enforceable agreement has been reached. Backlog does not include amounts related to performance obligations that are billed and recognized as they are delivered, optional purchases that do not represent material rights and any estimated amounts of variable consideration that are subject to constraint. Backlog totaled \$27,621 million as of March 31,

2026, of which \$13,236 million was recognized as deferred revenue at March 31, 2026. Approximately 36% is expected to be recognized within one year, and approximately 46% is expected to be recognized between one and three years, with the remaining 18% to be recognized thereafter.

Note 4 - Inventory

Inventory consists of the following:

	March 31, 2026	December 31, 2025
Raw materials	\$ 1,054	\$ 1,030
Work-in-progress	835	803
Finished goods	699	583
Inventory	\$ 2,588	\$ 2,416

Note 5 - Property, Plant, and Equipment, Net

Property, plant, and equipment, net consist of the following:

	March 31, 2026	December 31, 2025
Servers and networking equipment	\$ 23,850	\$ 22,694
Satellites	12,893	11,949
Machinery and equipment	8,020	6,343
Data center infrastructure	2,965	2,960
Launch sites	2,479	2,404
Land, buildings and improvements ⁽¹⁾	2,018	1,876
Flight vehicle hardware	1,459	1,689
Leasehold improvements	842	784
Construction-in-progress	14,045	4,604
Property, plant, and equipment	68,571	55,303
Less: Accumulated depreciation	(14,692)	(12,701)
Property, plant, and equipment, net	\$ 53,879	\$ 42,602

(1) Land is not a depreciable asset.

Construction in progress is primarily comprised of ongoing construction and expansion of the facilities and equipment as well as AI infrastructure that has not yet been placed in service.

Depreciation expense for the three months ended March 31, 2026 and 2025 was \$2,329 million and \$1,237 million, respectively.

Interest is capitalized during the construction period for significant long term construction projects, such as the AI infrastructure data centers and launch facilities. For the three months ended March 31, 2026, the Company capitalized \$7 million of interest, which is included in Construction-in-progress amounts above. No interest was capitalized during the three months ended March 31, 2025.

For the three months ended March 31, 2025, the Company recorded impairment charges of \$24 million related to the write off of damaged flight vehicles in the Space segment. These charges are reflected in Impairment in the consolidated statements of operations. There were no impairment charges related to Property, plant, and equipment during the three months ended March 31, 2026.

Note 6 - Intangible Assets and Goodwill

Intangible Assets

Finite-lived intangible assets consist of the following:

March 31, 2026				
	Weighted-Average Useful Life (years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Brand	5.0	\$ 735	\$ (367)	\$ 368
User base	9.0	1,277	(486)	791
Existing technology	3.0	27	(17)	10
Advertising customer relationships	5.0	745	(510)	235
Acquired workforce	2.0	11	(2)	9
Total		<u>\$ 2,795</u>	<u>\$ (1,382)</u>	<u>\$ 1,413</u>

December 31, 2025				
	Weighted-Average Useful Life (in years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Brand	5.0	\$ 743	\$ (335)	\$ 408
User base	9.0	1,291	(456)	835
Existing technology	3.2	27	(16)	11
Advertising customer relationships	5.0	752	(478)	274
Acquired workforce	2.0	9	—	9
Total		<u>\$ 2,822</u>	<u>\$ (1,285)</u>	<u>\$ 1,537</u>

Amortization expense associated with finite-lived intangible assets was \$113 million and \$206 million in the three months ended March 31, 2026 and 2025, respectively.

The Company also has indefinite-lived intangible assets of \$19 million and \$11 million as of March 31, 2026 and December 31, 2025, respectively. Indefinite-lived intangible assets primarily consist of trade names and domain names, which are expected to provide long-term branding and marketing benefits.

Goodwill

The activity for goodwill is as follows:

Balance at December 31, 2025	11,809
Business combination	3
Cumulative translation adjustments	(131)
Balance at March 31, 2026	<u>\$ 11,681</u>

As of March 31, 2026 and December 31, 2025, goodwill attributable to the Connectivity segment was \$515 million and \$513 million, respectively, and goodwill attributable to the AI segment was \$11,166 million and \$11,296 million, respectively.

Note 7 - Financial Instruments

The Company's assets that are measured at fair value on a recurring basis are as follows:

	March 31, 2026				
	Level	Cost	Unrealized Gain	Unrealized Loss	Fair Value
Cash and cash equivalents					
Cash	I	7,181	—	—	7,181
Money market funds	I	6,950	—	—	6,950
Government securities	II	1,721	—	—	1,721
Marketable securities					
Government securities	II	7,823	—	0	7,823
Prepaid expenses and other current assets					
Restricted cash	I	15	—	—	15
Restricted cash in money market funds	I	52	—	—	52
Other assets					
Restricted cash	I	512	—	—	512
Restricted cash in money market funds	I	146	—	—	146
Restricted cash in government securities	II	31	—	—	31
Total		<u>\$ 24,431</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 24,431</u>

	December 31, 2025				
	Level	Cost	Unrealized Gain	Unrealized Loss	Fair Value
Cash and cash equivalents					
Cash	I	\$ 3,408	\$ —	\$ —	\$ 3,408
Money market funds	I	21,339	—	—	21,339
Prepaid expenses and other current assets					
Restricted cash	I	30	—	—	30
Money market funds	I	152	—	—	152
Other assets					
Restricted cash	I	182	—	—	182
Restricted cash in money market funds	I	13	—	—	13
Total		<u>\$ 25,124</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 25,124</u>

As of March 31, 2026 and December 31, 2025, the Company also held 18,712 units of Bitcoin with a cost basis of \$661 million and fair value of \$1,293 million and \$1,637 million, respectively. The fair value of these digital assets is determined using Level I in the fair value hierarchy.

Note 8 - Investments in Unconsolidated Affiliates

Equity method investment

As of March 31, 2026 and December 31, 2025, the Company held an investment in Stateline Power, LLC, which is accounted for as an equity method investment, of \$80 million and \$86 million, respectively.

Equity investments without readily determinable fair value

As of March 31, 2026 and December 31, 2025, the Company held investments in unconsolidated affiliates which are accounted for as equity investments without readily determinable fair values of \$168 million and \$157 million, respectively. The Company recorded cumulative downward adjustments of \$59 million on these investments as of March 31, 2026. Upward adjustments or impairment on these investments during the three months ended March 31, 2026 and 2025 were not material.

Note 9 - Debt

	March 31, 2026		
	Principal	Unamortized Deferred Financing Costs	Net
SpaceX Bridge Loan	20,000	21	19,979
X 2027 and X 2030 Notes	27	—	27
Other financings ⁽¹⁾	9,105	—	9,105
Total debt	29,132	21	29,111
Finance lease liability	1,154	—	1,154
Total debt and finance leases	30,286	21	30,265
Less: Short-term portion	1,538	—	1,538
Total debt and finance leases, net of current	\$ 28,748	\$ 21	\$ 28,727

	December 31, 2025		
	Principal	Unamortized Deferred Financing Costs	Net
X 2027 and X 2030 Notes	27	—	27
X B-1 Term Loan	6,504	280	6,224
X B-3 Term Loan	5,966	54	5,912
xAI Fixed Rate Term Loan	995	4	991
xAI Floating Rate Term Loan	995	40	955
xAI 12.5% Secured Senior Notes	3,000	12	2,988
Other financings ⁽¹⁾	4,562	—	4,562
Total debt	22,049	390	21,659
Finance lease liability	1,237	—	1,237
Total debt and finance leases	23,286	390	22,896
Less: Short-term portion	928	—	928
Total debt and finance leases, net of current	\$ 22,358	\$ 390	\$ 21,968

(1) Includes obligations related to certain AI infrastructure assets recorded as failed sale-leaseback transactions. Refer to Other Financings below for additional details.

SpaceX Bridge Loan

General. In March 2026, SpaceX entered into a new bridge loan credit agreement (the “SpaceX Bridge Loan”) with a syndicate of lenders, providing for an unsecured bridge term loan facility in an aggregate principal amount of \$20,000 million. The SpaceX Bridge Loan matures on September 2, 2027, with two three-month extensions at the Company’s option, subject to the absence of a continuing default and the payment of an extension fee of 0.25% of the aggregate outstanding principal per extension, resulting in a final extended maturity date in March 2028.

Proceeds. The proceeds of the SpaceX Bridge Loan were used to repay the X B-1 Term Loan, the X B-3 Term Loan, the xAI Fixed Rate Loan, the xAI Floating Rate Loan, and the xAI 12.5% Senior Secured Notes (as defined and described below). The remaining proceeds were used for general corporate purposes.

Interest Rates. The SpaceX Bridge Loan bears interest, at the Company’s election, at a rate per annum equal to (i) Term SOFR plus an applicable margin ranging from 0.75%-1.75% (depending on the Company’s debt rating), or (ii) a base rate equal to the highest of (a) the Federal Funds Rate plus 0.5%, (b) the Prime Rate, (c) Term SOFR plus 1.00% and (d) 1.00%, plus an applicable margin ranging from 0.00% to 0.75% (depending on the Company’s debt rating). In addition, the Company is obligated to pay duration fees equal to 0.125% of outstanding principal on the first anniversary of closing and 0.25% of outstanding principal on the fifteen-month anniversary of closing. The effective interest rate on outstanding borrowings under the SpaceX Bridge Loan was 4.58% as of March 31, 2026.

Principal Repayments. The SpaceX Bridge Loan may be prepaid at any time, in whole or in part, without premium or penalty. The Company is required to use the net proceeds of certain debt financings to repay amounts outstanding under the SpaceX Bridge Loan and to apply the net proceeds of a qualified initial public offering (“IPO”) to repay such amounts within six months following receipt.

Guarantors and Collateral. The obligations of the Company under the SpaceX Bridge Loan are guaranteed on a joint and several basis by X Corp., X.AI LLC, and CTC Property LLC (each a subsidiary of the Company).

Covenants. The SpaceX Bridge Loan contains customary events of default and affirmative and negative covenants, including restrictions on liens, subsidiary indebtedness, fundamental changes (including a prohibition on the disposition of Starlink assets and other material businesses outside the consolidated group), and changes in the nature of the Company’s business. The sole financial maintenance covenant requires the Company to maintain a Consolidated Leverage Ratio — defined as consolidated funded indebtedness (net of 85% of unrestricted cash) to Consolidated EBITDA (as defined in the SpaceX Bridge Loan) — of no greater than 3.75 to 1.0 as of the end of each fiscal quarter, with a temporary step-up to 4.25 to 1.0 for four fiscal quarters following a qualifying acquisition of at least \$1.0 billion. The Company was in compliance with the covenants as of March 31, 2026.

Accounting Treatment. The Company accounted for the repayment of the X B-1 Term Loan, the X B-3 Term Loan, the xAI Fixed Rate Loan, the xAI Floating Rate Loan and the xAI 12.5% Senior Secured Notes as an extinguishment of debt, resulting in a loss on extinguishment of \$1,526 million, recorded in Other expense, net.

SpaceX Credit Facility

General. In February 2025, the Company entered into a five-year senior unsecured revolving credit agreement (“SpaceX Credit Facility”) with a syndicate of banks, under which the Company may draw up to \$1,500 million, subject to a customary financial covenant and other reporting requirements. The SpaceX Credit Facility terminates, and all outstanding loans become due and payable, on February 7, 2030, unless the parties agree to an extension. No amounts were borrowed under the SpaceX Credit Facility during the three months ended March 31, 2026 and 2025.

Amendment. In March 2026, the Company entered into a First Amendment to Credit Agreement and Waiver (the “First Amendment”) with its lenders, in connection with the Company’s entry into the SpaceX Bridge Loan (as defined above). The First Amendment, among other things, (i) waived certain specified defaults and (ii) amended

certain definitions and covenants under the SpaceX Credit Facility to conform to the terms of the SpaceX Bridge Loan.

Interest Rates. Under the SpaceX Credit Facility, borrowings bear interest at the Company's option, at a rate per annum of (i) between 0.75%-1.25%, depending on the Company's current debt rating, plus the relevant Term SOFR or (ii) between 0.0%-0.25% depending on the Company's current debt rating plus the greater of (a) the Federal Funds Rate plus 0.5%, (b) the Prime Rate, (c) Term SOFR plus 1.0% and (d) 1.0%. The Company may also borrow in various alternative currencies at various alternative rates, including rates based on SONIA for Pound Sterling loans and EURIBOR for Euro loans plus an applicable margin. The fee for undrawn amounts is between 0.07%-0.11% per annum, depending on the Company's current debt rating. Interest is payable either monthly or quarterly, depending on the interest loan option.

Covenants. The Company was in compliance with the covenants as of March 31, 2026; however, the Company had a technical default when the Company acquired xAI on February 2, 2026 due to the amount of debt assumed as part of the acquisition at the subsidiary level. On March 2, 2026, the Company obtained a waiver from the syndicate of banks and amended the SpaceX Credit Facility allowing for the debt refinance completed on March 2, 2026, resulting in the Company being in compliance with all covenants.

X 2027 and 2030 Notes

General. In 2019, a subsidiary of X, an indirect subsidiary of the Company, issued \$700 million aggregate principal amount of 3.875% senior notes due 2027 (the "X 2027 Notes") in a private placement. The X 2027 Notes mature on December 15, 2027. In 2022, a subsidiary of X issued \$1,000 million aggregate principal amount of 5.000% senior notes due 2030 (the "X 2030 Notes") in a private placement. The X 2030 Notes mature on March 1, 2030. The X 2027 and X 2030 Notes represent senior unsecured obligations of the Company.

Interest Rates. For the X 2027 Notes, the interest rate is fixed at 3.875% per annum and interest is payable semi-annually in arrears on June 15 and December 15 of each year. For the X 2030 Notes, the interest rate is fixed at 5.000% per annum and interest is payable semi-annually in arrears on March 1 and September 1 of each year.

Principal Repayments. In November 2022, the Company purchased approximately \$675 million aggregate principal amount of X 2027 Notes and \$998 million aggregate principal amount of the X 2030 Notes in settlement of the change in control of Twitter. The X 2027 Notes and X 2030 Notes that remain outstanding may be redeemed at the option of the Company, in whole or in part, at any time prior to September 15, 2027 and December 1, 2029, respectively, at a price equal to 100.0% of the principal amounts plus a "make-whole" premium and accrued and unpaid interest, if any, up to, but excluding, the redemption date.

Covenants. The Company was in compliance with the covenants as of March 31, 2026.

X First Lien Senior Credit Facilities

General. In 2022, X Corp., an indirect subsidiary of the Company, entered into the First Lien Credit Agreement which provided for a new term loan commitment of \$6,705 million ("X B-1 Term Loan") and a \$500 million Secured First Lien Revolving Credit Facility (including a letter of credit subfacility with an aggregate face value of up to \$100 million) (together referred to as "X First Lien Senior Credit Facilities"). The Secured First Lien Revolving Credit Facility matures on October 27, 2027 and the X B-1 Term Loan matures on October 27, 2029.

Amendments. In February 2025, X Corp., an indirect subsidiary of the Company, amended the X First Lien Senior Credit Facilities and entered into a new term loan commitment for \$4,741 million with a maturity date of October 27, 2029 ("X B-3 Term Loan") and reduced the Secured First Lien Revolving Credit Facility commitment to \$0. As part of the issuance of the X B-3 Term Loan, the Company is required to pay an arrangement fee of \$51 million, which is due and payable on February 19, 2027. In April 2025, the Company entered into an amendment to the X

B-3 Term Loan for an additional commitment of \$1,225 million with the same terms and conditions, increasing the total X B-3 Term Loan borrowings to \$5,966 million.

Interest Rates. The X B-1 Term Loan bore interest at a rate per annum of, initially, adjusted Term SOFR plus 6.50%. The Secured First Lien Revolving Credit Facility bore interest at a rate per annum of, initially, an adjusted Term SOFR plus 4.50%, with leverage-based step-downs. Undrawn commitments under the Secured First Lien Revolving Credit Facility were subject to an unused commitment fee of 0.50% per annum, subject to quarterly leverage based step-downs. The X B-3 Term Loan had a fixed interest rate of 9.50% per annum. Interest on the X B-1 Term Loan and X B-3 Term Loan was payable monthly, quarterly, or bi-annually at the option of the Company.

Principal Repayments. On March 2, 2026, the Company repaid the full outstanding principal balance and accrued interest, including a prepayment penalty of \$425 million, resulting in the extinguishment of the X B-1 Term Loan and X B-3 Term Loan. The X B-1 Term Loan was repayable at any time, in whole or in part, without premium or penalty, subject to mandatory quarterly prepayments of principal beginning on the last day of the fiscal quarter ended March 31, 2023, in amounts equal to 0.25% of the original principal amount of borrowings thereunder, with the unpaid balance being payable on the final maturity date thereof. The X B-1 Term Loan was also subject to additional customary mandatory prepayment provisions from the proceeds of certain debt issuances and asset sales, as well as sweeps of a portion of excess cash flow, subject to certain leverage-based step-downs and exceptions. The X B-3 Term Loan had prepayment penalties of 107.13% of the outstanding principal before October 27, 2026, 104.75% of the outstanding principal before October 27, 2027, and 102.38% of the outstanding principal before October 27, 2028.

Guarantors and Collateral. Obligations under the First Lien Senior Credit Facilities were guaranteed by X, and were collateralized by a first priority lien on substantially all of the assets of X and its subsidiaries (subject to customary exceptions).

xAI First Lien Credit Agreement

General. In June 2025, X.AI Corp. and X.AI LLC, indirect subsidiaries of the Company, entered into the First Lien Credit Agreement to provide borrowings up to \$2,000 million. The Company executed a \$1,000 million Fixed Rate Term Loan maturing on June 30, 2030 (“xAI Fixed Rate Term Loan”); and a \$1,000 million Floating Rate Term Loan maturing on June 30, 2030 (“xAI Floating Rate Term Loan”).

Interest Rates. The xAI Fixed Rate Term Loan had a fixed interest rate of 12.50% per annum and the xAI Floating Rate Term Loan had a floating interest rate per annum of Term SOFR plus 7.25% or ABR plus 6.25%. Interest on the xAI Fixed Rate Term Loan was payable bi-annually on January 31 and July 31, commencing on January 31, 2026. Interest on the xAI Floating Rate Term loan was payable monthly, quarterly, or bi-annually at the option of the Company.

Principal Repayments. On March 2, 2026, the Company repaid the full outstanding principal balance and accrued interest, including a prepayment penalty of \$221 million, resulting in the extinguishment of the xAI Fixed Rate Term Loan and xAI Floating Rate Term Loan. The xAI Fixed Rate Term Loan and the xAI Floating Rate Term Loan had prepayment penalties of 103% on the principal outstanding balance prior to June 30, 2027 and 101% on the principal outstanding balance prior to June 30, 2028.

Guarantors. Obligations under the xAI Fixed Rate Term Loan and xAI Floating Rate Term Loan were guaranteed each jointly and severally by X.AI Corp. and the following subsidiaries of X.AI Corp.: AIQ Phase LLC, CTC Holding LLC, CTC, LLZ Build LLC, and MZX.

xAI 12.5% Secured Senior Notes

General. In June 2025, X.AI LLC and, X.AI Co Issuer Corp, indirect subsidiaries of the Company, issued \$3,000 million aggregate principal amount of 12.5% interest Senior Secured Notes due in 2030 (“xAI 12.5% Senior Secured Notes”). The Senior Secured Notes were issued at 100% of the principal amount and the entire principal amount will be due on June 30, 2030.

Interest Rates. The xAI 12.5% Senior Secured Notes had a fixed interest rate of 12.50% per annum. Interest was payable bi-annually on January 15 and July 15, commencing on January 15, 2026.

Principal Repayments. On March 5, 2026, the Company repaid the full outstanding principal balance and accrued interest, including a prepayment penalty of \$518 million, resulting in the extinguishment of the xAI 12.5% Senior Secured Notes. The xAI 12.5% Senior Secured Notes had prepayment penalties of 106.25% on the principal outstanding balance prior to July 15, 2027 and 103.13% on the principal outstanding balance prior to July 15, 2028.

Guarantors. Obligations under the xAI 12.5% Senior Secured Notes were guaranteed each jointly and severally by xAI and the following subsidiaries of xAI: AIQ Phase LLC, CTC Holding LLC, CTC, LLZ Build LLC, and MZX.

xAI Revolving Line of Credit

General. In April 2024 and amended through March 2026, a subsidiary of xAI, an indirect subsidiary of the Company, entered into a revolving line of credit up to borrowing capacity of \$250 million. The Company had no borrowings under the line of credit during the three months ended March 31, 2026 and 2025.

Interest Rates. Interest on any borrowings is calculated based on the 30-day average SOFR plus the International Swaps and Derivatives Association spread adjustment plus a spread of 40 basis points.

Guarantors and Collateral. The agreement permits borrowings up to the value of the pledged collateral held in custody, less any outstanding loan balances, accrued interest, and fees. The pledged collateral consisted of securities held in xAI's custodial account.

Other Financings

The Company has entered into various other financing arrangements, generally collateralized by specific machinery and equipment. These arrangements have an average fixed interest rate of 4.4% and 5.5% per annum as of March 31, 2026 and December 31, 2025, respectively, with principal and interest payments due monthly, and in certain instances, a lump sum payment at the end of term.

In addition, in November 2025 and January 2026, CTC completed sale-leaseback transactions for its AI infrastructure assets which would have been deemed finance leases resulting in failed sale-leaseback transactions. As a result, the Company recorded the related debt of \$1,121 million and \$7,920 million within Debt and finance leases, current and Debt and finance leases, net of current, respectively, in the Company's consolidated balance sheets as of March 31, 2026 for these two failed sale-leaseback transactions. Refer to Note 17, Related Party Transactions for additional details.

The future scheduled principal maturities of debt as of March 31, 2026 are as follows:

2026 (remaining nine months)	\$	801
2027		21,540
2028		1,938
2029		2,393
2030		2,460
Thereafter		—
Total	\$	29,132

Note 10 - Leases

The components of lease expense are as follows within the consolidated statements of operations:

	Three Months Ended March 31,	
	2026	2025
Operating lease expense:		
Operating lease expense	\$ 107	\$ 120
Short-term lease cost	113	29
Variable lease cost	31	23
Total operating lease expense	251	172
Finance lease expense:		
Amortization of leased assets	\$ 79	\$ 84
Interest on lease liabilities	68	85
Total finance lease expense	147	169
Total lease expense	\$ 398	\$ 341

During the three months ended March 31, 2026, there has been no material changes in the Company's lease portfolio since December 31, 2025.

Note 11 - Balance Sheet Components

Certain financial statement details are as follows:

	March 31, 2026	December 31, 2025
Prepaid expenses and other current assets		
Tax related assets	\$ 690	\$ 618
Unbilled receivables	275	223
Rebates and credits	109	597
Restricted cash and deposits	67	182
Other	495	590
Prepaid expenses and other current assets	\$ 1,636	\$ 2,210
Accrued expenses and other current liabilities		
Accrued infrastructure purchases	\$ 2,669	\$ —
Tax related liabilities	601	563
Payroll & employee benefit accruals	436	322
Operating lease liabilities, current	338	422
Restructuring liabilities	220	339
Accrued interest	68	416
Other current liabilities	1,357	507
Accrued expenses and other current liabilities	\$ 5,689	\$ 2,569

Note 12 - Redeemable Convertible Preferred Stock and Shareholders' Equity

SpaceX Preferred and Common Stock

The Company has five classes of stock - four classes to be designated Class A common stock ("Class A"), Class B common stock ("Class B"), Class C common stock ("Class C"), Class D common stock ("Class D") (collectively the "SpaceX Common Stock"), and one class of stock to be designated preferred stock and subdivided into several series of redeemable convertible preferred stock (collectively the "SpaceX Redeemable Convertible Preferred Stock"). All references to "Class" refer to that particular class of SpaceX Common Stock and all references to "Series" refer to that particular series of SpaceX Redeemable Convertible Preferred Stock.

As of March 31, 2026, the total number of shares of SpaceX Common Stock the Company is authorized to issue is 54,657 million shares, each with a par value of \$0.001 per share, except for Class D, which has a par value of \$0.0001 per share. 36,132 million shares are Class A, 6,125 million shares are Class B, 10,000 million shares are Class C, and 2,400 million shares are Class D. The total number of SpaceX Redeemable Convertible Preferred Stock that the Company is authorized to issue is 2,607 million shares, of which 2,400 million shares are undesignated.

With the exception of the expanded conversion rights described below, there were no changes to the dividend provisions, liquidation preferences, conversion rights, redemption rights or the voting rights of the SpaceX Convertible Redeemable Preferred Stock and SpaceX Common Stock during the three months ended March 31, 2026.

In May 2026, the Board approved the 2026 Stock Split, pursuant to which each share of the Class A, Class B, and Class C SpaceX Common Stock issued and outstanding was split into five shares of the same class of SpaceX Common Stock.

xAI Redeemable Convertible Preferred Stock and Common Stock

On March 28, 2025, xAI adopted an Amended and Restated Articles of Incorporation, which established its capital structure and designated multiple classes of common stock and several series of redeemable convertible preferred stock. The Articles were subsequently amended and restated through January 30, 2026 (collectively, the "xAI Articles of Incorporation") to add and authorize additional series of redeemable convertible preferred stock with no economic changes to any previously existing series.

Pursuant to the xAI Articles of Incorporation, xAI's authorized capitalization prior to the xAI Merger consisted of three classes of common stock, which are designated Class A common stock ("xAI Class A"), Class B common stock ("xAI Class B"), Limited Voting common stock ("xAI Limited Voting"), (collectively the "xAI Common Stock") and several series of redeemable convertible preferred stock (collectively the "xAI Redeemable Convertible Preferred Stock"). All references to "xAI Class" refer to that particular class of xAI Common Stock and all references to "xAI Series" refer to that particular series of xAI Redeemable Convertible Preferred Stock.

Effect of the xAI Merger

xAI Redeemable Convertible Preferred Stock

On xAI Merger Date, all outstanding shares of xAI Redeemable Convertible Preferred Stock converted into shares of SpaceX Common Stock, based on the share-for-share exchange mechanics specified in the Merger Agreement. Each share of xAI Series A-1, B, C, D, and E redeemable convertible preferred stock (classified as "xAI Low Vote Stock") was converted into 0.1433 shares of SpaceX Class A Common Stock per preferred share (on a pre-2026 Stock Split basis), rounded up to the nearest whole number for fractional shares. Each share of xAI Series A redeemable convertible preferred stock (classified as "xAI High Vote Stock") was converted into 0.1433 shares of SpaceX Class B Common Stock per preferred share (on a pre-2026 Stock Split basis), rounded up to the nearest whole number for fractional shares. For xAI Series A Redeemable Convertible Preferred Stock, all holders that were an eligible service provider could elect to receive cash of \$75.46 per share of xAI Series A Redeemable Convertible Preferred Stock (on a pre-2026 Stock Split basis). Upon conversion, all shares of xAI Redeemable Convertible Preferred Stock were canceled and retired, and former xAI Redeemable Convertible Preferred Stock shareholders

received the applicable shares of SpaceX Common Stock. Any shares of xAI Redeemable Convertible Preferred Stock previously held by the Company were canceled and retired and did not receive any consideration.

Because the xAI Redeemable Convertible Preferred Stock was legally outstanding during all historical periods prior to the xAI Merger and represented a separate equity class of a legally distinct predecessor entity, the conversion of xAI Redeemable Convertible Preferred Stock into SpaceX Common Stock is recognized only as of the closing of the xAI Merger, and not retrospectively. Accordingly, the historical consolidated balance sheets and consolidated statements of redeemable convertible preferred stock and shareholders' equity reflect the xAI Redeemable Convertible Preferred Stock as outstanding xAI Redeemable Convertible Preferred Stock consistent with its legal form and rights during those periods and are not recast on an as-converted basis for all periods presented prior to the xAI Merger Date. The impact of the conversion is presented separately in the consolidated statements of redeemable convertible preferred stock and shareholders' equity for the three months ended March 31, 2026.

xAI Warrants

xAI also issued warrants to customers that were outstanding as of the effective date of the xAI Merger, which had a ten-year term originally set to expire in 2035, with an exercise price equal to the par value of the stock, and vesting terms that resulted in the warrants vesting proportionally to the payments received under the related agreement. The closing of the xAI Merger triggered an acceleration clause in which all outstanding xAI warrants, both vested and unvested components, were automatically exercised on a cashless basis exercised and converted into fully vested SpaceX Class A Common Stock at the exchange ratio of 0.1433 (on a pre-2026 Stock Split basis).

xAI and X Common Stock

Upon the effective date of the xAI Merger, every outstanding share of xAI Common Stock, whether Class A, Class B, or Limited Voting, converted into the right to receive SpaceX Common Stock at a fixed exchange ratio of 0.1433 SpaceX shares per share of xAI Common Stock, unless the holder was an eligible service provider and elected to receive cash of \$75.46 per share of xAI Class A or Class B (on a pre-2026 Stock Split basis). No fractional SpaceX shares were issued and all share amounts were rounded up to the nearest whole number. Any shares of xAI Common Stock previously held by the Company were canceled and retired and did not receive any consideration.

Effect of the X Merger

Upon the effective date of the X Merger, each class of common stock of X Holdings Corp. ("X Common Stock") was converted to 2.776 shares of xAI Common Stock of the same class (rounded down to the nearest whole share), each class of common stock of X.AI Corp. ("xAI Corp. Common Stock") was converted to 1.000 share of xAI Common Stock of the same class, and each series of X.AI Corp. preferred stock ("xAI Corp. Preferred Stock") (other than shares held by X or any of its subsidiaries) was converted to 1.000 share of xAI Redeemable Convertible Preferred Stock of the same series.

As a result of the Mergers, all of X, X.AI Corp. and xAI Common Stock are being presented in the historical financial statements as if they had been converted into SpaceX Common Stock at the applicable exchange rate for all periods presented through the date of the xAI Merger. As such, all shares of historical X, X.AI Corp. and xAI Common Stock are included in the share counts for SpaceX Common Stock below. X.AI Corp. and xAI Redeemable Convertible Preferred Stock are being presented in the consolidated financial statements at historical values with an adjustment to the conversion rate at the applicable exchange ratio per the xAI Merger.

Redeemable Convertible Preferred Stock

Information for each series of SpaceX and xAI Redeemable Convertible Preferred Stock (collectively, the “Combined Redeemable Convertible Preferred Stock”) is as follows:

	Dividend Per Share	Initial Price Per Share	Authorized Shares	Outstanding ⁽¹⁾		Liquidation Preference	Net Carrying Value
	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	December 31, 2025	March 31, 2026	March 31, 2026
SpaceX Redeemable Convertible Preferred Stock							
Series A	\$ 0.05	\$ 1.00	61.0	60.4	60.4	\$ 60	\$ 59
Series A-1	\$ 0.05	\$ 1.00	61.0	0.2	0.2	—	—
Series B	\$ 0.10	\$ 2.00	5.5	5.1	5.1	10	10
Series B-1	\$ 0.10	\$ 2.00	5.5	0.1	0.1	—	—
Series C	\$ 0.15	\$ 3.00	10.5	9.7	9.7	29	23
Series D	\$ 0.19	\$ 3.88	7.5	5.2	5.2	40	20
Series E	\$ 0.23	\$ 4.50	10.5	10.2	10.2	46	647
Series F	\$ 0.38	\$ 7.50	6.8	6.7	6.7	50	48
Series G	\$ 3.87	\$ 77.46	13.0	12.6	12.6	978	978
Series H	\$ 6.75	\$ 135.00	3.4	3.2	3.2	429	429
Series I	\$ 8.45	\$ 169.00	3.0	3.0	3.0	499	499
Series J	\$ 9.30	\$ 186.00	2.7	2.5	2.5	457	457
Series K	\$ 10.20	\$ 204.00	2.7	2.5	2.5	515	515
Series L	\$ 10.70	\$ 214.00	1.5	1.4	1.4	295	295
Series M	\$ 11.00	\$ 220.00	2.7	2.6	2.7	575	575
Series N	\$ 13.50	\$ 270.00	9.5	9.2	9.3	2,492	2,494
Total SpaceX Redeemable Convertible Preferred Stock			206.6	134.6	134.7	\$ 6,475	\$ 7,049
xAI Redeemable Convertible Preferred Stock							
Series A	\$ —	\$ —	—	—	750.0	\$ —	\$ —
Series A-1	\$ —	\$ —	—	—	—	—	—
Series B	\$ —	\$ —	—	—	584.9	—	—
Series C	\$ —	\$ —	—	—	277.1	—	—
Series D	\$ —	\$ —	—	—	120.1	—	—
Series E	\$ —	\$ —	—	—	179.2	—	—
Total xAI Redeemable Convertible Preferred Stock			—	—	1,911.3	\$ —	\$ —
Total Combined Redeemable Convertible Preferred Stock			206.6	134.6	2,046.0	\$ 6,475	\$ 7,049

- (1) The number of issued redeemable convertible preferred stock is equal to the number of outstanding redeemable convertible preferred stock, with the exception of xAI Series A and xAI Series D, of which the number of issued shares is 1,000.0 million and 175.0 million as of December 31, 2025, respectively, due to redeemable convertible preferred stock held by X and SpaceX, respectively.

The following describes the various rights and preferences of the SpaceX Redeemable Convertible Preferred Stock:

Dividend Provisions

On a per annum basis, holders of shares of SpaceX Redeemable Convertible Preferred Stock are entitled to receive dividends prior and in preference to any declaration or payment of any dividend to common shareholders at a rate described in the table above for each outstanding share of SpaceX Redeemable Convertible Preferred Stock. Any such dividends are declared at the discretion of the Board of Directors and are not cumulative. For the period from inception through March 31, 2026, no dividends on SpaceX Redeemable Convertible Preferred Stock have been declared. The SpaceX Redeemable Convertible Preferred Stock do not participate in distributions beyond their preferred dividend as described above.

Liquidation Preference

The series of SpaceX Redeemable Convertible Preferred Stock listed in the table above were issued by the Company chronologically and in alphabetical order, with Series A issued first and Series N issued most recently. Each series of SpaceX Redeemable Convertible Preferred Stock is senior in rank to all earlier issued series and junior in rank to all later issued series, except that: (i) Series A, A-1, B, B-1, and C SpaceX Redeemable Convertible Preferred Stock are all on parity with each other and junior in rank to all subsequently issued series of SpaceX Redeemable Convertible Preferred Stock; and (ii) series E, F, and G SpaceX redeemable convertible preferred stock are all on parity with each other, are senior in rank to all earlier issued series of SpaceX Redeemable Convertible Preferred Stock, and junior in rank to all subsequently issued series of SpaceX Redeemable Convertible Preferred Stock.

In the event of a liquidation, dissolution, or winding up of the Company, holders of a given series of SpaceX Redeemable Convertible Preferred Stock are entitled to receive, in preference to the holders of SpaceX Common Stock and any junior-ranking SpaceX Redeemable Convertible Preferred Stock, the liquidation preference indicated in the table above for such series of SpaceX Redeemable Convertible Preferred Stock, plus any declared but unpaid dividends. Holders of all series of SpaceX Redeemable Convertible Preferred Stock are entitled to receive the greater of the liquidation preference per share indicated above, or the amount each series would be entitled to receive if all such outstanding SpaceX Redeemable Convertible Preferred Stock were converted to Class A or Class B SpaceX Common Stock, as applicable, immediately prior to such liquidation, dissolution, or winding up of the Company. Upon completion of the distributions described above, if any assets remain in the Company, the then remaining assets will be distributed on an equal priority, pro rata basis to the holders of SpaceX Common Stock.

Conversion Rights

Each share of Series A and Series B SpaceX Redeemable Convertible Preferred Stock is convertible at the option of the holder at any time after the date of issuance of such share into shares of Class A, Class B, or Class C SpaceX Common Stock and each share of all other series of preferred stock are convertible at the option of the holder at any time after the date of issuance of such share into shares of Class A or Class C SpaceX Common Stock. The number of shares of SpaceX Common Stock to which a holder of SpaceX Redeemable Convertible Preferred Stock is entitled shall be at a conversion rate determined by dividing the initial price by the conversion price. Each share of SpaceX Redeemable Convertible Preferred Stock is convertible into fifty shares of SpaceX Common Stock following the 2026 Stock Split. The conversion price is subject to adjustment set forth in the charter for certain dilutive issuances, splits and combinations.

The SpaceX Redeemable Convertible Preferred Stock automatically converts upon the earlier of (i) the Company's sale of its common stock in a public offering pursuant to a registration statement under the Securities Act of 1933, in which the pre-public offering market capitalization of the Company is at least \$6.0 billion and which results in aggregate cash proceeds to the Company of not less than \$250 million ("Qualified IPO") or (ii) the date specified by written consent or agreement of the applicable holders of shares of SpaceX Redeemable Convertible Preferred Stock (with respect to each applicable series of SpaceX Redeemable Convertible Preferred Stock), voting in accordance with the charter.

In the event of a transfer of a share of Series A or Series B (other than a Permitted Transfer as defined in the charter), such share shall automatically be cancelled and converted into a corresponding share of Series A-1 or Series B-1.

Voting Rights

Holders of each share of Series A and Series B have the right to ten votes for each share of Class B into which such share is convertible. Holders of each share of all other series of SpaceX Redeemable Convertible Preferred Stock have the right to one vote for each share of Class A into which such share is convertible. Such holders will have full voting rights and powers equal to the voting rights and powers of the holders of SpaceX Common Stock, except as required by law.

Classification

The liquidation preference provisions of the SpaceX Redeemable Convertible Preferred Stock are considered contingent redemption provisions as deemed liquidation events such as a change of control are not solely within the control of the Company. Accordingly, SpaceX Redeemable Convertible Preferred Stock are presented outside of permanent equity on the Company's consolidated balance sheets as Redeemable convertible preferred stock. SpaceX Redeemable Convertible Preferred Stock has not been remeasured to their redemption amount as they are not currently redeemable or probable of becoming redeemable.

Common Stock

The following describes all of the activity that occurred within each class of SpaceX Common Stock during the three months ended March 31, 2026 and 2025, incorporating all activity that occurred within the class of xAI Common Stock on an as-converted basis to the class of SpaceX Common Stock it was converted into per the xAI Merger and X Merger.

	Class A Common Stock		Class B Common Stock		Class C Common Stock		Class D Common Stock	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Balances at December 31, 2024	1,832	\$ 2	768	\$ 1	423	\$ 0	—	\$ —
Common stock issued, net of tax withholding	18	0	1	0	7	0	—	—
Repurchase of common stock	(14)	0	(14)	0	—	—	—	—
Conversion of redeemable convertible preferred stock to common stock	1	0	—	—	1	0	—	—
Conversion between classes of common stock	24	0	(24)	0	—	—	—	—
Transfer of equity in business combination	1	0	—	—	—	—	—	—
Balances at March 31, 2025	<u>1,862</u>	<u>\$ 2</u>	<u>731</u>	<u>\$ 1</u>	<u>431</u>	<u>\$ 0</u>	<u>—</u>	<u>\$ —</u>

	Class A Common Stock		Class B Common Stock		Class C Common Stock		Class D Common Stock	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Balances at December 31, 2025	1,952	\$ 3	643	\$ 1	484	\$ 0	—	\$ —
Common stock issued, net of tax withholding	28	—	1,305	1	13	—	—	—
Repurchase of common stock	(9)	—	(22)	—	—	—	—	—
Conversion of redeemable convertible preferred stock pursuant to the xAI Merger	886	—	537	1	—	—	—	—
Repurchase of common stock pursuant to xAI Merger	(3)	—	(20)	—	—	—	—	—
Conversion of redeemable convertible preferred stock to common stock	5	—	—	—	—	—	—	—
Conversion between classes of common stock	25	—	(25)	—	—	—	—	—
Balances at March 31, 2026	<u>2,884</u>	<u>\$ 3</u>	<u>2,418</u>	<u>\$ 3</u>	<u>497</u>	<u>\$ 0</u>	<u>—</u>	<u>\$ —</u>

The following describes the various rights and preferences of the SpaceX Common Stock:

Dividend Provisions

Subject to the prior rights of holders of all classes and series of stock at the time outstanding having prior rights as to dividends, holders of SpaceX Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of any funds legally available, such dividends as may be declared from time to time by the Board of Directors. For the period from inception through March 31, 2026, no dividends were declared on SpaceX Common Stock.

Liquidation Rights

In the event of a liquidation, dissolution, or winding up of the Company, upon the completion of the distributions required with respect to the SpaceX Redeemable Convertible Preferred Stock, if assets remain in the Company, the then remaining assets will be distributed on an equal priority, pro rata basis to the holders of SpaceX Common Stock.

Conversion Rights

Each share of Class B is convertible at the option of the holder, at any time, into one share of Class A. Each share of Class B will automatically convert into one share of Class A upon a transfer, other than a Permitted Transfer (as defined in the charter), of such share of Class B.

Voting Rights

Each holder of Class A is entitled to one vote for each share held. Each holder of Class B is entitled to ten votes for each share held. The holders of Class C have no voting rights, except as required by law. Voting rights with respect to Class D will be established when and if any shares of Class D are issued by the Board of Directors.

Reserve for Unissued Shares of Common Stock

The Company is required to reserve and keep available out of its authorized but unissued shares of SpaceX Common Stock such number of shares sufficient to effect the conversion of all outstanding shares of SpaceX Redeemable

Convertible Preferred Stock and Class B, as applicable, plus shares granted and available for grant under the Company's share plans.

The amount of such shares of the SpaceX Common Stock reserved for these purposes at March 31, 2026 is as follows:

	Number of Shares			
	Class A	Class B	Class C	Class D
Redeemable Convertible Preferred Stock issued (low-vote)	3,448	—	3,448	—
Redeemable Convertible Preferred Stock issued (high-vote)	3,274	3,274	3,274	—
Outstanding Class B	2,421	—	—	—
Outstanding stock options	8	450	476	—
Outstanding RSUs	49	1	79	—
Future grants under share-based compensation	150	—	350	—
	<u>9,350</u>	<u>3,725</u>	<u>7,627</u>	<u>—</u>

Share Repurchases

During the three months ended March 31, 2026, the Company repurchased \$2,413 million or 25.4 million shares of SpaceX Common Stock from eligible current and former xAI employees as part of the xAI Merger. During the three months ended March 31, 2026, the Company also repurchased of 30.5 million shares of SpaceX Common Stock and 2.1 million shares of SpaceX Redeemable Convertible Preferred Stock for \$1,933 million in a number of unrelated transactions with existing shareholders at their then-current fair market value.

Similarly, the Company repurchased \$508 million or 28.0 million shares of SpaceX Common Stock from eligible current and former employees and existing shareholders during the three ended March 31, 2025. The Company only repurchased shares held by eligible participants for more than six months at a purchase price per share equal to the then current fair market value.

All SpaceX shares repurchased to date have been retired.

Note 13 - Earnings per Share

The following table presents the reconciliation of net loss attributable to common shareholders to net loss used in computing basic and diluted net income loss per share of common stock:

	Three Months Ended March 31,	
	2026	2025
Numerator:		
Net loss	\$ (4,276)	\$ (528)
Less: Deemed dividend ⁽¹⁾	671	—
Net loss attributable to common shareholders - basic and diluted	(4,947)	(528)
Denominator:		
Weighted average shares of common stock outstanding - basic and diluted	3,884	2,875
Loss per share attributable to common shareholders		
Basic and Diluted	\$ (1.27)	\$ (0.18)

- (1) The excess of fair market value over the consideration transferred for the repurchase of SpaceX Redeemable Convertible Preferred Stock was treated as a deemed dividend and resulted in an increase to net loss attributable to common shareholders in the calculation of loss per share.

The following potentially dilutive securities on an as-converted basis are excluded from the calculation of diluted net loss per share attributable to common shareholders for the periods presented because the impact of including them would be anti-dilutive (refer to Note 14, Share-based Compensation for additional details):

	Three Months Ended March 31,	
	2026	2025
xAI Redeemable Convertible Preferred Stock	—	1,155
SpaceX Redeemable Convertible Preferred Stock	6,723	6,760
Share-based compensation	598	674

The table above excludes 1,319.1 million and 14.3 million share-based compensation awards outstanding as of March 31, 2026 and 2025, respectively, as these awards are subject to performance and market conditions that were not met as of those dates.

Note 14 - Share-based Compensation

X and xAI Mergers

As part of the xAI Merger, each xAI option for a share of xAI common stock outstanding and unexercised at the time of the xAI Merger (vested and unvested) was converted into a SpaceX option to receive 0.1433 shares of SpaceX Class A or Class B Common Stock (on a pre-2026 Stock Split basis), as applicable, under the same terms and conditions (including the vesting and exercisability conditions) as the original xAI stock options at an exercise price equal to the original xAI option exercise price divided by 0.1433. Each xAI RSU that was vested and outstanding was converted to the right to receive 0.1433 of a share of SpaceX Class A or Class B Common Stock (on a pre-2026 Stock Split basis), as applicable. Each xAI RSU that was unvested was converted to 0.1433 of a SpaceX RSU. Each xAI RSA was converted to 0.1433 shares of SpaceX RSA for SpaceX Class A or Class B Common Stock (on a pre-2026 Stock Split basis), as applicable, with the same terms and conditions (including the vesting terms). Refer to Note 12, Redeemable Convertible Preferred Stock and Shareholders' Equity for additional details.

As part of the X Merger, each X RSU that was outstanding was converted to a xAI RSU to receive 2.776 shares of xAI Common Stock.

General

The Company grants RSUs, RSAs, and non-statutory options to eligible employees, key executives, and certain non-employee service providers (collectively, the “Plans”). The Company also has a number of performance-based awards. The Company offers an ESPP, under which eligible employees can purchase the Company’s Common Stock at a discounted price. The Company also offers a Non-Qualified Employee Stock Purchase Plan (“NQ ESPP”), under which employees can purchase the Company’s Common Stock at the fair market value. In April 2026, the Company cancelled the NQ ESPP.

Officer Equity Awards

In January 2026, the Company granted 1,000 million performance-based restricted shares of Class B common stock to Elon Musk. The restricted shares vest upon (i) the Company’s achievement of specified market capitalization milestones across 15 equal tranches ranging from \$500 billion to \$7.5 trillion, with each milestone reflecting \$500 billion in additional valuation, and (ii) the Company’s establishment of a permanent human colony on Mars with at least one million inhabitants, in each case, subject to Mr. Musk’s continued employment (“SpaceX CEO Award”). The grant date fair value of the SpaceX CEO Award was determined to be \$90.40 to \$95.92 per share for each tranche.

In November 2025, the Company granted a performance-based award (“xAI Award”) to Elon Musk consisting of twelve tranches with certain market, performance and service conditions. In March 2026, the Company cancelled the xAI Award and replaced it with a grant of 302.1 million performance-based restricted shares of Class B common stock, which vest upon (i) the achievement of specified market capitalization milestones across 12 equal tranches ranging from \$1.065 trillion to \$6.565 trillion, with each milestone reflecting \$500 billion in additional valuation, and (ii) the Company’s completion of non-Earth-based data centers capable of delivering 100 terawatts of compute per year, in each case, subject to Mr. Musk’s continued employment (“AI CEO Award”). The grant date fair value of the AI CEO Award was determined to be \$91.47 to \$95.92 per share for each tranche. The cancellation of the xAI Award and the grant of the AI CEO Award was considered an accounting modification. Share-based compensation will continue to be recognized over the original remaining service period equal to the fair value of the portion of the original xAI Award that was deemed probable of vesting as of the modification date. No incremental expense will be recognized based on the modified terms of the new AI CEO Award until the new performance conditions are deemed probable of vesting.

Share-based compensation expense recognition for the SpaceX CEO Award and AI CEO Award commences when the performance condition milestone is considered probable of achievement for each award regardless of the progress made towards achieving the next market capitalization milestone. As of March 31, 2026, both performance milestones were considered improbable and no share-based compensation expense has been recognized related to the SpaceX CEO Award and AI CEO Award. Once the performance milestone is considered probable of achievement, share-based compensation expense associated with the tranche will be recognized over the expected achievement date of the performance milestone.

In January 2026, the Company approved an amendment to 4 million performance-based stock options granted to Bret Johnsen, Chief Financial Officer, that were originally issued in 2024 (“CFO Award”). In lieu of vesting based on free cash flow achievement in excess of a baseline, 371 thousand of the stock options will vest for each \$10 billion in adjusted EBITDA achieved during the 2025 through 2029 fiscal years, assessed on an annual basis. For purposes of this award, adjusted EBITDA is calculated as income from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) impairment, and (iv) restructuring impacts. Once a tranche of the stock options have become earned as a result of the Company’s adjusted EBITDA performance as of the end of a particular fiscal year, such stock options remain subject to an additional one-year and one day service-based vesting requirement following December 31 of the fiscal year in which such tranche was earned. The number of options granted was not changed in the amendment. The impact of the modification of the CFO Award was not material.

Fair Value Determination

The fair value and derived service period of the SpaceX CEO Award and AI CEO Award are estimated on the grant date using a Monte Carlo simulation model. The weighted-average assumptions that were used to calculate the grant date fair value of the SpaceX CEO Award and modification date fair value of the AI CEO Award are as follows:

Expected term (years)	30.0
Volatility	45.0 %
Risk-free interest rate	4.91 %
Dividend yield	— %

The SpaceX CEO Award and AI CEO Award do not have a defined performance period other than Mr. Musk's continued employment through the date each milestone is achieved. Therefore, an analysis was performed for an expected term of ten to fifty years and a midpoint of thirty years was used. The Company determined the expected volatility assumption using the frequency of daily historical prices of comparable public companies' common stock for a period equal to the expected term. The risk-free interest rate assumption is based upon observed interest rates on U.S. Government securities for a period consistent with the expected term. The dividend yield assumption is based on the Company's history and expectation of dividend payouts. The Company has never declared or paid any cash dividends on its Common Stock and does not anticipate paying any cash dividends in the foreseeable future.

Summary of Share-Based Compensation Information

The following table summarizes our share-based compensation expense by line item in the consolidated statements of operations:

	Three Months Ended March 31,	
	2026	2025
Cost of revenue	\$ 76	\$ 39
Research and development	362	75
Selling, general, and administrative	201	118
Total	\$ 639	\$ 232

During the three months ended March 31, 2026 and 2025, share-based compensation expense capitalized to the consolidated balance sheets was \$60 million and \$30 million, respectively.

Note 15 - Income Taxes

The Company's effective tax rate was (0.1)% for the three months ended March 31, 2026, compared to (2.7)% for the three months ended March 31, 2025. The change in the Company's effective tax rate was primarily due to the changes in the mix of its jurisdictional earnings.

The Company's effective tax rates for the three months ended March 31, 2026 and 2025 as compared to the U.S. federal statutory rate of 21.0% were primarily impacted by the mix of its jurisdictional earnings subject to different tax rates and the valuation allowances on its deferred tax assets.

In assessing the realizability of deferred tax assets, the Company considered whether it is more likely than not that some or all of its net deferred tax assets will not be realizable based on the relevant weight of all positive and negative evidence. As of March 31, 2026, the Company continues to maintain a full valuation allowance against its deferred tax assets in the United States, with the exception of certain state deferred tax assets and transferrable investment tax credits that are expected to be realizable. The Company has also recorded valuation allowances in certain foreign jurisdictions where it concluded that it is more likely than not that the deferred tax assets will not be realized. The Company will continue to assess the realizability of its deferred tax assets in future periods and will adjust the valuation allowance as necessary based on changes in facts and circumstances.

Note 16 - Commitments and Contingencies

Unconditional Obligations

During the three months ended March 31, 2026, there have been no material changes to the Company's unconditional obligation since December 31, 2025 other than the execution of certain purchase agreements with an unaffiliated third party to acquire additional turbines for the AI infrastructure totaling \$925 million through 2029.

Letters of Credit and Surety Bonds

The Company had outstanding letters of credit of \$517 million at March 31, 2026 related to various customer contracts, insurance agreements, and facility lease agreements. All of the outstanding letters of credit were collateralized by restricted cash. The Company also had surety bonds of \$447 million for self-insured workers' compensation programs and other governmental licenses at March 31, 2026.

Legal Proceedings

In the normal course of its business, the Company is involved from time to time in various arbitrations, class actions, commercial litigation, investigations and other legal, regulatory or governmental actions, including the significant matters described below that could have a material impact on our results of operations. The Company assesses, in conjunction with its legal counsel, the need to record a liability for litigation and contingencies. With respect to the cases, actions, and inquiries described below, the Company evaluates the associated developments on a regular basis and will accrue a liability when it believes a loss is probable and the amount can be reasonably estimated. In addition, the Company believes there is a reasonable possibility that it may incur a loss in some of these matters and the loss may be material or exceed its estimated ranges of possible loss.

The outcomes of the matters described in this section, such as whether the likelihood of loss is remote, reasonably possible, or probable, or if and when the reasonably possible range of loss is estimable, are inherently uncertain, and unless specified otherwise, possible losses are not reasonably estimable at this time. If one or more of these matters were resolved against the Company for amounts above management's estimates, the Company's financial condition and results of operations, including in a particular reporting period in which any such outcome becomes probable and estimable, could be materially adversely affected.

In November 2022, the European Union's Digital Services Act ("DSA") came into force as a result of which X has to comply with extensive content moderation and other duties. The Company published its first Transparency Report under the DSA in November 2023. In December 2023, the European Commission ("EC") opened a formal investigation into X and its Irish subsidiary, Twitter International Unlimited Company ("TIUC"), which was later renamed to X Internet Unlimited Company (XIUC). On July 12, 2024, in relation to alleged breaches of Articles 25(1), 39 and 40(12) of the DSA, the EC issued preliminary findings that X's blue checkmark is deceptive, its advertisement repository does not meet DSA requirements, and it grants inadequate access to data to third-party researchers. On September 26, 2024, XIUC and X submitted their observations challenging the EC's preliminary findings. On December 5, 2025, the EC delivered a final decision in which it upheld its preliminary findings and imposed a fine of EUR 120 million on XIUC, X., x.AI, and Elon Musk (together, the "parties"). On February 16, 2026, the parties challenged the EC's decision in the General Court of the European Union. This challenge remains pending.

In March 2016, non-practicing entity Youtoo Technologies filed suit against Twitter, Inc. in the United States District Court for the Northern District of Texas alleging its Vine and Periscope products infringe Youtoo's video-sharing patents (the '304, '506, and '997 patents). On Twitter's motion, the district court dismissed the '304 and '506 patents as invalid. Twitter filed petitions for Inter Partes Review before the Patent Trial and Appeals Board (PTAB) challenging all three patents-in-suit. The PTAB upheld the '304 and '506 Patents and invalidated the '997 Patent; the Federal Circuit affirmed. On March 16, 2020, Plaintiff (now Vidstream LLC, which allegedly acquired the patents from Youtoo Technologies in a bankruptcy proceeding), moved the Court to reconsider its earlier ruling invalidating the '304 and '506 patents. On April 1, 2022, the Court reversed its original ruling on the '304 and '506 patents. On September 27, 2024, Vidstream filed a motion for partial summary judgment, which the Court granted in part. The case went to a jury trial, and on April 16, 2025, the jury rendered a verdict finding (i) that Twitter did not

infringe any claim of the '506 patent and two out of three claims of the '304 patent and that each of those patent claims was invalid, but (ii) that Twitter willfully infringed one claim of the '304 patent. The jury awarded Plaintiff \$105 million in damages. In November 2025, the district court affirmed the jury's award and awarded an additional \$67 million in prejudgment interest. Twitter has appealed and Vidstream has cross-appealed. Both appeals remain pending before the Federal Circuit.

In June 2023, music publishing companies that are members of the National Music Publishers' Association (the "NMPA") filed a complaint against X in the U.S. District Court for the Middle District of Tennessee, claiming direct, contributory, and vicarious copyright infringement based on Twitter's alleged failure to expeditiously take down infringing music posted by users after the music publishers allegedly gave Twitter notice of those infringements. The music publishers also allege that Twitter did not suspend the accounts of "repeat infringers," so that Twitter is not entitled to a "safe harbor" from liability under the DMCA. X filed a motion to dismiss the complaint on August 14, 2023. On March 5, 2024, the Court dismissed plaintiffs' direct infringement and vicarious infringement claims, and part of plaintiffs' claim for contributory infringement. X answered the complaint on April 9, 2024. Litigation was stayed from June 11, 2025 to September 9, 2025 for settlement discussions that were not successful. Accordingly, discovery is ongoing. On April 1, 2026, the Court granted the parties' joint motion for a stay to allow X to file a renewed motion to dismiss the suit based on the Supreme Court's decision in *Cox Comm's, Inc. v. Sony Music Entm't*. Fact discovery is now closed. In light of this Supreme Court ruling, the parties have stipulated to a May 11, 2026 deadline for the music publishers to amend their complaint with respect to their remaining claims for contributory infringement, and a June 11, 2026 deadline for X to file a renewed motion to dismiss.

In September 2023, Dutch foundation Stichting Data Bescherming Nederland ("SDBN") filed a putative class action lawsuit in the District Court of Amsterdam in the Netherlands against TIUC, Twitter, Inc., X Corp., and Twitter Netherlands b.v. related to Twitter's operation of the MoPub platform. SDBN primarily claims that MoPub's real-time bidding ad exchange violated the GDPR. SDBN claims to represent 11 million Dutch internet users who downloaded and used third-party mobile apps containing the MoPub software development kit during the period 2013-2022 and it seeks a monetary award in the range of € 250 to € 2,500 per person. On February 4, 2026, the Court declined to allow the case to proceed as a class action and indicated that it is considering staying the proceedings until the Court of Justice of the European Union has ruled in a separate case concerning the applicability of Dutch class action requirements to GDPR claims. The Twitter parties filed a brief in support of the proposed stay, which the plaintiffs opposed, on March 4, 2026.

In August 2024, Dutch foundation Stichting Onderzoek Marktinformatie (SOMI) initiated a collective action in the District Court of Amsterdam in the Netherlands on behalf of approximately 7.8 million Dutch X users. Among other things, SOMI seeks damages against TIUC, X Corp. and Twitter Netherlands B.V. (collectively, the "X entities") for: (1) alleged data breaches and insufficient security measures; (2) alleged unauthorized microtargeting and lack of transparency; and (3) the alleged failure to moderate hate speech and the obstruction of research, all in violation of the GDPR and/or DSA. The alleged data breaches relate to a Twitter API bug that came to light in 2022 and that had allowed persons who knew the email address or phone number of a user to determine the user's Twitter ID. SOMI has requested compensation (to be assessed at a later stage) for each member of the class, including symbolic damages of EUR 1 for each member of the class that is allegedly affected by hate speech on the X platform. The X entities filed a procedural defense on March 12, 2025. The court held a hearing on April 2, 2026, and indicated that it would hand down its decision on May 27, 2026.

In September 2025, non-practicing entity Search and Share Technologies, LLC ("SaS") filed a patent complaint against X Corp. in the Federal District Court for the Western District of Texas. SaS alleges that X Corp. infringed on U.S. Patent Nos. 10,180,952 and 11,106,744, through features in its mobile app and website enabling users to interact with content through dedicated interfaces that directly share what other users see in ranked feeds and search results. SaS filed an Amended Complaint on January 5, 2026. On January 20, 2026, X Corp. moved to dismiss SaS's willful infringement and induced infringement claims. On February 3, 2026, SAS responded to, but did not oppose, X Corp.'s partial motion to dismiss. On February 10, 2026, X Corp. filed its reply. On February 4, 2026, X Corp. filed an IPR petition challenging the '744 Patent and on February 18, 2026, filed an IPR petition challenging the '952 Patent.

Beginning in January 2026, the Company and certain subsidiaries have been named as defendants in multiple lawsuits arising from Grok's image-generation and editing features. The complaints generally allege that Grok's image-generation and editing features enabled the creation and dissemination of nonconsensual explicit images and/or content representing women and/or children in sexualized contexts. The actions include Jane Doe v. X.AI Corp. and X.AI LLC, instituted in the U.S. District Court for the Northern District of California on January 23, 2026, and Jane Doe 1 et al. v. X.AI Corp. and X.AI LLC (the "Jane Doe 1 Case") instituted in the U.S. District Court for the Northern District of California on March 16, 2026. These cases are putative class actions, asserting claims including, among other things, claims of strict liability, negligence, nuisance, rights of privacy or publicity, and, in the Jane Doe 1 Case, certain federal statutory claims. Plaintiffs in these two cases seek, among other things, compensatory, statutory and punitive damages, restitution, disgorgement and injunctive relief. In addition, a case, Mayor and City Council of Baltimore ex rel. Ebony M. Thompson v. X Corp., X.AI Corp., X.AI LLC, and Space Exploration Technologies Corp., was instituted in the Baltimore City Circuit Court on March 24, 2026 (the "Baltimore Case"). The plaintiff in the Baltimore Case, the Mayor and City Council of Baltimore, asserts similar claims to those in the two cases discussed above under Baltimore's Consumer Protection Ordinances. The plaintiff in the Baltimore Case seeks statutory penalties and/or injunctive relief. The Company intends to defend itself vigorously in these actions.

On April 14, 2026, the National Association for the Advancement of Colored People and the NAACP Mississippi State Conference (together, the "NAACP") filed suit against X.AI Corp. and MZX Tech, LLC alleging that the mobile gas turbines powering the COLOSSUS II data center with the permission of the Mississippi Department of Environmental Quality are in violation of the Clean Air Act because they allegedly constitute stationary sources without the proper permits. On May 6, 2026, the NAACP filed a preliminary injunction motion seeking to enjoin the operation of the turbines. The Company intends to defend itself vigorously in these actions.

The Company has recorded an accrual of \$399 million for litigation losses that are probable and reasonably estimable in Accrued expenses and other current liabilities and Other liabilities on the consolidated balance sheet as of March 31, 2026. For other matters, the Company is not currently able to estimate the reasonably possible loss or range of loss.

Note 17 - Related Party Transactions

The Company periodically does business with certain entities with which its CEO and directors are affiliated.

During the three months ended March 31, 2026, the Company purchased \$34 million of Megapack products from Tesla, Inc. ("Tesla") recorded in Property, plant, and equipment, net in the consolidated balance sheets. As of December 31, 2025, the Company purchased \$506 million of Megapack products and \$131 million of Cybertrucks at manufacturer's suggested retail price from Tesla, recorded in Property, plant, and equipment, net in the consolidated balance sheets.

In January 2026, and as further amended on February 18, 2026, CTC entered into an equipment lease agreement with Valor Equity Partners ("Valor") for certain AI infrastructure hardware ("Valor transaction II"). The founder, CEO and Chief Investment Officer of Valor, Antonio Gracias, serves as one of the directors of the Company. The Valor transaction II was deemed to be a failed sale-leaseback transaction. The Company has previously entered into a similar agreement with Valor for other AI infrastructure hardware. As of March 31, 2026, the Company recorded debt of \$1,121 million and \$7,920 million within Debt and finance leases, current and Debt and finance leases, net of current, respectively, in the Company's consolidated balance sheet, and \$186 million in Interest expense for the three months ended March 31, 2026 in the Company's consolidated statement of operations related to equipment lease agreements with Valor. As of December 31, 2025, the Company recorded debt of \$455 million and \$4,052 million within Debt and finance leases, current and Debt and finance leases, net of current, respectively, in the Company's consolidated balance sheet related to equipment lease agreements with Valor. Refer to Note 9, Debt for additional details. The related asset is recorded within Property, plant, and equipment, net in the Company's consolidated balance sheets.

Other transactions with Tesla and other related parties during the three months ended March 31, 2026 and 2025 were immaterial.

Note 18 - Segments

Following the Mergers, the Company evaluated how to view and measure performance of the combined company and potential realignment of individual entity's historical segment structure. Following this evaluation, the Company determined that as a combined company, effective in Q1 2026, the Company's Chief Executive Officer, as the Chief Operating Decision Maker ("CODM"), organizes the Company, manages resource allocations, and measures performance among three operating and reportable segments: (i) Space, (ii) Connectivity, and (iii) AI. Prior period presentations for segments conform to the current segment reporting structure.

The Company's CODM assesses performance and allocates resources to operating segments based on segment income (loss) from operations by comparing actual income (loss) from operations to historical results and previously forecasted financial information. The Company's CODM does not evaluate operating and reportable segments using asset or liability information.

The following tables present information as to revenues, significant segment expenses, and income (loss) from operations by the Company's reportable segments:

	Three Months Ended March 31,			
	2026			
	Space	Connectivity	AI	Total Reportable Segments
Revenue	\$ 619	\$ 3,257	\$ 818	\$ 4,694
Costs and expenses				
Cost of revenue	281	1,651	456	2,388
Research and development	930	205	2,379	3,514
Selling, general and administrative	70	213	463	746
Restructuring charges	—	—	(11)	(11)
Total costs and expenses	1,281	2,069	3,287	6,637
Income (loss) from operations	(662)	1,188	(2,469)	(1,943)
Interest expense				(664)
Interest income				213
Other expense, net				(1,876)
Loss before income taxes				\$ (4,270)
Supplemental segment information				
Depreciation and amortization	\$ 166	\$ 783	\$ 1,493	\$ 2,442
Share-based compensation	\$ 145	\$ 116	\$ 378	\$ 639
Capital expenditures	\$ 1,052	\$ 1,332	\$ 7,723	\$ 10,107

	Three Months Ended March 31,			
	2025			
	Space	Connectivity	AI	Total Reportable Segments
Revenue	\$ 865	\$ 2,475	\$ 727	\$ 4,067
Costs and expenses				
Cost of revenue	297	1,214	451	1,962
Research and development	526	123	908	1,557
Selling, general and administrative	88	105	300	493
Restructuring charges	—	—	4	4
Impairment	24	—	—	24
Total costs and expenses	935	1,442	1,663	4,040
Income (loss) from operations	(70)	1,033	(936)	27
Interest expense				(447)
Interest income				117
Other expense, net				(211)
Loss before income taxes				<u>\$ (514)</u>
Supplemental segment information				
Depreciation and amortization	\$ 162	\$ 510	\$ 771	\$ 1,443
Share-based compensation	\$ 108	\$ 75	\$ 49	\$ 232
Impairment	\$ 24	\$ —	\$ —	\$ 24
Capital expenditures	\$ 759	\$ 814	\$ 2,567	\$ 4,140

Note 19 - Restructuring

In 2022, X, an indirect subsidiary of the Company (through the X Merger and subsequently, xAI Merger), initiated global employee workforce reductions, the effects of which continued into 2026. The charges and credits associated with the workforce reduction include cash severance expense and other termination benefits. Total charges (credits) of \$(11) million and \$4 million associated with the workforce reduction were recorded in Restructuring charges (credits) in the consolidated statements of operations for the three months ended March 31, 2026, and 2025, respectively.

The following table is a summary of the changes in the restructuring liabilities for each period presented, included within Accrued expenses and other current liabilities and Other liabilities on the consolidated balance sheets:

Restructuring liabilities as of December 31, 2025	\$ 443
Severance and other personnel costs	(11)
Cash payments	(123)
Other adjustments	3
Restructuring liabilities as of March 31, 2026	<u>\$ 312</u>

Note 20 - Subsequent Events

The Company has evaluated subsequent events that occurred from April 1, 2026 through May 7, 2026, which is the date the consolidated financial statements were available to be issued, and determined that there were no subsequent events or transactions that required recognition or disclosure in the consolidated financial statements, except as discussed below.

Collaboration Agreement

On April 19, 2026, the Company entered into a compute agreement with Anysphere, Inc., doing business as Cursor, a San Francisco-based private software company (“Cursor”). Pursuant to the compute agreement, the Company will collaborate with Cursor to improve the Company’s existing models, including Grok, and potentially to jointly develop AI models and related model-specific deliverables.

Concurrent with the compute agreement, the Company also entered into an option agreement for the right, but not the obligation, to acquire Cursor. The option agreement generally provides that the Company may exercise the call option at any time during the 30-day period following the earlier of (i) seven trading days following the completion of the Company’s IPO and (ii) September 30, 2026. Exercise of the call option is in the Company’s sole discretion and subject to further approval by the board of directors. Cursor is also subject to certain exclusivity obligations under the option agreement. The consideration for the acquisition of Cursor would consist of shares of Class A common stock based on an implied equity value of Cursor of \$60.0 billion, and the price of Class A common stock that equals, if the acquisition closed prior to the completion of this offering, the most recent quarterly valuation, or, if the acquisition closed after the completion of the Company’s IPO, the volume-weighted average closing price thereof over the seven consecutive trading days immediately preceding the closing of the acquisition. If either (i) the Company decides to terminate the option agreement or (ii) Cursor is eligible to and decides to terminate due to the Company’s material breach of the option agreement, Cursor is entitled to a \$1.5 billion termination fee under the option agreement and an \$8.5 billion deferred services fee under the compute agreement. These fees are payable in cash (or Class A common stock, if the Company’s IPO has not been consummated at the time the fees become payable).

The Company has conducted preliminary due diligence on Cursor’s business, technology and operations, and expect to continue such diligence in connection with any decision to exercise the call option. The Company cannot predict whether the Company will elect to exercise the call option or, if exercised, whether the acquisition will close on the anticipated terms or at all.

Sale-Leaseback Transaction

On April 24, 2026, CTC entered into a five-year equipment lease agreement with Valor, a related party, for certain AI infrastructure hardware (“Valor transaction III”) for total undiscounted lease payments of \$6,587 million.

Asset Acquisition

On April 30, 2026, the Company entered into an asset purchase agreement with an unaffiliated third party to purchase certain mobile gas turbines and related packages for approximately \$2,000 million (the “Turbine Acquisition”). The closing of the Turbine Acquisition is expected to occur in May 2026 and is subject to customary closing conditions. The seller has also agreed to enter into a post-closing services agreement to support the Company's turbine operations. The Turbine Acquisition will help provide power to the Company's data centers.

Cloud Services Agreement

On May 3, 2026, the Company entered into a cloud services agreement with Anthropic PBC, an AI research and development public benefit corporation, with respect to access to compute capacity. Pursuant to this agreement, the customer has agreed to pay a monthly fee through May 2029, with capacity ramping in May 2026 at a reduced fee. The agreement may be terminated by either party upon 90 days’ notice. The customer will retain ownership and intellectual property rights in its content, AI models, and related data.

15. GLOSSARY

180-day lock-up period	The period during which all other outstanding shares of the Company's common stock are subject to transfer restrictions, ending immediately after the close of the trading day on the 180th day after the date of the Company's final prospectus to be filed with the SEC, subject to early release provisions.
2015 Plan	Our 2015 Equity Incentive Plan.
2017 ESPP	Our Amended and Restated 2017 Employee Stock Purchase Plan.
2024 Plan	Our 2024 Equity Incentive Plan.
2025 Fiscal Year	The fiscal year ended December 31, 2025.
2026 Stock Split	A five-for-one stock split of the Company's Class A, Class B, and Class C Common Stock, effective May 4, 2026.
A&R 2017 ESPP	Our further Amended and Restated 2017 Employee Stock Purchase Plan.
A&R 2024 Plan	The intended amended and restated 2024 Plan.
additional shares	Up to 83,333,333 newly issued additional shares of Class A common stock to cover potential over-allotments.
Adjusted EBITDA	Net income (loss) excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) impairment, (iv) restructuring charges, (v) interest expense, (vi) interest income, (vii) other income (expense), net and (viii) provision for income taxes.
AGI	Artificial general intelligence.
AI or artificial intelligence	Advanced computational technologies and systems enabling machines to learn, comprehend reality, solve complex problems, exhibit creativity, make critical decisions, and function with growing autonomy.
AI compute or compute	The computing infrastructure required to train and operate artificial intelligence models, including, without limitation, specialized processors, networking, storage, and power systems deployed in data centers or other computing environments.
AI compute satellite	A satellite equipped with onboard artificial intelligence processing capabilities designed to perform data analysis, inference, or other machine learning, automated decision-making and artificial intelligence algorithms, models and technologies workloads in orbit.
AI ecosystem	A complex, multi-layered network of technologies, products, systems, and infrastructure that develop, leverage, and deploy intelligent systems.
AI segment	Our AI business, which we acquired in connection with our acquisition of xAI in February 2026, and includes our AI compute, Grok, and X.
AI Segment Adjusted EBITDA	Income (loss) from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) restructuring charges and (iv) impairment for the AI segment.

AI training cluster	An integrated system that provides computational power required for training and running advanced AI models.
The Algorithm	Our five-step iterative process that we use to rapidly innovate and optimize, emphasizing making the requirements less dumb, deleting unnecessary processes or parts, optimizing the necessary processes or parts, accelerating cycle timesteps, and automating only proven processes after the first four steps are completed.
Alternative Performance Measures	Financial information and operating data that is not prepared in accordance with U.S. GAAP, or any other internationally accepted accounting principles.
Amended SpaceX Credit Facility	An amendment of the SpaceX Credit Facility in May 2026 to increase the borrowing capacity up to \$5,000 million.
Anthropic	Anthropic PBC.
Application Programming Interface or API	A defined set of rules and protocols that allows different software systems to communicate with and interact with each other programmatically.
Arbitration Rules	The Expedited Procedure Provisions of the Rules of the ICC as those rules may be periodically updated.
ARPU	Service revenue generated from Starlink Subscribers during a period divided by (i) the average number of Starlink Subscribers during the period and by (ii) the number of months in the period.
Artemis program	A NASA program aimed at landing humans on the Moon by the late 2020s.
ASDS	Autonomous spaceport drone ships.
Audited Consolidated Financial Statements	Audited consolidated financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 prepared by the Company in accordance with U.S. GAAP.
AWS-4 and H-Block Licenses	Echostar’s licenses related to 50 MHz of spectrum.
Bafin	The German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>).
base shares	555,555,555 newly issued shares of Class A common stock.
BCG, Breaking Barriers to Data Center Growth	Boston Consulting Group, Breaking Barriers to Data Center Growth, dated January 20, 2025 (available under: https://www.bcg.com/publications/2025/breaking-barriers-data-center-growth).
BofA Securities	BofA Securities Europe SA, 51 rue La Boétie, 75008 Paris, France, LEI 549300FH0WJAPEHTIQ77.
booster	The first-stage rocket that provides the primary thrust during launch.
booster catch	A recovery method in which a returning first-stage rocket booster is captured mid-air by mechanical arms on the launch tower rather than on legs at a landing zone or at sea.

booster launch	A rocket launch in which a booster stage provides the primary thrust during liftoff and the initial phase of ascent before separating from the vehicle.
bps	Bits per second.
Brazil Asset Seizure	An order from Brazil’s Supreme Court received by Starlink in August 2024 that froze Starlink’s Brazilian financial assets and prevented Starlink from conducting financial transactions in Brazil.
Business Court	The Texas Business Court, Eleventh Division.
Business Opportunities Exempt Party ...	Any member of the board or board observer or attendee, regardless of whether any such person is an employee of the Company and their respective affiliates (other than the Company and its subsidiaries).
CFIUS	The Committee on Foreign Investment in the United States.
Citigroup	Citigroup Global Markets Europe AG, Börsenplatz 9, 60313 Frankfurt am Main, Germany, LEI 6TJCK1B7E7UTXP528Y04.
Class A common stock	Shares of Class A common stock, par value \$0.001 per share.
Class B Directors	51% of the total number of authorized directors, rounded up to the nearest whole number, elected by the holders of our outstanding Class B common stock, voting separately as a class.
Code	The Internal Revenue Code of 1986, as amended.
COLOSSUS	Our flagship data center, located on Paul R. Lowry Road in Memphis, Tennessee.
COLOSSUS II	Our data centers in Memphis, Tennessee and in Southaven, Mississippi. These data centers are part of our coherent gigawatt-scale AI training cluster.
Common Stock Directors	Directors who have been elected by holders of all classes of our voting common stock, voting together as a single class.
Company	Space Exploration Technologies Corp.
Connectivity segment	Our Connectivity segment, which includes Starlink and associated offerings.
Connectivity Segment Adjusted EBITDA	Income (loss) from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) restructuring charges and (iv) impairment for the Connectivity segment.
Credit Agreements	Our SpaceX Credit Facility and SpaceX Bridge Loan.
crewmember	A person who has traveled on our spacecraft, measuring by each mission.
daily posts	The aggregate volume of original posts, replies, reposts, quotes and media shared daily by users on the X platform, and the real-time interactions, analysis and generative capabilities provided to a user by Grok. This may include posts generated by AI or accounts managed by AI.

Danish Private Individual Shareholders	Individuals who are fully tax resident in Denmark and who do not hold the shares in connection with a business activity.
DCO	Digital Cooperation Organization.
Denmark	The Kingdom of Denmark.
Deutsche Bank	Deutsche Bank Aktiengesellschaft, Taunusanlage 12, 60325 Frankfurt am Main, Germany, LEI 7LTWFZYICNSX8D621K86.
downlink capacity	The maximum rate at which data can be transmitted from a satellite to users over a network or communication link in a given period of time.
Draco thrusters	Thrusters used in Dragon spacecraft for precise orbital maneuvering and adjustments.
Dragon	Our Dragon spacecraft.
DSA	Digital Services Act.
Dutch Individual Shareholder	An individual who is resident or deemed to be resident in the Netherlands for purposes of Dutch taxation.
EchoStar	EchoStar Corporation.
EEA	European Economic Area.
Equity Plans	Our 2015 Plan, our A&R 2017 ESPP and our A&R 2024 Plan as well as (i) xAI's 2023 Equity Incentive Plan, 2023 Incentive Plan and 2025 Equity Incentive Plan, each of which we assumed in the xAI Merger and (ii) the 2017 Stock Plan, as amended, of Swarm, which we assumed in our acquisition of Swarm in 2021. In connection with the net settlement of restricted stock units upon vesting after March 31, 2026 for tax purposes, we made a cash payment of approximately \$460 million.
ESPP Administrator	Our board or a committee thereof designated by our board to administer the A&R 2017 ESPP.
ESPP Share Pool	The maximum number of shares of Class A common stock that may be issued under the A&R 2017 ESPP, not exceeding 75,000,000 shares (inclusive of shares issued under the 2017 ESPP prior to the adoption of the A&R 2017 ESPP), subject to certain adjustments in the event of a change in the Company's capitalization.
European retail offering	The public offering of a maximum number of 55,555,555 shares of Class A common stock of SpaceX to retail investors which are resident or located in Germany, Denmark, France, the Netherlands, Norway, Spain and Sweden.
European retail shares	A maximum of 55,555,555 newly issued shares of Class A common stock offered under the European retail offering.
European underwriters	Goldman Sachs, Morgan Stanley, BofA Securities, Citigroup, J.P. Morgan, Deutsche Bank, ING, Santander and Société Générale, together.
Exchange Act	The U.S. Securities Exchange Act of 1934, as amended.

extended lock-up period	The period during which certain shares of the Company's common stock owned by several shareholders are subject to transfer restrictions, ending the beginning of the second full trading day immediately following public release of our quarterly financial results for the quarter ended June 30, 2027.
FAA	The U.S. Federal Aviation Administration.
Falcon 1	Our two-stage, liquid-fueled small-lift launch vehicle that operated from 2006 to 2009.
Falcon 9	Our orbital-class rocket with reusable boosters, first launched in 2010, which has a payload capacity to LEO of approximately 23 metric tons.
Falcon Heavy	Our partially reusable super heavy-lift launch vehicle, first launched in 2018, which has a payload capacity to LEO of approximately 64 metric tons.
FCC	Federal Communications Commission.
Federal Court	The United States District Court for the Southern District of Texas, Houston Division.
FinSA	Swiss Financial Services Act.
First Amendment	The First Amendment to Credit Agreement and Waiver under the SpaceX Credit Facility entered into by the Company with its lenders in March 2026, in connection with the Company's entry into the SpaceX Bridge Loan.
First Earnings Release Date	The second full trading day on Nasdaq immediately following the public release of our quarterly financial results (which for this purpose does not include "flash" numbers or preliminary, partial earnings) for the quarter ended June 30, 2026.
flatexDEGIRO	FlatexDEGIRO Bank SE.
flat tax regime	The regime pursuant to which a German Disbursing Agent withholds German tax at a rate of 25% (plus 5.5% solidarity surcharge thereon and, if applicable, church tax) on the gross amount of dividends paid by the Company, whereby the German Private Individual Shareholder's personal income tax liability with respect to such dividends is generally satisfied through such withholding (<i>Abgeltungsteuer</i>).
flight-proven booster launches	A mission utilizing a booster that has previously completed at least one successful launch and recovery.
Forum Selection Bylaw	A section to be contained in our bylaws that will provide that, unless the Company consents in writing to the selection of an alternative forum, the sole and exclusive forum for the filing, adjudication, and trial of all Internal Disputes will be the Business Court.
France	The French Republic.

French Individual	An individual who (i) is domiciled and is resident of France for tax purposes, (ii) is subject to personal income tax in France (<i>impôt sur le revenu</i>), (iii) does not carry out stock market transactions under conditions similar to those characterising a professional trading activity, (iv) owns the Shares as part of the individual's private portfolio and does not hold the Shares through (a) a fixed base located outside of France or (b) an enterprise that carries out an industrial, commercial, farming or other professional activity and (v) does not hold and has not acquired the Shares through a company savings plan (<i>plan d'épargne d'entreprise</i>), a group savings plan (<i>plan d'épargne de groupe</i>), a share savings plan (<i>plan d'épargne en actions</i>) or as part of an employee incentive scheme (e.g., free shares, restricted share units, shares acquired upon the exercise of stock options etc.).
frontier model	A leading-edge, sophisticated large language model, such as Grok, designed for rigorous reasoning and real-time information synthesis.
Gbps	Gigabits per second.
GDP	Gross domestic product.
GDPR	The European Union's General Data Protection Regulation.
geostationary orbit or GEO	A high Earth orbit that allows satellites to match Earth's rotation, appearing stationary from the ground, often used for communication satellites.
geosynchronous transfer orbit	An elliptical orbit used to transfer a spacecraft from a lower orbit to a geostationary orbit.
Germany	The Federal Republic of Germany.
German Disbursing Agent	A German resident credit institution, financial services institution (<i>inländisches Kredit- oder Finanzdienstleistungsinstitut</i>) (including in each case a German branch of such foreign institution) or securities institution (<i>inländisches Wertpapierinstitut</i>) with which shares are held in a custodial account (<i>inländische auszahlende Stelle</i>).
German Private Individual Shareholders	Individuals with a tax residency through their domicile or habitual abode in Germany and holding and having held (directly or indirectly or through a legal predecessor) less than 1% of the share capital of the Company as non-business assets (<i>Privatvermögen</i>).
gigawatt	One billion watts.
gigawatt-scale	Infrastructure, systems, or facilities that are designed to generate, transmit, or consume approximately one gigawatt or more of electrical power capacity.
global offering	The international offering and the U.S. offering, together.
Goldman Sachs	Goldman Sachs Bank Europe SE, Marienturm, Taunusanlage 9-10, 60329 Frankfurt am Main, Germany, LEI 8IBZUGJ7JPLH368JE346.
GPUs	Graphics processing units.

Grok	Our family of frontier models, which represents a core pillar of our mission to advance humanity’s understanding of the universe through the development of truth-seeking artificial intelligence.
Grok API	Our application programming interface that enables developers to access and integrate Grok models into external software applications and workflows.
Grok Business	Our subscription-based offering that provides organizations with access to Grok models and related tools for use in internal business applications and workflows, designed for deployment by small-to-medium teams.
Grok Enterprise	Our subscription-based offering that provides organizations with access to Grok models and related tools for use in internal business applications and workflows, designed for deployment by enterprise organizations.
Grok Voice	The Grok real-time speech engine.
high-density compute	Compute infrastructure designed to deliver a large amount of processing power within a limited physical footprint, typically characterized by high processor concentration and elevated power usage per unit of space.
ICC	The International Chamber of Commerce.
Imagine	Our image and video generation system.
inference	The process by which a trained artificial intelligence model generates outputs (such as text, images, or predictions) from new input data.
ING	ING Bank N.V., Bijlmerdreef 106, 1102 CT Amsterdam, The Netherlands, LEI 3TK20IVIUJ8J3ZU0QE75.
Interactive Brokers	Interactive Brokers Ireland Limited.
Internal Dispute	Each dispute between (i) one or more shareholders and (ii) the Company or its directors, officers, or controlling persons, or any underwriter of securities issued by the Company (or controlling person thereof) relating to any of the following: (1) any derivative proceeding, meaning a civil dispute brought in the right of the Company; (2) any action based on the governance, governing documents, or internal affairs of the Company; (3) any action based on state or federal securities or trade regulation laws; (4) any action based on the alleged act(s) or omission(s) by a person in its capacity as a shareholder, controlling person, director, officer or other managerial official of the Company; (5) any action based on the alleged breach(es) by one or more shareholders, controlling persons, directors, officers, or other managerial officials of a duty owed, in his or her capacity as such, to the Company or to any shareholder thereof; (6) an action seeking to hold a shareholder, controlling person, director, officer, or other managerial official of the Company liable for an obligation of the Company, other than on account of a written contract signed by the person to be held liable in a capacity other than as a shareholder or managerial official; and (7) any action arising out of the TBOC.

International Docking System Standard (IDSS)	A standard for autonomous docking capabilities used by spacecraft like Dragon.
international offering	The European retail offering, the public offering in Australia, the public offering in certain provinces and territories of Canada, the public offering in Japan, the public offering in the United Kingdom, the public offering in Switzerland to individual persons or legal entities which do not qualify as professional clients within the meaning of the FinSA and on the basis of this prospectus as filed with a Swiss prospectus office for automatic acceptance in accordance with article 54(2) of the FinSA, and private placements, collectively.
Introl, The 175 GW Crisis	Introl, The 175 GW Crisis: America’s Power Grid Cannot Keep Up with AI Data Centers, dated January 21, 2026 (available under: https://introl.com/blog/us-grid-capacity-crisis-175-gw-shortfall-federal-response-2026).
Investors’ Rights Agreement	An Amended and Restated Investors’ Rights Agreement, dated as of August 4, 2020.
Internet of things or IoT	The network of physical objects embedded with sensors, software, and other technologies for the purpose of connecting and exchanging data with other devices and systems over the internet.
ISIN	International Securities Identification Number.
ITAR	The U.S. International Traffic in Arms Regulations.
ITU	International Telecommunication Union.
J.P. Morgan	J.P. Morgan SE, Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Germany, LEI 549300ZK53CNGEEI6A29.
Kardashev Type II	A civilization that harnesses the full energy output of its local star, like our Sun, to power unprecedented growth and sustain the civilization’s existence.
large language model or LLM	A sophisticated artificial intelligence model designed for advanced reasoning and natural language processing.
large-scale LEO broadband satellite constellation	A satellite constellation network of over 1,000 satellites.
latency	The time delay between the transmission of data from a source and its receipt at a destination, typically measured in milliseconds.
launch payload mass	The theoretical payload mass that a particular spacecraft is capable of delivering to a specified orbit under specific conditions, which is derived from advanced computer simulations and performance modeling that apply to particular mission scenarios and trajectory assumptions. Actual payload that can be delivered for a given mission may be different and will vary depending on numerous mission parameters and operational factors, including mission-specific trajectory requirements, atmospheric conditions, vehicle and payload configuration, risk profile, and applicable regulatory or range-safety limitations.

launch system	A comprehensive system comprising rockets and associated ground infrastructure used to launch spacecraft and payloads into space.
launch vehicle	A rocket designed to transport payloads from terrestrial bodies (e.g., Earth, Moon, or Mars) to space or to a designated orbital trajectory.
LEI	Legal entity identifier.
LEO satellite constellation	A network of numerous satellites operating in Low-Earth Orbit, typically deployed to provide services such as broadband connectivity, including Starlink.
lock-up period	The period of 180 days after the date of the underwriting agreement, during which, without the prior written consent of Goldman Sachs & Co. LLC, on behalf of the underwriters, subject to certain exceptions, we will not (a) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, or file with the SEC a registration statement under the U.S. Securities Act relating to, any of our common stock or other securities substantially similar to our common stock, including but not limited to any options or warrants to purchase shares of our common stock or any securities that are convertible into or exchangeable for, or that represent the right to receive, common stock or any such substantially similar securities, or publicly disclose the intention to do any of the foregoing, or enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of any of our common stock or such other securities, whether any such transaction described in clause (a) or (b) above is to be settled by delivery of our common stock or such other securities, in cash or otherwise.
lock-up securities	Collectively, any shares of our common stock, or any options, rights, or warrants to purchase any shares of our common stock or any securities convertible into, exchangeable for or that represent the right to receive shares of our common stock.
Low-Earth Orbit or LEO	An orbit relatively close to Earth's surface, typically used by satellites for applications like broadband internet due to its lower latency compared to higher orbits.
low-latency network	A network with latency below 70 milliseconds.
lunar mass driver	A launch system that we intend to build on the Moon's surface that will be designed to use electromagnetic acceleration to propel payloads into space without the use of rockets.
Macrohard	A platform we are currently developing that is designed to emulate digital workflows, augment human operation of computers, and create a fully AI-operated software company.
mass to orbit	The total kilograms of payload deployed to orbit in a given period, and is a key indicator of our capacity and scalability that supports Space revenue and drives expansion across our Connectivity and AI segments.

MAU or monthly active users	The total number of users who have interacted with Grok or X through web browsers or mobile applications at least once during the 30-day period ending on the date of measurement (“active users”). In presenting combined MAUs across the two platforms, we seek to identify and account for users who access both Grok and X based on sign-in traffic so that such users are not double-counted when measuring MAU. Furthermore, only users who have registered for an X or Grok account are included. While we believe our methodologies provide a reasonable approximation of MAU based on the number of unique users, they may not fully capture all instances of duplication, and our reported MAU should be viewed as an estimate of unique users across our Grok and X platforms for the applicable period. We track the subset of users who used Grok’s AI features and those who have not based on the source of their server requests.
Mbps	Megabits per second.
McDowell, Satellite Statistics	Jonathan McDowell, Satellite Statistics: Satellite and Debris Population, dated April 2026 (available under: https://planet4589.org/space/stats/out/msatannual.txt).
McKinsey, Cost of Compute	McKinsey & Company, The Cost of Compute: A \$7 Trillion Race to Scale Data Centers, dated April 28, 2025 (available under: https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/the-cost-of-compute-a-7-trillion-dollar-race-to-scale-data-centers).
Megapack	A containerized, utility-scale lithium-ion battery energy storage system produced by Tesla and designed to stabilize power grids, store renewable energy, and replace fossil fuel peaker plants.
megawatt	One million watts.
MEP	Mechanical, electrical, and plumbing.
Merlin	The Merlin family of engines, which include vacuum and sea level variants and are fully developed and produced by the Company.
microgravity	Very weak gravity, such as that experienced in orbiting spacecraft, which allows for unique manufacturing processes like creating ultra-pure materials.
Mid-Earth Orbit or MEO	An orbital region between approximately 2,000 km and 35,786 km above Earth’s surface.
MiFID II	Directive 2014/65/EU, as amended.
MiFID II Product Governance Requirements	Collectively, (i) the product governance requirements contained within MiFID II, (ii) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II, and (iii) local implementing measures.
mission success rate	The proportion of Falcon 9 and Falcon Heavy missions that achieve their primary objectives. This term does not include Starship flight tests.

mobile network operators or MNOs	The local entities of the companies that provide mobile phone services to customers, with whom SpaceX partners to offer satellite-to-mobile connectivity. The term may also include mobile virtual network operators, where applicable.
Mobile Satellite Service	Providing wireless voice, messaging, and data connectivity to, from, or between mobile devices by using orbiting satellites rather than terrestrial cell towers.
Money Product	Our planned offering of payment, banking and other financial services functionalities, including enabling our users to purchase tangible, virtual, and digital goods from merchants and send money to other users, among other activities, on the X platform.
Moore's Law	An observation, not a physical law, that the number of transistors on a microchip doubles roughly every two years, leading to exponentially faster, smaller, and cheaper electronics.
Morgan Stanley.....	Morgan Stanley Europe SE, Große Gallusstraße 18, 60312 Frankfurt am Main, Germany, LEI 54930056FHWP7GIWYY08.
NAACP	National Association for the Advancement of Colored People and the NAACP Mississippi State Conference, together.
Nasa, Large Reduction in Space Launch Cost	National Aeronautics and Space Administration, NASA: The Recent Large Reduction in Space Launch Cost, dated July 8, 2018 (available under: https://ntrs.nasa.gov/api/citations/20200001093/downloads/20200001093.pdf).
Nasdaq	Nasdaq Stock Market LLC.
Nasdaq Texas	Nasdaq Texas, Inc.
NEOs.....	The named executive officers of the Company, collectively.
The Netherlands	The Netherlands.
Nordnet.....	Nordnet Bank AB.
Norway	The Kingdom of Norway.
Novaspace, Space Economy Report	Novaspace, 12th Edition Space Economy Report, dated January 29, 2026 (available under: https://nova.space/hub/product/space-economy-report/).
NQ ESPP	Our 2023 Non-Qualified ESPP.
OFAC.....	The U.S. Treasury Department's Office of Foreign Assets Control.

offer period	With regard to the retail offering in Germany, the period is expected to commence following the approval of this prospectus on June 5, 2026. With regard to the retail offering in Denmark, France, the Netherlands, Norway, and Spain, this period will commence following the publication of notification by the respective competent authority of each of Denmark, France, the Netherlands, Norway, Spain and publication of this prospectus, in each case in accordance with the Prospectus Regulation (i.e. expected on June 5, 2026). With regard to the retail offering in Sweden, this period is expected to commence on June 6, 2026. With regard to the retail offering in Switzerland, the offer period is expected to commence following the filing of this prospectus with a Swiss prospectus office on June 5, 2026. The period is expected to end, subject to determination by the Company, on or about June 11, 2026 6:00 p.m. (Central European Summer time) (12:00 p.m./noon (Eastern Daylight Time)).
Ookla, Global Satellite Broadband Performance Report	Ookla, 2025 Global Satellite Broadband Performance Report, dated February 5, 2026 (available under https://www.ookla.com/articles/2025-global-satellite-broadband-performance-report).
orbital AI compute	Artificial intelligence computing infrastructure contemplated to be deployed in space, consisting of satellite constellations that act as orbital data centers, harnessing solar energy for power and leveraging the space environment for cooling. We expect to begin deploying our orbital AI compute satellites as early as 2028.
Other Dispute	An Internal Dispute that a court of competent jurisdiction (which is a court that possesses personal and subject matter jurisdiction) has declined, in a final and unappealable judgment, to transfer to the Business Court.
payload	The portion of a vehicle's total mass that consists of the cargo, passengers, satellites, or other mission-specific items being transported and that reaches the target orbit or destination. Payload is distinct from total mass (also referred to as gross mass or initial mass) which is the entire weight of the vehicle, including the payload, fuel / propellant, structure, engines, and any other items, at the start of a journey.
payload capacity to orbit	A theoretical payload capacity that a particular launch vehicle is capable of delivering to a specified orbit (e.g., LEO or GEO) or celestial body (e.g., Mars) under specific conditions, which orbit is derived from advanced computer simulations and performance modelling that apply to particular mission scenarios and trajectory assumptions. Actual payload capacity for a given mission may be different and will vary depending on numerous mission parameters and operational factors, including mission-specific trajectory requirements, atmospheric conditions, vehicle and payload configuration, risk profile, and applicable regulatory or range-safety limitations.
PCAOB	The Public Company Accounting Oversight Board (United States).
Power Usage Effectiveness	The global standard metric for data center efficiency, calculated as the ratio of total facility power to IT equipment power.

propellant	The chemical substance or combination of substances consumed by a rocket engine to produce thrust by generating high-velocity exhaust gases.
propulsive landing	The process of landing a rocket or spacecraft using its engines to control descent and achieve a soft, vertical touchdown.
Prospectus Regulation	Regulation (EU) 2017/1129, as amended.
PwC	PricewaterhouseCoopers LLP, 601 South Figueroa Street, Suite 900, Los Angeles, California, 90017, United States.
R&D	Research and development.
radiative cooling	A cooling method that dissipates heat by radiating it into space, often passively, and is expected to be used in orbital AI compute infrastructure.
Raptor engines	High-performance family of engines developed and produced by the Company, such as those powering the Super Heavy booster and Starship upper stage, designed for efficiency and reusability.
reflight	The reuse of a flight-proven rocket booster or upper stage that has successfully completed a prior space mission, and has been recovered, refurbished, and certified for subsequent launches.
Registrable Securities	Shares of our Class A common stock beneficially owned by existing investors who are party to the Investors' Rights Agreement, and with respect to which such investors are entitled to registration rights thereunder.
Relevant State	Each Member State of the European Economic Area.
representatives	Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC, BofA Securities, Inc., Citigroup Global Markets Inc. and J.P. Morgan Securities LLC, collectively.
Rest of World, How Starlink Became the World's Internet Alternative	Rest of World, How Starlink Became the World's Internet Alternative, 2025, available under: https://restofworld.org/2025/satellites-space-based-internet/).
retail investors	Individual persons or legal entities which do not qualify as qualified investors within the meaning of Article 2 point (e) of the Prospectus Regulation.
Return of Capital	A dividend payment sourced from a tax contribution account (<i>steuerliches Einlagekonto</i>) in accordance with the statutory requirements, which is generally not taxable and therefore not subject to German withholding tax or income tax (including solidarity surcharge and church tax, if applicable), and which reduces the shareholder's acquisition costs of the shares.

return payload mass	The theoretical payload mass that a particular spacecraft is capable of bringing back to Earth from a specified orbit under specific conditions, which is derived from advanced computer simulations and performance modelling that apply to particular mission scenarios and trajectory assumptions. Actual payload that can be returned for a given mission may be different and will vary depending on numerous mission parameters and operational factors, including mission-specific trajectory requirements, atmospheric conditions, vehicle and payload configuration, risk profile, and applicable regulatory or range-safety limitations.
Revolut	Revolut Securities Europe UAB.
rideshare	A type of space mission where multiple satellites or payloads from different customers are launched together on a single rocket, sharing the cost.
RSUs	Restricted stock units.
Santander	Banco Santander, S.A., Paseo de Pereda, 9-12, Santander, Spain, LEI 5493006QMFDDMYWIAM13.
SARs	Stock appreciation rights.
satellite-to-mobile	A service that provides global cellular connectivity directly to everyday smartphones via satellites, supplementing terrestrial networks and eliminating mobile dead zones.
Saxo Bank	Each of Saxo Bank A/S and Saxo Bank (Schweiz) AG.
SDBN	<i>Stichting Data Bescherming Nederland</i> .
SEC	United States Securities and Exchange Commission.
Section 404	Section 404(a) of the Sarbanes-Oxley Act.
Segment Adjusted EBITDA	Segment income (loss) from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) restructuring charges and (iv) impairment.
SemiAnalysis, NVIDIA GTC 2025 – Built for Reasoning	SemiAnalysis, NVIDIA GTC 2025 – Built for Reasoning, Vera Rubin, Kyber, CPO, Dynamo Inference, Jensen Math, Feynman, dated March 18, 2025 (available under: https://newsletter.semianalysis.com/p/nvidia-gtc-2025-built-for-reasoning-vera-rubin-kyber-cpo-dynamo-inference-jensen-math-feynman).
SemiAnalysis, xAI’s Colossus 2: First Gigawatt Datacenter	SemiAnalysis, xAI’s Colossus 2: First Gigawatt Datacenter, 2025 (available under: https://newsletter.semianalysis.com/p/xais-colossus-2-first-gigawatt-datacenter).
Service Line	An individual instance of Starlink broadband internet service provisioned under a subscription plan, generally associated with a specific Starlink User Terminal or group of terminals, and billed according to Starlink’s service plans and terms of service. The number of Service Lines is distinct from the number of unique devices, account holders, end users, or physical persons.
SG&A	Selling, general, and administrative.

Share Reserve	The maximum number of shares of Class A common stock that may be issued under the A&R 2024 Plan, not exceeding 365,950,000 shares (inclusive of shares issued under the 2024 Plan prior to the adoption of the A&R 2024 Plan), subject to certain adjustments in the event of a change in the Company's capitalization.
Short Selling Regulation	Regulation (EU) No. 236/2012 of the European Parliament and of the Council of March 14, 2012, on short selling and certain aspects of credit default swaps, as amended.
Société Générale	Société Générale, 29 boulevard Haussmann, 75009 Paris, France, LEI O2RNE8IBXP4R0TD8PU41.
SOMI	<i>Stichting Onderzoek Marktinformatie.</i>
space economy	Economic activities related to the development, production, and operation of goods and services that utilize or support space-based infrastructure and capabilities, including launch services, satellite systems, and space-enabled technologies.
Space segment	Our Space segment, which includes our customer launch operations and offerings such as Falcon, Dragon, and Starship.
Space Segment Adjusted EBITDA	Income (loss) from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) restructuring charges and (iv) impairment for the Space segment.
SpaceX	Space Exploration Technologies Corp.
SpaceX Bridge Loan	The Bridge Loan Credit Agreement, dated as of March 2, 2026, by and among the Company, as borrower, the guarantors from time to time party thereto, the lenders from time to time party thereto and Goldman Sachs Bank USA, as administrative agent and a lender.
SpaceX Credit Facility	Our Credit Agreement, dated as of February 7, 2025, by and among the Company, as borrower, the guarantors from time to time party thereto, the lenders from time to time party thereto and Bank of America, N.A., as administrative agent, as amended by the First Amendment to Credit Agreement and Waiver, dated as of March 2, 2026, by and among the Company, the lenders party thereto, and the other L/C Issuers party thereto. In May 2026, the SpaceX Credit Facility was amended to increase the borrowing capacity and extends the maturity date.
SpaceX Group	The Company together with its consolidated subsidiaries.
Spain	The Kingdom of Spain.
spectrum	The range of electromagnetic frequencies used for wireless communication, with licensed spectrum granting use for specific services.
Spectrum Acquisition Closing	The transfer of the Spectrum Licenses by the Trust to the Company.

Spectrum Credit Agreement	A credit agreement entered into by the Company and the Trust in connection with the Spectrum License Purchase Agreement, pursuant to which the Company has agreed upon the Spectrum Transfer Closing, to make payments to the Trust (via loans which are contemplated to be forgiven at six-month intervals), for the Trust to make payments on EchoStar's debt (interest only) through at least November 30, 2027, but in no event later than November 30, 2028.
Spectrum License Purchase Agreement	The License Purchase Agreement the Company entered into with Spectrum Business Trust 2025-1, a Nevada Business Trust, and EchoStar Corporation on September 7, 2025.
Spectrum Licenses	EchoStar's licenses for up to 15 MHz of additional unpaired AWS-3 spectrum together with the AWS-4 and H-Block Licenses.
Spectrum Transaction	The transactions contemplated pursuant to the Spectrum License Purchase Agreement.
Spectrum Transfer Closing	The transfer of the Spectrum Licenses by EchoStar to the Trust.
Starlink	Our global Low-Earth Orbit satellite constellation and broadband network designed to deliver high-speed, low-latency internet connectivity worldwide.
Starlink Consumer Broadband	A category of Starlink active users encompassing both individual residential users (households and personal use) and small-to-medium-sized businesses.
Starlink Fixed Site	A category of Starlink active users encompassing exclusively enterprise businesses.
Starlink Kit	A set of products needed to connect to the Starlink network, typically including a Starlink User Terminal and accessories.
Starlink Mobile	A service that provides cellular connectivity directly to everyday smartphones via satellites, supplementing terrestrial networks and substantially reducing mobile dead zones.
Starlink Subscriber	A unique Service Line that is directly assigned to a Starlink.com account registered to a person or entity that does not have a direct, negotiated agreement with the Starlink sales team.
Starlink User Terminal	A device developed by the Company that connects to the Starlink satellite constellation to deliver high-speed, low-latency internet.
Starshield	A secure satellite network designed specifically for government customers and national security applications.
Starship	A fully reusable, super heavy-lift launch vehicle. Starship can be used to describe the stacked vehicle (booster and upper stage) or upper stage only. We expect Starship to commence payload delivery to orbit in the second half of 2026.

Substantial Interest	A substantial interest (<i>aanmerkelijk belang</i>) in the Company, which a Dutch Individual Shareholder will generally be deemed to have if such holder holds, alone or, together with his/her partner (statutorily defined term in Dutch tax law), whether directly or indirectly, the ownership of, or certain rights over, shares representing 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares, such as Class A common stock) of the Company, or rights to acquire shares, whether or not already issued, that represent 5% or more of our total issued and outstanding capital (or the issued and outstanding capital of any class of shares), or the ownership of certain profit participating certificates that relate to 5% or more of the Company's annual profit, and/or 5% of the proceeds upon liquidation of the Company.
Sun-synchronous orbit	A type of polar orbit around a planet in which a satellite passes over any given point of the planet's surface at the same local mean solar time, allowing for consistent solar energy capture.
Super Heavy	The reusable first-stage booster for the Starship launch vehicle, powered by 33 Raptor engines.
SuperGrok.....	Our subscription-based Grok service that provides users with expanded access to Grok models and related tools.
SuperGrok Heavy	Our subscription-based Grok service tier that provides users with expanded access to Grok models and related tools, including higher usage limits relative to SuperGrok.
SuperGrok Lite.....	Our subscription-based Grok service tier that provides users with basic access to Grok models and related tools.
supported accounts	When used in the context of our X platform and Grok, a human, bot or similar account that logged into the X platform or Grok. The total number of supported accounts may include fake, spam or bot accounts if they are active.
Sweden.....	The Kingdom of Sweden.
Swedish Private Individual Shareholders	Individuals resident in Sweden for tax purposes.
Swiss Private Individual Shareholders ..	Individuals with a tax residency through their domicile or habitual abode in Switzerland and holding the shares as non-business assets.
TAM.....	Total addressable market.
Target Market Assessment	The determination, following a product approval process conducted in accordance with the MiFID II Product Governance Requirements, that the Class A common stock is (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II, and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II.
TBOC.....	The Texas Business Organizations Code.
Tbps	Terabits per second.

Technoking	The informal corporate title used by Mr. Musk within Tesla and which does not represent a separate executive office, legal function or governance role.
Terafab	A chip manufacturing initiative with a long-term goal of producing one terawatt of compute hardware each year.
terawatt	One trillion watts.
terawatt-scale	Infrastructure, systems, or facilities that are designed to generate, transmit, or consume approximately one terawatt or more of electrical power capacity.
Term SOFR	A forward-looking term rate based on SOFR.
terrestrial AI compute	Artificial intelligence computing infrastructure located on Earth, such as data centers and supercomputers, used for training and running AI models.
throughput	The rate at which data or material can be processed or transferred, often referring to network capacity or production output.
tokens	The basic units of text or images processed and generated by an AI model, used to measure AI workload, throughput, and computational output.
Trade Republic	Trade Republic Bank GmbH.
Transfer	Any sale, assignment, encumbrance, transfer, conveyance, hypothecation, pledge, gift, or other transfer or disposition of any kind of a share of Class B common stock or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law, including, without limitation, the transfer of, or entering into a binding agreement with respect to, voting control over such share by proxy or otherwise.
Transfer, for purposes of section 8.5.2...	Any sale, loan, pledge, or other disposition, or transfer of economic consequences of ownership, in whole or in part, directly or indirectly, of any lock-up securities, including (a) any offer, sale, contract to sell, pledge, grant of any option, right or warrant to purchase, purchase of any option or contract to sell, lend or otherwise transfer or dispose of (directly or indirectly) any lock-up securities, including without limitation any such lock-up securities now owned or hereafter acquired by a lock-up party and (b) any hedging or other transaction or arrangement (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) which is designed to or which reasonably could be expected to lead to or result in a sale, loan, pledge, or other disposition (whether by a lock-up party or someone other than a lock-up party), or transfer of any of the economic consequences of ownership, in whole or in part, directly or indirectly, of any lock-up securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of our common stock or such other securities, in cash or otherwise.
Trust	Spectrum Business Trust 2025-1, a Nevada Business Trust.

UBS Investment Bank	UBS Investment Bank means UBS AG, Switzerland.
Unaudited Consolidated Interim Financial Statements	Consolidated financial statements as of and for the quarter ended March 31, 2026, prepared by the Company in accordance with U.S. GAAP.
underwriters	The underwriters in the global offering named in “8.3.1 <i>Subject of and Arrangements on Underwriting</i> ”, collectively.
United States	The United States of America.
unused allowance	Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the share, which may be carried forward and set off against future dividends received on the same share.
U.S. dollar or \$	The legal currency of the United States.
U.S. GAAP	Accounting principles generally accepted in the United States.
U.S. Energy Information Administration	U.S. Energy Information Administration, US Electricity Generation in 2025 Hit a Record, Again, dated March 5, 2026 (available under: https://www.eia.gov/todayinenergy/detail.php?id=67284).
U.S. offering	The public offering in the United States, forming part of the global offering.
U.S. Securities Act	The U.S. Securities Act of 1933, as amended.
“V” naming convention	The naming convention for our Starlink satellites (such as V1, V2 Mini, and V3). Although we use a similar “V” naming convention for both our broadband and mobile satellite constellations, these are distinct systems. Our broadband satellites are designed to deliver high-speed internet services to homes, businesses, and vehicles, while our mobile satellites are designed to connect directly to cell phones from space. These constellations have different performance requirements and technical specifications.
V1 Broadband satellites	Our first-generation satellites in the Starlink constellation for delivering high-speed, low-latency broadband internet from LEO to Earth.
V1 Mobile satellites	Our mobile satellites that provide light data, text messaging (SMS), and over-the-top voice services (e.g., WhatsApp and FaceTime) to mobile devices. V1 Mobile satellites are currently in orbit and are launched on our Falcon rockets.
V2 Mini satellites	Our current broadband satellites that provide high-speed internet to homes, businesses, and vehicles. V2 Mini satellites are currently in orbit and are launched on our Falcon rockets.
V2 Mobile satellites	Our next-generation mobile satellites, which are designed to provide more comprehensive satellite-to-mobile services, including broadband data and IoT connectivity and which we expect to begin deploying on Starship in 2027.
V3 satellites	Our next-generation Starlink broadband satellites, which are designed to offer one Tbps of downlink capacity per satellite and which we expect to begin deploying on Starship in the second half of 2026.

Valor	Valor Equity Partners, together with its affiliates.
Valor Entities	(i) CV Consortio A LLC, (ii) CV Consortio F LLC, (iii) CV Consortio G LLC, (iv) CV Consortio M LLC, (v) CV Consortio N LLC, (vi) KVSX I L.P., (vii) TM33 Partner Holdings LLC, (viii) Valor Equity Partners Opportunity Fund I L.P., (ix) Valor Equity Partners Opportunity Fund I-A L.P., (x) Valor Equity Partners Opportunity Fund I-B L.P., (xi) Valor Equity Partners VI L.P., (xii) Valor Equity Partners VI-A L.P., (xiii) Valor Equity Partners VI-B L.P., (xiv) Valor IV Space Holdings, LLC, (xv) Valor M33 II L.P., (xvi) Valor M33 IV L.P., (xvii) Valor M33 V L.P., (xviii) Valor M33 VI L.P., (xix) Valor M33 L.P., (xx) Valor R&D Series LLC, (xxi) Valor Space Holdings, LLC, (xxii) Valor V Space Holdings, L.P., (xxiii) Valor VII Space Holdings, L.P., (xxiv) VG 1.0 L.P., (xxv) VG 2.0 L.P., (xxvi) VG AI Holdings L.P., (xxvii) VGX 1.0 L.P., (xxviii) VOF Space Holdings L.P., (xxix) VSV II XAI Holdings L.P., and (xxx) VX Holdings L.P., collectively.
watt	The International System of Units (SI) unit for measuring power, representing the rate of which energy is transferred, used or generated.
X	Our real-time information, entertainment, and free speech platform that serves as a foundational distribution and data engine for the AI ecosystem.
xAI	X.AI Holdings LLC or, prior to the xAI Merger, X.AI Holdings Corp., together with its subsidiaries, as applicable.
xAI Gov	Our offering that provides government customers with access to Grok models and related tools for use in governmental applications, workflows, and services.
xAI Merger	The acquisition of X.AI Holdings Corp. by SpaceX, effective February 2, 2026.
XIUC	X Internet Unlimited Company.
X Holdings	X Holdings Corp.
X Merger	The acquisition of X Holdings Corp. by xAI, effective March 28, 2025.
X Premium+	Our highest subscription tier for X.

TRANSLATIONS OF THE PROSPECTUS SUMMARY

ZUSAMMENFASSUNG DES PROSPEKTS

The following German translation of the prospectus summary is provided for convenience purposes only and does not form part of the prospectus. It has not been reviewed or approved by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht (Bafin)). / Die folgende deutsche Übersetzung der Zusammenfassung des Prospekts dient lediglich Informationszwecken und ist nicht Bestandteil des Prospekts. Sie wurde von der Bundesanstalt für Finanzdienstleistungsaufsicht (Bafin) weder geprüft noch gebilligt.

A. – Einleitung mit Warnhinweisen

Dieser Prospekt bezieht sich auf Stammaktien der Klasse A mit einem Nennwert von 0,001 US-Dollar je Aktie (**„Klasse-A-Stammaktien“**) der Space Exploration Technologies Corp. (die **„Gesellschaft“** oder **„SpaceX“**, und zusammen mit ihren konsolidierten Tochtergesellschaften die **„SpaceX-Gruppe“**, **„wir“**, **„uns“** oder **„unser“**), 1 Rocket Road, Starbase, Texas 78521, Vereinigte Staaten von Amerika (**„Vereinigte Staaten“**), Rechtsträgerkennung (*Legal Entity Identifier*, **„LEI“**) 549300B9WLO96RQCXP87, www.spacex.com. Die Gesellschaft hat die Zulassung ihrer Klasse-A-Stammaktien zum Handel an der Nasdaq Stock Market LLC (die **„Nasdaq“**) und Nasdaq Texas, Inc. (**„Nasdaq Texas“**) unter dem Börsenkürzel **„SPCX“** und mit der internationalen Wertpapier-Identifikationsnummer (*International Securities Identification Number*, **„ISIN“**) US84615Q1031 beantragt.

Das in diesem Prospekt beschriebene öffentliche Angebot in der Bundesrepublik Deutschland (**„Deutschland“**), dem Königreich Dänemark (**„Dänemark“**), der Französischen Republik (**„Frankreich“**), den Niederlanden (**„Niederlande“**), dem Königreich Norwegen (**„Norwegen“**), dem Königreich Spanien (**„Spanien“**) und dem Königreich Schweden (**„Schweden“**) (das **„Europäische Retail-Angebot“**) ist Teil eines globalen Angebots, das aus folgenden Angeboten besteht: (i) einem öffentlichen Angebot in den Vereinigten Staaten (das **„US-Angebot“**), das gemäß dem Securities Act der Vereinigten Staaten von 1933 in der jeweils gültigen Fassung (der **„U.S. Securities Act“**) durch eine bei der Securities and Exchange Commission der Vereinigten Staaten (**„SEC“**) auf Formular S-1 (*Form S-1*) eingereichte Registrierungserklärung registriert wird, (ii) dem Europäischen Retail-Angebot, (iii) einem öffentlichen Angebot in Australien, (iv) einem öffentlichen Angebot in bestimmten Provinzen und Territorien Kanadas, (v) einem öffentlichen Angebot in Japan, (vi) einem öffentlichen Angebot im Vereinigten Königreich, (vii) einem öffentlichen Angebot in der Schweiz an natürliche oder juristische Personen, die nicht als professionelle Kunden im Sinne des schweizerischen Finanzdienstleistungsgesetzes (**„FIDLEG“**) gelten, auf der Grundlage dieses Prospekts, wie bei einer schweizerischen Prüfstelle für Prospekte gemäß Artikel 54 Absatz 2 des FIDLEG zur automatischen Anerkennung eingereicht, und (viii) Privatplatzierungen (die unter (ii) bis (viii) beschriebenen Angebote zusammen das **„Internationale Angebot“**, und zusammen mit dem US-Angebot das **„Globale Angebot“**). Das Europäische Retail-Angebot umfasst maximal 55.555.555 neu ausgegebenen Klasse-A-Stammaktien (die **„Europäischen Retail-Aktien“**). Das Globale Angebot umfasst zunächst: (i) 555.555.555 neu ausgegebene Klasse-A-Stammaktien (die **„Basisaktien“**), einschließlich der Europäischen Retail-Aktien, und (ii) bis zu 83.333.333 neu ausgegebene zusätzliche Klasse-A-Stammaktien zur Abdeckung möglicher Mehrzuteilungen (die **„Zusatzaktien“**). Die Europäischen Retail-Aktien bilden eine Tranche innerhalb des Globalen Angebots. Aktien, die im Rahmen des Globalen Angebots angeboten werden und nicht Teil der europäischen Retail-Tranche sind, werden in den Mitgliedstaaten des Europäischen Wirtschaftsraums (**„EWR“**) ausschließlich unter Umständen angeboten, die in den Anwendungsbereich von Artikel 1 Absatz 4 der Prospektverordnung (wie nachstehend definiert) fallen.

Das in diesem Prospekt dargestellte Europäische Retail-Angebot erfolgt ausschließlich durch die Gesellschaft zusammen mit Goldman Sachs Bank Europe SE, Marienturm, Taunusanlage 9-10, 60329 Frankfurt am Main, Deutschland, LEI 8IBZUGJ7JPLH368JE346 (**„Goldman Sachs“**), der Morgan Stanley Europe SE, Große Gallusstraße 18, 60312 Frankfurt am Main, Deutschland, LEI 54930056FHWP7GIWYY08 (**„Morgan Stanley“**), der BofA Securities Europe SA, 51 rue La Boétie, 75008 Paris, Frankreich, LEI 549300FH0WJAPEHTI77 (**„BofA Securities“**), der Citigroup Global Markets Europe AG, Börsenplatz 9, 60313 Frankfurt am Main, Deutschland, LEI 6TJCK1B7E7UTXP528Y04 (**„Citigroup“**), der J.P. Morgan SE, Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Deutschland, LEI 549300ZK53CNGEEI6A29 (**„J.P. Morgan“**), der Deutsche Bank Aktiengesellschaft, Taunusanlage 12, 60325 Frankfurt am Main, Deutschland, LEI 7LTFWZYICNSX8D621K86 (**„Deutsche Bank“**), der ING Bank N.V., Bijlmerdreef 106, 1102 CT Amsterdam, Niederlande, LEI 3TK20IVIUIJ8J3ZU0QE75 (**„ING“**), der Banco Santander, S.A., Paseo de Pereda, 9-12, Santander, Spanien, LEI 5493006QMFDDMYWIAM13 (**„Santander“**) und der Société Générale, 29 boulevard Haussmann, 75009 Paris, Frankreich, LEI 02RNE8IBXP4R0TD8PU41 (**„Société Générale“**) und zusammen mit Goldman Sachs, Morgan Stanley, BofA Securities, Citigroup, J.P. Morgan, Deutsche Bank, ING und Santander die **„Europäischen Konsortialbanken“**) durchgeführt. Die Gesellschaft und jede der Europäischen Konsortialbanken übernehmen die Verantwortung für den Inhalt dieses Prospekts.

Am 5. Juni 2026 hat die Bundesanstalt für Finanzdienstleistungsaufsicht (**„Bafin“**), Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, Deutschland, www.bafin.de, diesen Prospekt als zuständige Behörde gemäß der Verordnung (EU) 2017/1129 (in der jeweils gültigen Fassung) (die **„Prospektverordnung“**) gebilligt. Die Gesellschaft hat die Bafin ersucht, den gebilligten Prospekt gemäß Artikel 25 der Prospektverordnung zusammen mit einer Bescheinigung über die Billigung, aus der hervorgeht, dass dieser Prospekt im Einklang mit der Prospektverordnung erstellt wurde, an die dänische Aufsichtsbehörde *Finanstilsynet*, die niederländische Aufsichtsbehörde *Autoriteit Financiële Markten (AFM)*, die französische Aufsichtsbehörde *Autorité des Marchés Financiers (AMF)*, die norwegische Aufsichtsbehörde *Finanstilsynet – Financial Supervisory Authority*, die spanische Aufsichtsbehörde

Comisión Nacional del Mercado de Valores (CNMV) und die schwedische Aufsichtsbehörde Finansinspektionen (FI) zu notifizieren.

Diese Zusammenfassung sollte als Einleitung zu diesem Prospekt verstanden werden. Bei jeder Entscheidung, in die Aktien zu investieren, sollte sich der Anleger auf diesen Prospekt als Ganzes stützen. Anleger, die in die Aktien investieren, könnten das gesamte angelegte Kapital oder einen Teil davon verlieren. Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in diesem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der als Kläger auftretende Anleger nach nationalem Recht die Kosten für die Übersetzung dieses Prospekts vor Prozessbeginn zu tragen haben. Zivilrechtlich haften nur diejenigen Personen, die diese Zusammenfassung samt etwaiger Übersetzungen vorbereitet haben, und dies auch nur für den Fall, dass diese Zusammenfassung, wenn sie zusammen mit den anderen Teilen dieses Prospekts gelesen wird, irreführend, unrichtig oder widersprüchlich ist oder dass sie, wenn sie zusammen mit den anderen Teilen dieses Prospekts gelesen wird, nicht die Basisinformationen vermittelt, die in Bezug auf Anlagen in die Aktien für die Anleger eine Entscheidungshilfe darstellen würden.

B. – Basisinformationen über die Emittentin

B.1 – Wer ist die Emittentin der Wertpapiere?

Sitz und geltendes Recht – Die Space Exploration Technologies Corp. hat ihren Hauptsitz in Starbase, Texas, Vereinigte Staaten, und die LEI lautet 549300B9WLO96RQCXP87. Die Gesellschaft ist nach dem Recht des Bundesstaates Texas, Vereinigte Staaten, als texanische Corporation gegründet.

Haupttätigkeiten – Wir entwickeln, fertigen, starten und betreiben Produkte und Dienstleistungen, die auf Spitzentechnologien basieren, darunter die nach unserer Einschätzung weltweit fortschrittlichsten Raketen und Raumfahrzeuge. Zudem betreiben wir ein schnelles, globales Breitband-Daten- und Kommunikationsnetz mit niedriger Latenz, das von rund 9.600 Starlink Breitband- und Mobilfunksatelliten in der niedrigen Erdumlaufbahn (*Low-Earth Orbit*) bereitgestellt wird. Darüber hinaus errichten wir in raschem Tempo Recheninfrastruktur für Künstliche Intelligenz (KI) – zunächst auf der Erde mit dem Ziel einer Expansion in den Weltraum – mit einer branchenweit führenden Geschwindigkeit und Kosteneffizienz.

- **Space.** Wir bieten gewerblichen, privaten und staatlichen Kunden Startdienstleistungen für den Transport in den Weltraum mit unseren wiederverwendbaren Raketen Falcon 9 und Falcon Heavy für Satelliten-, Fracht- und bemannte Missionen an. Wir sind der primäre Startdienstleister der US-Regierung.
- **Connectivity.** Unser Connectivity-Geschäft umfasst Starlink Consumer Broadband, Enterprise Solutions, Government Solutions und Starlink Mobile.
- **AI.** Wir betreiben eine hochgradig vertikal integrierte KI-Plattform, die unsere KI-Recheninfrastruktur, ein wahrheitssuchendes Frontier-KI-Modell sowie Verbraucher- und Unternehmensanwendungen umfasst.

Unsere wesentlichen Stärken sind:

- Weltweite Marktführerschaft bei orbitalen Weltraum-Startdienstleistungen;
- In Bezug auf die Entwicklung, Fertigung, Bereitstellung und den Betrieb unübertroffene Satelliten- und Konnektivitätsplattform;
- Wahrheitssuchendes KI-Modell, das durch Echtzeitdaten erweitert wird;
- Extreme vertikale Integration, die eine hohe Geschwindigkeit und überlegene Kosteneffizienz in großem Maßstab ermöglicht;
- Einzigartige Fähigkeit zur Skalierung neuer Billionen-Dollar-Märkte in den Geschäftsbereichen Space, Connectivity und AI;
- Geschäftsmodelle, die außerordentlich schwer zu replizieren sind; und
- Unsere missionsgetriebene Unternehmenskultur und erstklassige Talente.

Hauptanteilseigner – Zum Datum dieses Prospekts hält Elon Musk 12,2 % der Klasse-A-Stammaktien und 93,3 % der Stammaktien der Klasse B der Gesellschaft. Infolgedessen hält Elon Musk 84,3 % der Stimmrechte an der Gesellschaft.

Beherrschende Anteilseigner – Zum Datum dieses Prospekts wird die Gesellschaft von Elon Musk kontrolliert. Nach Durchführung des Globalen Angebots und unter der Annahme des Verkaufs aller Basisaktien sowie eines Angebotspreises von 135,00 US-Dollar je Aktie (der erwartete Preis für das US-Angebot) wird Elon Musk unmittelbar nach dem Angebot über seinen Besitz von 849.494.440 Klasse-A-Stammaktien und 5.219.053.075 Stammaktien der Klasse B, was ungefähr 91,6 % unserer Stammaktien der Klasse B entspricht, ungefähr 83,6 % der Stimmrechte aus unseren Stammaktien halten (bzw. 83,5 %, sofern die Konsortialbanken ihre Option zum Erwerb der Zusatzaktien vollständig ausüben). Gemäß unserer Satzung haben die Inhaber unserer Stammaktien der Klasse B das Recht, die Mehrheit der Mitglieder unseres Verwaltungsrats (*Board of Directors*) zu wählen (diese Verwaltungsratsmitglieder die „**Klasse-B-Verwaltungsratsmitglieder**“), solange Stammaktien der Klasse B ausstehend sind. Als Inhaber einer Mehrheit unserer Stammaktien der Klasse B wird Herr Musk in der Lage sein, Klasse-B-Verwaltungsratsmitglieder zu wählen, abzuberufen oder vakante Positionen unter den Klasse-B-Verwaltungsratsmitgliedern zu besetzen. Darüber hinaus wird Elon Musk über die erforderliche Stimmrechtsmehrheit verfügen, um die Zusammensetzung unseres Verwaltungsrats zu bestimmen, solange er wirtschaftlich mehr als 50 % der Stimmrechte aus unseren Stammaktien hält. Infolgedessen wird Elon Musk die Möglichkeit haben, das Ergebnis von Angelegenheiten zu bestimmen, die der Zustimmung der Aktionäre bedürfen, einschließlich der Wahl sämtlicher Mitglieder unseres Verwaltungsrats, sowie unsere Geschäftstätigkeit und Unternehmensangelegenheiten zu bestimmen.

Leitende Führungskräfte (Executive Officers) – Die leitenden Führungskräfte (*Executive Officers*) der Gesellschaft sind Elon Musk, Gwynne Shotwell und Bret Johnsen.

Abschlussprüfer – Der Abschlussprüfer der Gesellschaft ist PricewaterhouseCoopers LLP, 601 South Figueroa Street, Suite 900, Los Angeles, Kalifornien, 90017, Vereinigte Staaten.

B.2 – Welches sind die wesentlichen Finanzinformationen über die Emittentin?

Sofern nicht anders angegeben, sind alle in den nachstehenden Tabellen dargestellten Finanzinformationen in Millionen US-Dollar (in Mio. \$) angegeben. Bestimmte Finanzinformationen wurden kaufmännisch gerundet. Sofern Finanzinformationen in den nachstehenden Tabellen als „geprüft“ gekennzeichnet sind, wurden diese Informationen dem geprüften Konzernabschluss zum 31. Dezember 2025 und 2024 und für jedes der drei Geschäftsjahre des am 31. Dezember 2025 endenden Zeitraums entnommen. Sofern Finanzinformationen als „ungeprüft“ gekennzeichnet sind, wurden diese Informationen nicht dem geprüften Konzernabschluss zum 31. Dezember 2025 und 2024 und für jedes der drei Geschäftsjahre des am 31. Dezember 2025 endenden Zeitraums entnommen, sondern dem ungeprüften Konzernabschluss zum 31. März 2026 und für das am 31. März 2026 endende Quartal, den Buchführungsunterlagen oder dem internen Berichtssystem der SpaceX-Gruppe, oder sie beruhen auf Berechnungen auf Grundlage von Zahlen aus den vorgenannten Quellen.

Wesentliche Finanz- und Geschäftsdaten

Ausgewählte Daten aus der Konzern-Gewinn- und Verlustrechnung und andere Finanzdaten

(geprüft, soweit nicht anders angegeben) (in Mio. \$, soweit nicht anders angegeben)	Dreimonatszeitraum zum 31. März		Geschäftsjahr zum 31. Dezember		
	2026*	2025*	2025	2024	2023
Umsatzerlöse	\$4.694	\$4.067	\$18.674	\$14.015	\$10.387
Gesamtkosten und -aufwendungen	6.637	4.040	21.263	13.549	13.892
Umsatzwachstum im Periodenvergleich*	\$627	n/a	\$4.659	\$3.628	n/a
Ergebnis der betrieblichen Tätigkeit	(1.943)	27	(2.589)	466	(3.505)
Periodenergebnis	\$(4.276)	\$(528)	\$(4.937)	\$791	\$(4.628)
Den Aktionären zurechenbares Periodenergebnis – unverwässert und verwässert	\$(4.947)	\$(528)	\$(4.937)	\$18	\$(4.628)
Den Stammaktionären zurechenbares Ergebnis je Stammaktie ⁽¹⁾					
Unverwässert ⁽¹⁾	\$(1,27)	\$(0,18)	\$(1,69)	\$0,01	\$(1,68)
Verwässert ⁽¹⁾	\$(1,27)	\$(0,18)	\$(1,69)	\$0,00	\$(1,68)

* Ungeprüft.

(1) Angabe in \$ je Aktie.

Ausgewählte Daten aus der Konzernbilanz

(geprüft, soweit nicht anders angegeben) (in Mio.)	Zum 31. März	Zum 31. Dezember		
	2026*	2025	2024	2023
Summe Aktiva	\$102.094	\$92.079	\$57.062	n/a
Eigenkapital	\$34.533	\$2.573	\$4.863	n/a

* Ungeprüft.

Ausgewählte Daten aus der Konzern-Kapitalflussrechnung

(geprüft, soweit nicht anders angegeben) (in Mio.)	Dreimonatszeitraum zum 31. März		Geschäftsjahr zum 31. Dezember		
	2026*	2025*	2025	2024	2023
Cashflow aus der betrieblichen Tätigkeit	\$1.047	\$727	\$6.785	\$5.776	\$4.520
Cashflow aus der Investitionstätigkeit	\$(16.724)	\$(4.170)	\$(19.575)	\$(10.796)	\$(4.867)
Cashflow aus der Finanzierungstätigkeit	\$7.125	\$354	\$26.350	\$11.830	\$422

* Ungeprüft.

Ausgewählte Alternative Leistungskennzahlen

(ungeprüft) (in Mio.)	Dreimonatszeitraum zum 31. März		Geschäftsjahr zum 31. Dezember		
	2026	2025	2025	2024	2023
Bereinigtes EBITDA ⁽¹⁾	\$1.127	\$1.730	\$6.584	\$5.350	\$3.821
Bereinigtes Segment-EBITDA Space ⁽²⁾	\$(351)	\$224	\$653	\$1.154	\$997
Bereinigtes Segment-EBITDA Connectivity ⁽²⁾	\$2.087	\$1.618	\$7.168	\$3.849	\$1.602
Bereinigtes Segment-EBITDA AI ⁽²⁾	\$(609)	\$(112)	\$(1.237)	\$347	\$1.222

(1) Das Bereinigte EBITDA ist definiert als Periodenergebnis ohne Berücksichtigung von (i) Abschreibungen und Amortisationen, (ii) aktienbasierter Vergütung, (iii) Wertminderungen, (iv) Restrukturierungsaufwendungen, (v) Zinsaufwendungen, (vi) Zinserträgen, (vii) sonstigen Erträgen (Aufwendungen), netto, und (viii) Ertragsteueraufwand.

(2) Das Bereinigte Segment-EBITDA ist definiert als Segmentergebnis der betrieblichen Tätigkeit ohne Berücksichtigung von (i) Abschreibungen und Amortisationen, (ii) aktienbasierter Vergütung, (iii) Restrukturierungsaufwendungen und (iv) Wertminderungen.

B.3 – Welches sind die zentralen Risiken, die für die Emittentin spezifisch sind?

- Jedes Scheitern oder jede Verzögerung bei der Entwicklung von Starship im großen Maßstab oder bei der Erreichung der erforderlichen Startfrequenz, Wiederverwendbarkeit und der damit verbundenen Fähigkeiten könnten unsere Fähigkeit zur Umsetzung unserer Wachstumsstrategie verzögern oder einschränken, einschließlich des Einsatzes von Satelliten der nächsten Generation, globaler Satellite-to-Mobile-Konnektivität und orbitaler KI-Recheninfrastruktur, was sich wesentlich nachteilig auf unser Geschäft, unsere Finanz- und Ertragslage und unsere Zukunftsaussichten auswirken könnte.
- Verzögerungen oder Schwierigkeiten bei der Erlangung, Aufrechterhaltung oder Erneuerung erforderlicher behördlicher Genehmigungen und Lizenzen für unsere weltraumbezogenen Aktivitäten, einschließlich der Start- und Wiedereintrittslizenzen der U.S. Federal Aviation Administration, könnten unseren Geschäftsbetrieb wesentlich verzögern oder beeinträchtigen, unserem Geschäft schaden oder unsere Fähigkeit zur Umsetzung unserer Geschäftsstrategie einschränken.
- Verzögerungen oder Schwierigkeiten bei der Erlangung, Aufrechterhaltung oder Erneuerung erforderlicher Kommunikationslizenzen und Frequenzgenehmigungen für unsere Satelliten-Konnektivitätsdienste, einschließlich internationaler und von der Federal Communications Commission erteilter Satellitenfrequenzlizenzen, könnten unseren Geschäftsbetrieb wesentlich verzögern oder beeinträchtigen, unserem Geschäft schaden oder unsere Fähigkeit zur Umsetzung unserer Geschäftsstrategie einschränken.
- Unsere KI-Produkte und X-Plattform unterliegen komplexen und sich weiterentwickelnden US-amerikanischen und ausländischen Gesetzen und Vorschriften, die Änderungen und unsicherer Auslegung unterliegen, und wir könnten gezwungen sein, Änderungen an unseren Produkten und Geschäftspraktiken vorzunehmen, und Geldstrafen, erhöhten Betriebskosten, einem Rückgang des Nutzerwachstums oder der Nutzeraktivität oder einem Verlust von Kunden oder anderen Beeinträchtigungen unserer KI-Produkte und der X-Plattform ausgesetzt sein.
- Unsere Starlink- und sonstigen Satellitendienste unterliegen komplexen und sich weiterentwickelnden US-amerikanischen und ausländischen Gesetzen und Vorschriften, insbesondere in Bezug auf Datenschutz, Cybersicherheit und Telekommunikation.
- Unsere Geschäftsstrategie hängt davon ab, dass wir unsere Produkte und Dienstleistungen sowie die zugehörigen Plattformen, Infrastrukturen und sonstigen strategischen Initiativen in einem beispiellosen Umfang erfolgreich konzipieren, entwickeln und einsetzen, was erhebliche Umsetzungs-, Kosten- und Timing-Risiken mit sich bringt.
- Wir haben in der Vergangenheit Startverzögerungen und Startfehlschläge erlitten und werden diese voraussichtlich auch künftig erfahren, was sich wesentlich nachteilig auf unser Geschäft, unsere Finanz- und Ertragslage und unsere Zukunftsaussichten auswirken könnte.
- Unsere Satelliten, Trägerraketen und sonstigen weltraumbezogenen Technologien werden – im Fall orbitaler KI-Recheninfrastruktur künftig – in der rauen und unberechenbaren Umgebung des Weltraums betrieben, wodurch sie einer Vielzahl spezifischer weltraumbezogener Risiken ausgesetzt sind, die zu Fehlfunktionen oder Ausfällen führen könnten, und jede solche Fehlfunktion oder jeder solche Ausfall könnte sich wesentlich nachteilig auf unser Geschäft, unsere Finanz- und Ertragslage und unsere Zukunftsaussichten auswirken.
- Die zunehmende Verbreitung von Satellitenkonstellationen in der niedrigen Erdumlaufbahn (*Low-Earth Orbit*) sowie das Risiko von Kollisionen mit Weltraummüll oder anderen Raumfahrzeugen könnten unsere Startflexibilität und den Einsatz unserer Satelliten einschränken oder beeinträchtigen, was sich wesentlich nachteilig auf unser Geschäft, unsere Finanz- und Ertragslage und unsere Zukunftsaussichten auswirken könnte.
- Unterbrechungen des Betriebs kritischer Satellitennetz-, Bodenstation-, Start-, Fertigungs- oder Raumfahrzeug- oder Rechenzentrumsinfrastruktur könnten zu erheblichen Ausfallzeiten, betrieblichen Verzögerungen oder Dienstunterbrechungen führen, die sich jeweils wesentlich nachteilig auf unser Geschäft, unsere Finanz- und Ertragslage und unsere Zukunftsaussichten auswirken könnten.
- Die Herstellung, Erprobung und der Start von Raketen, Satelliten und Raumfahrzeugen, einschließlich unserer Bemühungen zur Wiederverwendung von Raketen und Raumfahrzeugen, bergen inhärente Risiken, die zu Personenschäden oder zum Tod von Personen, zu Sachschäden und zu Umweltschäden oder anderen nachteiligen Umweltauswirkungen infolge von Unfällen

oder Geräteausfällen führen könnten. Derartige Ereignisse könnten erhebliche Schäden zur Folge haben, einschließlich Reputationsschäden und zivilrechtlicher Haftung, die sich wesentlich nachteilig auf unser Geschäft, unsere Finanz- und Ertragslage und unsere Zukunftsaussichten auswirken könnten.

- Obwohl wir auf die vertikale Integration unserer Geschäftsbereiche ausgerichtet sind, sind wir bei der Herstellung und Lieferung bestimmter Schlüsselkomponenten, die für die Erbringung unserer Start-, Konnektivitäts- und KI-Dienste erforderlich sind, auf Dritte angewiesen, und etwaige Lieferengpässe, Lieferunterbrechungen oder Leistungsstörungen dieser Dritten könnten sich wesentlich nachteilig auf unser Geschäft, unsere Finanz- und Ertragslage und unsere Zukunftsaussichten auswirken.

C. – Basisinformationen über die Wertpapiere

C.1 – Welches sind die wichtigsten Merkmale der Wertpapiere?

Anzahl und Art der Aktien – Bei sämtlichen 555.555.555 im Rahmen des Globalen Angebots angebotenen Aktien (einschließlich 55.555.555 Europäischen Retail-Aktien, die Gegenstand dieses Prospekts sind) handelt es sich um Klasse-A-Stammaktien mit einem Nennwert von 0,001 US-Dollar je Aktie. Nach der Durchführung des Angebots wird das genehmigte Grundkapital der Gesellschaft bestehen aus 36.132.150.000 Klasse-A-Stammaktien mit einem Nennwert von 0,001 US-Dollar je Aktie, von denen 7.380.196.910 Aktien ausgegeben und ausstehend sein werden (bzw. 7.463.530.243 Aktien, sofern die Konsortialbanken ihre Option zum Erwerb der Zusatzaktien vollständig ausüben), 6.125.000.000 Stammaktien der Klasse B mit einem Nennwert von 0,001 US-Dollar je Aktie, von denen 5.695.668.265 Aktien ausgegeben und ausstehend sein werden, 10.000.000.000 Stammaktien der Klasse C mit einem Nennwert von 0,001 US-Dollar je Aktie, von denen keine Aktien ausgegeben und ausstehend sein werden, und 2.400.000.000 Vorzugsaktien mit einem Nennwert von 0,001 US-Dollar je Aktie, von denen keine Aktien ausgegeben und ausstehend sein werden. Die Anzahl der nach dem Globalen Angebot ausstehenden Klasse-A-Stammaktien und Stammaktien der Klasse B der Gesellschaft basiert auf 6.824.641.355 Klasse-A-Stammaktien und 5.695.668.265 Stammaktien der Klasse B, die zum 31. März 2026 ausstehend waren, nach Durchführung der gemäß den Bestimmungen der Gründungsurkunde (*Certificate of Formation*) der Gesellschaft, die vor dem Globalen Angebot als nicht börsennotierte Gesellschaft (*Private Company*) galt, erfolgten Umklassifizierung sämtlicher ausstehender Stammaktien der Klasse C in insgesamt 494.050.675 Klasse-A-Stammaktien sowie der Umwandlung sämtlicher ausstehender Vorzugsaktien in insgesamt 3.448.110.450 Klasse-A-Stammaktien und 3.274.452.900 Stammaktien der Klasse B.

Nach Durchführung des Verkaufs aller Basisaktien im Rahmen des Globalen Angebots werden die Inhaber von Klasse-A-Stammaktien 11,5 % der gesamten Stimmrechte an unseren ausstehenden Stammaktien halten (bzw. 11,6 %, sofern die Konsortialbanken ihre Option zum Erwerb der Zusatzaktien vollständig ausüben), und die Inhaber von Stammaktien der Klasse B werden 88,5 % der gesamten Stimmrechte an unseren ausstehenden Stammaktien halten (bzw. 88,4 %, sofern die Konsortialbanken ihre Option zum Erwerb der Zusatzaktien vollständig ausüben).

Börsenkürzel, ISIN und Denominierung – Das Nasdaq- und Nasdaq-Texas-Börsenkürzel der Klasse-A-Stammaktien lautet „SPCX“, die ISIN lautet US84615Q1031 und die Aktien sind in US-Dollar denominiert.

Mit den Aktien verbundene Rechte, relativer Rang und Übertragbarkeit – Vorbehaltlich der vorrangigen Rechte der Inhaber aller zum jeweiligen Zeitpunkt ausstehenden Klassen und Serien von Aktien der Gesellschaft mit vorrangigen Dividendenrechten sind die Inhaber von Klasse-A-Stammaktien und Stammaktien der Klasse B berechtigt, Dividenden zu erhalten, die jeweils vom Verwaltungsrat (*Board of Directors*) beschlossen werden. Etwaige an die Inhaber von Klasse-A-Stammaktien und Stammaktien der Klasse B gezahlte Dividenden werden anteilig (*pro rata*) und gleichrangig, *pari passu*, gezahlt.

Jede Klasse-A-Stammaktie gewährt ihrem Inhaber eine Stimme je Aktie. Jede Stammaktie der Klasse B gewährt ihrem Inhaber zehn Stimmen je Aktie. Die Aktionäre der Klasse A und die Aktionäre der Klasse B stimmen gemäß unserer Satzung bei allen Angelegenheiten, über die von den Aktionären abgestimmt wird, gemeinsam als eine Klasse ab, wobei die Inhaber unserer Stammaktien der Klasse B das Recht haben, die Mehrheit der Mitglieder unseres Verwaltungsrats (*Board of Directors*) zu wählen, und über bestimmte weitere klassenspezifische Stimmrechte verfügen. Jede Stammaktie der Klasse B ist jederzeit nach Wahl ihres Inhabers in eine Klasse-A-Stammaktie umwandelbar. Darüber hinaus wird jede Stammaktie der Klasse B bei bestimmten Übertragungen dieser Stammaktie der Klasse B, gleich ob entgeltlich oder unentgeltlich, automatisch in eine Klasse-A-Stammaktie umgewandelt, mit Ausnahme bestimmter zulässiger Übertragungen.

Im Falle der Liquidation, Auflösung oder Abwicklung der Gesellschaft sind die Inhaber von Klasse-A-Stammaktien und von Stammaktien der Klasse B berechtigt, anteilig an sämtlichen Vermögenswerten teilzuhaben, die nach Begleichung der Verbindlichkeiten und der Liquidationspräferenz etwaiger zu diesem Zeitpunkt ausstehender Aktien der Gesellschaft verbleiben. Die angebotenen Klasse-A-Stammaktien sind frei übertragbar.

Dividendenpolitik – Die Gesellschaft geht derzeit davon aus, dass sie sämtliche etwaigen künftigen Gewinne zur Finanzierung des Wachstums ihres Geschäfts einbehalten wird. Die Gesellschaft erwartet nicht, in absehbarer Zukunft Bardividenden an die Inhaber ihrer Stammaktien festzusetzen oder auszuschütten.

C.2 – Wo werden die Wertpapiere gehandelt?

Die Gesellschaft hat die Zulassung ihrer Klasse-A-Stammaktien zum Handel an der Nasdaq und Nasdaq Texas unter dem Börsenkürzel „SPCX“ beantragt. Eine Zulassung der Klasse-A-Stammaktien der Gesellschaft zum Handel an anderen Handelsplätzen ist nicht geplant.

C.3 – Welches sind die zentralen Risiken, die für die Wertpapiere spezifisch sind?

- Zwischen uns einerseits und Herrn Musk und den von ihm gehaltenen oder mit ihm verbundenen Unternehmen andererseits könnten in Zukunft Interessenkonflikte entstehen, unter anderem in Bezug auf Geschäftstransaktionen, potenzielle Wettbewerbsaktivitäten oder andere Geschäftsmöglichkeiten.
- Bestimmte Mitglieder unseres Verwaltungsrats (*Board of Directors*) und Schlüsselmitarbeiter könnten Interessenkonflikten unterliegen, da sie zugleich Mitarbeiter oder Verwaltungsratsmitglieder von mit Herrn Musk oder anderen Großaktionären verbundenen Unternehmen sind. Die Lösung dieser Interessenkonflikte muss nicht in unserem oder Ihrem besten Interesse liegen.
- Nach der Durchführung des Angebots wird Herr Musk als unser Chief Executive Officer, Chief Technical Officer und Vorsitzender unseres Verwaltungsrats (*Board of Directors*) tätig sein und die Wahl unserer Verwaltungsratsmitglieder kontrollieren, und unsere Zwei-Klassen-Aktienstruktur konzentriert die Stimmrechtskontrolle bei Herrn Musk und den sonstigen Inhabern unserer Stammaktien der Klasse B. Dies wird Ihre Möglichkeit, Einfluss auf Unternehmensangelegenheiten und die Wahl unserer Verwaltungsratsmitglieder zu nehmen, einschränken oder ausschließen.

D. – Basisinformationen über das Angebot der Wertpapiere und die Zulassung zum Handel

D.1 – Zu welchen Konditionen und nach welchem Zeitplan kann ich in dieses Wertpapier investieren?

Umfang des Europäischen Retail-Angebots.....

Das Europäische Retail-Angebot besteht aus öffentlichen Angeboten in Deutschland, Dänemark, Frankreich, den Niederlanden, Norwegen, Spanien und Schweden.

Das in diesem Prospekt beschriebene Europäische Retail-Angebot bildet eine Tranche innerhalb des Globalen Angebots.

Nach dem U.S. Securities Act ist es der Gesellschaft möglich, das US-Angebot aufzustocken und damit die Anzahl der im Rahmen des US-Angebots angebotenen Aktien zu erhöhen, indem die Gesellschaft vor Inkrafttreten der bei der SEC eingereichten Registrierungserklärung eine Anpassung dieser Erklärung einreicht. Darüber hinaus kann die Gesellschaft nach Rule 462(b) des U.S. Securities Act, die auf das US-Angebot anwendbar ist, zusätzliche Wertpapiere im Rahmen ihrer bei der SEC eingereichten Registrierungserklärung durch eine Änderung in Form einer automatisch wirksam werdenden nachträglichen Änderung in einem Umfang und zu einem Preis registrieren, die zusammen nicht mehr als 20 % des maximalen Gesamtangebotspreises ausmachen, berechnet als die Bruttoerlöse, die die Gesellschaft aus der Ausgabe der angebotenen Basisaktien durch den erwarteten Preis für das US-Angebot zusammen mit den Zusatzaktien erhalten würde. Demnach kann sich die Gesamtanzahl der im Rahmen des Globalen Angebots angebotenen Aktien erhöhen. Es wird jedoch keine Erhöhung der Anzahl der im Rahmen des Europäischen Retail-Angebots angebotenen Aktien stattfinden, wenn die Anzahl der im Rahmen des Globalen Angebots angebotenen Aktien erhöht wird.

Sofern und soweit die Europäischen Retail-Aktien nicht von berechtigten Kleinanlegern gezeichnet werden oder sofern die Gesellschaft und die Europäischen Konsortialbanken beschließen, die Anzahl der angebotenen Europäischen Retail-Aktien zu reduzieren oder einen endgültigen Betrag der angebotenen Europäischen Retail-Aktien unterhalb der maximalen Anzahl der im Rahmen dieses Prospekts angebotenen Aktien festzusetzen, können die nicht gezeichneten bzw. nicht mehr im Rahmen dieses Prospekts angebotenen Europäischen Retail-Aktien im Rahmen des Globalen Angebots angeboten und verkauft werden, wobei sie in Mitgliedstaaten des EWR ausschließlich unter Umständen angeboten werden, die in den Anwendungsbereich von Artikel 1 Absatz 4 der Prospektverordnung fallen.

Maximaler Angebotspreis.....

162,00 US-Dollar je Klasse-A-Stammaktie.

Für Zwecke des US-Angebots wurde ein erwarteter Preis von 135,00 US-Dollar festgesetzt. Für Zwecke des Europäischen Retail-Angebots wurde der maximale Angebotspreis auf 162,00 US-Dollar festgesetzt.

Anleger, die Orders unterhalb von 135,00 US-Dollar abgeben, was dem erwarteten Preis für das US-Angebot entspricht, sollten nicht damit rechnen, eine Zuteilung im Rahmen des Europäischen Angebots zu erhalten.

Abhängig von der Rechtsordnung und der Bank oder dem Finanzintermediär können Kleinanleger unter Umständen eine Preisgrenze für ihre Orders angeben oder unlimitierte Orders erteilen. Orders ohne angegebene Preisgrenze oder unlimitierte Orders, die von Kleinanlegern erteilt werden, sind bis zur Höhe des maximalen öffentlichen Angebotspreises gültig.

Der endgültige Angebotspreis wird ein einheitlicher Preis je Klasse-A-Stammaktie

sein, der für alle Anleger im gesamten Globalen Angebot, einschließlich dieses Europäischen Retail-Angebots, gilt.

Der endgültige Angebotspreis versteht sich ohne Börsenumsatzsteuer oder sonstige Steuern sowie ohne etwaige Kosten (einschließlich Währungsumtauschgebühren), die von Finanzintermediären (mit Ausnahme der Europäischen Konsortialbanken) für die Platzierung von Kauforders erhoben werden.

Die Gesellschaft wird den endgültigen öffentlichen Angebotspreis gemäß Artikel 17 Absatz 2 der Prospektverordnung am oder um den 11. Juni 2026 im Wege einer Bekanntmachung in elektronischer Form auf der Internetseite der Gesellschaft unter <https://www.spacexipo.com> veröffentlichen.

Angebotszeitraum

Das Europäische Retail-Angebot ermöglicht es berechtigten Kleinanlegern, während eines Zeitraums, der am 5. Juni 2026 nach Veröffentlichung des Prospekts, und in Dänemark, Frankreich, den Niederlanden, Norwegen und Spanien nach der Notifizierung in das jeweilige Land beginnt und voraussichtlich am oder um den 11. Juni 2026 um 18:00 Uhr (Mitteleuropäische Sommerzeit) (12:00 Uhr (U.S. Ostküsten Sommerzeit)) endet (der „Angebotszeitraum“), Kauforders für die angebotenen Europäischen Retail-Aktien abzugeben. Was das Retail-Angebot in Schweden betrifft, wird der Angebotszeitraum voraussichtlich am 6. Juni 2026 beginnen. Was das Retail-Angebot in der Schweiz betrifft, wird der Angebotszeitraum voraussichtlich nach Einreichung dieses Prospekts bei einer Schweizer Prüfstelle für Prospekte am 5. Juni 2026 beginnen.

Zuteilungsplan

Das Globale Angebot der Klasse-A-Stammaktien durch die Konsortialbanken steht unter dem Vorbehalt des Eingangs und der Annahme von Orders und unter dem Vorbehalt des Rechts der Konsortialbanken, jede Order ganz oder teilweise nach eigenem Ermessen abzulehnen, sofern die folgenden Kriterien eingehalten werden.

**Programm der Aktienreservierung
(Directed Share Program)**

Auf Ersuchen der Gesellschaft haben die Konsortialbanken bis zu 5 % der im Rahmen des Globalen Angebots angebotenen Klasse-A-Stammaktien für den Verkauf zum Angebotspreis im Rahmen eines Programms der Aktienreservierung (*Directed Share Program*) an bestimmte Mitarbeiter und Personen, die nach freiem Ermessen der Executive Officer der Gesellschaft ausgewählt wurden, reserviert, zu denen auch Parteien gehören können, zu denen die Gesellschaft eine Geschäftsbeziehung unterhält, sowie Freunde und Familienangehörige der Executive Officer. Sofern diese Personen diese Aktien erwerben, unterliegen diese Aktien keiner Lock-up-Beschränkung. Die Anzahl der zum Verkauf an die allgemeine Öffentlichkeit verfügbaren Klasse-A-Stammaktien verringert sich um die Anzahl der an diese Personen verkauften reservierten Aktien. Etwaige reservierte Aktien, die nicht von diesen Personen erworben werden, werden von den Konsortialbanken der allgemeinen Öffentlichkeit zu denselben Konditionen angeboten wie die übrigen angebotenen Klasse-A-Stammaktien im Rahmen des Globalen Angebots mit Ausnahme des Europäischen Retail-Angebots. Im Zusammenhang mit dem Globalen Angebot haben die Konsortialbanken die Gesellschaft darüber informiert, dass beabsichtigt ist, dass Verkäufe an diskretionäre Konten (*discretionary accounts*) (d.h. Kundenkonten, für die die Konsortialbanken (in ihrer Eigenschaft als Broker-Dealer und Verwahrer von Kundengeldern) über eine Anlagevollmacht verfügen, die es ihnen ermöglicht, Aktien im Namen ihrer Kunden zu erwerben (ohne ausdrückliche Zustimmung des Kunden)) 5 % der Gesamtzahl der von ihnen angebotenen Klasse-A-Stammaktien nicht übersteigen.

**Höchstzuteilung an diskretionäre
Konten (Discretionary Accounts)
.....**

**Option zum Erwerb der Zusatzaktien
.....**

Die Gesellschaft wird den Konsortialbanken im Übernahmevertrag eine Option einräumen, die innerhalb von 30 Tagen ab dem Datum des Übernahmevertrags ausgeübt werden kann, bis zu 83.333.333 zusätzliche Klasse-A-Stammaktien zum endgültigen Angebotspreis abzüglich Übernahmeabschlägen und -provisionen zum Zwecke der Abdeckung etwaiger durch Leerverkäufe vorgenommener Mehrzuteilungen zu erwerben.

Handel und Vollzug (Closing) .

Der Handel an der Nasdaq und Nasdaq Texas wird voraussichtlich am oder um den 12. Juni 2026 aufgenommen. Die Lieferung der Aktien auf die jeweiligen Konten der einzelnen Konsortialbanken wird voraussichtlich am oder um den 15. Juni 2026 erfolgen. Die buchmäßige Lieferung der zugeteilten Klasse-A-Stammaktien an die am Europäischen Retail-Angebot teilnehmenden Anleger gegen Zahlung des endgültigen Angebotspreises wird voraussichtlich so bald wie möglich danach erfolgen.

**Verwässerung der neuen Aktionäre
.....**

126,13 US-Dollar je Aktie bzw. 93,4 %.

Wertzuwachs der bestehenden

Aktionäre 5,55 US-Dollar je Aktie bzw. 167,2 %.

Gesamtkosten Die mit dem Globalen Angebot verbundenen Kosten und Aufwendungen, mit Ausnahme der Übernahmeabschlüsse und -provisionen, werden auf insgesamt 54.508.000 US-Dollar geschätzt und von der Gesellschaft getragen.

Kosten, die berechtigten Kleinanlegern in Rechnung gestellt werden .. Den berechtigten Kleinanlegern werden von der Gesellschaft oder den Europäischen Konsortialbanken (in deren Eigenschaft als Konsortialbanken) keine Kosten in Rechnung gestellt. Anleger können jedoch marktübliche Transaktions- und Abwicklungsgebühren zu tragen haben, die von ihren Brokern oder sonstigen Finanzinstituten, über die sie ihre Wertpapiere ordern und/oder halten, in Rechnung gestellt werden, einschließlich Gebühren für den Währungsumtausch, und es können marktübliche Wertpapierprovisionen anfallen.

D.2 – Wer ist der Anbieter und die die Zulassung zum Handel beantragende Person?

Anbieter Neben der Gesellschaft werden die im Rahmen des Europäischen Angebots angebotenen Klasse-A-Stammaktien von den Europäischen Konsortialbanken angeboten. Goldman Sachs Bank Europe SE ist eine nach deutschem Recht gegründete und tätige europäische Aktiengesellschaft (*Societas Europaea (SE)*) mit eingetragenem Sitz in Frankfurt am Main, Deutschland. Morgan Stanley Europe SE ist eine nach deutschem Recht gegründete und tätige europäische Aktiengesellschaft (*Societas Europaea (SE)*) mit eingetragenem Sitz in Frankfurt am Main, Deutschland. BofA Securities Europe S.A. ist eine nach französischem Recht gegründete und tätige französische Aktiengesellschaft (*société anonyme*) mit eingetragenem Sitz in Paris, Frankreich. Citigroup Global Markets Europe AG ist eine nach deutschem Recht gegründete und tätige deutsche Aktiengesellschaft (*Aktiengesellschaft*) mit eingetragenem Sitz in Frankfurt am Main, Deutschland. J.P. Morgan SE ist eine nach deutschem Recht gegründete und tätige europäische Aktiengesellschaft (*Societas Europaea (SE)*) mit eingetragenem Sitz in Frankfurt am Main, Deutschland. Banco Santander S.A. ist eine nach spanischem Recht gegründete und tätige spanische Aktiengesellschaft (*sociedad anónima*) mit eingetragenem Sitz in Santander, Spanien. Die Deutsche Bank Aktiengesellschaft ist eine nach deutschem Recht gegründete und tätige deutsche Aktiengesellschaft (*Aktiengesellschaft*) mit eingetragenem Sitz in Frankfurt am Main, Deutschland. ING Bank N.V. ist eine nach niederländischem Recht gegründete und tätige niederländische Aktiengesellschaft (*naamloze vennootschap*) mit eingetragenem Sitz in Amsterdam, Niederlande. Société Générale ist eine nach französischem Recht gegründete und tätige französische Aktiengesellschaft (*société anonyme*) mit eingetragenem Sitz in Paris, Frankreich.

Zulassung zum Handel Eine Zulassung zum Handel an einem geregelten Markt im Sinne von Artikel 2 Buchstabe j) der Prospektverordnung wird nicht erfolgen. Die Gesellschaft hat die Notierung ihrer Klasse-A-Stammaktien an der Nasdaq und Nasdaq Texas unter dem Börsenkürzel „SPCX“ am oder um den 12. Juni 2026 beantragt.

D.3 – Weshalb wird dieser Prospekt erstellt?

Gründe für das Globale Angebot Die Gesellschaft beabsichtigt, das Globale Angebot durchzuführen, um die Nettoerlöse aus dem Verkauf der Klasse-A-Stammaktien zu erhalten.

Nettoerlöse Die Gesellschaft erwartet aus dem Globalen Angebot Nettoerlöse in Höhe von ungefähr 74,4 Milliarden US-Dollar wenn alle Basisaktien verkauft werden (davon ungefähr 7,4 Milliarden US-Dollar entfallend auf das Europäische Retail-Angebot, sofern die maximale Anzahl von 55.555.555 Aktien im Rahmen dessen verkauft wird), bzw. ungefähr 85,7 Milliarden US-Dollar, sofern die Konsortialbanken ihre Option zum Erwerb zusätzlicher Klasse-A-Stammaktien vollständig ausüben, basierend auf einem erwarteten Angebotspreis von 135,00 US-Dollar je Aktie (der erwartete Preis für das US-Angebot), nach Abzug der Übernahmeabschlüsse und -provisionen sowie der geschätzten, von der Gesellschaft zu tragenden Angebotskosten.

Zweckbestimmung der Erlöse .. Die Gesellschaft beabsichtigt, die Nettoerlöse aus dem Globalen Angebot zur Finanzierung ihrer Wachstumsstrategie zu verwenden, einschließlich des Ausbaus ihrer KI-Recheninfrastruktur, der Weiterentwicklung ihrer Startinfrastruktur und Trägerraketen, der Erweiterung des Umfangs und der Kapazität ihrer Satellitenkonstellationen sowie der Verwendung etwaiger verbleibender Beträge für allgemeine Unternehmenszwecke.

Sofern wir unsere unbesicherte Überbrückungskreditfazilität mit einem Gesamtnennbetrag von \$ 20.000 Millionen nicht durch Erlöse aus Anleiheemissionen, Bankkrediten oder sonstigen Finanzierungsvereinbarungen refinanzieren, können wir Barmittel in Höhe eines Teils des Nettoerlöses aus dem Globalen Angebot, oder auch gar keine, zur Refinanzierung dieser Überbrückungskreditfazilität verwenden.

Übernahmevertrag	Im Falle der erfolgreichen Durchführung des Globalen Angebots erwartet die Gesellschaft, am oder um den 11. Juni 2026 nach Ende des Angebotszeitraums einen Übernahmevertrag mit den gemeinsamen Konsortialführern und den Repräsentanten der Konsortialbanken beim Globalen Angebot, handelnd im Namen der Konsortialbanken, abzuschließen. Zum Datum dieses Prospekts haben sich die Konsortialbanken nicht verpflichtet, die im Rahmen des Globalen Angebots und des Europäischen Retail-Angebots angebotenen Klasse-A-Stammaktien auf Basis einer festen Übernahmezusage zu übernehmen, und sind nicht verpflichtet, den Übernahmevertrag abzuschließen. Sofern das Globale Angebot jedoch erfolgreich ist und ein endgültiger öffentlicher Angebotspreis festgesetzt wird, erwartet die Gesellschaft, dass die Konsortialbanken die im Rahmen des Globalen Angebots endgültig platzierten Klasse-A-Stammaktien auf Basis einer festen Übernahmezusage übernehmen werden. Gemäß den Bestimmungen und vorbehaltlich der Bedingungen des Übernahmevertrags wird erwartet, dass sich die Konsortialbanken jeweils einzeln zum Kauf sämtlicher im Rahmen des Globalen Angebots endgültig platzierten Klasse-A-Stammaktien verpflichten und dass die Gesellschaft sich verpflichtet, diese an die Konsortialbanken jeweils einzeln zu verkaufen.
Wesentliche Interessenkonflikte	Es bestehen keine wesentlichen Interessenkonflikte im Zusammenhang mit dem Globalen Angebot, einschließlich des Europäischen Retail-Angebots.

RÉSUMÉ DU PROSPECTUS

The following French translation of the prospectus summary is provided for convenience purposes only and does not form part of the prospectus. It has not been reviewed or approved by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht (Bafin)). / La traduction française du résumé du prospectus ci-dessous est fournie à titre indicatif uniquement et ne fait pas partie du prospectus. Elle n'a été ni revue ni approuvée par l'Autorité fédérale allemande de surveillance financière (Bundesanstalt für Finanzdienstleistungsaufsicht (Bafin)).

A. – Introduction et avertissements

Le présent prospectus concerne les actions ordinaires de catégorie A, d'une valeur nominale de 0,001 dollar américain par action (« **actions ordinaires de catégorie A** »), de Space Exploration Technologies Corp. (la « **Société** » ou « **SpaceX** » et, avec ses filiales consolidées, le « **Groupe SpaceX** », « **nous** », « **notre** » ou « **nos** »), dont le siège est établi au 1 Rocket Road, Starbase, Texas 78521, États-Unis d'Amérique (« **États-Unis** »), dont l'identifiant d'entité juridique (*Legal Entity Identifier*, « **LEI** ») est le 549300B9WLO96RQCXP87 et dont le site internet est www.spacex.com. La Société a déposé une demande d'admission de ses actions ordinaires de catégorie A à la cotation auprès du Nasdaq Stock Market LLC (le « **Nasdaq** ») et de Nasdaq Texas, Inc. (« **Nasdaq Texas** ») avec le libellé pour les actions « **SPCX** » et le numéro international d'identification des valeurs mobilières (*International Securities Identification Number*, « **code ISIN** ») US84615Q1031.

L'offre au public en République fédérale d'Allemagne (« **Allemagne** »), au Royaume du Danemark (« **Danemark** »), en République française (« **France** »), aux Pays-Bas (« **Pays-Bas** »), au Royaume de Norvège (« **Norvège** »), au Royaume d'Espagne (« **Espagne** ») et au Royaume de Suède (« **Suède** ») (l'« **offre européenne aux investisseurs de détail** ») envisagée dans le présent prospectus s'inscrit dans le cadre d'une offre mondiale comprenant : (i) une offre au public aux États-Unis (l'« **offre américaine** »), enregistrée en vertu de la loi américaine sur les valeurs mobilières de 1933 (*U.S. Securities Act*), telle que modifiée (la « **loi américaine sur les valeurs mobilières** »), conformément à une déclaration d'enregistrement sur le formulaire S-1 déposée auprès de la *Securities and Exchange Commission* des États-Unis (la « **SEC** »), (ii) l'offre européenne aux investisseurs de détail, (iii) une offre au public en Australie, (iv) une offre au public dans certaines provinces et certains territoires du Canada, (v) une offre au public au Japon, (vi) une offre au public au Royaume-Uni, (vii) une offre au public en Suisse aux personnes physiques ou morales non qualifiées de clients professionnels au sens de la loi fédérale suisse sur les services financiers (« **LSFin** ») sur la base du présent prospectus tel que déposé auprès d'un organe de contrôle des prospectus suisse en vue d'une acceptation automatique conformément à l'article 54(2) de la LSFin et (viii) des placements privés (les offres envisagées aux points (ii) à (viii) étant collectivement dénommées l'« **offre internationale** » et, avec l'offre américaine, l'« **offre mondiale** »). L'offre européenne aux investisseurs de détail porte sur un maximum de 55 555 555 actions ordinaires de catégorie A nouvellement émises (les « **actions destinées aux investisseurs de détail européens** »). L'offre mondiale comprend initialement : (i) 555 555 555 actions ordinaires de catégorie A nouvellement émises (les « **actions initiales** »), en ce comprises les actions destinées aux investisseurs de détail européens ; et (ii) jusqu'à 83 333 333 actions ordinaires de catégorie A supplémentaires nouvellement émises destinées à couvrir d'éventuelles surallocations (les « **actions supplémentaires** »). Les actions destinées aux investisseurs de détail européens constituent une tranche au sein de l'offre mondiale. Toute action offerte dans le cadre de l'offre mondiale ne faisant pas partie de l'offre européenne aux investisseurs de détail ne peut être offerte dans un État Membre de l'Espace Économique Européen (l'« **EEE** ») que dans les cas relevant du champ d'application de l'article 1, paragraphe 4, du Règlement Prospectus (tel que défini ci-dessous).

L'offre européenne aux investisseurs de détail envisagée dans le présent prospectus est réalisée seulement par la Société avec Goldman Sachs Bank Europe SE, Marienplatz, Taunusanlage 9-10, 60329 Francfort-sur-le-Main, Allemagne, LEI 8IBZUGJ7JPLH368JE346 (« **Goldman Sachs** »), Morgan Stanley Europe SE, Große Gallusstraße 18, 60312 Francfort-sur-le-Main, Allemagne, LEI 54930056FHWP7GIWYY08 (« **Morgan Stanley** »), BofA Securities Europe SA, 51 rue La Boétie, 75008 Paris, France, LEI 549300FH0WJAPEHTIQ77 (« **BofA Securities** ») ; Citigroup Global Markets Europe AG, Börsenplatz 9, 60313 Francfort-sur-le-Main, Allemagne, LEI 6TJCK1B7E7UTXP528Y04 (« **Citigroup** ») ; J.P. Morgan SE, Taunustor 1 (TaunusTurm), 60310 Francfort-sur-le-Main, Allemagne, LEI 549300ZK53CNGEEI6A29 (« **J.P. Morgan** ») ; Deutsche Bank Aktiengesellschaft, Taunusanlage 12, 60325 Francfort-sur-le-Main, Allemagne, LEI 7LTWFZYICNSX8D621K86 (« **Deutsche Bank** ») ; ING Bank N.V., Bijlmerdreef 106, 1102 CT Amsterdam, Pays-Bas, LEI 3TK20IVIUJ8J3ZU0QE75 (« **ING** ») ; Banco Santander, S.A., Paseo de Pereda, 9-12, Santander, Espagne, LEI 5493006QMFDDMYWIAM13 (« **Santander** ») ; et Société Générale, 29 boulevard Haussmann, 75009 Paris, France, LEI 02RNE8IBXP4R0TD8PU41 (« **Société Générale** ») et, collectivement avec Goldman Sachs, Morgan Stanley, BofA Securities, Citigroup, J.P. Morgan, Deutsche Bank, ING et Santander, les « **garants européens** »). La Société et les garants européens assument chacun la responsabilité du contenu du présent prospectus.

Le 5 juin 2026, l'Autorité fédérale allemande de supervision financière (*Bundesanstalt für Finanzdienstleistungsaufsicht*) (« **Bafin** »), Marie-Curie-Straße 24-28, 60439 Francfort-sur-le-Main, Allemagne, www.bafin.de, a approuvé le présent prospectus en sa qualité d'autorité compétente au titre du règlement (UE) 2017/1129, tel que modifié (le « **Règlement Prospectus** »). La Société a demandé à la Bafin de notifier le prospectus approuvé, conformément à l'article 25 du Règlement Prospectus, accompagné d'un certificat d'approbation attestant que le présent prospectus a été établi conformément au Règlement Prospectus, à l'autorité de supervision danoise *Finanstilsynet*, à l'autorité de supervision néerlandaise *Autoriteit Financiële Markten (AFM)*, à l'autorité de supervision française *Autorité des marchés financiers (AMF)*, à l'autorité de supervision norvégienne *Finanstilsynet - Autorité de surveillance financière*, à l'autorité de supervision espagnole *Comisión Nacional del Mercado de Valores (CNMV)* et à l'autorité de supervision suédoise *Finansinspektionen (FI)*.

Ce résumé doit être lu comme une introduction au prospectus. Toute décision d'investir dans les actions doit être fondée sur un examen de l'intégralité du présent prospectus par l'investisseur. Les investisseurs dans les actions peuvent perdre tout ou partie du

capital investi. Si une action concernant l'information contenue dans le présent prospectus est intentée devant un tribunal, l'investisseur plaignant pourrait, selon le droit national applicable, avoir à supporter les frais de traduction du présent prospectus avant le début de la procédure judiciaire. Les personnes qui ont présenté ce résumé, y compris sa traduction, n'engagent leur responsabilité civile que si le contenu de ce résumé est trompeur, inexact ou incohérent, lu en combinaison avec les autres parties du présent prospectus, ou s'il ne fournit pas, lu en combinaison avec les autres parties du présent prospectus, les informations clés permettant d'aider les investisseurs lorsqu'ils envisagent d'investir dans ces actions.

B. – Informations clés sur l'émetteur

B.1 – Qui est l'émetteur des valeurs mobilières ?

Immatriculation et législation applicable – Space Exploration Technologies Corp. a son siège de direction à Starbase, au Texas (États-Unis), et son code LEI est le 549300B9WLO96RQCXP87. La Société est constituée en vertu des lois de l'État du Texas (États-Unis) en tant que société régie par le droit texan.

Activités principales – Nous concevons, fabriquons, lançons et exploitons des produits et services reposant sur des technologies de pointe, en ce compris, de notre point de vue, les fusées et les engins spatiaux les plus avancés au monde. Nous exploitons également un réseau mondial de données et de communications à haut débit et à faible latence, alimenté par environ 9 600 satellites Starlink à haut débit et mobiles en orbite terrestre basse. En outre, nous déployons, en commençant sur Terre avec pour objectif de l'étendre à l'espace, une infrastructure de calcul IA, à un rythme et avec une efficacité en termes de coûts à la pointe de l'industrie.

- **Espace.** Nous proposons des services de lancement à des clients commerciaux, civils et gouvernementaux grâce à nos fusées réutilisables Falcon 9 et Falcon Heavy, destinées à des missions de satellites, de fret et de transport d'équipage. Nous sommes le principal fournisseur de services de lancement du gouvernement américain.
- **Connectivité.** Notre activité de connectivité comprend *Starlink Consumer Broadband*, *Enterprise Solutions*, *Government Solutions* et *Starlink Mobile*.
- **IA.** Nous exploitons une plateforme d'IA hautement intégrée verticalement qui comprend notre infrastructure de calcul IA, notre modèle de pointe axé sur la recherche de la vérité, ainsi que des applications grand public et d'entreprise.

Nos principaux atouts sont les suivants :

- Le leadership mondial dans les services de lancement orbital ;
- Une plateforme de satellites et de connectivité inégalée couvrant la conception, la fabrication, le déploiement et l'exploitation ;
- Un modèle d'IA axé sur la recherche de la vérité, enrichi par des données en temps réel ;
- Une intégration verticale poussée permettant une grande rapidité d'exécution et des coûts optimisés à grande échelle ;
- Une capacité unique à conquérir de nouveaux marchés pesant plusieurs milliards de dollars américains dans les domaines de l'espace, de la connectivité et de l'IA ;
- Des modèles économiques extrêmement difficiles à reproduire ; et
- Notre culture axée sur la mission et nos talents de classe mondiale.

Actionnaires principaux – À la date du présent prospectus, Elon Musk détient 12,2 % des actions ordinaires de catégorie A et 93,3 % des actions ordinaires de catégorie B de la Société. En conséquence, Elon Musk détient 84,3 % des droits de vote de la Société.

Actionnaires contrôlants – À la date du présent prospectus, la Société est contrôlée par Elon Musk. À l'issue de l'offre mondiale et sous réserve de la vente de toutes les actions initiales et d'un prix d'introduction en bourse de 135,00 dollars américains par action (le prix attendu pour l'offre américaine), Elon Musk détiendra environ 83,6 % des droits de vote de nos actions ordinaires (ou 83,5 % si les garants exercent intégralement leur option d'achat des actions supplémentaires) immédiatement après l'offre, grâce à sa détention de 849 494 440 actions de nos actions ordinaires de catégorie A et de 5 219 053 075 actions de nos actions ordinaires de catégorie B, ce qui correspond à environ 91,6 % de nos actions ordinaires de catégorie B. Conformément à nos statuts, les détenteurs de nos actions ordinaires de catégorie B auront le droit d'élire la majorité de notre conseil d'administration (les administrateurs ainsi nommés étant désignés les « **Administrateurs de catégorie B** »), tant que des actions ordinaires de catégorie B resteront en circulation. En tant que détenteur de la majorité de nos actions ordinaires de catégorie B, M. Musk sera en mesure de nommer, de révoquer ou de pourvoir tout poste vacant parmi les Administrateurs de catégorie B. En outre, tant qu'il détiendra effectivement plus de 50 % des droits de vote liés à nos actions ordinaires, Elon Musk contrôlera les droits de vote pour la sélection de notre conseil d'administration. En conséquence, Elon Musk aura le pouvoir de contrôler le résultat des questions nécessitant l'approbation des actionnaires, y compris l'élection de tous nos administrateurs, et de contrôler nos activités et nos opérations.

Principaux dirigeants – Les dirigeants de la Société sont Elon Musk, Gwynne Shotwell et Bret Johnsen.

Commissaires aux comptes – Le commissaire aux comptes de la Société est PricewaterhouseCoopers LLP, 601 South Figueroa Street, Suite 900, Los Angeles, Californie, 90017, États-Unis.

B.2 – Quelles sont les principales informations financières concernant l'émetteur ?

Sauf indication contraire, toutes les informations financières présentées dans les tableaux ci-dessous sont exprimées en millions de dollars américains (en millions de \$). Certaines informations financières ont été arrondies conformément aux normes commerciales établies. Lorsque les informations financières figurant dans les tableaux ci-dessous sont qualifiées d'« auditées », elles sont tirées des états financiers consolidés audités au 31 décembre 2025 et 2024 et pour chacune des trois années de la période close le 31 décembre 2025 ; lorsque les informations financières sont qualifiées de « non auditées », ces informations ne sont pas tirées des états financiers consolidés audités au 31 décembre 2025 et 2024 et pour chacune des trois années de la période close le 31 décembre

2025, mais proviennent des états financiers intermédiaires consolidés non audités au 31 mars 2026 et pour le trimestre clos à cette date, ou des registres comptables ou du système de *reporting* interne du Groupe SpaceX, ou sont basées sur des calculs effectués à partir des chiffres provenant des sources susmentionnées.

Principales données financières et opérationnelles

Données sélectionnées issues des comptes de résultat consolidés et autres données financières

(audité, sauf indication contraire) (en millions de dollars américains, sauf indication contraire)	Trimestre clos le 31 mars		Exercice clos le 31 décembre		
	2026*	2025*	2025	2024	2023
Chiffre d'affaires	4 694\$	4 067\$	18 674\$	14 015\$	10 387\$
Total des coûts et des dépenses	6 637	4 040	21 263	13 549	13 892
Croissance du chiffre d'affaires annuel* ...	627\$	n/a	4 659\$	3 628\$	n/a
Résultat d'exploitation (perte)	(1 943)	27	(2 589)	466	(3 505)
Résultat net (perte nette)	(4 276)\$	(528)\$	(4 937)\$	791\$	(4 628)\$
Résultat net (perte) attribuable aux actionnaires – de base et dilué	(4 947)\$	(528)\$	(4 937)\$	18\$	(4 628)\$
Résultat net (perte nette) par action ordinaire attribuable aux actionnaires porteurs d'actions ordinaires ⁽¹⁾					
De base ⁽¹⁾	(1,27)\$	(0,18)\$	(1,69)\$	0,01\$	(1,68)\$
Dilué ⁽¹⁾	(1,27)\$	(0,18)\$	(1,69)\$	0,00\$	(1,68)\$

* Non audité.

(1) Présenté en dollars américains par action.

Données sélectionnées tirées des bilans consolidés

(audités, sauf indication contraire) (en millions)	31 mars	31 décembre		
	2026*	2025	2024	2023
Total de l'actif	102 094\$	92 079\$	57 062\$	n/a
Total des capitaux propres	34 533\$	2 573\$	4 863\$	n/a

* Non audité.

Données sélectionnées tirées des états consolidés des flux de trésorerie

(audité, sauf indication contraire) (en millions)	Trimestre clos le 31 mars		Exercice clos le 31 décembre		
	2026*	2025*	2025	2024	2023
Flux de trésorerie nets provenant des activités d'exploitation	1 047\$	727\$	6 785\$	5 776\$	4 520\$
Flux de trésorerie nets liés aux activités d'investissement	(16 724)\$	(4 170)\$	(19 575)\$	(10 796)\$	(4 867)\$
Flux de trésorerie nets provenant des activités de financement	7 125\$	354\$	26 350\$	11 830\$	422\$

* Non audité.

Autres indicateurs clés de performance

(non audité) (en millions)	Trimestre clos le 31 mars		Exercice clos le 31 décembre		
	2026	2025	2025	2024	2023
EBITDA Ajusté ⁽¹⁾	1 127\$	1 730\$	6 584\$	5 350\$	3 821\$
EBITDA Ajusté du Segment Espace ⁽²⁾	(351)\$	224\$	653\$	1 154\$	997\$
EBITDA Ajusté du Segment Connectivité ⁽²⁾	2 087\$	1 618\$	7 168\$	3 849\$	1 602\$
EBITDA Ajusté du Segment IA ⁽²⁾	(609)\$	(112)\$	(1 237)\$	347\$	1 222\$

(1) L'EBITDA Ajusté est défini comme le résultat net (ou la perte nette) hors (i) amortissements et réductions de valeur, (ii) paiements fondés sur des actions, (iii) dépréciations, (iv) charges de restructuration, (v) charges d'intérêts, (vi) produits d'intérêts, (vii) autres produits (charges), nets, et (viii) provision pour impôts sur le résultat.

(2) L'EBITDA Ajusté par Segment est défini comme le résultat (ou la perte) d'exploitation du segment, hors (i) dotations aux amortissements et réductions de valeur, (ii) paiements fondés sur des actions, (iii) charges de restructuration et (iv) dépréciations.

B.3 – Quels sont les principaux risques spécifiques à l'émetteur ?

- Tout échec ou retard dans le développement à grande échelle de Starship ou dans l'atteinte de la cadence de lancement, de la réutilisabilité et des capacités requises par la suite retarderait ou limiterait notre capacité à mettre en œuvre notre stratégie de croissance, y compris le déploiement de satellites de nouvelle génération, la connectivité mondiale par satellite vers les mobiles et le calcul IA en orbite, ce qui pourrait avoir un effet défavorable significatif sur nos activités, notre situation financière, nos résultats d'exploitation et nos perspectives futures.
- Tout retard ou difficulté dans l'obtention, le maintien ou le renouvellement des autorisations réglementaires et des licences requises pour nos activités spatiales, y compris les licences de lancement et de rentrée atmosphérique délivrées par l'Administration Fédérale de l'Aviation des États-Unis (*U.S. Federal Aviation Administration (FAA)*), retarderait ou perturberait considérablement nos opérations, nuirait à nos activités ou limiterait notre capacité à mettre en œuvre notre stratégie commerciale.
- Tout retard ou difficulté dans l'obtention, le maintien ou le renouvellement des licences de communication et des autorisations d'utilisation du spectre requises pour nos services de connectivité par satellite, y compris les licences de spectre satellite internationales et celles de la Commission Fédérale des Communications (*Federal Communications Commission (FCC)*), pourrait retarder ou perturber de manière significative nos opérations, nuire à nos activités ou limiter notre capacité à mettre en œuvre notre stratégie commerciale.
- Nos produits d'IA et notre plateforme X sont soumis à des lois et réglementations américaines et étrangères complexes et en constante évolution qui sont susceptibles d'être modifiées et de faire l'objet d'interprétations incertaines et nous pourrions être contraints d'apporter des modifications à nos produits et à nos pratiques commerciales, et nous pourrions être exposés à des sanctions financières, à une augmentation des coûts d'exploitation, à une baisse de la croissance des utilisateurs ou de l'engagement des utilisateurs, à une perte de clients ou à d'autres préjudices pour nos produits d'IA et notre plateforme X.
- Nos services Starlink et autres services satellitaires sont soumis à des lois et réglementations américaines et étrangères complexes et en constante évolution, notamment en matière de confidentialité des données, de cybersécurité et de télécommunications.
- Notre stratégie commerciale repose sur la capacité à concevoir, développer et déployer avec succès nos produits et services, ainsi que les plateformes, infrastructures et autres initiatives stratégiques qui y sont associées, à une échelle sans précédent, ce qui présente des risques importants en matière de mise en œuvre, de coûts et de délais.
- Nous avons connu, et continuerons probablement de connaître, des retards et des échecs de lancement susceptibles d'avoir un impact significatif et défavorable sur notre activité, notre situation financière, nos résultats d'exploitation et nos perspectives futures.
- Nos satellites, lanceurs et autres technologies spatiales fonctionnent, et dans le cas du calcul IA en orbite, fonctionneront, dans l'environnement hostile et imprévisible de l'espace, ce qui les expose à un vaste éventail de risques spatiaux uniques susceptibles d'entraîner des dysfonctionnements ou des défaillances ; or, tout dysfonctionnement ou défaillance de ce type pourrait avoir un impact significatif et défavorable sur nos activités, notre situation financière, nos résultats d'exploitation et nos perspectives futures.
- La multiplication continue des constellations de satellites en orbite terrestre basse, ainsi que le risque de collisions avec des débris spatiaux ou d'autres engins spatiaux, pourraient limiter ou compromettre notre flexibilité en matière de lancement et de déploiement de nos satellites, ce qui pourrait avoir un impact significatif et défavorable sur nos activités, notre situation financière, nos résultats d'exploitation et nos perspectives futures.
- Toute interruption dans l'exploitation des réseaux satellitaires essentiels, des stations au sol, des opérations de lancement, des processus de fabrication, des infrastructures liées aux engins spatiaux ou aux centres de données (*datacenters*) pourrait entraîner des temps d'arrêt importants, des retards opérationnels ou une interruption de service, chacun de ces événements étant susceptible d'avoir un impact significatif et défavorable sur nos activités, notre situation financière, nos résultats d'exploitation et nos perspectives futures.
- La fabrication, les essais et le lancement de fusées, de satellites et d'engins spatiaux, y compris nos efforts visant à réutiliser les fusées et les engins spatiaux, comportent des risques inhérents susceptibles d'entraîner des blessures ou le décès de personnes, des dommages matériels et des dommages environnementaux ou d'avoir d'autres répercussions négatives sur l'environnement en raison d'accidents ou de défaillances d'équipements. Tout événement de ce type pourrait entraîner des pertes substantielles, notamment une atteinte à notre réputation et une responsabilité juridique, ce qui pourrait avoir un impact significatif et défavorable sur nos activités, notre situation financière, nos résultats d'exploitation et nos perspectives futures.
- Bien que nous nous concentrons sur l'intégration verticale de nos activités, nous dépendons de tiers pour la fabrication et la fourniture de certains composants clés nécessaires à la fourniture de nos services de lancement, de connectivité et d'IA, et toute pénurie d'approvisionnement, perturbation ou défaillance de leur part pourrait avoir un impact significatif et défavorable sur nos activités, notre situation financière, nos résultats d'exploitation et nos perspectives futures.

C. – Informations clés sur les valeurs mobilières

C.1 – Quelles sont les principales caractéristiques des valeurs mobilières ?

Nombre et nature des actions – L'ensemble des 555 555 555 actions offertes dans le cadre de l'offre mondiale (y compris les 55 555 555 actions destinées aux investisseurs de détail européens faisant l'objet du présent prospectus) sont des actions ordinaires (*common stock*) de catégorie A, d'une valeur nominale de 0,001 dollar américain par action. À l'issue de l'offre, le capital autorisé de la Société se composera de 36 132 150 000 actions ordinaires (*common stock*) de catégorie A, d'une valeur nominale de 0,001 dollar américain par action, dont 7 380 196 910 actions seront émises et en circulation (ou 7 463 530 243 actions si les garants exercent intégralement leur option d'achat d'actions supplémentaires), 6 125 000 000 actions ordinaires (*common stock*) de catégorie B, d'une valeur nominale de 0,001 dollar américain par action, dont 5 695 668 265 actions seront émises et en circulation, 10 000 000 000 actions ordinaires (*common stock*) de catégorie C, d'une valeur nominale de 0,001 dollars américains par action, dont aucune ne sera émise et en circulation, et 2 400 000 000 d'actions « de préférence » (*preferred stock*), d'une valeur nominale de 0,001 dollars américains par action, dont aucune ne sera émise et en circulation. Le nombre d'actions ordinaires de catégorie A et de catégorie B de la Société qui seront en circulation après l'offre mondiale est basé sur 6 824 641 355 actions ordinaires de catégorie A et 5 695 668 265 actions ordinaires de catégorie B en circulation au 31 mars 2026, après prise en compte, conformément aux termes du certificat de constitution de la Société en vigueur en tant que société non cotée avant l'offre mondiale, de la reclassification de toutes les actions ordinaires de catégorie C en circulation en un total de 494 050 675 actions ordinaires de catégorie A et de la conversion des actions « de préférence » (*preferred stock*) en circulation en un total de 3 448 110 450 actions ordinaires de catégorie A et 3 274 452 900 actions ordinaires de catégorie B.

Une fois la cession de toutes les actions initiales dans le cadre de l'offre mondiale effective, les détenteurs d'actions ordinaires de catégorie A détiendront 11,5 % des droits de vote combinés de nos actions ordinaires (*common stock*) en circulation (ou 11,6 % si les garants exercent intégralement leur option d'achat d'actions supplémentaires), et les détenteurs d'actions ordinaires de catégorie B détiendront 88,5 % des droits de vote combinés de nos actions ordinaires (*common stock*) en circulation (ou 88,4 % si les garants exercent intégralement leur option d'achat d'actions supplémentaires).

Libellé pour les actions, code ISIN et devise – Le libellé pour les actions ordinaires de catégorie A au Nasdaq et au Nasdaq Texas est « SPCX », le code ISIN est US84615Q1031 et les actions sont libellées en dollar américain.

Droits attachés aux actions, ordre de priorité et cessibilité – Sous réserve des droits antérieurs des détenteurs de toutes les catégories et classes d'actions du capital de la Société en circulation bénéficiant de droits antérieurs en matière de dividendes, les détenteurs d'actions ordinaires de catégorie A et d'actions ordinaires de catégorie B auront le droit de percevoir les dividendes dont la distribution pourrait être décidée par le conseil d'administration. Tout dividende versé aux détenteurs d'actions ordinaires de catégorie A et de catégorie B sera versé au prorata, sur une base de priorité égale, *pari passu*.

Chaque action ordinaire de catégorie A donnera droit à son détenteur à une (1) voix par action. Chaque action ordinaire de catégorie B donnera droit à son détenteur à dix (10) voix par action. Les détenteurs d'actions de catégorie A et les détenteurs d'actions de catégorie B voteront ensemble, constituant une seule et même catégorie, sur toutes les questions soumises au vote des actionnaires conformément à nos statuts, à l'exception du droit des détenteurs d'actions ordinaires de catégorie B d'élire la majorité de notre conseil d'administration et de certains de leurs autres droits de vote qu'ils peuvent exercer en tant que catégorie distincte. Chaque action ordinaire de catégorie B sera convertible à tout moment, au gré de son détenteur, en une action ordinaire de catégorie A. En outre, chaque action ordinaire de catégorie B sera automatiquement convertie en une action ordinaire de catégorie A en cas de transfert de cette action de catégorie B, à titre onéreux ou gratuit, à l'exception de certains transferts autorisés.

En cas de liquidation, de dissolution ou de cessation d'activité de la Société, les détenteurs d'actions ordinaires de catégorie A et les détenteurs d'actions ordinaires de catégorie B ont le droit de se partager proportionnellement tous les actifs restants après le paiement des dettes et le traitement préférentiel en cas de liquidation de toutes les actions du capital social de la Société alors en circulation. Les actions ordinaires de catégorie A proposées sont librement transférables.

Politique de dividendes – La Société prévoit actuellement de conserver tous ses bénéfices futurs, le cas échéant, afin de financer la croissance de ses activités. La Société ne prévoit pas de distribuer ni de verser de dividendes en espèces aux détenteurs de ses actions ordinaires dans un avenir prévisible.

C.2 – Où les valeurs mobilières seront-elles négociées ?

La Société a déposé une demande d'admission de ses actions ordinaires de catégorie A à la négociation sur le Nasdaq et sur le Nasdaq Texas sous le libellé « SPCX ». Il n'est pas prévu de demander l'admission à la cotation des actions ordinaires de catégorie A de la Société sur une autre place boursière.

C.3 – Quels sont les principaux risques relatifs aux valeurs mobilières ?

- Des conflits d'intérêts pourraient survenir à l'avenir entre nous, d'une part, et M. Musk et les entités qui lui appartiennent ou qui lui sont affiliées, d'autre part, concernant notamment des transactions commerciales, de potentielles activités concurrentielles ou d'autres opportunités commerciales.
- Certains de nos administrateurs et collaborateurs clés pourraient se trouver en situation de conflit d'intérêts dans la mesure où ils sont également employés ou administrateurs de sociétés affiliées à M. Musk ou à d'autres actionnaires importants. Il est possible que la résolution de ces conflits d'intérêts ne soit pas dans notre intérêt ni dans le vôtre.
- À l'issue de l'offre, M. Musk occupera les fonctions de directeur général (*Chief Executive Officer*), de directeur technique (*Chief Technical Officer*) et de président (*Chairman*) de notre conseil d'administration, et contrôlera la nomination de nos

administrateurs ; et notre structure à deux catégories d'actions concentre le contrôle des votes entre les mains de M. Musk et des autres détenteurs de nos actions ordinaires de catégorie B. Cette situation limitera ou empêchera votre capacité à influencer les affaires de la Société et l'élection de nos administrateurs.

D. – Informations clés sur l'offre des valeurs mobilières et leur admission à la négociation

D.1 – À quelles conditions et selon quel calendrier puis-je investir dans cette valeur mobilière ?

Périmètre de l'offre européenne aux investisseurs de détail

L'offre européenne aux investisseurs de détail comprend des offres au public des actions destinées aux investisseurs de détail européens en Allemagne, au Danemark, en France, aux Pays-Bas, en Norvège, en Espagne et en Suède.

L'offre européenne aux investisseurs de détail envisagée dans le présent prospectus constitue une tranche de l'offre mondiale.

En vertu des lois américaines relatives aux valeurs mobilières, la Société a la possibilité d'augmenter le volume de l'offre américaine, et donc d'accroître le nombre d'actions offertes dans le cadre de l'offre américaine, en déposant un avenant à la déclaration d'enregistrement déposée auprès de la SEC avant l'entrée en vigueur de cette déclaration d'enregistrement. En outre, conformément à la règle 462(b) de la loi américaine sur les valeurs mobilières régissant l'offre américaine, la Société peut enregistrer des valeurs mobilières supplémentaires dans le cadre de sa déclaration d'enregistrement déposée auprès de la SEC au moyen d'un avenant postérieur à la prise d'effet (dit *post-effective amendment*) prenant effet automatiquement, pour un montant et à un prix qui, ensemble, ne représentent pas plus de 20 % du prix d'offre total maximum, calculé comme le produit brut que la Société recevra pour l'émission des actions initiales faisant l'objet de l'offre au prix attendu pour l'offre américaine, conjointement avec les actions supplémentaires. Par conséquent, le nombre total d'actions offertes dans le cadre de l'offre mondiale peut augmenter. Toutefois, il n'y aura pas d'augmentation du nombre d'actions offertes dans le cadre de l'offre européenne aux investisseurs de détail dans le cas où le nombre d'actions offertes dans le cadre de l'offre mondiale serait augmenté.

Si et dans la mesure où les actions destinées aux investisseurs de détail européens ne sont pas souscrites par des investisseurs de détail éligibles, ou si la Société et les garants européens décident de réduire le nombre d'actions destinées aux investisseurs de détail européens offertes ou de fixer un nombre définitif d'actions destinées aux investisseurs de détail européens offertes inférieur au nombre maximal d'actions offertes dans le cadre du présent prospectus, les actions destinées aux investisseurs de détail européens non souscrites ou n'étant plus offertes dans le cadre du présent prospectus, respectivement, pourront être offertes et vendues dans le cadre de l'offre mondiale, à condition que, dans tout État membre de l'EEE, ces actions soient offertes exclusivement dans des circonstances relevant du champ d'application de l'article 1, paragraphe 4, du Règlement Prospectus.

Prix d'offre maximal

162,00 dollars américains par action ordinaire de catégorie A.

Aux fins de l'offre américaine, un prix attendu a été fixé à 135,00 dollars américains. Aux fins de l'offre européenne aux investisseurs de détail, le prix d'offre maximal a été fixé à 162,00 dollars américains.

Les investisseurs passant des ordres inférieurs à 135,00 dollars américains, soit le prix attendu pour l'offre américaine, ne doivent pas s'attendre à se voir attribuer des actions dans le cadre de l'offre européenne aux investisseurs de détail.

Selon la juridiction et la banque ou l'intermédiaire financier, les investisseurs de détail pourront ou non être en mesure d'indiquer une limite de prix pour leurs ordres, ou de passer des ordres sans limite. Les ordres sans limite de prix indiquée ou les ordres sans limite passés par des investisseurs de détail seront valables jusqu'au prix maximal de l'offre au public.

Le prix définitif de l'offre au public sera un prix unique par action ordinaire de catégorie A applicable à tous les investisseurs dans le cadre de l'offre mondiale, y compris la présente offre européenne aux investisseurs de détail.

Le prix définitif de l'offre au public sera hors taxes sur les transactions boursières ou autres taxes, et hors frais (y compris les frais de change), le cas échéant, facturés par les intermédiaires financiers (autres que les garants européens) pour le placement des ordres d'achat.

La Société publiera le prix définitif de l'offre au public aux alentours du 11 juin 2026, conformément à l'article 17, paragraphe 2, du Règlement Prospectus, au moyen d'un avis qui sera publié sous forme électronique sur le site web de la Société à l'adresse <https://www.spaceipo.com>.

Période d'offre

L'offre européenne aux investisseurs de détail permet aux investisseurs de détail éligibles de passer des ordres d'achat pour les actions destinées aux investisseurs de détail européens pendant

une période courant à compter du 5 juin 2026, après la publication du prospectus et, au Danemark, en France, aux Pays-Bas, en Norvège et en Espagne, à compter de la notification dans le pays concerné, et qui devrait prendre fin aux alentours du ou le 11 juin 2026 18h00 (heure d'été d'Europe centrale) (12h00 (midi) (heure avancée de l'Est Nord-Américain) (la « **période d'offre** »). S'agissant de l'offre aux investisseurs de détail en Suède, la période d'offre devrait débuter le 6 juin 2026. En ce qui concerne l'offre aux investisseurs de détail en Suisse, la période d'offre devrait débuter après le dépôt du présent prospectus auprès d'un organe de contrôle des prospectus suisse le 5 juin 2026.

Plan d'allocation L'offre mondiale des actions ordinaires de catégorie A par les garants est sous réserve de la réception et de l'acceptation des ordres, et les garants se réservent le droit de rejeter tout ordre, en tout ou en partie, à leur entière discrétion, si les critères suivants sont remplis.

Programme de placement ciblé À la demande de la Société, les garants ont réservé jusqu'à 5 % des actions ordinaires de catégorie A offertes dans le cadre de l'offre mondiale à la vente au prix d'introduction en bourse dans le cadre d'un programme de placement ciblé, à certains employés et personnes sélectionnés à la discrétion des dirigeants de la Société, ce qui peut inclure des parties avec lesquelles la Société entretient des relations commerciales ainsi que des proches et membres de la famille des dirigeants de la Société. Si ces personnes les acquièrent, ces actions ne seront pas soumises à une période d'inaliénabilité. Le nombre d'actions ordinaires de catégorie A disponibles à la vente au public sera réduit à hauteur du nombre d'actions réservées vendues à ces personnes. Toutes les actions réservées qui ne seront pas ainsi achetées par ces personnes seront offertes par les garants au public sur la même base que les autres actions ordinaires de catégorie A offertes dans le cadre de l'offre mondiale, à l'exception de l'offre européenne aux investisseurs de détail.

Allocation maximale aux comptes discrétionnaires S'agissant de l'offre mondiale, les garants ont informé la Société qu'ils n'ont pas l'intention de vendre plus de 5 % du nombre total d'actions ordinaires de catégorie A qu'ils proposent à des comptes discrétionnaires (c'est-à-dire des comptes clients pour lesquels les garants (en leur qualité de courtiers-négociants et en tant que dépositaires de fonds de clients) disposent d'un pouvoir de décision en matière d'investissement leur permettant d'acheter des actions pour le compte de leurs clients (sans avoir à obtenir l'accord exprès de ces derniers)).

Option d'achat d'actions supplémentaires La Société accordera aux garants, dans le cadre du contrat de garantie, une option, exerçable pendant 30 jours à compter de la date dudit contrat de garantie, leur permettant d'acheter jusqu'à 83 333 333 actions ordinaires de catégorie A supplémentaires au prix définitif de l'offre, déduction faite des remises et commissions de garantie, afin de couvrir toute surallocation effectuée par le biais de ventes à découvert.

Négociation et règlement-livraison La négociation sur le Nasdaq et sur le Nasdaq Texas devrait débuter le 12 juin 2026 ou aux alentours de cette date. Le règlement-livraison des actions sur les comptes respectifs des différents garants devrait intervenir le 15 juin 2026 ou aux alentours de cette date. Le règlement-livraison par inscription en compte des actions ordinaires de catégorie A attribuées aux investisseurs participant à l'offre européenne aux investisseurs de détail, contre paiement du prix définitif de l'offre au public, devrait intervenir dès que possible par la suite.

Dilution des nouveaux actionnaires 126,13 dollars américains par action, soit 93,4 %.

Relation pour les actionnaires existants 5,55 dollar américain par action, soit 167,2 %.

Total des frais Les coûts et dépenses liés à l'offre mondiale, autres que les remises et commissions de garantie, sont estimés à un total de 54 508 000 dollars américains et seront pris en charge par la Société.

Frais à la charge des investisseurs de détail éligibles Aucune dépense ne sera facturée aux investisseurs de détail européens éligibles par la Société ou par les garants européens (en leur qualité de garants). Les investisseurs peuvent toutefois être amenés à supporter les frais de transaction et de tenue de compte habituels facturés par leurs courtiers ou autres établissements financiers par l'intermédiaire desquels ils passent leurs ordres et/ou détiennent leurs valeurs mobilières, y compris les frais de change, et des commissions habituelles sur les valeurs mobilières peuvent s'appliquer.

D.2 – Qui est l'offreur et/ou la personne qui sollicite l'admission à la négociation ?

Offreurs..... Outre la Société, les actions ordinaires de catégorie A proposées dans le cadre de l'offre européenne aux investisseurs de détail sont proposées par les garants européens. Goldman Sachs Bank Europe SE est une société européenne (*Societas Europaea (SE)*) constituée et exerçant ses activités conformément au droit allemand, dont le siège social est situé à Francfort-sur-le-Main, Allemagne. Morgan Stanley Europe SE est une société européenne (*Societas Europaea (SE)*) constituée et exerçant ses activités conformément au droit allemand, dont le siège social est situé à Francfort-sur-le-Main, Allemagne. BofA Securities Europe S.A. est une société anonyme de droit français, constituée et exerçant ses activités conformément au droit français, dont le siège

social est situé à Paris, France. Citigroup Global Markets Europe AG est une société par actions de droit allemand (*Aktiengesellschaft*) constituée et exerçant ses activités conformément au droit allemand, dont le siège social est situé à Francfort-sur-le-Main, Allemagne. J.P. Morgan SE est une société européenne (*Societas Europaea (SE)*) constituée et exerçant ses activités conformément au droit allemand, dont le siège social est situé à Francfort-sur-le-Main, Allemagne. Banco Santander S.A. est une société anonyme espagnole (*sociedad anónima*), constituée et exerçant ses activités conformément au droit espagnol, dont le siège social est situé à Santander, Espagne. Deutsche Bank Aktiengesellschaft est une société par actions de droit allemand (*Aktiengesellschaft*) constituée et exerçant ses activités conformément au droit allemand, dont le siège social est situé à Francfort-sur-le-Main, Allemagne. ING Bank N.V. est une société néerlandaise à responsabilité limitée (*naamloze vennootschap*), constituée et exerçant ses activités conformément au droit néerlandais, dont le siège social est situé à Amsterdam, Pays-Bas. Société Générale est une société anonyme de droit français, constituée et exerçant ses activités conformément au droit français, dont le siège social est situé à Paris, France.

Admission à la négociation Il n'y aura pas d'admission à la négociation sur un marché réglementé au sens de l'article 2, point j), du Règlement Prospectus. La Société a déposé une demande d'admission de ses actions ordinaires de catégorie A à la cotation sur le Nasdaq et sur le Nasdaq Texas le 12 juin 2026 ou aux alentours de cette date sous le libellé « SPCX ».

D.3 – Pourquoi ce prospectus est-il établi ?

Motifs de l'offre mondiale La Société a l'intention de procéder à l'offre mondiale afin de percevoir le produit net de la cession des actions ordinaires de catégorie A.

Produit net La Société prévoit de percevoir environ 74,4 milliards de dollars américains de produit net de l'offre mondiale en cas de vente de toutes les actions initiales (dont environ 7,4 milliards de dollars américains attribuables à l'offre européenne aux investisseurs de détail si le nombre maximal de 55 555 555 actions sont vendues dans ce cadre) ou environ 85,7 milliards de dollars américains si les garants exercent intégralement leur option d'achat d'actions ordinaires de catégorie A supplémentaires, sur la base d'un prix d'introduction en bourse attendu de 135,00 dollars américains par action (qui correspond au prix attendu pour l'offre américaine), après déduction des remises et commissions de garantie et des frais d'offre estimés à la charge de la Société.

Utilisation du produit net La Société a l'intention d'utiliser le produit net de l'offre mondiale pour financer sa stratégie de croissance, notamment l'expansion de son infrastructure de calcul IA, l'amélioration de son infrastructure de lancement et de ses lanceurs, l'augmentation de la taille et de la capacité de ses constellations de satellites, et d'affecter tout montant restant au fonctionnement général de l'entreprise.

Si nous ne refinançons pas notre facilité de crédit relais à terme non garantie d'un montant en principal agrégé de 20 000 millions de dollars américains au moyen du produit d'émissions de titres de créance (*notes*), d'emprunts bancaires ou d'autres montages financiers, nous pourrions utiliser des liquidités d'un montant équivalent à une partie du produit net de l'offre mondiale, ou ne pas y recourir, afin de refinancer cette facilité de crédit relais à terme.

Contrat de garantie Si l'offre mondiale est réalisée, la Société prévoit de conclure un contrat de garantie avec les chefs de file teneurs de livre associés et les représentants des garants dans le cadre de l'offre mondiale, agissant au nom des garants, le 11 juin 2026 ou aux alentours de cette date, après la fin de la période d'offre. À la date du présent prospectus, les garants n'ont pas accepté d'acquérir les actions ordinaires de catégorie A offertes dans le cadre de l'offre mondiale et de l'offre européenne aux investisseurs de détail sur la base d'un engagement ferme et ne sont soumis à aucune obligation de conclure le contrat de garantie. Toutefois, si l'offre mondiale est réalisée avec succès et qu'un prix définitif de l'offre au public est fixé, la Société s'attend à ce que les garants acquièrent les actions ordinaires de catégorie A effectivement placées dans le cadre de l'offre mondiale sur la base d'un engagement ferme. Conformément aux termes et sous réserve des conditions du contrat de garantie, les garants devraient s'engager, chacun pour sa part, à acheter, et la Société devrait accepter de leur céder, chacun pour sa part, toutes les actions ordinaires de catégorie A effectivement placées dans le cadre de l'offre mondiale.

Conflits d'intérêts importants... Il n'existe aucun conflit d'intérêts important concernant l'offre mondiale, y compris concernant l'offre européenne aux investisseurs de détail.

NOTA DE SÍNTESIS

The following Spanish translation of the prospectus summary is provided for convenience purposes only and does not form part of the prospectus. It has not been reviewed or approved by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht (Bafin)). / La siguiente traducción al español de la nota de síntesis del folleto se facilita únicamente a los efectos oportunos y no forma parte del folleto. No ha sido revisada ni aprobada por la Autoridad Federal Alemana de Supervisión Financiera (Bundesanstalt für Finanzdienstleistungsaufsicht (Bafin)).

A. – Introducción y Advertencias

El presente folleto se refiere a las acciones ordinarias Clase A, con un valor nominal de 0,001 dólares estadounidenses por acción (**“acciones ordinarias Clase A”**), de Space Exploration Technologies Corp. (la **“Sociedad”** o **“SpaceX”** y, conjuntamente con sus filiales consolidadas, **“Grupo SpaceX”**, **“nosotros”** o **“nuestro/a”**), con domicilio en 1 Rocket Road, Starbase, Texas 78521, Estados Unidos de América (**“Estados Unidos”**), identificador de entidad jurídica (**“LEI”**) 549300B9WLO96RQCXP87, www.spacex.com. La Sociedad ha solicitado la admisión a negociación de sus acciones ordinarias Clase A en Nasdaq Stock Market LLC (el **“Nasdaq”**) y Nasdaq Texas, Inc. (**“Nasdaq Texas”**), con el símbolo de cotización **“SPCX”** y el Número Internacional de Identificación de Valores (*International Securities Identification Number*) (**“ISIN”**) US84615Q1031.

La oferta pública en la República Federal de Alemania (**“Alemania”**), el Reino de Dinamarca (**“Dinamarca”**), la República Francesa (**“Francia”**), los Países Bajos (**“Países Bajos”**), el Reino de Noruega (**“Noruega”**), el Reino de España (**“España”**) y el Reino de Suecia (**“Suecia”**) (la **“oferta minorista europea”**) contemplada en el presente folleto forma parte de una oferta global consistente en: (i) una oferta pública en Estados Unidos (la **“oferta estadounidense”**), registrada conforme a la U.S. Securities Act de 1933, en su versión modificada (la **“U.S. Securities Act”**), en virtud de una declaración de registro (*registration statement*) en el Formulario S-1 presentada ante la Comisión del Mercado de Valores de Estados Unidos (*Securities Exchange Commission*) (**“SEC”**), (ii) la oferta minorista europea, (iii) una oferta pública en Australia, (iv) una oferta pública en determinadas provincias y territorios de Canadá, (v) una oferta pública en Japón, (vi) una oferta pública en el Reino Unido, (vii) una oferta pública en Suiza a personas físicas o entidades jurídicas que no sean clientes profesionales en el sentido de la Ley Suiza de Servicios Financieros (**“FinSA”**) sobre la base del presente folleto, presentado ante una oficina suiza de folletos para su aceptación automática de conformidad con el artículo 54(2) de la FinSA y (viii) colocaciones privadas (las ofertas contempladas en los apartados (ii) a (viii), conjuntamente, la **“oferta internacional”** y, junto con la oferta estadounidense, la **“oferta global”**). La oferta minorista europea comprende un máximo de 55.555.555 acciones ordinarias Clase A de nueva emisión (las **“acciones minoristas europeas”**). La oferta global comprende inicialmente: (i) 555.555.555 acciones ordinarias Clase A de nueva emisión (las **“acciones base”**), incluyendo las acciones minoristas europeas, y (ii) hasta 83.333.333 acciones ordinarias Clase A adicionales de nueva emisión para cubrir potenciales sobreadjudicaciones (las **“acciones adicionales”**). Las acciones minoristas europeas forman un tramo dentro de la oferta global. Cualesquiera acciones ofrecidas en la oferta global que no formen parte del tramo minorista europeo se ofrecen en cualquier Estado Miembro del Espacio Económico Europeo (**“EEE”**) únicamente en circunstancias incluidas en el ámbito de aplicación del artículo 1(4) del Reglamento de Folletos (según se define más adelante).

La oferta minorista europea contemplada en el presente folleto se realiza únicamente por la Sociedad conjuntamente con Goldman Sachs Bank Europe SE, Marienturm, Taunusanlage 9-10, 60329 Frankfurt am Main, Alemania, LEI 8IBZUGJ7JPLH368JE346 (**“Goldman Sachs”**), Morgan Stanley Europe SE, Große Gallusstraße 18, 60312 Frankfurt am Main, Alemania, LEI 54930056FHWP7GIWYY08 (**“Morgan Stanley”**); BofA Securities Europe SA, 51 rue La Boétie, 75008 París, Francia, LEI 549300FH0WJAPEHTIQ77 (**“BofA Securities”**); Citigroup Global Markets Europe AG, Börsenplatz 9, 60313 Frankfurt am Main, Alemania, LEI 6TJCK1B7E7UTXP528Y04 (**“Citigroup”**); J.P. Morgan SE, Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Alemania, LEI 549300ZK53CNGEI6A29 (**“J.P. Morgan”**); Deutsche Bank Aktiengesellschaft, Taunusanlage 12, 60325 Frankfurt am Main, Alemania, LEI 7LTWFZYICNSX8D621K86 (**“Deutsche Bank”**); ING Bank N.V., Bijlmerdreef 106, 1102 CT Ámsterdam, Países Bajos, LEI 3TK20IVIUIJ8J3ZU0QE75 (**“ING”**); Banco Santander, S.A., Paseo de Pereda, 9-12, Santander, España, LEI 5493006QMFDDMYWIAM13 (**“Santander”**); y Société Générale, 29 boulevard Haussmann, 75009 París, Francia, LEI O2RNE8IBXP4R0TD8PU41 (**“Société Générale”**), y conjuntamente con Goldman Sachs, Morgan Stanley, BofA Securities, Citigroup, J.P. Morgan, Deutsche Bank, ING y Santander, las **“entidades aseguradoras europeas”**). La Sociedad y las entidades aseguradoras europeas asumen responsabilidad por el contenido del presente folleto.

Con fecha 5 de junio de 2026, la Autoridad Federal Alemana de Supervisión Financiera (*Bundesanstalt für Finanzdienstleistungsaufsicht*, o **“Bafin”**), Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, Alemania, www.bafin.de, aprobó el presente folleto en su condición de autoridad competente conforme al Reglamento (UE) 2017/1129 en su versión modificada (el **“Reglamento de Folletos”**). La Sociedad ha solicitado a la Bafin que notifique el folleto aprobado, de conformidad con el artículo 25 del Reglamento de Folletos, mediante un certificado de aprobación que acredite que el presente folleto ha sido elaborado conforme al Reglamento de Folletos, a la autoridad supervisora danesa *Finanstilsynet*, la autoridad supervisora neerlandesa *Autoriteit Financiële Markten (AFM)*, la autoridad supervisora francesa *Autorité des Marchés Financiers (AMF)*, la autoridad supervisora noruega *Finanstilsynet - Financial Supervisory Authority*, la autoridad supervisora española Comisión Nacional del Mercado de Valores (CNMV) y la autoridad supervisora sueca *Finansinspektionen (FI)*.

Esta nota de síntesis debe leerse como una introducción a este folleto. Los inversores deberán tomar su decisión de invertir en las acciones considerando este folleto en su conjunto. El inversor podría perder total o parcialmente el capital invertido en las acciones. Cuando se presente ante un órgano judicial una demanda relativa a la información contenida en el presente folleto, el inversor demandante podría, en virtud del Derecho nacional, tener que soportar los gastos de traducción de este folleto con anterioridad al inicio del procedimiento. La responsabilidad civil recae exclusivamente sobre las personas que hayan presentado la nota de síntesis,

incluida su traducción, pero únicamente cuando dicha nota de síntesis sea engañosa, inexacta o incoherente con las demás partes de este folleto, o cuando no contenga, leída conjuntamente con las otras partes del folleto, la información fundamental destinada a ayudar a los inversores si deben invertir o no en las acciones.

B. – Información Fundamental sobre el Emisor

B.1 – ¿Quién es el Emisor de los Valores?

Inscripción Registral y Legislación Aplicable – Space Exploration Technologies Corp. tiene su sede principal en Starbase, Texas, Estados Unidos, y su LEI es 549300B9WLO96RQCXP87. La Sociedad está constituida con arreglo a las leyes del Estado de Texas, Estados Unidos, como una corporación de Texas (*Texas corporation*).

Actividades Principales – Diseñamos, fabricamos, lanzamos y operamos productos y servicios basados en tecnologías de vanguardia, incluyendo, en nuestra opinión, los cohetes y naves espaciales más avanzados del mundo. Asimismo, operamos una red global de datos y comunicaciones de banda ancha de alta velocidad y baja latencia, impulsada por aproximadamente 9.600 satélites de banda ancha y móviles Starlink en la Órbita Terrestre Baja. Adicionalmente, estamos construyendo a gran velocidad infraestructura de computación para inteligencia artificial –comenzando en la Tierra con el objetivo de extenderla al espacio– a un ritmo y con una eficiencia en costes que lideran el sector.

- **Espacio.** Ofrecemos servicios de lanzamiento a clientes comerciales, civiles y gubernamentales a través de nuestros cohetes reutilizables Falcon 9 y Falcon Heavy, para misiones de satélites, carga y tripulación. Somos el principal proveedor de servicios de lanzamiento del gobierno de Estados Unidos.
- **Conectividad.** Nuestra línea de negocio de Conectividad incluye Starlink Consumer Broadband, Enterprise Solutions, Government Solutions y Starlink Mobile.
- **IA.** Operamos una plataforma de IA altamente integrada verticalmente que comprende nuestra infraestructura de computación para IA, un modelo puntero orientado a la búsqueda de la veracidad, y aplicaciones para consumidores y empresas.

Nuestras principales fortalezas son las siguientes:

- Liderazgo mundial en servicios de lanzamiento orbital;
- Una plataforma de satélites y conectividad sin parangón en diseño, fabricación, despliegue y operaciones;
- Un modelo de IA orientado a la búsqueda de la veracidad potenciado por datos en tiempo real;
- Una integración vertical extrema que permite operar con gran rapidez y con una eficiencia en costes superior a escala;
- Capacidad única para escalar nuevos mercados de billones de dólares en los ámbitos de Espacio, Conectividad e IA;
- Modelos de negocio increíblemente difíciles de replicar; y
- Nuestra cultura orientada a una misión y nuestro talento de nivel mundial.

Accionistas Principales – A la fecha del presente Folleto, Elon Musk posee el 12,2% de las acciones ordinarias Clase A y el 93,3% de las acciones ordinarias Clase B de la Sociedad. Como resultado, Elon Musk ostenta el 84,3% de los derechos de voto de la Sociedad.

Accionistas de Control – A la fecha del presente folleto, la Sociedad está controlada por Elon Musk. Tras el cierre de la oferta global y asumiendo la venta de la totalidad de las acciones base y un precio de oferta pública inicial de 135,00 dólares por acción (el precio previsto de la oferta estadounidense), Elon Musk ostentará inmediatamente después de la oferta aproximadamente el 83,6% del poder de voto de nuestras acciones ordinarias (o el 83,5% si las entidades aseguradoras ejercitan íntegramente su opción de compra sobre las acciones adicionales), a través de su titularidad de 849.494.440 acciones ordinarias Clase A y 5.219.053.075 acciones ordinarias Clase B, que representan aproximadamente el 91,6% de nuestras acciones ordinarias Clase B. Conforme a nuestros estatutos sociales (*charter*), los titulares de nuestras acciones ordinarias Clase B tendrán derecho a nombrar una mayoría de nuestro consejo de administración (dichos consejeros, los “**Consejeros Clase B**”), mientras existan acciones ordinarias Clase B en circulación. En su condición de titular de la mayoría de nuestras acciones ordinarias Clase B, el Sr. Musk podrá nombrar, cesar o cubrir cualquier vacante entre los Consejeros Clase B. Asimismo, mientras sea titular real (*beneficial owner*) de más del 50% del poder de voto de nuestras acciones ordinarias, Elon Musk controlará el poder de voto sobre la selección de nuestro consejo de administración. Como resultado, Elon Musk tendrá el poder de controlar el resultado de los asuntos que requieran la aprobación de los accionistas, incluida la elección de la totalidad de nuestros consejeros, así como de controlar nuestro negocio y asuntos sociales.

Altos Directivos Clave – Los altos directivos de la Sociedad son Elon Musk, Gwynne Shotwell y Bret Johnsen.

Audidores – El auditor de la Sociedad es PricewaterhouseCoopers LLP, 601 South Figueroa Street, Suite 900, Los Angeles, California, 90017, Estados Unidos.

B.2 – ¿Cuál es la Información Financiera Fundamental relativa al Emisor?

Salvo que se indique lo contrario, toda la información financiera presentada en las tablas siguientes se muestra en millones de dólares estadounidenses (en millones de \$). Determinada información financiera ha sido redondeada conforme a los estándares comerciales establecidos. Cuando la información financiera contenida en las siguientes tablas aparezca identificada como “auditada”, dicha información ha sido extraída de las cuentas anuales consolidadas auditadas a 31 de diciembre de 2025 y 2024 y correspondientes a cada uno de los tres ejercicios del período finalizado el 31 de diciembre de 2025, cuando la información financiera aparezca identificada como “no auditada”, dicha información no ha sido extraída de las cuentas anuales consolidadas auditadas a 31 de diciembre de 2025 y 2024 y correspondientes a cada uno de los tres ejercicios del período finalizado el 31 de diciembre de 2025, sino que ha sido extraída de los estados financieros intermedios consolidados no auditados correspondientes al trimestre finalizado el 31 de marzo de 2026, o bien de los registros contables o del sistema de información interna del Grupo SpaceX, o se basa en cálculos de datos a partir de las fuentes anteriormente mencionadas.

Datos Financieros y Operativos Principales

Datos Seleccionados de los Estados Consolidados de Operaciones (Consolidated Statements of Operations) y otros datos financieros

(auditado, salvo que se indique lo contrario) (en millones de \$, salvo que se indique lo contrario)	Trimestre finalizado el 31 de marzo de		Ejercicio finalizado el 31 de diciembre de		
	2026*	2025*	2025	2024	2023
Ingresos.....	\$4.694	\$4.067	\$18.674	\$14.015	\$10.387
Costes y gastos totales.....	6.637	4.040	21.263	13.549	13.892
Crecimiento interanual de ingresos*	\$627	n/a	\$4.659	\$3.628	n/a
Beneficio (pérdida) de explotación.....	(1.943)	27	(2.589)	466	(3.505)
Beneficio (pérdida) neto	\$(4.276)	\$(528)	\$(4.937)	\$791	\$(4.628)
Beneficio (pérdida) neto atribuible a los accionistas – básico y diluido	\$(4.947)	\$(528)	\$(4.937)	\$18	\$(4.628)
Beneficio (pérdida) neto por acción ordinaria atribuible a los accionistas ordinarios ⁽¹⁾					
Básico ⁽¹⁾	\$(1,27)	\$(0,18)	\$(1,69)	\$0.01	\$(1,68)
Diluido ⁽¹⁾	\$(1,27)	\$(0,18)	\$(1,69)	\$0.00	\$(1,68)

* No auditada.

(1) Presentado en \$ por acción.

Datos Seleccionados de los Balances Consolidados

(auditado, salvo que se indique lo contrario) (en millones)	31 de marzo de	31 de diciembre de		
	2026*	2025	2024	2023
Activos totales	\$102.094	\$92.079	\$57.062	n/a
Patrimonio neto total.....	\$34.533	\$2.573	\$4.863	n/a

* No auditada.

Datos Seleccionados de los Estados Consolidados de Flujos de Efectivo

(auditado, salvo que se indique lo contrario) (en millones)	Trimestre finalizado el 31 de marzo de		Ejercicio finalizado el 31 de diciembre de		
	2026*	2025*	2025	2024	2023
Efectivo neto generado por actividades de explotación	\$1.047	\$727	\$6.785	\$5.776	\$4.520
Efectivo neto utilizado en actividades de inversión	\$(16.724)	\$(4.170)	\$(19.575)	\$(10.796)	\$(4.867)
Efectivo neto generado por actividades financieras.....	\$7.125	\$354	\$26.350	\$11.830	\$422

* No auditada.

Medidas Alternativas de Rendimiento Seleccionadas

(no auditada) (en millones)	Trimestre finalizado el 31 de marzo de		Ejercicio finalizado el 31 de diciembre de		
	2026	2025	2025	2024	2023
EBITDA Ajustado ⁽¹⁾	\$1.127	\$1.730	\$6.584	\$5.350	\$3.821
EBITDA Ajustado del Segmento Espacio ⁽²⁾	\$(351)	\$224	\$653	\$1.154	\$997
EBITDA Ajustado del Segmento Conectividad ⁽²⁾	\$2.087	\$1.618	\$7.168	\$3.849	\$1.602
EBITDA Ajustado del Segmento IA ⁽²⁾	\$(609)	\$(112)	\$(1.237)	\$347	\$1.222

(1) El EBITDA Ajustado se define como el beneficio (pérdida) neto excluyendo (i) las amortizaciones y depreciaciones, (ii) la retribución basada en acciones, (iii) los deterioros, (iv) los gastos de reestructuración, (v) los gastos financieros, (vi) los ingresos financieros, (vii) otros ingresos (gastos) netos y (viii) la provisión para impuestos sobre beneficios.

(2) El EBITDA Ajustado del Segmento se define como el beneficio (pérdida) de explotación del segmento excluyendo (i) las amortizaciones y depreciaciones, (ii) la retribución basada en acciones, (iii) los gastos de reestructuración y (iv) los deterioros.

B.3 – ¿Cuáles son los Principales Riesgos Específicos del Emisor?

- Cualquier fallo o retraso en el desarrollo de Starship a escala, o en la consecución de la cadencia de lanzamientos, la reutilización y las capacidades requeridas a partir de ese momento, podría retrasar o limitar nuestra capacidad de ejecutar nuestra estrategia de crecimiento, incluyendo el despliegue de satélites de nueva generación, la conectividad global satélite-a-móvil, y la computación de IA en órbita, lo que podría afectar de forma significativa y adversa a nuestro negocio, situación financiera, resultados de operaciones y perspectivas futuras.
- Cualquier retraso o dificultad en la obtención, mantenimiento o renovación de las aprobaciones regulatorias y licencias requeridas para nuestras actividades relacionadas con el espacio, incluidas las licencias de lanzamiento y reentrada de la Administración Federal de Aviación de Estados Unidos (*U.S. Federal Aviation Administration*), retrasaría o interrumpiría de forma significativa nuestras operaciones, perjudicaría nuestro negocio, o limitaría nuestra capacidad de implementar nuestra estrategia empresarial.
- Cualquier retraso o dificultad en la obtención, mantenimiento o renovación de las licencias de comunicaciones y autorizaciones de espectro requeridas para nuestros servicios de conectividad por satélite, incluidas las licencias internacionales y las licencias de espectro satelital de la Comisión Federal de Comunicaciones (*Federal Communications Commission*), podría retrasar o interrumpir de forma significativa nuestras operaciones, perjudicar nuestro negocio, o limitar nuestra capacidad de implementar nuestra estrategia empresarial.
- Nuestros productos de IA y la plataforma X están sujetos a leyes y regulaciones complejas y cambiantes, tanto estadounidenses como extranjeras, que están sujetas a cambios y a una interpretación incierta, y podría requerirnos realizar cambios en nuestros productos y prácticas empresariales, así como vernos expuestos a sanciones económicas, aumento de los costes operativos, disminución del crecimiento o de la interacción de usuarios o pérdida de clientes, u otros perjuicios para nuestros productos de IA y la plataforma X.
- Nuestros servicios Starlink y otros servicios por satélite están sujetos a leyes y regulaciones complejas y cambiantes, tanto estadounidenses como extranjeras, en particular en materia de privacidad de datos, ciberseguridad y telecomunicaciones.
- Nuestra estrategia empresarial depende del éxito en el diseño, desarrollo, y despliegue de nuestros productos y servicios, así como de las plataformas, infraestructuras y demás iniciativas estratégicas relacionadas, a una escala sin precedentes, lo que conlleva riesgos significativos de implementación, coste y plazos.
- Hemos experimentado, y probablemente seguiremos experimentando, retrasos y fallos en los lanzamientos que podrían afectar de forma significativa y adversa a nuestro negocio, situación financiera, resultados de operaciones, y perspectivas futuras.
- Nuestros satélites, vehículos de lanzamiento, y demás tecnologías del ámbito espacial, operan, y en el caso de la computación de IA en órbita, operarán, en el entorno hostil e impredecible del espacio, lo que los expone a un amplio y singular abanico de riesgos espaciales que podrían provocar su mal funcionamiento o fallo, y cualquier mal funcionamiento o fallo de este tipo podría afectar de forma significativa y adversa a nuestro negocio, situación financiera, resultados de operaciones, y perspectivas futuras.
- La continua proliferación de constelaciones de satélites en la Órbita Terrestre Baja, así como el riesgo de colisiones con basura espacial u otras naves espaciales, podría limitar o menoscabar nuestra flexibilidad de lanzamiento y despliegue de satélites, lo que podría afectar de forma significativa y adversa a nuestro negocio, situación financiera, resultados de operaciones, y perspectivas futuras.
- Las interrupciones en el funcionamiento de la red satelital crítica, las estaciones terrestres, los lanzamientos, la fabricación, o las infraestructuras de naves espaciales o de centros de datos podrían dar lugar a tiempos de inactividad significativos, retrasos operativos o pérdida del servicio, cada uno de los cuales podría afectar de forma significativa y adversa a nuestro negocio, situación financiera, resultados de operaciones, y perspectivas futuras.
- La fabricación, prueba y lanzamiento de cohetes, satélites, y naves espaciales, incluidos nuestros esfuerzos de reutilización de cohetes y naves espaciales, conllevan riesgos inherentes que podrían dar lugar a lesiones o muertes de personas, daños materiales y daños medioambientales u otros impactos medioambientales adversos como consecuencia de accidentes o fallos

en los equipos. Cualquier evento de este tipo podría ocasionar pérdidas sustanciales, incluido el daño reputacional y la responsabilidad legal, lo que podría afectar de forma significativa y adversa a nuestro negocio, situación financiera, resultados de operaciones, y perspectivas futuras.

- Aunque estamos centrados en la integración vertical de nuestros negocios, dependemos de terceros para la fabricación y suministro de determinados componentes clave necesarios para la prestación de nuestros servicios de lanzamiento, conectividad, e IA, y cualquier escasez o interrupción del suministro o cualquier fallo en su gestión podría afectar de forma significativa y adversa a nuestro negocio, situación financiera, resultados de operaciones, y perspectivas futuras.

C. – Información Fundamental sobre los Valores

C.1 – ¿Cuáles son las Principales Características de los Valores?

Número y Características de las Acciones – La totalidad de las 555.555.555 acciones ofrecidas en la oferta global (incluidas las 55.555.555 acciones minoristas europeas objeto del presente folleto) son acciones ordinarias Clase A, con un valor nominal de 0,001 dólares por acción. Tras el cierre de la oferta, el capital social autorizado de la Sociedad estará compuesto por 36.132.150.000 acciones ordinarias Clase A, con un valor nominal de 0,001 dólares por acción, de las cuales 7.380.196.910 acciones estarán emitidas y en circulación (o 7.463.530.243 acciones si las entidades aseguradoras ejercitan íntegramente su opción de compra sobre las acciones adicionales), 6.125.000.000 acciones ordinarias Clase B, con un valor nominal de 0,001 dólares por acción, de las cuales 5.695.668.265 acciones estarán emitidas y en circulación, 10.000.000.000 acciones ordinarias Clase C, con un valor nominal de 0,001 dólares por acción, de las cuales no habrá acciones emitidas y en circulación, y 2.400.000.000 acciones preferentes, con un valor nominal de 0,001 dólares por acción, de las cuales no habrá acciones emitidas y en circulación. El número de acciones ordinarias Clase A y Clase B de la Sociedad que estarán en circulación tras la oferta global se basa en 6.824.641.355 acciones ordinarias Clase A y 5.695.668.265 acciones ordinarias Clase B en circulación a 31 de marzo de 2026, después de que se produzca, conforme a los términos de la escritura de constitución (*certificate of formation*) de la Sociedad vigente como sociedad privada con anterioridad a la oferta global, la reclasificación de la totalidad de las acciones ordinarias Clase C en circulación en un total agregado de 494.050.675 acciones ordinarias Clase A y la conversión de todas las acciones preferentes en circulación en un total agregado de 3.448.110.450 acciones ordinarias Clase A y 3.274.452.900 acciones ordinarias Clase B.

Una vez se haya consumado la venta de la totalidad de las acciones base en la oferta global, los titulares de las acciones ordinarias Clase A ostentarán el 11,5% del poder de voto combinado de nuestras acciones ordinarias en circulación (o el 11,6% si las entidades aseguradoras ejercitan íntegramente su opción de compra sobre las acciones adicionales), y los titulares de las acciones ordinarias Clase B ostentarán el 88,5% del poder de voto combinado de nuestras acciones ordinarias en circulación (o el 88,4% si las entidades aseguradoras ejercitan íntegramente su opción de compra sobre las acciones adicionales).

Símbolo de cotización, ISIN y Denominación – El símbolo de cotización en el Nasdaq y Nasdaq Texas de las acciones ordinarias Clase A es “SPCX”, el ISIN es US84615Q1031 y las acciones están denominadas en dólares estadounidenses.

Derechos Inherentes a las Acciones, Rango y Transmisibilidad – Sujeto a los derechos preferentes de los titulares de todas las clases y series del capital social de la Sociedad que se encuentren en circulación en ese momento y que tengan derechos preferentes en cuanto a dividendos, los titulares de acciones ordinarias Clase A y de acciones ordinarias Clase B tendrán derecho a percibir los dividendos que el consejo de administración pueda decidir en cada momento. Cualquier dividendo pagado a los titulares de acciones ordinarias Clase A y de acciones ordinarias Clase B se distribuirá prorata y con igual rango de prelación, en régimen *pari passu*.

Cada acción ordinaria Clase A dará derecho a su titular a un voto por acción. Cada acción ordinaria Clase B dará derecho a su titular a 10 votos por acción. Los accionistas Clase A y los accionistas Clase B votarán conjuntamente, como una única clase, en todos los asuntos sometidos a la votación de los accionistas conforme a nuestros estatutos sociales (*charter*), con la excepción de que los titulares de acciones ordinarias Clase B tendrán derecho a nombrar una mayoría en nuestro consejo de administración y tendrán, como clase, otros derechos de voto específicos. Cada acción ordinaria Clase B será convertible en cualquier momento a opción de su titular en una acción ordinaria Clase A. Asimismo, cada acción ordinaria Clase B se convertirá automáticamente en una acción ordinaria Clase A cuando se produzcan determinadas transmisiones de dicha acción ordinaria Clase B, ya sean a título oneroso o no, salvo en el caso de determinadas transmisiones permitidas.

En caso de liquidación, disolución o extinción de la Sociedad, los titulares de acciones ordinarias Clase A y de acciones ordinarias Clase B tendrán derecho a participar a prorata en todos los activos remanentes tras el pago de los pasivos y de la preferencia en la liquidación de cualquier acción del capital social de la Sociedad que se encuentre en circulación en ese momento. Las acciones ordinarias Clase A ofrecidas son libremente transmisibles.

Política de Dividendos – La Sociedad prevé actualmente que retendrá la totalidad de las ganancias futuras, en caso de haberlas, para financiar el crecimiento de su negocio. La Sociedad no prevé declarar ni distribuir dividendo alguno en efectivo a los titulares de sus acciones ordinarias en un futuro próximo.

C.2 – ¿Dónde se negociarán los Valores?

La Sociedad ha solicitado la admisión a negociación de sus acciones ordinarias Clase A en el Nasdaq y Nasdaq Texas con el símbolo “SPCX”. No está previsto solicitar la admisión a negociación de las acciones ordinarias Clase A de la Sociedad en ningún otro centro de negociación.

C.3 – ¿Cuáles son los Riesgos Específicos de los Valores?

- En el futuro podrían surgir conflictos de interés entre nosotros, por un lado, y el Sr. Musk y las entidades de su propiedad o vinculadas a él, por la otra, en relación con, entre otras cuestiones, operaciones comerciales, posibles actividades competidoras u otras oportunidades de negocio.
- Determinados miembros de nuestro equipo directivo y empleados clave nuestros podrían encontrarse en situación de conflicto de interés, dado que son simultáneamente empleados o directivos de entidades vinculadas al Sr. Musk o a otros accionistas significativos. La resolución de estos conflictos de interés podría no responder a nuestro mejor interés ni al de los inversores.
- Tras el cierre de la oferta, el Sr. Musk desempeñará los cargos de Consejero Delegado (*Chief Executive Officer*), Director Técnico (*Chief Technical Officer*) y Presidente de nuestro consejo de administración y controlará la elección de nuestros consejeros, dado que nuestra estructura de doble clase de acciones concentra el control del voto en el Sr. Musk y en los demás titulares de nuestras acciones ordinarias Clase B. Ello limitará o impedirá la capacidad de los inversores para influir en los asuntos corporativos y en la elección de nuestros consejeros.

D. – Información Fundamental sobre la Oferta de Valores y la Admisión a Negociación

D.1 – ¿En qué Condiciones y Plazos puedo invertir en este Valor?

Alcance de la Oferta Minorista Europea..... La oferta minorista europea consiste en ofertas públicas de las acciones minoristas europeas en Alemania, Dinamarca, Francia, los Países Bajos, Noruega, España y Suecia.

La oferta minorista europea contemplada en el presente folleto constituye un tramo dentro de la oferta global.

Conforme a la legislación estadounidense en materia de valores, la Sociedad tiene la facultad de ampliar la oferta estadounidense y, en consecuencia, incrementar el número de acciones ofrecidas en la oferta estadounidense, mediante la presentación de una modificación de la declaración de registro (*registration statement*) presentada ante la SEC con anterioridad a la efectividad de dicha declaración de registro. Adicionalmente, conforme a la Regla 462(b) al amparo de la U.S. Securities Act, que rige la oferta estadounidense, la Sociedad podrá registrar valores adicionales bajo su declaración de registro (*registration statement*) presentada ante la SEC mediante una adenda denominada modificación post-efectiva de efectividad automática (*automatically effective post-effective amendment*) por un importe y a un precio que, en conjunto, no representen más del 20% del precio máximo agregado de la oferta, calculado como los fondos brutos a ser percibidos por la Sociedad por la emisión de las acciones base ofrecidas al precio previsto para la oferta estadounidense junto con las acciones adicionales. No obstante, no se incrementará el número de acciones ofrecidas en la oferta minorista europea aunque se incremente el número de acciones ofrecidas en la oferta global.

Si las acciones minoristas europeas no fueran suscritas por inversores minoristas elegibles, o si la Sociedad y las entidades aseguradoras europeas decidieran reducir el número de acciones minoristas europeas ofrecidas o fijar un número definitivo de acciones minoristas europeas ofrecidas inferior al número máximo de acciones ofrecidas conforme al presente folleto, las acciones minoristas europeas no suscritas o no ofrecidas conforme al presente folleto, respectivamente, podrán ser ofrecidas y vendidas en la oferta global, siempre que en cualquier Estado miembro del EEE solo serán ofrecidas en circunstancias incluidas en el ámbito de aplicación del artículo 1(4) del Reglamento de Folletos.

Precio Máximo de la Oferta \$162,00 por acción ordinaria Clase A.

A los efectos de la oferta estadounidense, se ha establecido un precio previsto de 135,00 dólares. A los efectos de la oferta minorista europea, el precio máximo de la oferta se ha fijado en 162,00 dólares.

Los inversores que cursen órdenes por debajo de 135,00 dólares, que es el precio previsto para la oferta estadounidense, no deberán esperar recibir una adjudicación en la oferta minorista europea.

La posibilidad de que los inversores minoristas indiquen un límite de precio para sus órdenes o cursen órdenes sin límite de precio dependerá de la jurisdicción y del banco o intermediario financiero correspondientes. Las órdenes en las que no se haya indicado un límite de precio o las órdenes sin límite de precio presentadas por los inversores minoristas serán válidas hasta el precio máximo de la oferta pública.

El precio definitivo de la oferta pública será un precio único por acción ordinaria Clase A aplicable a todos los inversores en el marco de la oferta global, incluida la presente oferta minorista europea.

El precio definitivo de la oferta pública no incluirá impuestos sobre operaciones bursátiles ni otros impuestos, ni los gastos (incluidas, en su caso, las comisiones por conversión de divisas)

que cobren los intermediarios financieros (distintos de las entidades aseguradoras europeas) por la tramitación de órdenes de compra.

La Sociedad publicará el precio definitivo de la oferta pública conforme al artículo 17(2) del Reglamento de Folletos el 11 de junio de 2026 o en torno a dicha fecha, mediante un anuncio que se publicará en formato electrónico en el sitio web de la Sociedad <https://www.spacexipo.com>.

Período de Oferta	La oferta minorista europea permite a los inversores minoristas elegibles presentar órdenes de compra de las acciones minoristas europeas ofrecidas durante un período que comienza el 5 de junio de 2026 tras la publicación del folleto y, en Dinamarca, Francia, Países Bajos, Noruega y España, tras la notificación al respectivo país, y que se prevé finalizará el 11 de junio de 2026 a las 6:00 p.m. (hora central europea de verano, CEST) (12:00 mediodía (hora oficial del este, EDT) (el “ período de oferta ”). Con respecto a la oferta minorista en Suecia, se prevé que el período de oferta comience el 6 de junio de 2026. Con respecto a la oferta minorista en Suiza, se prevé que el período de oferta comience tras la presentación del presente folleto ante una oficina suiza de folletos el 5 de junio de 2026.
Plan de Adjudicación	La oferta global de las acciones ordinarias Clase A por parte de las entidades aseguradoras está sujeta a recepción y aceptación y está sujeta al derecho de las entidades aseguradoras a rechazar cualquier orden total o parcialmente, a su discreción, sin perjuicio de la observancia de los siguientes criterios.
Programa de Acciones Reservadas (Directed Share Program)	A solicitud de la Sociedad, las entidades aseguradoras han reservado hasta el 5% de las acciones ordinarias Clase A ofrecidas en la oferta global, para su venta, al precio de la oferta pública inicial, a través de un programa de acciones reservadas a determinados empleados y personas seleccionadas a discreción de los altos directivos de la Sociedad, que podrá incluir a partes con las que la Sociedad mantenga una relación comercial y a amigos y familiares de los altos directivos de la Sociedad. En caso de ser adquiridas por estas personas, dichas acciones no quedarán sujetas a una restricción de transmisión (<i>lock-up</i>). El número de acciones ordinarias Clase A disponibles para su venta al público en general se verá reducido por el número de acciones ordinarias Clase A reservadas vendidas a estas personas. Las acciones ordinarias Clase A reservadas que no sean adquiridas por estas personas serán ofrecidas por las entidades aseguradoras al público en general en las mismas condiciones que las restantes acciones ordinarias Clase A ofrecidas en el marco de la oferta global y fuera de la oferta minorista europea.
Adjudicación Máxima a Cuentas Discrecionales	Con respecto a la oferta global, las entidades aseguradoras han informado a la Sociedad de que no tienen la intención de que las ventas a cuentas discrecionales (es decir, cuentas de clientes respecto de las cuales las entidades aseguradoras (por su condición de <i>broker-dealers</i> y por mantener fondos de clientes) disponen de facultades de inversión para adquirir acciones por cuenta de sus clientes, sin necesidad de obtener la aprobación expresa de estos) superen el 5% del número total de acciones de acciones ordinarias Clase A ofrecidas por ellos.
Opción de Compra de Acciones Adicionales	La Sociedad otorgará a las entidades aseguradoras en el contrato de aseguramiento una opción, ejercitable durante los 30 días siguientes a la fecha del contrato de aseguramiento, para adquirir hasta 83.333.333 acciones ordinarias Clase A adicionales al precio final de oferta, descontados los descuentos y comisiones de aseguramiento, con el fin de cubrir las sobreadjudicaciones realizadas mediante ventas en corto.
Cotización y Cierre	Se prevé que la negociación en el Nasdaq y Nasdaq Texas comience el 12 de junio de 2026 o en torno a dicha fecha. La entrega de las acciones a las respectivas cuentas de las distintas entidades aseguradoras está prevista que se realice el 15 de junio de 2026 o en torno a dicha fecha. La entrega mediante anotaciones en cuenta de las acciones ordinarias Clase A adjudicadas a los inversores que participen en la oferta minorista europea contra el pago del precio final de la oferta pública se espera que tenga lugar tan pronto como sea posible con posterioridad a dicha fecha.
Dilución de los Nuevos Accionistas	\$126,13 por acción, o 93,4%.
Incremento Valor de los Accionistas Existentes	\$5,55 por acción, o 167,2%.
Gastos Totales	Los costes y gastos relacionados con la oferta global, distintos de los descuentos y comisiones de aseguramiento, se estiman en un total de \$54.508.000 y serán asumidos por la Sociedad.
Gastos a Cargo de los Inversores minoristas elegibles	Ni la Sociedad ni las entidades aseguradoras europeas (en su condición de entidades aseguradoras) repercutirán gastos a los inversores minoristas elegibles. No obstante, los inversores minoristas elegibles podrán tener que asumir las comisiones habituales de transacción y tramitación cobradas por sus intermediarios u otras instituciones financieras a través de las

cuales cursen sus órdenes y/o mantengan sus valores, incluidas las comisiones por conversión de divisas, y otras comisiones habituales sobre valores que puedan resultar de aplicación.

D.2 – ¿Quién es el Oferente y/o la Persona que solicita la Admisión a Negociación?

Oferentes Además de la Sociedad, las acciones ordinarias Clase A ofrecidas en la oferta minorista europea están siendo ofrecidas por las entidades aseguradoras europeas. Goldman Sachs Bank Europe SE es una sociedad anónima europea (*Societas Europaea (SE)*) constituida y que opera conforme a las leyes de Alemania, con domicilio social en Frankfurt am Main, Alemania. Morgan Stanley Europe SE es una sociedad anónima europea (*Societas Europaea (SE)*) constituida y que opera conforme a las leyes de Alemania, con domicilio social en Frankfurt am Main, Alemania. BofA Securities Europe S.A. es una sociedad anónima francesa (*société anonyme*), constituida y que opera conforme a las leyes de Francia, con domicilio social en París, Francia. Citigroup Global Markets Europe AG es una sociedad anónima alemana (*Aktiengesellschaft*) constituida y que opera conforme a las leyes de Alemania, con domicilio social en Frankfurt am Main, Alemania. J.P. Morgan SE es una sociedad anónima europea (*Societas Europaea (SE)*) constituida y que opera conforme a las leyes de Alemania, con domicilio social en Frankfurt am Main, Alemania. Banco Santander S.A. es una sociedad anónima española (*sociedad anónima*), constituida y que opera conforme a las leyes de España, con domicilio social en Santander, España. Deutsche Bank Aktiengesellschaft es una sociedad anónima alemana (*Aktiengesellschaft*) constituida y que opera conforme a las leyes de Alemania, con domicilio social en Frankfurt am Main, Alemania. ING Bank N.V. es una sociedad anónima neerlandesa (*naamloze vennootschap*), constituida y que opera conforme a las leyes de los Países Bajos, con domicilio social en Ámsterdam, Países Bajos. Société Générale es una sociedad anónima francesa (*société anonyme*), constituida y que opera conforme a las leyes de Francia, con domicilio social en París, Francia.

Admisión a Negociación No habrá admisión a negociación en un mercado regulado en el sentido del artículo 2, letra j), del Reglamento de Folletos. La Sociedad ha solicitado la admisión a negociación de sus acciones ordinarias Clase A en Nasdaq y Nasdaq Texas el 12 de junio de 2026 o en torno a dicha fecha bajo el símbolo “SPCX”.

D.3 – ¿Por qué se ha Elaborado este Folleto?

Razones para la Oferta Global La Sociedad tiene intención de llevar a cabo la oferta global con el fin de recibir los fondos netos procedentes de la venta de las acciones ordinarias Clase A.

Fondos Netos La Sociedad espera recibir aproximadamente 74.400 millones de dólares de fondos netos procedentes de la oferta global si se venden todas las acciones base (de los cuales aproximadamente 7.400 millones de dólares son atribuibles a la oferta minorista europea si se vende el número máximo de 55.555.555 acciones en virtud de la misma) o aproximadamente 85.700 millones de dólares si las entidades aseguradoras ejercen íntegramente su opción de compra de acciones ordinarias Clase A adicionales, sobre la base del precio previsto de oferta pública inicial de \$135,00 por acción (que es el precio previsto para la oferta estadounidense), una vez deducidos los descuentos y comisiones del aseguramiento y los gastos estimados de la oferta a cargo de la Sociedad.

Destino de los Fondos La Sociedad tiene la intención de destinar los fondos netos procedentes de la oferta global a financiar su estrategia de crecimiento, incluyendo la expansión de su infraestructura de computación de IA, las mejoras en su infraestructura de lanzamiento y vehículos de lanzamiento, los incrementos en la escala y capacidad de sus constelaciones de satélites, y los importes restantes para fines corporativos generales.

Si no refinanciamos nuestra línea de crédito puente no garantizada (*unsecured bridge term loan facility*) por un importe principal agregado de 20.000 millones de dólares con fondos procedentes de emisiones de pagarés (*notes*), préstamos bancarios u otros mecanismos de financiación, podremos destinar efectivo por un importe equivalente a una parte de los fondos netos de la oferta global, o nada en absoluto, a refinanciar dicha línea de crédito puente.

Contrato de Aseguramiento Si la oferta global tiene éxito, la Sociedad espera suscribir un contrato de aseguramiento con los joint book-running managers y representantes de las entidades aseguradoras en la oferta global, actuando en nombre de las entidades aseguradoras, en o alrededor del 11 de junio de 2026, una vez finalizado el periodo de oferta. A la fecha del presente folleto, las entidades aseguradoras no han acordado asegurar las acciones ordinarias Clase A ofrecidas en la oferta global y en la oferta minorista europea sobre la base de un compromiso en firme, y no están sujetas a ninguna obligación de suscribir el contrato de aseguramiento. No obstante, si la oferta global tiene éxito y se establece un precio final para la oferta pública, la Sociedad espera que las entidades aseguradoras aseguren las acciones ordinarias Clase A finalmente colocadas en la oferta global. Conforme a los términos y sujeto a las condiciones del contrato de aseguramiento, se espera que

las entidades aseguradoras acuerden, de manera mancomunada, adquirir, y que la Sociedad acuerde venderles, también de manera mancomunada, las acciones ordinarias Clase A finalmente colocadas en la oferta global.

Conflictos de Interés

Materiales

No existen conflictos de interés materiales con respecto a la oferta global, incluida la oferta minorista europea.

SAMMANFATTNING AV PROSPEKTET

The following Swedish translation of the prospectus summary is provided for convenience purposes only and does not form part of the prospectus. It has not been reviewed or approved by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht (Bafin)). / Följande svenska översättning av prospektsammanfattningen tillhandahålls endast i informationssyfte och utgör inte en del av prospektet. Den har inte granskats eller godkänts av den tyska federala finansinspektionen (Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)).

A. – Inledning och varning

Detta prospekt avser stamaktier av Serie A, med ett nominellt värde om 0,001 USD per aktie ("**stamaktier av Serie A**"), i Space Exploration Technologies Corp. ("**Bolaget**" eller "**SpaceX**" och, tillsammans med dess dotterbolag, "**SpaceX-koncernen**", "**vi**", "**oss**" eller "**vår**"), 1 Rocket Road, Starbase, Texas 78521, Amerikas förenta stater ("**USA**"), Legal Entity Identifier ("**LEI**") 549300B9WLO96RQCXP87, www.spacex.com. Bolaget har ansökt om notering av sina stamaktier av Serie A på Nasdaq Stock Market LLC ("**Nasdaq**") och Nasdaq Texas, Inc. ("**Nasdaq Texas**") med kortnamnet "**SPCX**" och International Securities Identification Number ("**ISIN**") US84615Q1031.

Det offentliga erbjudandet i Förbundsrepubliken Tyskland ("**Tyskland**"), Konungariket Danmark ("**Danmark**"), Republiken Frankrike ("**Frankrike**"), Nederländerna ("**Nederländerna**"), Konungariket Norge ("**Norge**"), Konungariket Spanien ("**Spanien**") och Konungariket Sverige ("**Sverige**") ("**det europeiska retail-erbjudandet**") som avses i detta prospekt, är en del av ett globalt erbjudande bestående av: (i) ett offentligt erbjudande i USA ("**det amerikanska erbjudandet**"), registrerat enligt den vid var tid gällande Securities Act från 1933 ("**U.S. Securities Act**") genom en registreringshandling enligt Form S-1 som lämnats in till United States Securities and Exchange Commission ("**SEC**"), (ii) det europeiska retail-erbjudandet, (iii) ett offentligt erbjudande i Australien, (iv) ett offentligt erbjudande i vissa provinser och territorier i Kanada, (v) ett offentligt erbjudande i Japan, (vi) ett offentligt erbjudande i Storbritannien, (vii) ett offentligt erbjudande i Schweiz till fysiska eller juridiska personer som inte utgör professionella kunder i den mening som avses i Swiss Financial Services Act ("**FinSA**"), på grundval av detta prospekt som lämnats in till ett prospektgranskningsorgan i Schweiz för automatiskt godkännande enligt artikel 54.2 i FinSA, (viii) s.k. private placements (de erbjudanden som avses under (ii) till (viii) kallas gemensamt "**det internationella erbjudandet**" och tillsammans med det amerikanska erbjudandet, "**det globala erbjudandet**"). Det europeiska retail-erbjudandet omfattar högst 55 555 555 nyemitterade stamaktier av Serie A (de "**europeiska retail-aktierna**"). Det globala erbjudandet omfattar initialt: (i) 555 555 555 nyemitterade stamaktier av Serie A ("**grundaktierna**"), innefattande de europeiska retail-aktierna, och (ii) upp till 83 333 333 ytterligare nyemitterade stamaktier av Serie A för att täcka eventuella övertilldelningar (de "**ytterligare aktierna**"). De europeiska retail-aktierna utgör en tranch inom ramen för det globala erbjudandet. Aktier som erbjuds inom ramen för det globala erbjudandet och som inte ingår i den europeiska retail-tranchen erbjuds endast i medlemsstater inom Europeiska ekonomiska samarbetsområdet ("**EES**") under sådana omständigheter som omfattas av tillämpningsområdet för artikel 1.4 i Prospektförordningen (såsom definierad nedan).

Det europeiska retail-erbjudande som avses i detta prospekt genomförs endast av Bolaget tillsammans med Goldman Sachs Bank Europe SE, Marienturm, Taunusanlage 9-10, 60329 Frankfurt am Main, Tyskland, LEI-kod 8IBZUGJ7JPLH368JE346 ("**Goldman Sachs**"), Morgan Stanley Europe SE, Große Gallusstraße 18, 60312 Frankfurt am Main, Tyskland, LEI-kod 54930056FHPW7GIWYY08 ("**Morgan Stanley**"); BofA Securities Europe SA, 51 rue La Boétie, 75008 Paris, Frankrike, LEI-kod 549300FH0WJAPHTIQ77 ("**BofA Securities**"); Citigroup Global Markets Europe AG, Börsenplatz 9, 60313 Frankfurt am Main, Tyskland, LEI-kod 6TJCK1B7E7UTXP528Y04 ("**Citigroup**"); J.P. Morgan SE, Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Tyskland, LEI-kod 549300ZK53CNGEEI6A29 ("**J.P. Morgan**"); Deutsche Bank Aktiengesellschaft, Taunusanlage 12, 60325 Frankfurt am Main, Tyskland, LEI-kod 7LTWFZYICNSX8D621K86 ("**Deutsche Bank**"); ING Bank N.V., Bijlmerdreef 106, 1102 CT Amsterdam, Nederländerna, LEI-kod 3TK20IVIUJ8J3ZU0QE75 ("**ING**"); Banco Santander, S.A., Paseo de Pereda, 9-12, Santander, Spanien, LEI-kod 5493006QMFDDMYWIAM13 ("**Santander**"); och Société Générale, 29 boulevard Haussmann, 75009 Paris, Frankrike, LEI-kod O2RNE8IBXP4R0TD8PU41 ("**Société Générale**" och, tillsammans med Goldman Sachs, Morgan Stanley, BofA Securities, Citigroup, J.P. Morgan, Deutsche Bank, ING och Santander, de "**europeiska underwriter-bankerna**"). Både Bolaget och de europeiska underwriter-bankerna ansvarar för innehållet i detta prospekt.

Den 5 juni 2026 godkände den tyska federala finansinspektionen (Bundesanstalt für Finanzdienstleistungsaufsicht eller "**Bafin**"), Marie-Curie-Straße 24–28, 60439 Frankfurt am Main, Tyskland, www.bafin.de, detta prospekt i egenskap av behörig myndighet enligt förordning (EU) 2017/1129 i dess ändrade lydelse ("**Prospektförordningen**"). Bolaget har begärt att Bafin, i enlighet med artikel 25 i Prospektförordningen, anmäler det godkända prospektet tillsammans med ett godkännandeintyg som intygar att detta prospekt har upprättats i enlighet med Prospektförordningen, till den danska tillsynsmyndigheten *Finanstilsynet*, den nederländska tillsynsmyndigheten *Financiële Markten (AFM)*, den franska tillsynsmyndigheten *Autorité des Marchés Financiers (AMF)*, den norska tillsynsmyndigheten *Finanstilsynet - Financial Supervisory Authority*, den spanska tillsynsmyndigheten *Comisión Nacional del Mercado de Valores (CNMV)* och den svenska tillsynsmyndigheten *Finansinspektionen (FI)*.

Denna sammanfattning bör betraktas som en introduktion till prospektet. Varje beslut om att investera i värdepapperen ska baseras på en bedömning av prospektet i dess helhet från investerarens sida. En investerare kan förlora hela eller delar av sitt investerade kapital. Om talan väcks i domstol angående informationen i prospektet kan den investerare som är kärande enligt nationell rätt bli tvungen att stå för kostnaderna för översättning av prospektet innan de rättsliga förfarandena inleds. Civilrättsligt ansvar kan endast åläggas de personer som har lagt fram sammanfattningen, inklusive översättningar av den, men endast om sammanfattningen är vilseledande, felaktig eller oförenlig med de andra delarna av prospektet eller om den inte, tillsammans med andra delar av prospektet, ger nyckelinformation för att hjälpa investerare när de överväger att investera i sådana värdepapper.

B. – Nyckelinformation om emittenten

B.1 – Vem är emittent av värdepapperen?

Registrering och tillämplig lagstiftning – Space Exploration Technologies Corp. har sitt säte i Starbase, Texas, USA, och LEI-koden är 549300B9WLO96RQCXP87. Bolaget är bildat enligt lagarna i delstaten Texas, USA som en s.k. Texas corporation.

Huvudsaklig verksamhet – Vi utformar, tillverkar, lanserar och tillhandahåller produkter och tjänster som bygger på banbrytande teknik, däribland vad vi anser vara världens mest avancerade raketer och rymdfarkoster. Vi tillhandahåller också ett globalt bredbands- och kommunikationsnätverk med hög hastighet och låg latens som drivs av cirka 9 600 Starlink-bredbands- och mobilsatelliter i låg omloppsbana (*Low-Earth Orbit*). Därutöver bygger vi upp en AI-infrastruktur för beräkningskraft (*AI compute infrastructure*) – med start på jorden och med målbilden att utvidga detta till rymden – med branschledande hastighet och kostnadseffektivitet.

- **Space.** Vi tillhandahåller uppskjutningstjänster till kommersiella, privata och statliga kunder med hjälp av våra återanvändbara raketer Falcon 9 och Falcon Heavy för satellit-, frakt- och bemannade rymdfärder. Vi är den främsta leverantören av uppskjutningstjänster till den amerikanska regeringen.
- **Connectivity.** Vår Connectivity-verksamhet omfattar Starlink Consumer Broadband, Enterprise Solutions, Government Solutions och Starlink Mobile.
- **AI.** Vi tillhandahåller en starkt vertikalt integrerad AI-plattform som omfattar vår AI-infrastruktur för beräkningskraft, sanningssökande frontier-modell (*truth-seeking frontier model*) samt applikationer för konsumenter och företag.

Våra främsta styrkor är:

- Världsledande inom tjänster för orbitala raketuppskjutningar,
- Ööverträffad satellit- och uppkopplingsplattform såvitt avser design, tillverkning, utplacering och drift,
- Sanningssökande AI-modell förstärkt av realtidsdata,
- Extrem vertikal integration som möjliggör hög utvecklingstakt och överlägsen kostnadseffektivitet i stor skala,
- Unik förmåga att bygga marknader värda flera biljoner dollar inom Space, Connectivity och AI,
- Affärsmodeller som är oerhört svåra att kopiera, och
- Vår syftesdrivna kultur och talanger i världsklass.

Större aktieägare – Per dagen för detta prospekt innehar Elon Musk 12,2 % av stamaktierna av Serie A och 93,3 % av stamaktierna av Serie B i Bolaget. Som ett resultat av detta innehar Elon Musk 84,3 % av rösterna i Bolaget.

Kontrollerande aktieägare – Per dagen för detta prospekt kontrolleras Bolaget av Elon Musk. Efter genomförandet av det globala erbjudandet, och under antagande att samtliga grundaktier säljs samt ett initialt erbjudandepreis om 135,00 USD per aktie (det förväntade priset för det amerikanska erbjudandet), kommer Elon Musk att inneha cirka 83,6 % av röstvärdet av våra stamaktier (eller 83,5 % om underwriter-bankerna utnyttjar sin option att förvärva de ytterligare aktierna fullt ut) omedelbart efter erbjudandet genom sitt innehav av 849 494 440 stamaktier av Serie A och 5 219 053 075 stamaktier av Serie B, vilket motsvarar cirka 91,6 % av stamaktierna av Serie B. Enligt vårt registreringsdokument (*charter*) kommer innehavarna av våra stamaktier av Serie B ha rätt att utse en majoritet av vår styrelse (dessa styrelseledamöter benämns ”**Serie B-styrelseledamöter**”), så länge det finns utestående stamaktier av Serie B. Som innehavare av en majoritet av våra stamaktier av Serie B kommer Elon Musk att kunna utse, avsätta eller tillsätta eventuella vakanser bland Serie B-styrelseledamöterna. Dessutom kommer Elon Musk, så länge han innehar mer än 50 % av röstvärdet av våra stamaktier, att ha bestämmande inflytande över valet av vår styrelse. Till följd av detta kommer Elon Musk att kunna kontrollera utfallet i frågor som kräver aktieägarnas godkännande, inklusive valet av samtliga styrelseledamöter, samt kontrollera vår verksamhet och våra affärer.

Ledande befattningshavare– Bolagets ledande befattningshavare (*executive officers*) är Elon Musk, Gwynne Shotwell och Bret Johnson.

Revisor – Bolagets revisor är PricewaterhouseCoopers LLP, 601 South Figueroa Street, Suite 900, Los Angeles, Kalifornien, 90017, USA.

B.2 – Finansiell nyckelinformation för emittenten

Om inget annat anges presenteras all finansiell information i tabellerna nedan i miljoner USD (miljoner \$). Viss finansiell information har avrundats enligt sedvanliga avrundningsprinciper. Finansiell information i tabellerna nedan som betecknas som ”reviderad” har hämtats från de reviderade konsoliderade finansiella rapporterna per den 31 december 2025 och 2024 samt för vart och ett av de tre år som avslutades den 31 december 2025. Finansiell information som betecknas som ”oreviderad” har inte hämtats från den reviderade konsoliderade finansiella rapporten per den 31 december 2025 och 2024 samt för vart och ett av de tre år som avslutades den 31 december 2025, utan har hämtats från de oreviderade konsoliderade delårsrapporterna per och för kvartalet som avslutades den 31 mars 2026, eller från SpaceX-koncernens bokföring eller interna rapporteringssystem, eller baseras på beräkningar av siffror från ovan nämnda källor.

Finansiella nyckeltal och verksamhetsinformation

Koncernens resultaträkning i sammandrag och annan finansiell information

(reviderad, om inget annat anges) (i miljoner \$, om inget annat anges)	Tremånadersperioden som avslutades den 31 mars		Året som avslutades den 31 december		
	2026*	2025*	2025	2024	2023
Intäkter.....	\$4 694	\$4 067	\$18 674	\$14 015	\$10 387
Totala kostnader och utgifter.....	6 637	4 040	21 263	13 549	13 892
Intäktstillväxt jämfört med föregående år*.	\$627	n/a	\$4 659	\$3 628	n/a
Rörelseresultat	(1 943)	27	(2 589)	466	(3 505)
Nettoresultat.....	\$(4 276)	\$(528)	\$(4 937)	\$791	\$(4 628)
Nettoresultat hänförligt till aktieägare – före och efter utspädning.....	\$(4 947)	\$(528)	\$(4 937)	\$18	\$(4 628)
Nettoresultat per stamaktie hänförligt till stamaktieägare ⁽¹⁾					
Före utspädning ⁽¹⁾	\$(1,27)	\$(0,18)	\$(1,69)	\$0,01	\$(1,68)
Efter utspädning ⁽¹⁾	\$(1,27)	\$(0,18)	\$(1,69)	\$0,00	\$(1,68)

* Oreviderad.

(1) Angivet i USD per aktie.

Koncernens balansräkning i sammandrag

(reviderad, om inget annat anges) (i miljoner)	31 mars	31 december		
	2026*	2025	2024	2023
Totala tillgångar.....	\$102 094	\$92 079	\$57 062	n/a
Totalt eget kapital hänförligt till aktieägare	\$34 533	\$2 573	\$4 863	n/a

* Oreviderad.

Koncernens kassaflödesanalys i sammandrag

(reviderad, om inte annat anges) (i miljoner)	Tremånadersperioden som avslutades den 31 mars		Året som avslutades den 31 december		
	2026*	2025*	2025	2024	2023
Nettokassaflöde från den löpande verksamheten	\$1 047	\$727	\$6 785	\$5 776	\$4 520
Nettokassaflöde från investeringsverksamheten.....	\$(16 724)	\$(4 170)	\$(19 575)	\$(10 796)	\$(4 867)
Nettokassaflöde från finansieringsverksamheten	\$7 125	\$354	\$26 350	\$11 830	\$422

* Oreviderad.

Utvalda alternativa nyckeltal

(oreviderat) (i miljoner)	Tremånadersperioden som avslutades den 31 mars		Året som avslutades den 31 december		
	2026	2025	2025	2024	2023
Justerad EBITDA ⁽¹⁾	\$1 127	\$1 730	\$6 584	\$5 350	\$3 821
Justerad EBITDA, Space-segmentet ⁽²⁾	\$(351)	\$224	\$653	\$1 154	\$997
Justerad EBITDA, Connectivity-segmentet ⁽²⁾	\$2 087	\$1 618	\$7 168	\$3 849	\$1 602
Justerad EBITDA, AI-segmentet ⁽²⁾	\$(609)	\$(112)	\$(1 237)	\$347	\$1 222

(1) Justerad EBITDA definieras som nettoresultat exklusive (i) avskrivningar, (ii) aktierelaterade ersättningar, (iii) nedskrivningar, (iv) omstrukturingskostnader, (v) räntekostnader, (vi) ränteintäkter, (vii) övriga intäkter (kostnader), netto, och (viii) avsättning för inkomstskatt.

(2) Justerad EBITDA per segment definieras som segmentets rörelseresultat exklusive (i) avskrivningar, (ii) aktierelaterade ersättningar, (iii) omstrukturingskostnader och (iv) nedskrivningar.

B.3 – Specifika nyckelrisker för emittenten

- Eventuella misslyckanden eller förseningar att utveckla Starship i stor skala, eller att därefter uppnå den erforderliga uppskjutningsfrekvensen, återanvändbarheten och kapaciteten, skulle fördröja eller begränsa vår förmåga att fullfölja vår tillväxtstrategi, inklusive lanseringen av nästa generations satelliter, global satellit-till-mobil-uppkoppling och orbital AI-beräkningskraft, vilket skulle kunna ha en väsentligt negativ inverkan på vår verksamhet, finansiella ställning, rörelseresultat och framtidsutsikter.

- Eventuella förseningar eller svårigheter att erhålla, upprätthålla eller förnya nödvändiga myndighetstillstånd och licenser som krävs för vår rymdrelaterade verksamhet, inklusive uppskjutnings- och återinträdeslicenser från U.S. Federal Aviation Administration, skulle väsentligt fördröja, störa eller skada vår verksamhet eller begränsa vår förmåga att fullfölja vår affärsstrategi.
- Eventuella förseningar eller svårigheter att erhålla, upprätthålla eller förnya nödvändiga kommunikationslicenser och spektrumtillstånd för våra satellituppkopplingstjänster, inklusive internationella licenser och licenser från Federal Communications Commission för satellitspektrum, skulle kunna väsentligt fördröja, störa eller skada vår verksamhet eller begränsa vår förmåga att genomföra vår affärsstrategi.
- Våra AI-produkter och X-plattformen är föremål för komplexa och föränderliga lagar och regler i USA och utlandet som kan ändras och vars tolkning är osäker, och vi kan bli tvungna att göra ändringar i våra produkter och affärsmetoder samt bli föremål för böter, ökade driftskostnader, minskad användartillväxt eller minskat användarengagemang, förlust av kunder eller andra skador på våra AI-produkter och X-plattformen.
- Vår Starlink-tjänst och andra satellittjänster är föremål för komplexa och föränderliga lagar och regler i USA och utlandet, särskilt relaterade dataskydd, cybersäkerhet och telekommunikation.
- Vår affärsstrategi är beroende av att vi lyckas utforma, utveckla och lansera våra produkter och tjänster, samt relaterade plattformar, infrastruktur och andra strategiska initiativ, i en aldrig tidigare skådad skala, vilket medför betydande risker relaterade till genomförande, kostnader och tidplan.
- Vi har upplevt, och kommer sannolikt att fortsätta uppleva, förseningar och misslyckanden vid uppskjutningar som kan ha en väsentligt negativ inverkan på vår verksamhet, finansiella ställning, rörelseresultat och framtidsutsikter.
- Våra satelliter, bärraketer och annan rymdrelaterad teknik verkar, och kommer i fallet med orbitala AI-beräkningskrafter att verka, i den krävande och oförutsägbara rymdmiljön, vilket utsätter dem för ett brett och unikt spektrum av rymdrelaterade risker som kan orsaka funktionsfel eller haveri, och sådana funktionsfel eller haverier skulle kunna ha en väsentligt negativ inverkan på vår verksamhet, finansiella ställning, rörelseresultat och framtidsutsikter.
- Den fortsatta spridningen av satellitkonstellationer i låg omloppsbana, liksom risken för kollisioner med rymdskrot eller andra rymdfarkoster, kan begränsa eller försämra vår flexibilitet vid uppskjutningar och utplacering av satelliter, vilket skulle kunna ha en väsentligt negativ inverkan på vår verksamhet, finansiella ställning, rörelseresultat och framtidsutsikter.
- Driftavbrott i kritisk infrastruktur för satellitnätverk, markstationer, uppskjutningar, tillverkning, rymdfarkoster eller datacenter kan leda till betydande driftstopp, operativa förseningar eller avbrott i tjänster, vilka samtliga skulle kunna ha en väsentligt negativ inverkan på vår verksamhet, finansiella ställning, rörelseresultat och framtidsutsikter.
- Tillverkning, testning och uppskjutning av raketer, satelliter och rymdfarkoster, inklusive våra insatser för att återanvända raketer och rymdfarkoster, medför inneboende risker som kan leda till personskador eller dödsfall, skador på egendom eller miljö eller andra negativa miljöeffekter till följd av olyckor eller utrustningsfel. Sådana händelser kan leda till betydande förluster, inklusive anseendeskada och rättsligt ansvar, vilket skulle kunna ha en väsentligt negativ inverkan på vår verksamhet, finansiella ställning, rörelseresultat och framtidsutsikter.
- Även om vi fokuserar på vertikal integration av våra verksamheter är vi beroende av tredje parter för tillverkning och leverans av vissa nyckelkomponenter som är nödvändiga för att tillhandahålla våra tjänster inom uppskjutning, uppkoppling och AI, och eventuella leveransbrister eller störningar eller fel i deras funktion eller prestanda skulle kunna ha en väsentligt negativ inverkan på vår verksamhet, finansiella ställning, rörelseresultat och framtidsutsikter.

C. – Nyckelinformation om värdepapperen

C.1 – Värdepapperens viktigaste egenskaper

Antal och typ av aktier – Samtliga av de 555 555 555 aktier som erbjuds inom ramen för det globala erbjudandet (inklusive de 55 555 555 europeiska retail-aktierna som omfattas av detta prospekt) är stamaktier av Serie A, med ett nominellt värde om 0,001 USD per aktie. Efter erbjudandets genomförande kommer Bolagets auktoriserade aktiekapital att bestå av 36 132 150 000 stamaktier av Serie A, med ett nominellt värde om 0,001 USD per aktie, varav 7 380 196 910 aktier kommer att vara utgivna och utestående (eller 7 463 530 243 aktier om underwriter-bankerna utnyttjar sin option att förvärva de ytterligare aktierna fullt ut), 6 125 000 000 stamaktier av Serie B, med ett nominellt värde om 0,001 USD per aktie, varav 5 695 668 265 aktier kommer att vara utgivna och utestående, 10 000 000 000 stamaktier av serie C, med ett nominellt värde om 0,001 USD per aktie, varav inga aktier kommer att vara utgivna och utestående, och 2 400 000 000 preferensaktier, med ett nominellt värde om 0,001 USD per aktie, varav inga aktier kommer att vara utgivna och utestående. Antalet stamaktier av Serie A och Serie B som kommer att vara utestående efter det globala erbjudandet baseras på 6 824 641 355 utestående stamaktier av Serie A och 5 695 668 265 utestående stamaktier av Serie B per den 31 mars 2026, efter att, i enlighet med villkoren i Bolagets stiftelseurkund (*certificate of formation*) som gällde när Bolaget var ett privat bolag före det globala erbjudandet, samtliga utestående stamaktier av Serie C omklassificerats till sammanlagt 494 050 675 stamaktier av Serie A och samtliga utestående preferensaktier omvandlats till sammanlagt 3 448 110 450 stamaktier av Serie A och 3 274 452 900 stamaktier av Serie B.

Efter försäljningen av samtliga grundaktier i det globala erbjudandet kommer innehavare av stamaktier av Serie A att inneha 11,5 % av det sammanlagda röstvärdet för våra utestående stamaktier (eller 11,6 % om underwriter-bankerna utnyttjar sin option att förvärva de ytterligare aktierna fullt ut) och innehavare av stamaktier av Serie B kommer att inneha 88,5 % av det sammanlagda röstvärdet för våra utestående stamaktier (eller 88,4 % om underwriter-bankerna utnyttjar sin option att förvärva de ytterligare aktierna fullt ut).

Kortnamn, ISIN-kod och denominering – Kortnamnet på Nasdaq och Nasdaq Texas för stamaktierna av Serie A är ”SPCX”, ISIN-koden är US84615Q1031 och aktierna är denominerade i amerikanska dollar.

Rättigheter som sammanhänger med värdepapperen, relativ senioritet och överlåtbarhet – Med förbehåll för den prioritet till utdelning som tillkommer innehavare av vid var tid utestående aktieslag och aktieserier i Bolaget med prioritet till utdelning, ska innehavare av stamaktier av Serie A och stamaktier av Serie B vara berättigade att erhålla sådan utdelning som från tid till annan beslutas av styrelsen. Utdelning till innehavare av stamaktier av Serie A och Serie B ska utgå *pro rata* och med lika rätt, dvs. på *pari passu*-basis.

Varje stamaktie av Serie A kommer att berättiga innehavaren till en röst per aktie. Varje stamaktie av Serie B kommer att berättiga innehavaren till 10 röster per aktie. Innehavare av stamaktier av Serie A och stamaktier av Serie B ska rösta gemensamt som ett och samma aktieslag i alla frågor som ska beslutas av aktieägarna i enlighet med vårt registreringsdokument, med undantag för att innehavare av stamaktier av Serie B ska ha rätt att utse majoriteten av styrelseledamöterna samt inneha vissa andra särskilda rösträttigheter såsom ett eget aktieslag. Varje stamaktie av Serie B kan när som helst, på begäran av innehavaren, omvandlas till en stamaktie av Serie A. Vidare kommer varje stamaktie av Serie B automatiskt att omvandlas till en stamaktie av Serie A vid vissa överlåtelser av den aktuella stamaktien av Serie B, oavsett om överlåtelser sker mot vederlag eller inte, med undantag för vissa tillåtna överlåtelser.

Vid Bolagets likvidation, upplösning eller avveckling ska innehavare av stamaktier av Serie A och stamaktier av Serie B vara berättigade till en proportionell andel av samtliga tillgångar som kvarstår efter betalning av skulder samt likvidationspreferensen hänförlig till eventuella vid den tidpunkten utestående aktier i Bolaget. De erbjudna stamaktierna av Serie A är fritt överlåtbara.

Utdelningspolicy – Bolaget avser för närvarande att behålla samtliga eventuella framtida vinster för att finansiera verksamhetens tillväxt. Bolaget avser inte att besluta om eller betala någon kontantutdelning till innehavare av stamaktier inom överskådlig framtid.

C.2 – Var kommer värdepapperen att handlas?

Bolaget har ansökt om att notera sina stamaktier av Serie A på Nasdaq och Nasdaq Texas under kortnamnet ”SPCX”. Det finns inga planer på att ansöka om upptagande till handel av Bolagets stamaktier av Serie A på någon annan handelsplats.

C.3 – Vilka nyckelrisker är specifika för värdepapperen?

- Intressekonflikter skulle i framtiden kunna uppstå mellan oss å ena sidan och Elon Musk och enheter som ägs av eller är närstående till honom å andra sidan, bland annat avseende affärstransaktioner, potentiella konkurrerande aktiviteter eller andra affärsmöjligheter.
- Vissa av våra styrelseledamöter och nyckelanställda kan ha intressekonflikter eftersom de även är anställda av eller styrelseledamöter i närståendeföretag till Mr. Musk eller andra större aktieägare. Sådana intressekonflikter kan komma att lösas på ett sätt som inte ligger i vårt eller era bästa intressen.
- När erbjudandet har genomförts kommer Mr. Musk att fungera som vår Chief Executive Officer, Chief Technical Officer och styrelseordförande samt kontrollera valet av våra styrelseledamöter. Vår struktur med två aktieslag koncentrerar vidare röstkontrollen till Mr. Musk och andra innehavare av våra stamaktier av Serie B. Detta kommer att begränsa eller utesluta er möjlighet att påverka frågor som rör bolaget och valet av styrelseledamöter.

D. – Nyckelinformation om erbjudandet av värdepapper till allmänheten och upptagandet till handel

D.1 – På vilka villkor och enligt vilken tidplan kan jag investera i detta värdepapper?

Omfattningen av det europeiska retail-erbjudandet.....

Det europeiska retail-erbjudandet består av offentliga erbjudanden av de europeiska retail-aktierna i Tyskland, Danmark, Frankrike, Nederländerna, Norge, Spanien och Sverige.

Det europeiska retail-erbjudande som avses i detta prospekt utgör en tranch inom ramen för det globala erbjudandet.

Enligt amerikanska värdepapperslagstiftning har Bolaget möjlighet att utöka det amerikanska erbjudandet, och därigenom öka antalet aktier som erbjuds i det amerikanska erbjudandet, genom att ge in ett tillägg (*amendment*) till registreringshandlingen till SEC innan registreringshandlingen träder i kraft. Därutöver får Bolaget, enligt Rule 462(b) under U.S. Securities Act, vilken är tillämplig på det amerikanska erbjudandet, registrera ytterligare värdepapper enligt dess registreringshandling enligt Form S-1 som lämnats in till SEC genom ett tillägg i form av en s.k. ”efterföljande ändring med automatisk effekt” (*automatically effective post-effective amendment*), till ett antal och pris som tillsammans inte överstiger 20 % av det högsta sammanlagda erbjudandepriset, beräknat som bruttolikviden som Bolaget förväntas erhålla vid utgivandet av de erbjudna grundaktierna till det förväntade priset för det amerikanska erbjudandet, tillsammans med de ytterligare aktierna. Följaktligen kan antalet aktier som erbjuds inom ramen för det globala erbjudandet komma att öka. Antalet aktier som erbjuds i det europeiska retail-erbjudandet kommer dock inte att öka om antalet aktier som erbjuds i det globala erbjudandet ökas.

Om och i den utsträckning de europeiska retail-aktierna inte tecknas av berättigade retail-investerare, eller om Bolaget och de europeiska underwriter-bankerna beslutar att minska antalet erbjudna europeiska retail-aktier eller fastställa ett slutligt antal europeiska retail-aktier som understiger det högsta antalet aktier som erbjuds enligt detta prospekt, får de europeiska retail-aktier som inte har tecknats respektive inte längre erbjuds enligt prospektet, istället erbjudas och

säljas inom ramen för det globala erbjudandet, med förbehåll för att de endast kommer att erbjudas inom EES under sådana omständigheter som omfattas av tillämpningsområdet för artikel 1.4 i Prospektförordningen.

Högsta erbjudandepreis 162,00 USD per stamaktie av Serie A.

För det amerikanska erbjudandet har det förväntade priset fastställts till 135,00 USD. För det europeiska retail-erbjudandet har det högsta erbjudandepriiset fastställts till 162,00 USD.

Investorerare som lägger order understigande 135,00 USD, vilket utgör det förväntade priset för det amerikanska erbjudandet, bör inte räkna med tilldelning inom ramen för det europeiska retail-erbjudandet.

Beroende på jurisdiktion och bank eller finansiell mellanhand kan retail-investerare ha, eller sakna, möjlighet att ange ett högsta orderpris eller lägga obegränsade order. Order från retail-investerare utan angivet högstapris eller obegränsade order kommer att vara giltiga upp till det högsta erbjudandepriiset.

Det slutliga erbjudandepriiset kommer att vara ett enda pris per stamaktie av Serie A som gäller för samtliga investerare i hela det globala erbjudandet, inklusive detta europeiska retail-erbjudande.

Det slutliga erbjudandepriiset kommer att vara exklusive skatt på transaktioner över börs eller andra skatter, samt eventuella kostnader (inklusive växelkursavgifter), om några, som tas ut av finansiella mellanhänder (andra än de europeiska underwriter-bankerna) för placering av köporder.

Bolaget kommer offentliggöra det slutliga erbjudandepriiset i enlighet med artikel 17.2 i Prospektförordningen omkring den 11 juni 2026, genom ett meddelande som offentliggörs i elektronisk form på Bolagets webbplats, <https://www.spacexipo.com>.

Erbjudandeperiod Det europeiska retail-erbjudandet ger berättigade investerare möjlighet att lämna köporder avseende de erbjudna europeiska retail-aktierna under en period som inleds den 5 juni 2026 efter offentliggörandet av prospektet och, i Danmark, Frankrike, Nederländerna, Norge och Spanien, efter anmälan till respektive land, och som förväntas avslutas omkring den 11 juni 2026 kl. 18.00 (Central European Summer Time) (kl. 12.00 (Eastern Daylight Time)) ("**erbjudandeperioden**"). Vad gäller retail-erbjudandet i Sverige förväntas erbjudandeperioden inledas den 6 juni 2026. Vad gäller retail-erbjudandet i Schweiz förväntas erbjudandeperioden inledas efter detta prospekt har givits in till ett schweiziskt prospektorgan den 5 juni 2026.

Tilldelningsprinciper..... Det globala erbjudandet av stamaktier av Serie A från underwriter-bankerna är villkorat av mottagande och godkännande samt underwriter-bankernas rätt att helt eller delvis avvisa en order efter eget gottfinnande, förutsatt att följande kriterier iakttas.

Riktat aktieprogram..... På Bolagets begäran har underwriter-bankerna reserverat upp till 5 % av de stamaktier av Serie A som erbjuds i det globala erbjudandet för försäljning till det initiala erbjudandepriiset genom ett riktat aktieprogram till vissa anställda och personer utvalda av Bolagets ledande befattningshavare enligt eget gottfinnande, vilket kan inkludera parter med vilka Bolaget har en affärsrelation samt vänner och familjemedlemmar till Bolagets ledande befattningshavare. Om dessa personer förvärvar sådana aktier kommer aktierna inte att omfattas av någon inlåsningsperiod. Antalet stamaktier av Serie A som erbjuds allmänheten kommer att minska med det antal reserverade aktier som säljs till dessa personer. Eventuella reserverade stamaktier av Serie A som inte förvärvas av dessa personer kommer att erbjudas allmänheten av underwriter-bankerna på samma villkor som övriga aktier av Serie A som erbjuds i det globala erbjudandet, med undantag för det europeiska retail-erbjudandet.

Högsta tilldelning till diskretionära konton Med avseende på det globala erbjudandet har underwriter-bankerna informerat Bolaget om att de inte avser att låta försäljning till diskretionärt förvaltade konton (dvs. kundkonton för vilka underwriter-bankerna (i egenskap av värdepappersmäklare och innehavare av kundmedel) har befogenhet att förvärva aktier för kundens räkning (utan att inhämta uttryckligt godkännande från kunden)) överstiga 5 % av det totala antalet stamaktier av Serie A som erbjuds av dem.

Option att förvärva ytterligare aktier..... Bolaget kommer enligt placeringsavtalet att ge underwriter-bankerna en option, vilken får utnyttjas under en period om 30 dagar från dagen för placeringsavtalet, att förvärva upp till 83 333 333 ytterligare stamaktier av Serie A till det slutliga erbjudandepriiset, efter avdrag för underwriting-rabatter och provisioner, i syfte att täcka eventuell övertilldelning som uppkommit genom blankningsförsäljningar.

Handel och tillträde..... Handeln på Nasdaq och Nasdaq Texas förväntas inledas omkring den 12 juni 2026. Leverans av aktier till respektive konto hos de olika underwriter-bankerna förväntas ske omkring den 15 juni 2026. Kontobaserad leverans av de tilldelade stamaktierna av Serie A till investerare som deltar i det europeiska retail-erbjudandet mot betalning av det slutliga erbjudandepriset förväntas ske så snart som möjligt därefter.

Utspädning för nya aktieägare..... 126,13 USD per aktie, eller 93,4 %.

Värdetillväxt för befintliga aktieägare..... 5,55 USD per aktie, eller 167,2 %.

Totala kostnader..... Kostnaderna och utgifterna relaterade till det globala erbjudandet, med undantag för underwriting-rabatter och provisioner, beräknas uppgå till totalt 54 508 000 USD och kommer att bäras av Bolaget.

Kostnader som belastar berättigade retail-investerare..... Berättigade retail-investerare kommer inte att debiteras kostnader av Bolaget eller de europeiska underwriter-bankerna (i deras egenskap av underwriter-banker). Investerare kan dock komma att behöva betala sedvanliga transaktions- och administrationsavgifter som debiteras av deras mäklare eller andra finansiella institutioner genom vilka de lägger order och/eller innehar sina värdepapper, inklusive valutaväxlingsavgifter, och sedvanliga värdepappersprovisioner kan tillkomma.

D.2 – Vem är erbjudaren och den person som ansöker om upptagande till handel?

Erbjudare..... Utöver Bolaget erbjuds de stamaktier av Serie A som ingår i det europeiska retail-erbjudandet av de europeiska underwriter-bankerna. Goldman Sachs Bank Europe SE är ett europabolag (*Societas Europaea (SE)*) bildat i och verksamt enligt tysk rätt, med säte i Frankfurt am Main, Tyskland. Morgan Stanley Europe SE är ett europabolag (*Societas Europaea (SE)*) bildat i och verksamt enligt tysk rätt, med säte i Frankfurt am Main, Tyskland. BofA Securities Europe S.A. är ett franskt publikt aktiebolag (*société anonyme*), bildat i och verksamt enligt fransk rätt, med säte i Paris. Citigroup Global Markets Europe AG är ett tyskt aktiebolag (*Aktiengesellschaft*) bildat i och verksamt enligt tysk rätt, med säte i Frankfurt am Main, Tyskland. J.P. Morgan SE är ett europabolag (*Societas Europaea (SE)*) bildat i och verksamt enligt tysk rätt, med säte i Frankfurt am Main, Tyskland. Banco Santander S.A. är ett spanskt publikt aktiebolag (*sociedad anónima*), bildat i och verksamt enligt spansk rätt, med säte i Santander, Spanien. Deutsche Bank Aktiengesellschaft är ett tyskt aktiebolag (*Aktiengesellschaft*) bildat i och verksamt enligt tysk rätt, med säte i Frankfurt am Main, Tyskland. ING Bank N.V. är ett nederländskt publikt aktiebolag (*naamloze vennootschap*), bildat i och verksamt enligt nederländsk rätt, med säte i Amsterdam, Nederländerna. Société Générale är ett franskt publikt aktiebolag (*société anonyme*), bildat i och verksamt enligt fransk rätt, med säte i Paris, Frankrike.

Upptagande till handel..... Det kommer inte att ske någon upptagande till handel på en reglerad marknad i den mening som avses i artikel 2 j i Prospektförordningen. Bolaget har ansökt om att notera sina stamaktier av Serie A på Nasdaq och Nasdaq Texas omkring den 12 juni 2026 under kortnamnet ”SPCX”.

D.3 – Varför upprättas detta prospekt?

Motiv till det globala erbjudandet..... Bolaget avser att genomföra det globala erbjudandet för att erhålla nettolikviden från försäljningen av stamaktier av Serie A.

Nettolikvid..... Bolaget förväntar sig att erhålla en nettolikvid om cirka 74,4 miljarder USD från det globala erbjudandet om alla grundaktier säljs (varav cirka 7,4 miljarder USD hänförliga till det europeiska retail-erbjudandet om det högsta antalet om 55 555 555 aktier säljs inom ramen för sådant erbjudande) eller cirka 85,7 miljarder USD om underwriter-bankerna utnyttjar sin option att köpa ytterligare stamaktier av Serie A fullt ut, baserat på det förväntade initiala erbjudandepriset om 135,00 USD per aktie (vilket är det förväntade pris som fastställts för det amerikanska erbjudandet), efter avdrag för underwriting-rabatter och provisioner samt beräknade kostnader för erbjudandet som ska betalas av Bolaget.

Användning av emissionslikviden..... Bolaget avser att använda nettolikviden från det globala erbjudandet för att finansiera sin tillväxtstrategi, inklusive expansionen av sin AI-infrastruktur för beräkningskraft, förbättringar av sin uppskjutningsinfrastruktur och sina bärarketer, utökning av omfattningen och kapaciteten hos sina satellitkonstellationer, samt eventuella återstående belopp för allmänna verksamhetsändamål.

Om vi inte refinansierar vår icke-säkerställda bryggglånefacilitet (*unsecured bridge term loan facility*) om ett sammanlagt principalbelopp om 20 000 miljoner USD med likvid från obligationserbjudanden, banklån eller andra finansieringsarrangemang, kan vi komma att använda kontanta medel motsvarande en del av nettolikviden från det globala erbjudanden, eller inga alls, för att refinansiera sådan bryggglånefacilitet.

- Placeringssavtal.....** Om det globala erbjudandet är framgångsrikt förväntar sig Bolaget att ingå ett placeringsavtal med joint book-running managers och representanterna för underwriter-bankerna i det globala erbjudandet, vilka agerar på underwriter-bankernas vägnar, omkring den 11 juni 2026, efter erbjudandeperiodens slut. Per dagen för detta prospekt har underwriter-bankerna inte åtagit sig att garantera de stamaktier av Serie A som erbjuds i det globala erbjudandet och i det europeiska retail-erbjudandet på basis av ett fast åtagande, och har ingen skyldighet att ingå placeringsavtalet. Om det globala erbjudandet är framgångsrikt och ett slutligt erbjudandepreis fastställs förväntar sig dock Bolaget att underwriter-bankerna kommer att garantera de stamaktier av Serie A som slutligen placeras i det globala erbjudandet på basis av ett fast åtagande. I enlighet med och med förbehåll för villkoren i placeringsavtalet förväntas underwriter-bankerna, var och en för sig, åta sig att förvärva samtliga stamaktier av Serie A som slutligen placeras i det globala erbjudandet, och Bolaget förväntas åta sig att sälja samtliga sådana aktier till respektive underwriter-bank.
- Väsentliga intressekonflikter..** Det föreligger inga väsentliga intressekonflikter avseende det globala erbjudandet, innefattande det europeiska retail-erbjudandet.

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