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SpaceX Supply Chain

Five “Essential” Suppliers, One Confirmed at Scale

A social-media post doing the rounds says SpaceX “cannot launch a single rocket” without five listed companies: Honeywell, Hexcel, STMicroelectronics, Carpenter Technology and Redwire. With SpaceX now public at \$1.94tn, the list is being sold as a back door into the name. We tested each claim against company filings, earnings calls and SpaceX’s own prospectus. Only one link is both confirmed and material: STMicroelectronics, and it runs through Starlink terminals, not rockets. Hexcel’s CEO said on 22 October that SpaceX does “not use much composite today” in its launch vehicles. Carpenter has never named SpaceX as a customer. Redwire flies hardware on SpaceX’s Dragon and has booked a SpaceX mission, which makes it a SpaceX customer; supply to SpaceX’s own vehicles is unproven. We found no public evidence that Honeywell supplies SpaceX’s guidance or navigation, and Honeywell’s aerospace arm left HON in a 29 June spin-off. SpaceX’s prospectus and its 3Q26 10-Q name none of the five.

- **One real link: STMicro and Starlink.** ST co-designs the RF chips in Starlink’s phased-array terminals, says it has delivered more than 7.5 billion chips for Starlink and estimates its share of the low-Earth-orbit (LEO) RF market at above 90%. LEO revenue was about \$600m in 2025, roughly 5% of group sales (K2 calculation), and management expects close to \$1bn in 2026. The flip side is concentration: ST expects its share to fall “clearly lower than the 90%”.
- **SpaceX builds most of what matters itself.** The prospectus calls its supply chain “largely vertically integrated” and says about 80% of Starship is made in-house. That is a risk for vendors, not a moat: Howmet fell about 8% after SpaceX said it would make its own turbine blades and vanes (CNBC, 1 September).
- **The spending boom is in compute.** Of SpaceX’s \$19.6bn of 3Q26 capex, \$16.4bn (84%) went to its Super Intelligence (AI) segment, and the Space segment earned 12% of revenue. A supply chain traced by spend leads to data-centre hardware, not to this list.
- **The basket trades on sentiment, not contracts.** Redwire fell at least 10% the day SpaceX listed and 56.5% from its 28 May high to 23 September. Together the five are worth \$113.3bn, 5.8% of SpaceX. This report is Not Rated; company pages 4 to 8 set out each claim, the evidence, valuation and risks.
- **What to watch.** Honeywell Aerospace reports on 28 October, STMicro on 29 October with its first formal 4Q outlook and Redwire on 5 November. Starship Flight 15, expected in November, matters most for ST, whose satellite content rides on launch cadence.

Not Rated

HONA, HXL, STM, CRS, RDW

Prices as of 23 Oct 26

Thematic research

Aerospace & Space Supply Chain

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Link Scorecard

Company	K2 evidence grade
Honeywell (HONA)	Not evidenced
Hexcel (HXL)	Confirmed, small
STMicro (STM)	Confirmed, material
Carpenter (CRS)	Indirect only
Redwire (RDW)	Indirect only

Basket Snapshot

	Price (\$)	Mkt cap (\$bn)	YTD
HONA	163.31	51.8	n/a*
HXL	79.62	6.0	+7.7%
STM	44.02	39.3	+69.7%
CRS	284.66	14.1	-9.6%
RDW	8.36	2.1	+10.0%
SPCX	147.49	1,944.5	n/a*

*HONA listed 29 Jun 26 (-18.3% since); SPCX listed 12 Jun 26 at a \$135 IPO price.

SpaceX at a Glance

Market cap (\$bn)	1,944.5
3Q26 revenue (\$m)	14,575
Growth y/y	+161%
Space segment, % of revenue	12%
3Q26 capex (\$m)	19,593
o/w Super Intelligence	84%
Starlink consumer subs (m)	13.6

Sources: SpaceX Form 424B4 prospectus (11 Jun 26), 3Q26 earnings release and Form 10-Q; company filings, earnings calls and releases; Bigdata.com (FMP data); Reuters, CNBC, Benzinga as reported; K2 Capital calculations. Evidence grades are defined on page 2.

See page 11 for analyst certification and important disclosures.

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Claim Check: Five Claims Against the Record

The post's premise is that each company is indispensable to SpaceX. We looked for three kinds of evidence, in order of weight: SpaceX or the supplier naming the other in an SEC filing; management confirming the relationship on the record; and credible press reporting with named sources. Unsourced "supplier lists" in market-research boilerplate and crypto media, which is where most of these claims appear to originate, carry no weight on their own.

Figure 1: The five claims and what the public record supports

Claims paraphrased from the post; evidence as of 24 October 2026

Company	Claim in the post	What it makes for space	Strongest public evidence	Names SpaceX in SEC filings?	K2 grade
Honeywell (HONA; HON)	Supplies SpaceX's flight control and navigation systems.	Space GPS/inertial navigation units (SIGI, "over 300 units delivered"); past Atlas V inertial units.	None found. SpaceX says it builds avionics in-house; SEC full-text search finds no cross-mention in either company's filings.	No	Not evidenced
Hexcel (HXL)	Supplies carbon-fibre composites; worked with SpaceX for over a decade.	Prepregs and carbon fibre for booster cases, fairings, payload doors, satellite buses and solar arrays.	CEO, 22 Oct 26: SpaceX does "not use much composite today"; "We have some content, but not a lot." No evidence for the decade; the 2016 SpaceX fibre deal was Toray's.	No	Confirmed, small
STMicro (STM)	Has shipped billions of chips for Starlink's antennas.	Co-designed BiCMOS RF chips for Starlink terminals; panel-level packaging; MCUs and GNSS for satellites and ground.	ST: more than 7.5bn ICs delivered (May 26); LEO revenue ~\$600m in 2025, close to \$1bn expected in 2026; SpaceX's COO called the partnership "instrumental".	Yes: 20-F lists SpaceX among major customers	Confirmed, material
Carpenter (CRS)	Supplies specialty alloys that survive the heat inside rocket engines.	Nickel, cobalt and titanium alloys, powder metals and additive-manufacturing powders.	Never named. Closest: CEO in Oct 24 on an unnamed "additive customer" that is "still small". Space is "a much smaller portion of our business".	No	Indirect only
Redwire (RDW)	Supplies space infrastructure and satellite components to SpaceX.	Solar arrays (ROSA), star trackers, cameras, deployables, payloads; drones since Jun 25.	Its arrays fly in Dragon's trunk under a Boeing contract; it booked a SpaceX Starfall mission (customer). CFO remark in 2024 is ambiguous.	No (FY25 10-K)	Indirect only

Source: SpaceX Form 424B4 (11 Jun 26) and 3Q26 10-Q; Honeywell Aerospace product literature; Hexcel FY25 10-K and 3Q26 call (22 Oct 26); ST press release (15 Dec 25), LEO investor call (4 May 26) and FY24 20-F; Carpenter 1Q FY25 call (24 Oct 24) and 1Q FY26 call (23 Oct 25); Redwire FY25 10-K and releases (6 Aug, 12 Oct 26); NASA; Nikkei via Behind the Black (2016); SEC EDGAR full-text search (24 Oct 26); K2 Capital.

Figure 2: Where space shows up in each company's reported numbers

Latest disclosed reporting line that contains space revenue

Company	Reporting line	Latest value	Share of sales	Space or SpaceX split disclosed?
Honeywell Aerospace	Defense and Space end market	\$1,817m (2Q26)	~40%	No
Hexcel	Defense, Space & Other	\$166.1m (3Q26)	35% (LTM)	No; launchers and rocket motors soft in 2026
STMicroelectronics	RF & Optical Communications (LEO inside)	~\$600m LEO (2025)	~5%	Yes, on investor calls; SpaceX share not split
Carpenter Technology	Aerospace & Defense	\$1,658m ex-surge (FY26)	65.6%	No; "a much smaller portion"
Redwire	Space segment	\$107.9m (1H26)	~50%	Segment yes; SpaceX revenue not disclosed

Source: Honeywell Aerospace 2Q26 release (5 Aug 26); Hexcel 3Q26 release and slides; ST LEO investor call (4 May 26) and FY25 results; Carpenter FY26 release (30 Jul 26); Redwire 2Q26 release (5 Aug 26); K2 Capital calculations (HONA share of 2Q26 sales; ST LEO share of FY25 revenue of \$11.80bn; Redwire share of 1H26 revenue).

How we grade the evidence

Confirmed, material the company or SpaceX confirms the relationship on the record and it is a disclosed, meaningful revenue line. **Confirmed, small** management confirms SpaceX content but calls it small or does not size it. **Indirect only** no confirmation; the evidence is an ambiguous remark, hardware flown on SpaceX vehicles, or unsourced lists. **Not evidenced** nothing found in filings, calls or credible press. A low grade does not prove that no business exists: SpaceX rarely names vendors (related-party Tesla is the exception), and material can reach it through distributors or part makers. It does mean the claim cannot be checked, and an investor cannot size it.

What it means for investors

The post describes the aerospace supply base in general, not SpaceX's. Each company makes something a launch vehicle or satellite could use, and each has real space revenue somewhere in its accounts. Only one can show SpaceX buying from it at scale, and that one is a semiconductor company whose exposure runs through Starlink user terminals. For the other four, a purchase made "for SpaceX exposure" is in practice a bet on jet-engine build rates, Airbus and Boeing composites demand, avionics supply chains, or US government space and drone budgets. Those are different bets, and the earnings behind them have little or nothing to do with SpaceX's own results.

SpaceX: Vertically Integrated by Design

The listing changed what investors can see. SpaceX priced 555.6m Class A shares at \$135.00 on 11 June 2026, raising \$75.0bn, and closed its first day on Nasdaq at \$160.95; the shares closed at \$147.49 on 23 October, a market value of \$1.94tn. With the greenshoe, net proceeds were \$85.7bn. SpaceX had already absorbed xAI (February 2026), so the listed company is three businesses: Space (launch and spacecraft), Connectivity (Starlink) and Super Intelligence (AI). Musk holds about 82.3% of the vote.

What the prospectus says about suppliers. SpaceX describes its supply chain as “largely vertically integrated” and says it “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”. About 80% of Starship is manufactured in-house. It does flag dependence in general terms: some inputs come from “a limited number of suppliers, including sole or limited-source suppliers”, and “alternative suppliers are available for many, but not all” of them. Supplier contracts “generally do not have long-term binding and enforceable purchase orders”.

None of the five is named. We searched the 424B4 and the 3Q26 10-Q for the five companies and for the materials the post attributes to them (Figure 7). None appears. The only supplier the prospectus names is a related party, Tesla, which sold SpaceX \$506m of Megapacks and \$131m of Cybertrucks in 2025. Outside the filings, Musk has said SpaceX “decided to exclusively use Nvidia compute” (as quoted by Melius, August 2026).

Where the money goes. 3Q26 revenue rose 161% to \$14.6bn, but Super Intelligence was \$7.6bn of it and the Space segment, which includes the rockets, \$1.8bn (12%). Capex was \$19.6bn in the quarter, \$16.4bn of it in Super Intelligence, and management guided \$35-40bn for 4Q. Launch volume is high (165 Falcon launches in 2025; 110 Falcon and three Starship flights in the first nine months of 2026), but it is not where incremental spending is going.

Vertical integration cuts both ways for suppliers. When SpaceX said it would make its own turbine blades and vanes, Howmet fell about 8% (CNBC, 1 September). For a listed vendor, a SpaceX relationship can be taken in-house as easily as it is won.

Figure 3: SpaceX 3Q26 revenue by segment

\$ in millions

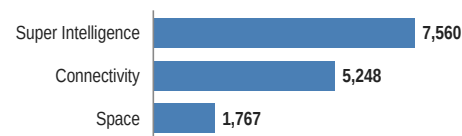


Figure 4: SpaceX 3Q26 capex by segment

\$ in millions

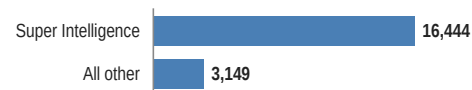


Figure 5: Starlink consumer subscribers

Millions, end of period

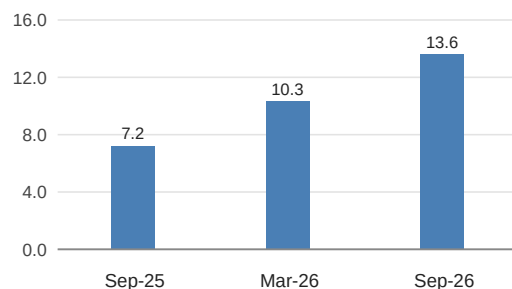


Figure 6: SpaceX at a glance

	Value
IPO price, 11 Jun 26 (\$)	135.00
Close, 23 Oct 26 (\$)	147.49
Market cap (\$bn)	1,944.5
FY25 revenue / net loss (\$m)	18,674 / (4,937)
3Q26 revenue (\$m)	14,575
3Q26 operating income (\$m)	2,791
3Q26 Adj. EBITDA (\$m)	8,809
Starlink satellites in LEO	>11,100
Starlink ARPU (\$/month)	69
Consensus (Buy Hold Sell)	17 4 0

Figure 7: Named-supplier search of SpaceX's SEC filings

Number of mentions

Search term	Honeywell	Hexcel	STMicroelectronics	Carpenter	Redwire	"carbon fiber"	"titanium"	"specialty metal"
424B4 prospectus (11 Jun 26)	0	0	0	0	0	0	0	0
Form 10-Q, 3Q26 (22 Oct 26)	0	0	0	0	0	0	0	0

Source: SpaceX Form 424B4 (11 Jun 26), 3Q26 earnings release (20 Oct 26) and Form 10-Q (22 Oct 26); Bigdata.com (FMP data) for price, market cap and consensus; Benzinga (first-day close); CNBC Pro (Howmet, 1 Sep 26; Melius, 5 Aug 26); Finwire (4Q26 capex guidance). Mar-26 subscribers approximate (prospectus). Text search run by K2 Capital on 24 Oct 26.

Honeywell: Navigation Heritage, No Visible SpaceX Link

Honeywell Aerospace (HONA, Nasdaq) and Honeywell (HON, Nasdaq) K2 evidence grade: **Not evidenced**

The claim. Honeywell makes the flight control and navigation systems that keep SpaceX's rockets on course.

What we found

Honeywell does make space navigation hardware. Its space GPS/inertial navigation unit (SIGI) has “long space heritage and over 300 units delivered”, for uses it lists as “Reusable Launch, Reentry, On-Orbit, Rendezvous and Docking, Expendables Launch”. No vehicle or customer is named. Its launch-vehicle record includes fault-tolerant inertial navigation units for Lockheed Martin's Atlas V, a contract worth more than \$52m when awarded in 2001.

We found nothing linking it to SpaceX. SpaceX's prospectus says it designs and manufactures “a significant portion of our components in-house, including engines, avionics, structures, and software”. A full-text search of EDGAR on 24 October found no mention of Honeywell in any SpaceX filing (S-1s, 424B4, 3Q26 10-Q) and no mention of SpaceX in HON's or HONA's. The earliest version of the claim we traced is an uncited “SpaceX supply chain” article in crypto media (KuCoin News/TechFlow, 16 June 2026).

Buying “Honeywell” now means choosing between two tickers. Honeywell completed the spin-off of Honeywell Aerospace on 29 June 2026 (one HONA share for every two HON). Navigation and space now sit in HONA's Defense and Space end market: \$1,817m of 2Q26 sales (+3%), about 40% of the total, with space not split out. HON is now an automation company; an investor who buys it for SpaceX exposure owns no aerospace business at all.

How to think about HONA

HONA is a large, diversified avionics, engines and controls business whose 2026 story is supply-chain execution, not SpaceX. It cut its 2026 organic growth guidance to 4-5% (from 7-9%) on 5 August, and the shares fell 23% the next day. 3Q26 results are due on 28 October.

HONA: Latest Results

2Q26 sales (\$m)	4,522
Growth y/y (organic)	+5% (+5%)
Adj. EBIT (\$m)	995
Adj. EBIT margin*	22.0%
Adj. EPS / GAAP EPS (\$)	1.87 / 0.78
Defense and Space (\$m)	1,817 (+3%)
FY26E organic growth (guide)	4-5%
FY26E Adj. EBIT (\$bn, guide)	4.35-4.45
FY26E Adj. EPS (\$, guide)	7.60-7.90
Next results	28 Oct 26 (3Q26)

Market Data (23 Oct 26)

	HONA	HON
Price (\$)	163.31	221.15
Market cap (\$bn)	51.76	70.09
EV (\$bn)	66.59	80.99
P/E, FY26 guide mid*	21.1x	26.2x
EV/EBITDA, TTM**	40.1x	7.1x
Dividend (\$/qtr)	-	0.70
Consensus (B H S)	3 4 0	20 10 0
Mean PT (\$)	207.92	256.92
Implied upside	+27.3%	+16.2%

*K2 calculation. **Distorted: HON TTM includes a \$6,629m Quantinuum deconsolidation gain and pre-spin periods; HONA TTM includes carve-out periods. HON 3Q26: sales \$4,994m (+7% organic), Adj. EPS \$2.27; FY26 Adj. EPS guide raised to \$8.40-8.45.

Key Risks

- Supply chain and guidance (HONA).** The CEO said it was “prudent to align our guidance to our supply chain's demonstrated capabilities”; the shares fell 23.16% to \$156.47 on 6 August.
- Leverage (HONA).** HONA issued \$16.0bn of senior notes in March and paid \$15.1bn of the proceeds to Honeywell; long-term debt was \$15,849m at 27 June.
- Litigation (HONA).** A law firm has announced a class period of 29 June to 1 September 2026; we have not confirmed that a case has been filed.
- Government spending (HONA).** Defense and Space is about 40% of sales; the 10-Q flags “changes in government spending”.
- Portfolio reshaping (HON).** HON closed the \$1,743m purchase of Johnson Matthey's Catalyst Technologies on 17 July and booked \$147m of Quantinuum equity losses in 3Q26.

Source: Honeywell Aerospace product page (SIGI); Military & Aerospace Electronics (1 May 01); SpaceX 424B4; SEC EDGAR full-text search (24 Oct 26); Honeywell spin-off release (29 Jun 26); HONA 2Q26 release (5 Aug 26) and 10-Q; HON 3Q26 release and 10-Q; Bigdata.com (FMP data); Glancy Prongay as reported; K2 Capital calculations.

Hexcel: Real Space Content, but SpaceX Is “Not a Lot”

Hexcel Corporation (HXL, NYSE) K2 evidence grade: **Confirmed, small**

The claim. Hexcel supplies the carbon-fibre composites in SpaceX vehicles and has worked with SpaceX for more than a decade.

What we found

Space is a genuine Hexcel market. Its FY2025 10-K lists “solid rocket booster cases, fairings and payload doors for both government funded and commercial launch vehicles, and satellite buss and solar arrays” as applications. Hexcel says it has supported space flight since 1962.

SpaceX is small, in management’s own words. On the 3Q26 call (22 October) CEO Tom Gentile said SpaceX does “not use much composite today on their launching systems. We have some content, but not a lot”, adding that SpaceX “has been pretty public about not using composite yet in their launch vehicles”. In September he said “the biggest launcher, SpaceX, doesn’t today use a lot of carbon fiber. They may in the future.” SpaceX is absent from the FY2025 key-customer list (which includes Blue Origin, Lockheed Martin and Northrop Grumman) and from every 10-K we searched (FY2008, FY2017, FY2018, FY2025) and the 3Q26 10-Q.

The “decade” is not evidenced. The SpaceX carbon-fibre supply deal reported by Nikkei in 2016 was with Toray, not Hexcel. The Hexcel version of the claim appears in market-research boilerplate (ResearchAndMarkets, July 2025) with no source.

Why SpaceX matters to Hexcel anyway

As a ceiling, not a customer. With SpaceX dominant and other launch programmes “in a pause” (CEO), launcher and rocket-motor sales were soft through the first nine months of 2026. Defense, Space & Other fell 8.7% in 3Q26, mainly on exited industrial businesses, with fighter programmes, launchers and rocket motors also weaker. Hexcel is a commercial-aerospace stock: Airbus and its subcontractors took about 39% of 2025 sales and Boeing about 13%. The upside case for space is a future SpaceX design change towards composites, which management describes as a possibility, not a plan.

Latest Results

\$m	3Q26	3Q25
Sales	496.4	456.2
Commercial Aerospace	330.3	274.2
Defense, Space & Other	166.1	182.0
Gross margin	23.3%	21.9%
Adj. operating margin	11.0%	9.8%
Adj. EPS (\$)	0.50	0.37
GAAP EPS (\$)	0.50	0.26
FCF, 9M (\$m)	102.5	49.9

3Q26 sales missed the \$501.9m consensus. FY26 guide (reaffirmed): sales \$2.025-2.125bn, Adj. EPS \$2.30-2.40, FCF above \$195m.

Market Data (23 Oct 26)

Price (\$)	79.62
Market cap / EV (\$bn)	6.03 / 6.88
P/E, TTM (GAAP)	35.4x
P/E, FY26 consensus (\$2.41)*	33.0x
EV/EBITDA, TTM	18.7x
Dividend yield	0.90%
Net debt / EBITDA, TTM	2.33x
52-week range (\$)	67.38-111.74
YTD / 1Y / 3M	+7.7% / +9.4% / -27.8%
Consensus (B H S)	18 17 1
Mean PT (\$) / upside	105.13 / +32.0%

Key Risks

- Customer concentration.** Airbus and Boeing, with their subcontractors, took about 52% of 2025 sales.
- Build rates and execution.** Hexcel cut guidance twice in 2025, is hiring ahead of demand, and needs its biggest quarter of the year in 4Q to reach the midpoint; the shares fell about 10% on 22 October.
- Space depends on launchers other than SpaceX,** which management says are “in a pause”.
- Costs and pricing.** Some raw materials have “a sole source or a limited number of sources”, tariffs have raised material costs, and many contracts are fixed-price and long-duration.
- Leverage and capital returns.** Net debt/EBITDA of 2.33x is above the 1.5-2.0x target while the buyback authorisation was raised to \$750m on 21 October; an activist (Vision One) has a cooperation agreement and a board seat.

Source: Hexcel FY25 10-K (11 Feb 26), 3Q26 release (21 Oct 26), 10-Q and slides; 3Q26 earnings call (22 Oct 26) and conference remarks (9 Sep 26) via Quartr/Bigdata.com; Nikkei via Behind the Black (18 Aug 16); ResearchAndMarkets via GlobeNewswire (24 Jul 25); MT Newswires (consensus); Aviation Week (4 Mar 26); Bigdata.com (FMP data); K2 Capital calculations. *FY26 consensus EPS per FactSet as reported by MT Newswires.

STMicroelectronics: The One Link That Holds

STMicroelectronics N.V. (STM, NYSE; STMPA, Paris) K2 evidence grade: **Confirmed, material**

The claim. STMicro has shipped billions of chips for Starlink's antennas, the technology that keeps satellites and the ground connected.

What we found

Confirmed, and if anything understated. ST co-designs custom RF chips for Starlink's phased-array antennas on its BiCMOS process and developed panel-level packaging with Starlink as lead customer; it also supplies microcontrollers, secure elements and GNSS chips across satellites, ground infrastructure and terminals. In December 2025 a senior ST executive told Reuters it had shipped more than 5 billion RF antenna chips since about 2015, and Remi El-Ouazzane, who runs its microcontroller, digital and RF group, said the past ten years of terminal volume "could actually double over the next two years". On 4 May 2026 ST put the total above 7.5 billion ICs. Gwynne Shotwell, SpaceX's President and COO, called the partnership "instrumental", and ST's FY2024 20-F lists SpaceX among its major customers.

It is a Starlink business, mostly on the ground. User terminals are ST's largest LEO revenue contributor, followed by satellites. ST puts its content at "several tens of dollars" per terminal and "several tens of thousands" per V3 satellite. Starlink's consumer base nearly doubled to 13.6m in the year to September, which is the volume driver.

It is material to ST. LEO revenue was about \$600m in 2025 (from about \$175m in 2021), roughly 5% of group revenue of \$11.80bn (K2 calculation), and management expects "close to 1 billion" in 2026. ST estimates its LEO RF market share above 90% and targets "well above \$3 billion" of cumulative space revenue over 2026-2028.

The risk is the mirror image. ST says its numbers are "more actually influenced by our market share in SpaceX", has "factored in... some market share loss for main customer" and expects share "clearly lower than the 90%". Growth also depends on launch capacity, Starship included. SpaceX does not disclose ST as a supplier, and ST does not disclose SpaceX revenue.

Latest Results

\$m	2Q26	FY25
Revenue	3,487	11,800
Growth y/y	+26.0%	-11.1%
Gross margin	34.8%	33.9%
Operating margin (non-GAAP)	5.4% (7.7%)	1.5% (4.7%)
Diluted EPS, \$ (non-GAAP)	0.24 (0.31)	0.18 (0.53)
LEO revenue (approx.)	-	~600

3Q26 guide: revenue \$3.70bn, gross margin ~37.0%; management expects 4Q26 revenue "above \$4 billion".
3Q26 results due 29 Oct 26. 2028 revenue target \$18bn.

Market Data (23 Oct 26)

Price (\$, NYSE)	44.02
Market cap / EV (\$bn)	39.29 / 40.40
P/E, TTM	84.1x
P/E, forward*	21.1x
EV/EBITDA, TTM	17.7x
52-week range (\$)	21.11-81.42
YTD / 1Y / 1M	+69.7% / +77.1% / -14.7%
Consensus (B H S)	14 13 2
Mean PT (\$) / upside	77.31 / +75.6%

*Stockanalysis.com, 24 Oct 26.

Key Risks

- SpaceX concentration and share loss.** Management has "factored in... some market share loss for main customer" and expects its LEO RF share to fall "clearly lower than the 90%".
- Launch capacity.** ST names rocket launches "at the top of the list" of growth constraints, including Starship; other constellations "have faced a bit of a snag".
- Apple concentration.** Apple was 17.7% of 2025 revenue (14.5% in 2024).
- Margin recovery takes time.** The above-40% gross margin model is not expected before the manufacturing reshaping ends in late 2027; transfer costs weigh on 2H26.
- Cycle and sentiment.** Automotive was about 39% of 2025 revenue after an inventory correction; the shares fell 7.0% on 15 October in a global tech sell-off and trade on 84x trailing earnings.

Source: ST press release (15 Dec 25); Reuters via MarketScreener (15 Dec 25); ST LEO investor call and slides (4 May 26), 1Q26 and 2Q26 calls, 2Q26 6-K (23 Jul 26), FY25 results (29 Jan 26), FY24 20-F and 2025 annual report, via Bigdata.com; Alliance News (15 Oct 26); Stockanalysis.com; Bigdata.com (FMP data); K2 Capital calculations.

Carpenter: The Right Alloys, an Unnamed Customer

Carpenter Technology Corporation (CRS, NYSE); fiscal year ends 30 June K2 evidence grade: **Indirect only**

The claim. Carpenter makes the specialty alloys built to survive the extreme heat inside SpaceX's rocket engines.

What we found

Carpenter makes the materials described. Its FY2026 10-K lists “premium specialty alloys, including titanium alloys, powder metals, stainless steels, alloy steels, and tool steels”, nickel and cobalt alloys, and alloys “specifically engineered for additive manufacturing”. Its investor materials describe nickel-based superalloys as “in short supply, with few qualified producers globally”.

It has never named SpaceX. The closest evidence is an exchange on the 1Q FY25 call (24 October 2024). Asked about demand from “companies like SpaceX”, CEO Tony Thene said: “specifically with the customer that you talked about, I don’t want to go too far. I mean, that’s an additive customer, right? ...they’re a major player... still small, but it’s not consistent.” The Philadelphia Inquirer reported in June 2026 that Thene “hasn’t said SpaceX is a customer”. Articles that name Carpenter as a Starship supplier cite no contract.

Space is small in Carpenter’s numbers. “I don’t usually mention the space submarket as it is a much smaller portion of our business” (October 2025); space tonnage in additive is “very low compared to engines” (July 2026). Aerospace & Defense was 65.6% of FY2026 sales excluding surcharge, with no space line disclosed.

What the stock really is

A jet-engine and airframe materials stock with pricing power under long-term agreements: “The majority of our aerospace business is under LTA now.” Management calls Boeing and Airbus build rates “probably the biggest, most significant input to FY 2027”. The shares have fallen 52.8% in three months, through a 1Q FY27 revenue miss and the death of the company’s newly appointed CEO in July.

Latest Results

\$m	1Q FY27	FY26
Net sales	798.2	3,124.2
Growth y/y	+9%	-
Operating income	196.4	702.0*
Adj. op. margin ex-surge	30.9%	27.8%
SAO adj. margin	37.7%	-
EPS (\$)	3.25	10.76*
Free cash flow	(24.8)	362.3*
Share buybacks	133.9	-

*Adjusted. 1Q FY27 sales missed the \$830.8m consensus. Guide: 2Q FY27 operating income \$192-197m; FY27 \$850-880m (maintained); FY27 FCF \$400-430m; FY29 target \$1.2-1.3bn.

Market Data (23 Oct 26)

Price (\$)	284.66
Market cap / EV (\$bn)	14.11 / 14.64
P/E, TTM	25.0x
P/E, FY27E (K2 estimate)*	~21x
EV/EBITDA, TTM	16.5x
Dividend yield	0.28%
52-week range (\$)	278.17-625.99
YTD / 1Y / 3M	-9.6% / -9.4% / -52.8%
Consensus (B H S)	14 6 1
Mean PT (\$) / upside**	462.00 / +62.3%

*K2 calculation from 1Q actual plus FMP quarterly consensus (one to three analysts per quarter). **Targets may predate post-results revisions.

Key Risks

- Volumes and execution.** The 1Q FY27 revenue miss sent the shares down as much as 20.6% intraday on 22 October; plaintiff firms have announced investigations.
- Leadership.** CEO Brian Malloy, in the role since July, died suddenly on 24 July, and his predecessor Tony Thene returned as CEO.
- Aerospace concentration.** About two-thirds of sales ex-surge is aerospace and defense; defense bookings fell on a “lack of clear funding”.
- Capacity build.** The \$400m brownfield expansion in Athens, Alabama (+9,000 tons, production from FY2028) carries delay and cost risk; FY27 capex is guided at \$355-375m.
- Raw materials.** Nickel and cobalt costs “have been volatile”, and some suppliers operate in politically unstable countries.

Source: Carpenter FY26 10-K (12 Aug 26), FY26 release (30 Jul 26), 1Q FY27 8-K (22 Oct 26) and 8-K (27 Jul 26); earnings calls (24 Oct 24, 23 Oct 25, 30 Jul 26, 22 Oct 26) via Quartr/Bigdata.com; Philadelphia Inquirer (16 Jun 26); Fitch (30 Sep 26); MT Newswires (consensus); Business Wire (23 Oct 26); Bigdata.com (FMP data); K2 Capital calculations.

Redwire: A SpaceX Customer, Not a Proven Supplier

Redwire Corporation (RDW, NYSE) K2 evidence grade: **Indirect only**

The claim. Redwire supplies SpaceX with space infrastructure and satellite components.

What we found

Redwire hardware flies on SpaceX, which is not the same as supplying it. Its roll-out solar arrays for the International Space Station were “designed, manufactured, and tested by Redwire under a contract with Boeing” (NASA) and have ridden in Dragon’s trunk since CRS-22 in 2021; the fourth and final pair launched on CRS-35 on 13 October 2026. Its PIL-BOX pharmaceutical payloads have also flown on SpaceX cargo missions. In both cases SpaceX is the carrier, not the buyer.

It is a SpaceX customer. Its SpaceMD subsidiary has signed for a mission on Starfall, “SpaceX’s new spacecraft”, planned for 2028 with up to 32 PIL-BOXes (6 August 2026; terms not disclosed).

Supply to SpaceX’s own vehicles is unproven. The only management reference is ambiguous. CFO Jonathan Baliff, September 2024: “if you look there at the SpaceX, you know, kind of rocket ship, we provide a lot of the equipment inside that. SpaceX is not one of our largest clients, but a lot of what’s being brought up into space is, you know, what we provide.” It may mean payloads carried by SpaceX rather than parts of its rockets, though “not one of our largest clients” implies some SpaceX revenue that Redwire has never sized. SpaceX is not named in the FY2025 10-K, either as a customer or as a competitor.

What the stock really is

Half a space-components company and half a drone company since buying Edge Autonomy in June 2025 (1H26 revenue: Space \$107.9m, Defense Tech \$106.2m). It is loss-making, has funded itself with \$415m of share sales this year, and trades as a high-beta proxy for SpaceX sentiment: up 27% on 26 May, down at least 10% on the day SpaceX listed, and down 56.5% from its 28 May high by 23 September.

Latest Results

\$m	2Q26	FY25
Revenue	117.1	335.4
Growth y/y	+89.6%	+10.3%
Adj. gross margin	27.8%	9.2%
Adj. EBITDA	(3.2)	(50.3)
Net loss	(41.0)	(226.6)
Free cash flow	(35.3)	(200.6)
Contracted backlog	542.1	411.2
Book-to-bill	1.42	1.32

2026 revenue guide \$450-500m (reaffirmed in August).
Liquidity \$607.8m, including \$557.0m of cash; debt \$48.9m.
3Q26 results due 5 Nov 26.

Market Data (23 Oct 26)

Price (\$)	8.36
Market cap / EV (\$bn)	2.09 / 1.62
EV/sales, TTM	3.8x
P/E	nm (loss-making)
52-week range (\$)	4.87-26.64
YTD / 1Y / 1M	+10.0% / +4.5% / -27.9%
Short interest (30 Sep)	18.5% of float
Beta	3.13
Consensus (B H S)	8 1 1
Mean PT (\$) / upside	14.10 / +68.7%

Key Risks

- Cash burn.** Free cash flow was -\$200.6m in 2025 and -\$48.0m in 1H26.
- Dilution.** Shares outstanding rose about 30% between February and August 2026 (192.0m to 250.0m); the 10-Q warns “we may require substantial additional funding”.
- Controls.** Material weaknesses in internal control remain unremediated, and the company “cannot at this time estimate how long it will take”.
- Concentration and contract risk.** Two customers were about 39% of 2025 revenue and much of the business rests on partially funded US government contracts; the CFO has warned of possible cost-overrun write-downs on fixed-price work (2Q25 gross margin was -30.9%).
- Sentiment.** With a beta of 3.13 and 18.5% of the float sold short, the stock moves with SpaceX headlines rather than with any disclosed SpaceX revenue.

Source: Redwire FY25 10-K (27 Feb 26), 2Q26 release, 10-Q and call (5-6 Aug 26), releases (26 Jan, 6 Aug, 12 Oct 26); H.C. Wainwright conference transcript (9 Sep 24) via Quartr/Bigdata.com; NASA (15 Oct 26); Spaceflight Now (13 Oct 26); Benzinga (24 Sep 26); MarketBeat (short interest); Bigdata.com (FMP data); K2 Capital calculations.

Valuation and Performance

The five share a story on social media and almost nothing else. They span a \$2bn loss-making space and drone company and a \$52bn avionics group, and three different end-market cycles: commercial aircraft, semiconductors, and government space and defence. Bought together, they are a basket of aerospace-cycle and chip-cycle risk with one disclosed Starlink revenue line.

Figure 8: Market data, consensus and implied upside

Close on 23 October 2026; consensus mean price target from FMP

	Company	Price (\$)	Mkt cap (\$bn)	YTD	1Y	Consensus (B H S)	Mean PT (\$)	Implied upside
HONA	Honeywell Aerospace	163.31	51.76	n/a	n/a	3 4 0	207.92	+27.3%
HON	Honeywell (ex-aerospace)	221.15	70.09	+8.1%	+3.5%	20 10 0	256.92	+16.2%
HXL	Hexcel	79.62	6.03	+7.7%	+9.4%	18 17 1	105.13	+32.0%
STM	STMicroelectronics	44.02	39.29	+69.7%	+77.1%	14 13 2	77.31	+75.6%
CRS	Carpenter Technology	284.66	14.11	-9.6%	-9.4%	14 6 1	462.00	+62.3%
RDW	Redwire	8.36	2.09	+10.0%	+4.5%	8 1 1	14.10	+68.7%
SPCX	SpaceX (reference)	147.49	1,944.5	n/a	n/a	17 4 0	224.21	+52.0%

Source: Bigdata.com (FMP data), K2 Capital calculations. HONA listed on 29 Jun 26 and is -18.3% since listing; SPCX listed on 12 Jun 26 and is +9.3% above its \$135 IPO price. HON performance is as reported by the data provider and may not fully adjust for the spin-off. Consensus targets for CRS may predate revisions after its 22 Oct results.

Figure 9: Share price performance

Year to date and 12 months, %

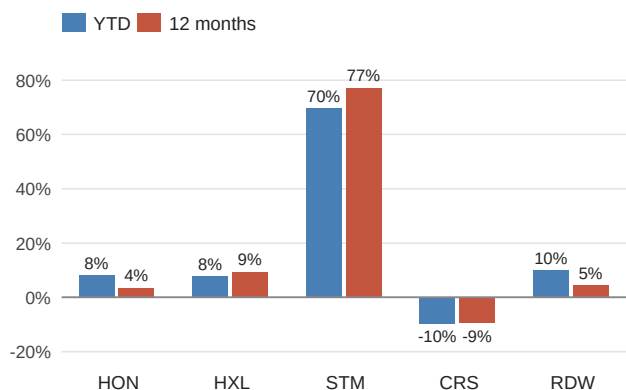
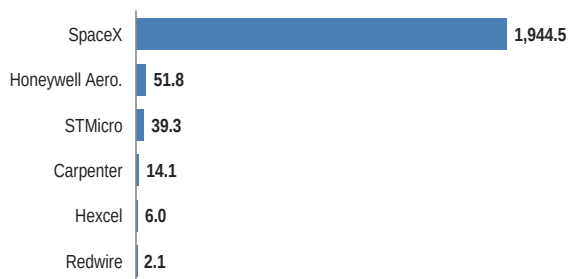


Figure 10: Market value: the five against SpaceX

\$bn, 23 October 2026



The five (with HONA for Honeywell) total \$113.3bn, 5.8% of SpaceX.

Figure 11: Multiples against the strength of the SpaceX link

	P/E (basis)	EV/EBITDA, TTM	Disclosed SpaceX-linked revenue	K2 evidence grade
HONA	21.1x (guide mid)	40.1x*	Not disclosed	Not evidenced
HXL	33.0x (FY26 cons.)	18.7x	Not disclosed	Confirmed, small
STM	21.1x (forward)	17.7x	LEO ~5% of FY25; SpaceX not split	Confirmed, material
CRS	~21x (FY27E, K2)	16.5x	Not disclosed	Indirect only
RDW	nm	nm (EV/sales 3.8x)	Not disclosed	Indirect only

Source: Bigdata.com (FMP data); Stockanalysis.com (STM forward P/E); MT Newswires/FactSet (HXL FY26 consensus EPS \$2.41); company guidance; K2 Capital calculations. *HONA TTM EBITDA includes carve-out periods before its listing and is not meaningful. nm: not meaningful (loss-making).

What Would Change Our View

Evidence that would upgrade a grade

- **A named contract or agreement.** A supply or long-term agreement with SpaceX disclosed in an 8-K, 6-K or press release, or SpaceX named in a 10-K customer list, would move Hexcel, Carpenter or Redwire up at least one grade.
- **Management sizing the business.** ST already discloses LEO revenue. A comparable figure from any of the other four would let investors value the link rather than the story.
- **A design change at SpaceX.** Hexcel's CEO says SpaceX "may in the future" use more carbon fibre. A composite-intensive Starship upper stage or a new vehicle would make Hexcel the most direct beneficiary of the five.
- **Evidence for Honeywell.** Any public record of SIGI or other Honeywell navigation hardware on Falcon, Dragon or Starship. We found none.

Evidence that would weaken the one confirmed link

- **Share loss at Starlink.** ST already assumes its share falls from above 90%. Faster loss, or SpaceX taking more RF design in-house, as it has said it will do with turbine blades and vanes, would cut the only disclosed revenue line in the basket.
- **Slower Starlink growth.** Terminal volumes follow subscriber additions (7.2m to 13.6m in a year). A slowdown would hit ST's largest LEO contributor first.

Limits of this analysis

Absence of public evidence is not evidence of absence. SpaceX rarely names vendors (related-party Tesla is the exception), says its supplier contracts "generally do not have long-term binding and enforceable purchase orders", and states that alternative suppliers exist for "many, but not all" of its inputs. Specialty alloys and composites can reach SpaceX through service centres, distributors and part makers, which the producer may not see or disclose. Our grades measure what an investor can verify and size today, not whether a commercial relationship exists. Where a company has spoken on the record, we have quoted it rather than inferred.

Methodology

We reviewed SpaceX's 424B4 prospectus, 3Q26 earnings release and 10-Q; each company's latest annual report, quarterly filings and results releases; earnings-call and conference transcripts from 2024 to October 2026; and press reports with named sources. We ran SEC EDGAR full-text searches for "Honeywell" across SpaceX's filings and for "SpaceX" across Honeywell's, text searches of SpaceX's prospectus and 3Q26 10-Q for all five names, and searches of the other companies' filings as noted on each page. Market data are as of the close on 23 October 2026.

Figure 12: Upcoming catalysts

Date	Event	What to watch
28 Oct 26	Honeywell Aerospace 3Q26 results	First full quarter as a listed company; supply-chain delivery against the cut guidance
29 Oct 26	STMicroelectronics 3Q26 results	Formal 4Q outlook; any update on LEO revenue (management expects close to \$1bn in 2026)
5 Nov 26	Redwire 3Q26 results	Cash burn, further share sales, delivery on the \$450-500m revenue guide
Nov 26	Starship Flight 15 (expected)	Attempt to catch both booster and ship; launch cadence drives ST's satellite content
Open	SpaceX and Tesla special committees	Exploring a merger (Musk, 3Q26 call); no timetable disclosed

Source: company announcements; Quartr calendar via Bigdata.com; Finviz (HONA date); Nasdaq (22 Oct 26, Starship); MT Newswires (21 Oct 26, SpaceX and Tesla).

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Evidence grades: Confirmed, material: the company or SpaceX confirms the relationship on the record and it is a disclosed, meaningful revenue line. Confirmed, small: management confirms SpaceX content but describes it as small or does not size it. Indirect only: no confirmation; evidence limited to ambiguous remarks, hardware flown on SpaceX vehicles, or unsourced lists. Not evidenced: no public evidence found in SEC filings, earnings calls or credible press. Grades reflect public information as of the date of this report and are not ratings.

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Sources and methodology: Prices are as of the close on 23 October 2026 unless stated. SpaceX data are from its Form 424B4 prospectus dated 11 June 2026, its 3Q26 earnings release (20 October 2026), Form 10-Q (22 October 2026) and Form 8-K on its senior notes. Company data are from SEC filings (10-K, 10-Q, 8-K, 20-F, 6-K), results releases, investor presentations and earnings-call and conference transcripts (via Quartr and Bigdata.com), with market data, multiples and consensus from FMP via Bigdata.com and forward P/E for STMicroelectronics from Stockanalysis.com. Other sources include NASA; Spaceflight Now; Military & Aerospace Electronics; Reuters (via MarketScreener); CNBC; Benzinga; MT Newswires; Alliance News; Aviation Week; Fitch; the Philadelphia Inquirer; MarketBeat; Nikkei (via Behind the Black); and ResearchAndMarkets (via GlobeNewswire). SEC EDGAR full-text and document searches were run by K2 Capital on 24 October 2026. Calculations are K2 Capital's and are subject to change without notice.

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