

# IPOs, AI, and the unicorn proliferation: the themes exciting private equity technology investors for 2026 and beyond

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Throughout history, successive waves of technological innovation have fundamentally reshaped the global economy. Since the 1990s, three have crested: first the internet, then mobile and the app ecosystem, and then the cloud. Each of these waves created entirely new behaviours, new business models, and ultimately trillions of dollars of enterprise value, giving rise to generational tech companies that are now part of everyday life.

We believe the wave that is currently rising – artificial intelligence (AI) – is different from these previous three in both scale and depth. This is not just another technology cycle: it is closer to an industrial revolution.

In this brief note, we discuss three aspects of this revolution that are at the top of private equity investors' minds as we enter 2026.

## 1. PRIVATE TECHNOLOGY COMPANIES ARE FUELLING A TRILLION-DOLLAR IPO PIPELINE

While AI still understandably captures most of the tech narrative, one of the most important market events for tech investors this year is likely to come from a different area of the tech universe: SpaceX is reportedly planning an initial public offering (IPO) in the months ahead.

Already one of the most valuable unicorns globally, SpaceX is expected to raise \$30 billion at a valuation that could reach \$1.5 trillion, making it the largest IPO of all time.

This ambition is underpinned by a truly dominant position in its launch services business. Last year, SpaceX completed more orbital launches than the rest of the world combined, and Starlink satellites now account for 60% of the total number of active satellites.

More broadly, this probable flotation highlights two important themes for us as private equity investors: **improving liquidity conditions** and **larger potential outcomes**.

On liquidity, we saw technology IPOs come back in 2025 and are expecting to see more exits over the course of this year. There is a large pent-up cohort of private companies besides SpaceX that appears ready to tap into the public markets, such as Databricks, Stripe, or AI leaders OpenAI and Anthropic. This diversity emphasises the breadth of the opportunity set; tech investments today are about much more than AI, important as that is (as we explore in the next section).

## 3 Key takeaways

**1.**  
2026's IPO pipeline demonstrates the improving liquidity conditions and larger potential outcomes for private equity technology investors.

**2.**  
AI offers a highly heterogeneous opportunity set; in private equity, we see the most compelling prospects in applications and platforms.

**3.**  
Diversification across the full private technology landscape nevertheless remains vital for capturing opportunities and managing risks.

At the same time, and while liquidity is coming back, there is a clear trend of companies staying private for longer. This is what helps to increase the size of the prize for private investors. 10 years ago, there were only a handful of private tech companies with a valuation above \$5 billion; today there are close to 150. SpaceX could be the catalyst for more public listings over the course of the year, helping to crystallise this value created for private investors. Indeed, when SpaceX does eventually go public, its market cap will largely dwarf that of Google at its IPO, which was around \$23 billion.

## 2. AI'S STRONG FOUNDATIONS AND HIGH CEILING

We have been investing in AI since long before ChatGPT joined Google as a verb as well as a noun. What continues to make this such a compelling investment area is the speed of adoption. We have never seen a new technology reach product/market fit this quickly, across both consumers and enterprises.

ChatGPT itself reached 100 million users in roughly two months, something that took generational tech companies like Instagram, Facebook, or Twitter several years to achieve. Moreover, ChatGPT sustained its explosive growth with more than 800 million active users today.

But this isn't just about usage or hype, and this is a key distinction versus the dotcom era. **Adoption is translating into real revenue, very quickly.** We are now seeing AI-native companies reaching \$100 million in annualised revenue in months, not decades, because AI dramatically shortens the feedback loop between building a product and delivering measurable value to customers. So users are voting with their wallets, as 80% of US businesses now have an AI subscription. Even more striking, several AI companies, born after the pandemic, have crossed \$1 billion in revenue run-rate within two to three years. That pace of monetisation is unprecedented in the history of software.

While most headlines fixate on a few early winners like ChatGPT, this dramatically understates how the ecosystem is actually developing. AI is not a single product or company: **it's a full technology stack, with multiple layers and numerous players, each capturing value in very different ways.**

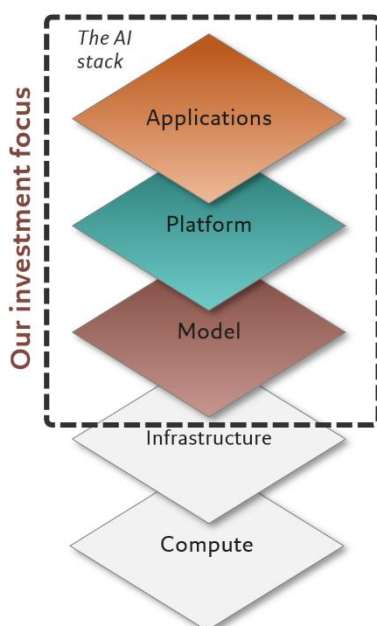
A useful way to think about this AI value chain is through the analogy of building a house. At the very bottom are Compute and Infrastructure, the foundations. This includes mostly hardware-related products like chips, data centres, and cloud compute. It's capital-intensive, scale-driven, and dominated by large, publicly listed incumbents and hyperscalers. These layers capture meaningful value early, because they are required before anything else can be built.

However, as the house rises, the profit pools tend to shift upward; this is a pattern we've seen repeatedly across technology cycles. The next layer is the Model layer, where we transition from hardware-first businesses to software-related ones. This is composed of large foundational models like OpenAI and Gemini, which form the neural networks through which AI is built. Think of this as the electrical and plumbing system of the house. These are highly cash-intensive businesses, with substantial ongoing training and inference costs.

Above that sits the Platform layer, which functions as the house's internal framework: the beams, wiring panels, and control systems that make everything usable and safe. These are the 'picks and shovels' of AI: data infrastructure, model tooling, observability, orchestration, security, governance, and compliance. In practical terms, these are the infrastructure software enterprises need to deploy AI reliably, at scale, and within regulatory and operational constraints.

At the very top is the Application layer, the finished living space. This is where AI becomes tangible: products with which end users and enterprises actually interact like search, workflow automation, customer support, software development, and more specific solutions. This layer is burgeoning with activity, both from incumbents re-architecting existing products and from startups building AI-native solutions from day one. **The layers at the top are where we are the most excited.**

*Across past technology shifts, the highest and most durable returns have tended to accrue at the software and application layers, where differentiation compounds, pricing power emerges, and customer value becomes embedded in day-to-day workflows. That's where we believe the most compelling investment opportunities lie as the AI ecosystem continues to mature.*



### 3. INVESTING ACROSS MORE THAN ONE HOUSE

As exciting as AI is, as private equity investors we believe diversification across the technology spectrum is essential. So against this backdrop of AI-powered market opportunity and structural megatrends, we have identified five high-conviction technology segments where we believe long-term returns will be most attractive (as illustrated below).

AI is clearly pivotal, particularly in enterprise and vertical applications. But beyond enterprise AI, we also see compelling opportunities in fintech, cybersecurity, consumer technologies, and deep tech (the areas where technological breakthroughs, regulatory shifts, or changing user behaviour are creating new winners). These are the segments where we believe we as private equity investors are well positioned to capture the next phase of value creation in technology

Yet this naturally prompts the question: **why invest in technology via private companies?**

We fully acknowledge that meaningful value has already been captured in public markets, particularly by the so-called Magnificent Seven. However, we believe there are many more high-growth, innovative and category-defining technology companies that are still private and could complement investors' listed exposure. For portfolio diversification, private markets offer access to a vastly broader opportunity set: we are talking about being able to select from a universe of thousands of companies instead of dozens.

What has also defined the private markets is that companies are increasingly staying private for much longer as the ecosystem has become far more institutionalised. We now see tech unicorns reaching tens or even hundreds of billions of dollars in valuation without accessing public markets.

Furthermore, secondary markets are deeper, liquidity is improving, and ownership in private shares is increasingly transferable between sophisticated investors. This allows private investors to participate in value creation across multiple stages of a company's growth since inception, rather than only at IPO.

In other words, a growing share of the value creation curve is now happening before companies ever go public – and we are excited to allocate across this opportunity set as private equity investors.

#### Five high-conviction technology segments with strong tailwinds

				
<b>Enterprise AI</b>	<b>Fintech</b>	<b>Cybersecurity</b>	<b>Consumer</b>	<b>Deep tech</b>
<ul style="list-style-type: none"> <li>• AI applications (horizontal and vertical)</li> <li>• Agentic workflow automation</li> <li>• Developer and enablement tools</li> <li>• Infrastructure technology</li> <li>• Large-language models</li> </ul>	<ul style="list-style-type: none"> <li>• Digital banking</li> <li>• Payment infrastructure</li> <li>• Wealth management technology</li> <li>• Stablecoin</li> </ul>	<ul style="list-style-type: none"> <li>• Enterprise cybersecurity</li> <li>• Agentic AI</li> <li>• Data protection</li> <li>• Identity &amp; access management</li> <li>• KYC / AML &amp; traceability</li> </ul>	<ul style="list-style-type: none"> <li>• Consumer engagement</li> <li>• Marketplaces</li> <li>• Generative engine optimisation</li> <li>• AI shopping agents</li> <li>• Gaming</li> </ul>	<ul style="list-style-type: none"> <li>• Supply chain management</li> <li>• Industrial software</li> <li>• Robotics</li> <li>• Space technology</li> <li>• Autonomous systems</li> </ul>

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