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SpaceX IPO prospectus is notably vague on Musk's long-term ambitions



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SpaceX has published a 377-page prospectus for its upcoming IPO, but it remains vague around its long-term ambitions around space tourism, asteroid mining and, most

importantly, the question of real estate, writes Rainer Zitelmann

SpaceX has now published the S1-prospectus for the IPO planned in June: 277 densely printed pages plus 100 pages of appendices. An IPO prospectus serves a fundamentally ambivalent purpose. On the one hand, it is designed to minimize legal liability by disclosing risks in exhaustive detail and warning investors about everything that could go wrong. On the other hand, it is also a marketing instrument intended to persuade investors that, despite all these risks, the company represents an attractive opportunity.

To say it upfront: the prospectus is very good when it describes SpaceX's unique market position. And it is also good when it comes to risks. What one would have wished for, however, is more detail regarding the long-term opportunities, where the prospectus remains too vague.

SpaceX's achievements to date

SpaceX's market position and its achievements to date, particularly in reducing launch costs, are unique. The prospectus refers to NASA figures according to which the Falcon 9 reduced average launch costs from \$18,500 per kilogram by 85 per cent to \$2,700. The first version of the Falcon Heavy reduced costs by 92 per cent, and Starship is expected to reduce them by as much as 99 per cent compared to the historical average.

SpaceX has repeatedly achieved milestones: 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 private company to transport astronauts to orbit, returning America's ability to fly astronauts to and from the International Space Station (2020).

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Since 2023, the prospectus emphasises, SpaceX has launched more than 80 per cent of the world's mass to orbit each year, with an over 99 per cent mission success rate using Falcon 9 rockets. SpaceX could also have made this comparison: if SpaceX were a country, then in 2024, 2025 and so far in 2026, it would rank by far number one in the world in terms of launch numbers, far ahead of China. And of the approximately 15,000 active satellites currently in space, 9,700 are Starlink satellites.

What does SpaceX say are its long-term goals?

As for the long-term prospects, the prospectus states: "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."

This is where many critics step in, fearing that SpaceX could burn through the money earned, for example, with Starlink on Mars missions that cost enormous amounts of money while generating little or no return. Here, the prospectus remains vague. For example, it states: "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."

Musk also repeats what he has always said: that his real goal is to make humanity interplanetary because: "Reliance on a single planetary home constitutes a single point of failure and carries existential risk... We do not want humans to have the same fate as dinosaurs."

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The company's mission is described as follows: "Our mission is to build the systems and technologies necessary to make life multiplanetary, to understand the true nature of the universe, and extend the light of consciousness to the stars."

Combined with the statement that – among other reasons because of the \$15bn invested in Starship – SpaceX is currently operating at a loss and does not intend to pay dividends in the foreseeable future, this reads to critics such as [Jay Ritter](#), a finance professor at the University of Florida, as follows: "Even if Starlink generates tens of billions of dollars per year in profits [for SpaceX], the money may be squandered on sending people to Mars rather than sending the money to shareholders."

Only in the later sections of the prospectus are business areas mentioned such as space tourism, in-orbit manufacturing, passenger and cargo transport to the Moon and Mars, and energy production on the Moon and Mars. Asteroid mining is also mentioned as a future business field, though only in a single sentence. Here, the prospectus remains thin, although it could have discussed the potential economic opportunities of in-orbit manufacturing, asteroid

mining and space tourism in much greater detail. I devoted several chapters of my book [New Space Capitalism](#) to these issues.

Space real estate ambitions are notably absent

What is missing, in my view, are the enormous opportunities arising from real estate. The 1967 Outer Space Treaty clearly states that states may not own celestial bodies or land on celestial bodies. Whether this prohibition also applies to private companies remains disputed among legal scholars. Some legal scholars argue national sovereignty stops where outer space begins, which means that national appropriation of the Moon, other planets and asteroids is forbidden – but not the private ownership of celestial bodies. This interpretation rests on the legal doctrine ***expressio unius est exclusio alterius***: the explicit mention of one thing implies the exclusion of others.

Admittedly, there are legal uncertainties here – but also opportunities. Should SpaceX succeed in acquiring ownership rights, for example over asteroids or land on the Moon and Mars, SpaceX could become the greatest real estate story in history, with the possibility of listing space REITs on stock exchanges. These may in fact represent the greatest long-term business opportunities for a company like SpaceX.

But because the nature of stock market prospectuses is to minimize liability through extensive risk disclosure rather than to emphasize opportunities, these elements are missing from the prospectus. I suspect the company's legal advisers discouraged anything that might appear too much like science fiction to readers. Yet by refraining from describing these opportunities in greater detail, the opposite effect is achieved: because the enormous earning opportunities in fields such as space tourism or asteroid mining are merely mentioned rather than explored in detail – and because the real estate opportunities are not discussed at all – readers unfamiliar with the subject may come away with the mistaken impression that SpaceX could end up burning money on idealistic science-fiction visions.

That is absurd, because if one thing is certain, it is this: wherever there are opportunities to make money, Musk will exploit them. What remains – and this is described extensively in the prospectus – is the key-person risk associated with the importance of Elon Musk.

Rainer Zitelmann is the author of the book [New Space Capitalism](#), which is being published to coincide with the IPO of SpaceX