

Rocket Lab USA, Inc

Q4 AND FULL YEAR 2021 INVESTOR UPDATE

FEBRUARY 28, 2022

[rocketlabusa.com](https://www.rocketlabusa.com)



DISCLAIMER AND FORWARD LOOKING STATEMENTS

Forward Looking Statements

This presentation may contain certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended. All statements, other than statements of historical facts, contained in this presentation, including statements regarding our expectations of financial results for the first quarter of 2022, strategy, future operations, future financial position, projected costs, prospects, plans and objectives of management, are forward-looking statements. Words such as, but not limited to, “anticipate,” “aim,” “believe,” “contemplate,” “continue,” “could,” “design,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “seek,” “should,” “suggest,” “strategy,” “target,” “will,” “would,” and similar expressions or phrases, or the negative of those expressions or phrases, are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements involve a number of risks, uncertainties (many of which are beyond Rocket Lab’s control), or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by the forward-looking statements contained in this presentation, including risks related to the global COVID-19 pandemic, including risks related to government restrictions and lock-downs in New Zealand and other countries in which we operate that could delay or suspend our operations; delays and disruptions in expansion efforts; our dependence on a limited number of customers; the harsh and unpredictable environment of space in which our products operate which could adversely affect our launch vehicle and spacecraft; increased congestion from the proliferation of low Earth orbit constellations which could materially increase the risk of potential collision with space debris or another spacecraft and limit or impair our launch flexibility and/or access to our own orbital slots; increased competition in our industry due in part to rapid technological development and decreasing costs, technological change in our industry which we may not be able to keep up with or which may render our services uncompetitive; average selling price trends; failure of our launch vehicles, satellites, and components to operate as intended either due to our error in design in production or through no fault of our own; launch schedule disruptions; supply chain disruptions; product delays or failures; design and engineering flaws; launch failures; natural disasters and epidemics or pandemics; changes in governmental regulations, including with respect to trade and export restrictions, or in the status of our regulatory approvals or applications, or other events that force us to cancel or reschedule launches, including customer contractual rescheduling and termination rights; and the other risks detailed from time to time in Rocket Lab’s filings with the Securities and Exchange Commission (the “SEC”), including under the heading “Risk Factors” in the prospectus dated October 7, 2021 related to our Registration Statement on Form S-1 (File No. 333-259757), which was filed with the Securities and Exchange Commission pursuant to Rule 424(b) on October 7, 2021 and elsewhere (including that the impact of the COVID-19 pandemic may also exacerbate the risks discussed therein), as well as other reports and information we file with the SEC from time to time. These forward-looking statements are based on Rocket Lab’s current plans, expectations and beliefs concerning future developments and their potential effects. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, there can be no assurance that the future developments affecting Rocket Lab will be those that we have anticipated and we may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. You should read this presentation with the understanding that our actual results may be materially different from the plans, intentions and expectations disclosed in the forward-looking statements we make. All forward-looking statements are qualified in their entirety by this cautionary statement. The forward-looking statements contained in this presentation are made as of the date of this presentation, and we do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise except as required by applicable law.

Use of Non-GAAP Financial Measures

To supplement our unaudited consolidated financial statements presented on a basis consistent with GAAP, we disclose certain non-GAAP financial measures, including non-GAAP gross margin, operating expenses, operating expenses as a percentage of revenue, income from operations as percentage of revenue, and diluted earnings per share. These supplemental measures exclude the effects of (i) stock-based compensation expense; (ii) amortization of purchased intangible assets; (iii) other non-recurring interest and other income (expenses), net attributable to acquisitions and (iv) non-cash income tax benefits and expenses. We also supplement our unaudited historical statements and forward-looking guidance with the measure of adjusted EBITDA, where adjustments to EBITDA include sharebased compensation, warrant expense related to customers and partners, foreign exchange gains or losses, and other non-recurring gains or losses. These non-GAAP measures are not in accordance with and do not serve as an alternative for GAAP. We believe that these non-GAAP measures have limitations in that they do not reflect all of the amounts associated with our GAAP results of operations. These non-GAAP measures should only be viewed in conjunction with corresponding GAAP measures. We compensate for the limitations of non-GAAP financial measures by relying upon GAAP results to gain a complete picture of our performance. Non-GAAP financial measures are not in accordance with and do not serve as an alternative for the presentation of our GAAP financial results. We are providing this information to enable investors to perform more meaningful comparisons of our operating results in a manner similar to management’s analysis of our business. We believe that these non-GAAP measures have limitations in that they do not reflect all of the amounts associated with our GAAP results of operations. These non-GAAP measures should only be viewed in conjunction with corresponding GAAP measures. Reconciliations of non-GAAP measures for the historical periods disclosed are included in this presentation. We have not provided a reconciliation for forward-looking non-GAAP financial measures because, without unreasonable efforts, we are unable to predict with reasonable certainty the amount and timing of adjustments that are used to calculate these non-GAAP financial measures, particularly related to stock-based compensation and its related tax effects.

TODAY'S PRESENTERS



Peter Beck
Founder, Chief Executive Officer, Chief Engineer



Adam Spice
Chief Financial Officer

AGENDA

-
- 1 Introduction

 - 2 Key Accomplishments

 - 3 Financial Highlights and Outlook

 - 4 Sell-Side Q&A

 - 5 Upcoming Conferences and Events





SECTION

02

KEY
ACCOMPLISHMENTS
2021

2021 KEY ACHIEVEMENTS SNAPSHOT



Grew backlog by ~194% from \$82 million to \$241 million, from end of year 2020 to 2021



Launched six Electron missions despite pandemic challenges



Acquired two leading space systems companies and subsequently closed another on Jan 17, 2022, meaningfully expanding Rocket Lab's addressable market and physical footprint



Commenced construction on high volume reaction wheel production facility



Signed multiple contracts with U.S. government agencies including:

- 4 study/development contracts
- 2 dedicated launch contracts
- 3 satellite service agreements
- 2 satellite component agreements



Successfully completed merger with Vector Acquisition Corporation to become publicly traded on the Nasdaq and raising \$777M in strategic equity capital



Signed multi-launch agreements with 3 commercial satellite constellation operators



Awarded \$24M Space Force contract to develop Neutron upper stage



Successfully completed two Electron first stage ocean recoveries



Announced the Neutron medium class 8-ton rocket development program



Q4 HIGHLIGHTS



Successfully launched two missions for BlackSky



Signed three-launch contract with Synspec



Successfully completed third ocean recovery of an Electron booster



Announced acquisition of SolAero Technologies



Closed acquisition of ASI Aerospace LLC (ASI)



Closed acquisition of Planetary Systems Corp. (PSC)



Delivered major update on Neutron development program



Signed exclusive license agreement with Johns Hopkins University Applied Physics Laboratory to manufacture satellite radios



Awarded contract to launch NASA Solar Sail mission

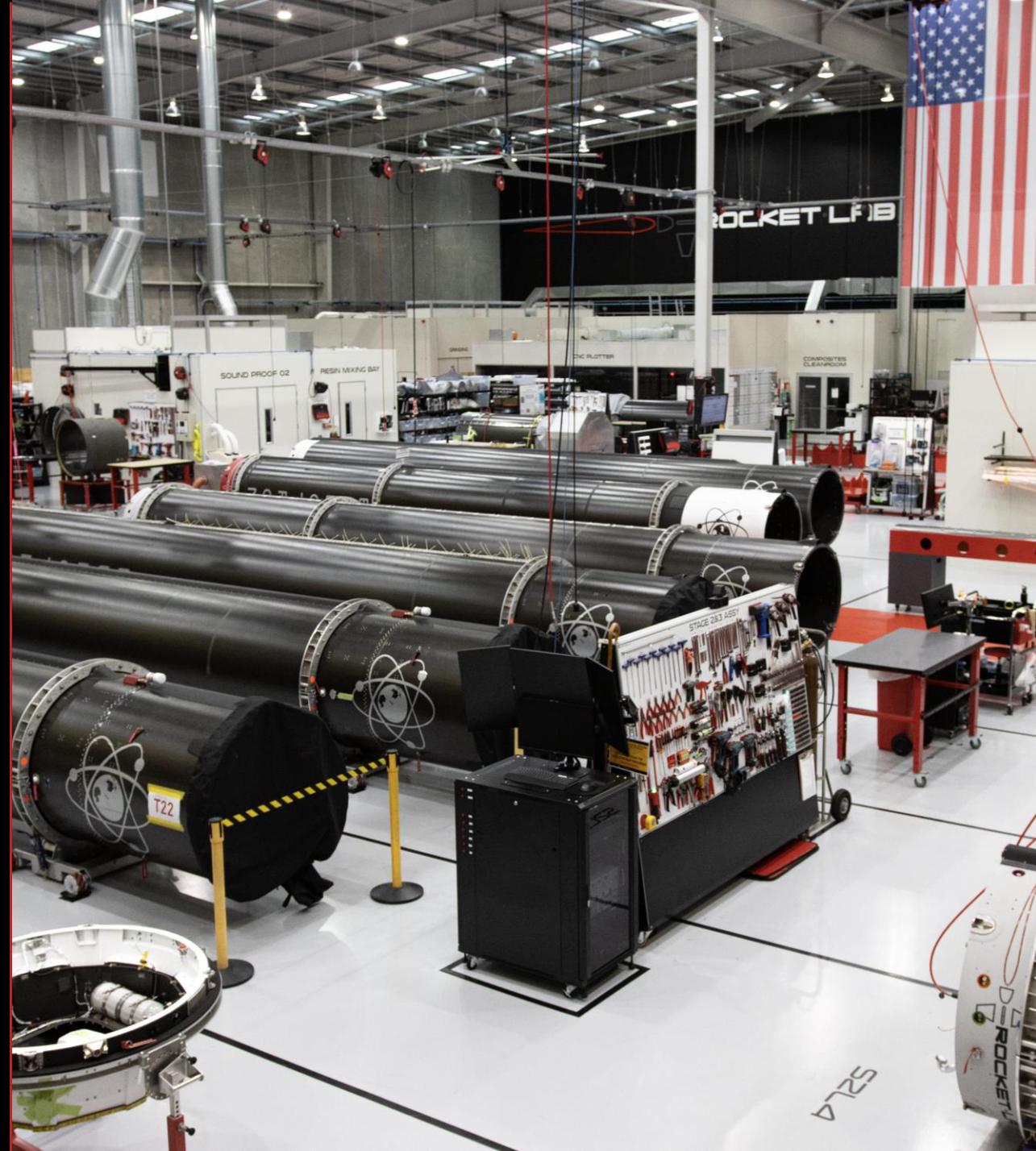


BACKLOG



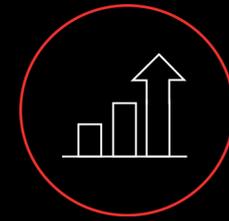
BACKLOG GREW FROM
\$183M IN Q3'21 TO
\$241M IN Q4'21, TO
\$545M TODAY

At December 31, 2020, our backlog stood at \$82M, ended December 31, 2021 at \$241M, and today, our backlog stands at \$545M, representing a \$463M increase in total backlog since the end of 2020.





KEY 2021 ACCOMPLISHMENTS



LAUNCHED SIX MISSIONS IN 2021

- Including two launches just three weeks apart (Nov 18 – Dec 9, 2021)
- Rocket Lab has now launched 23 missions total and deployed 109 satellites to orbit

KEY 2021 ACCOMPLISHMENTS

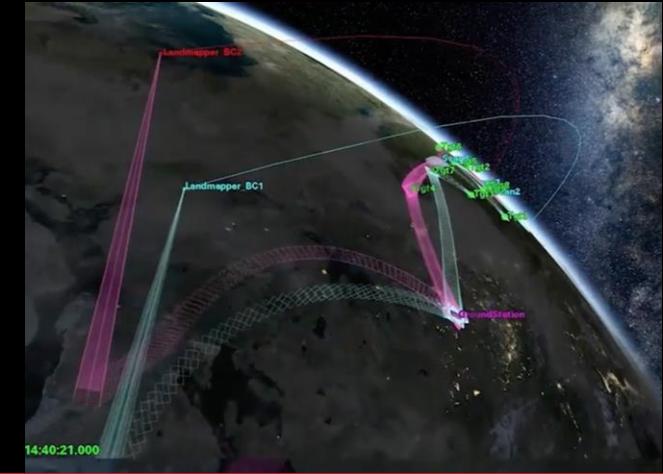


ACQUIRED TWO
LEADING SPACE
SYSTEMS COMPANIES
AND ANNOUNCED
INTENT TO ACQUIRE A
THIRD WHICH CLOSED
Q1 2022

- Building an end-to-end space company by bringing robust spacecraft manufacturing capability and critical elements of supply chain in-house.
- The acquisitions, combined with our organically developed solutions and the acquisition of Sinclair Interplanetary in April 2020, enable Rocket Lab to offer some of the most efficient and optimized spacecraft solutions in the industry.



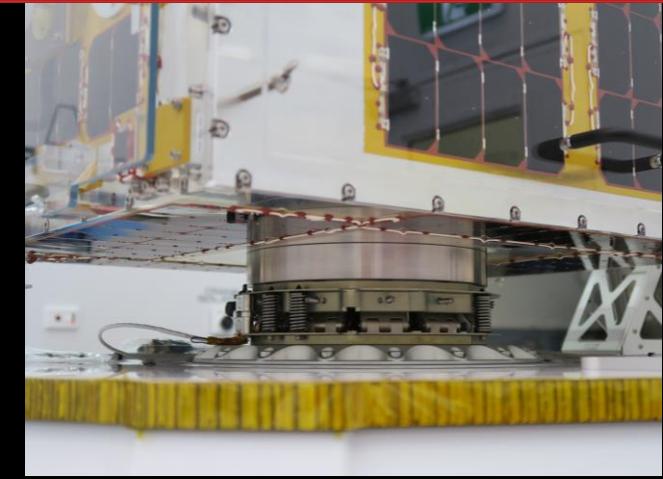
Flight Software & GNC



Space Solar Power



Separation Systems



ACQUISITION STRATEGY: FROM IDEA TO ORBIT

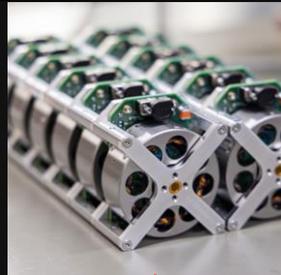
Rocket Lab's capabilities now span the space economy
An end-to-end space company capturing value from every mission phase



1

Satellite Design
and Manufacture

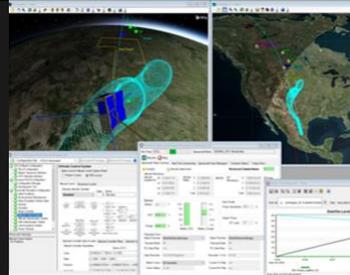
Production complexes
in California, USA and
Auckland, New Zealand



2

Satellite
Components

Star Trackers and Reaction Wheels
(Sinclair Interplanetary by Rocket Lab),
Space Solar Power
(SolAero By Rocket Lab)
Separation Systems
(PSC By Rocket Lab)
**Organic Rocket Lab-developed
components**



3

Flight Software
& Testing

Space Software
(ASI By Rocket Lab)
Colorado, USA



4

Launch Sites &
Ground Stations

Three launch pads across
US and New Zealand,
including the world's first
private orbital launch
complex.



5

Launch
Services

Small dedicated launch
with Electron rocket and
large constellation
deployment with Neutron
rocket



6

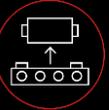
On-Orbit
Operations

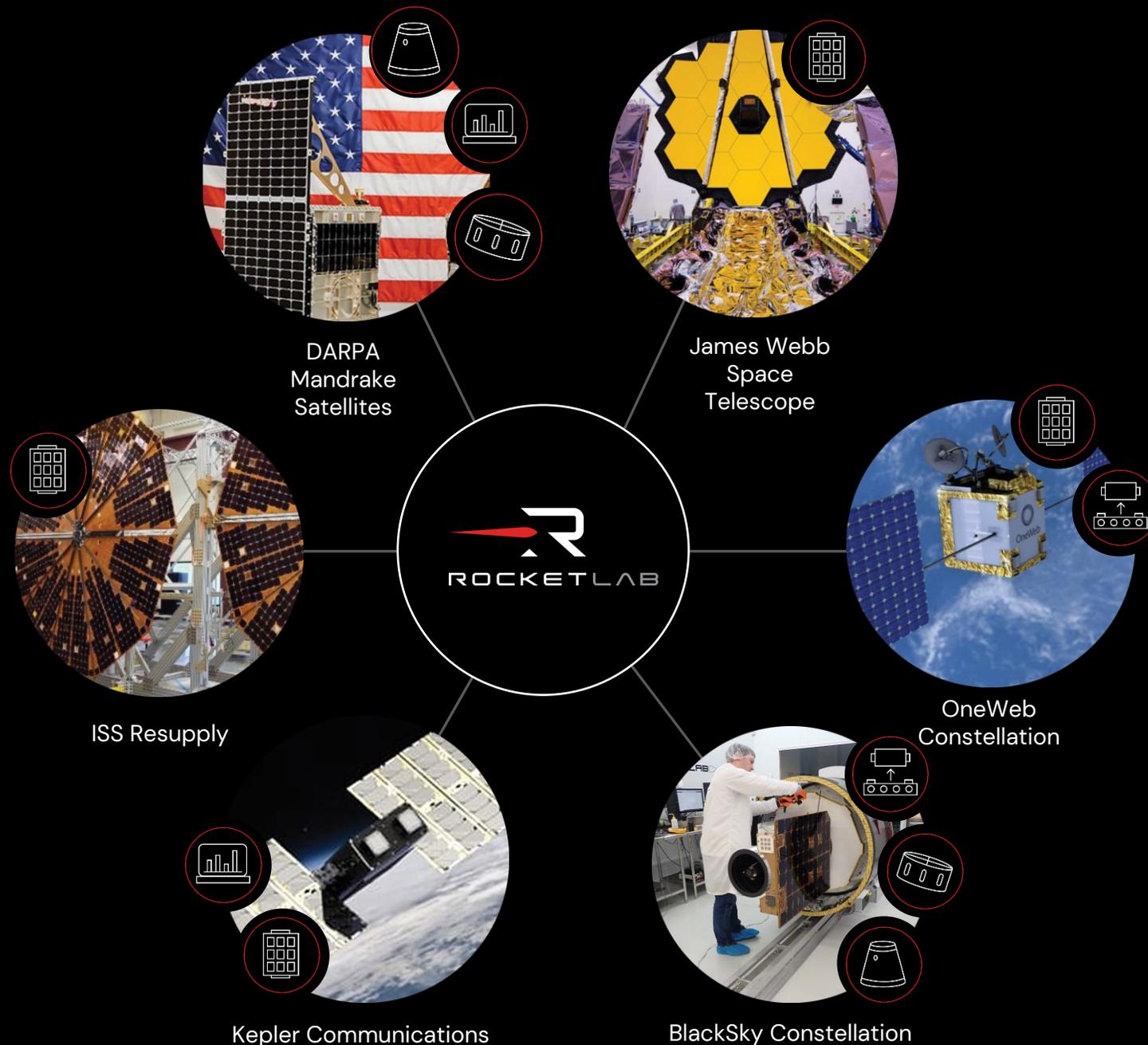
Mission Control Centers
in **California, USA** and
Auckland, New Zealand

ROCKET LAB ACROSS THE INDUSTRY

More than **38%** of addressable launches in 2021 globally featured technology created by Rocket Lab companies.¹

Including:

-  Solar Panels
-  Star Trackers
-  Flight Software
-  Separation Systems
-  Reaction Wheels
-  Satellite Radios



¹ Excludes Chinese and Iranian launches per US embargo that prevents most U.S technology launching on these launch vehicles.

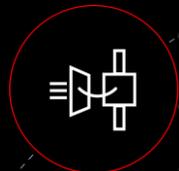
SUPPORTING 220+ MISSIONS IN DEVELOPMENT

Through our existing launch and spacecraft programs, and now through our acquisitions, Rocket Lab is supporting hundreds of missions across almost every sector of the rapidly growing space economy

Here are just a few...



Geostationary Orbit Satellites



Orbital transfer Vehicles



In-Space Manufacturing



National Security



Low and Mid-Earth Orbit Constellations



Lunar Landers



NASA Artemis Program



NASA DART mission (Planetary Defence)



Lunar & Interplanetary



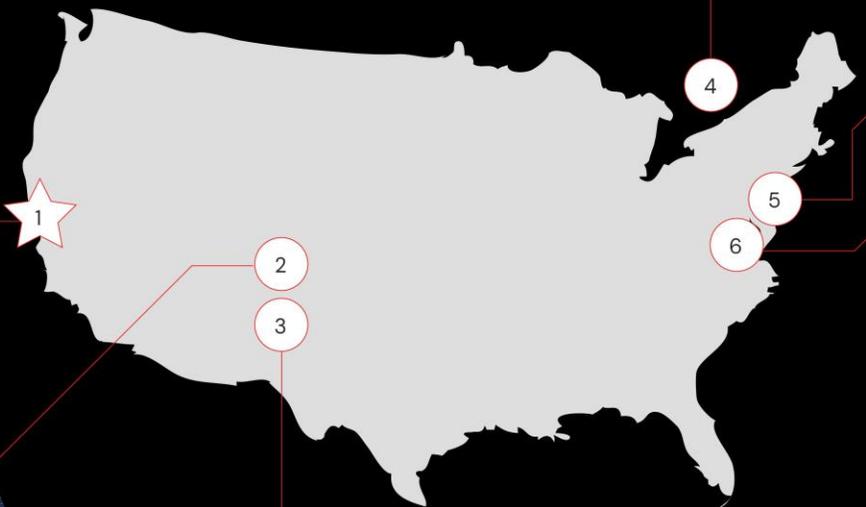
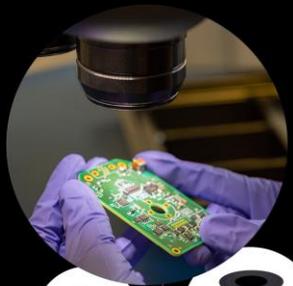
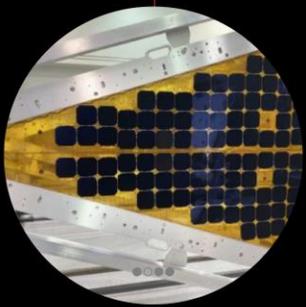
Serving a diverse customer base

Rocket Lab is a partner of choice for commercial space companies, prime contractors, and governments worldwide.

- + NASA
- + European Space Agency
- + Japan Aerospace Exploration Agency
- + Department of Defense and National Security/Intelligence
- + Commercial Constellation Operators
- + Prime Contractors

EXPANDING FOOTPRINT

With the acquisitions of Sinclair Interplanetary, ASI, PSC, and SolAero, Rocket Lab operates across 5 US states, in addition to New Zealand and Canada



1 Rocket Lab Headquarters, Long Beach CA

2 Flight Software and GNC, Littleton CO (ASI)

3 Space Solar Technology Production, Albuquerque NM (SolAero Technologies)

4 Star Trackers and Reaction Wheel Production, Toronto, Canada (Sinclair Interplanetary)

5 Separation Systems and Satellite Dispenser Production, Silver Spring MD (PSC)

6 Rocket Lab Launch Complex 2, Wallops Island VA

7 Production Complex, Auckland

8 Engine Test Complex, Waikato

9 Rocket Lab Launch Complex 1, Mahia



KEY 2021 ACCOMPLISHMENTS



SUCCESSFULLY CLOSED DE-SPAC MERGER TRANSACTION

With Vector Acquisition Corporation
+ \$777M in gross proceeds from the PIPE and cash
from Vector Trust.

KEY 2021 ACCOMPLISHMENTS



SIGNED MULTI-LAUNCH
AGREEMENTS WITH THREE
COMMERCIAL SATELLITE
CONSTELLATION OPERATORS



Five dedicated launch deal



Five dedicated launch deal



Three dedicated launch deal

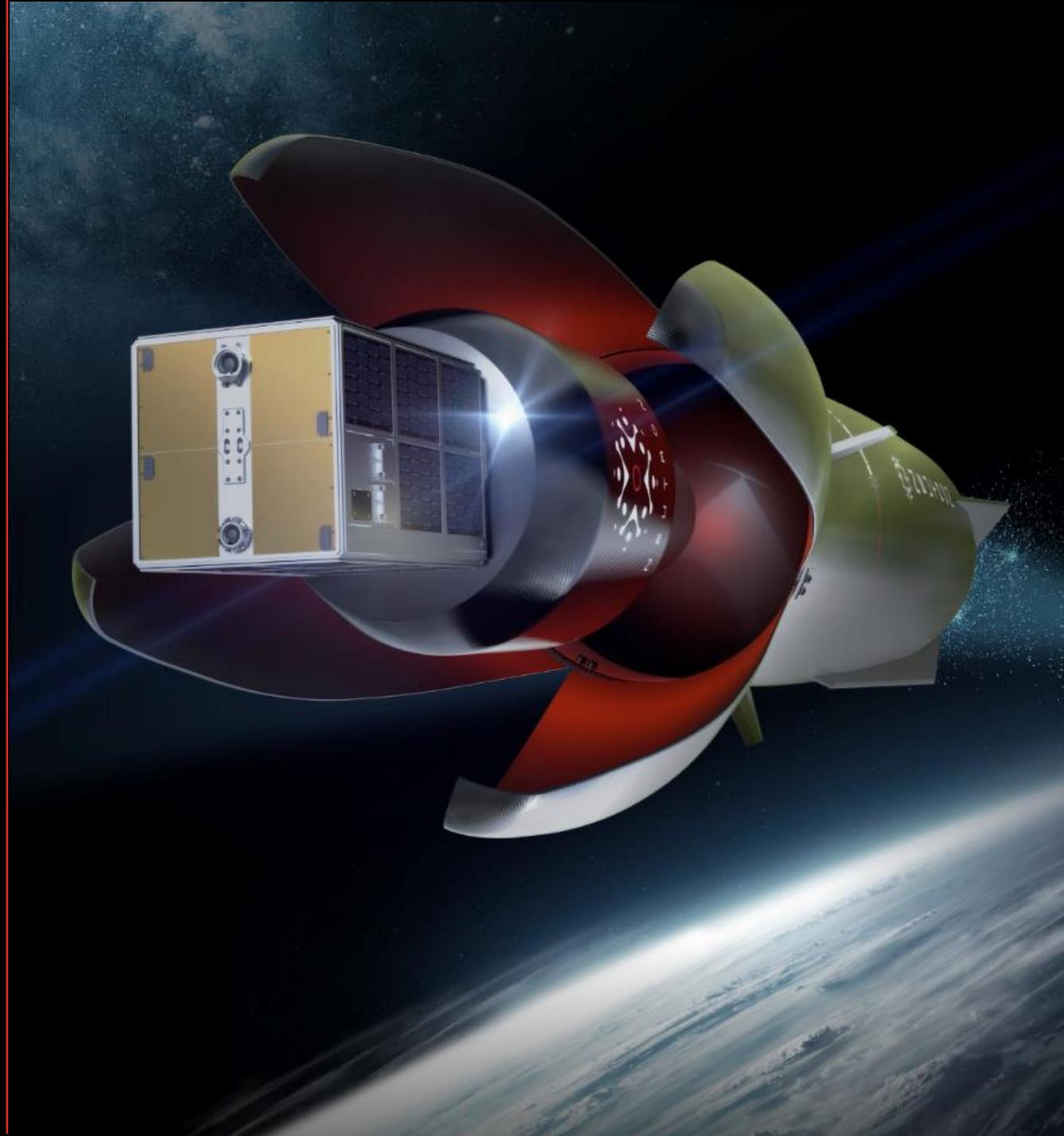


KEY 2021 ACCOMPLISHMENTS



AWARDED \$24M SPACE FORCE CONTRACT TO DEVELOP NEUTRON UPPER STAGE

Signifies Rocket Lab's commitment to becoming a launch provider for the National Security Space Launch (NSSL) program, which launches the United States' most critical missions.





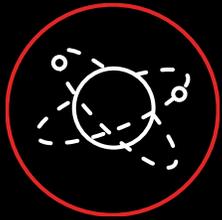
KEY 2021 ACCOMPLISHMENTS



SUCCESSFULLY COMPLETED TWO ELECTRON FIRST STAGE OCEAN RECOVERIES

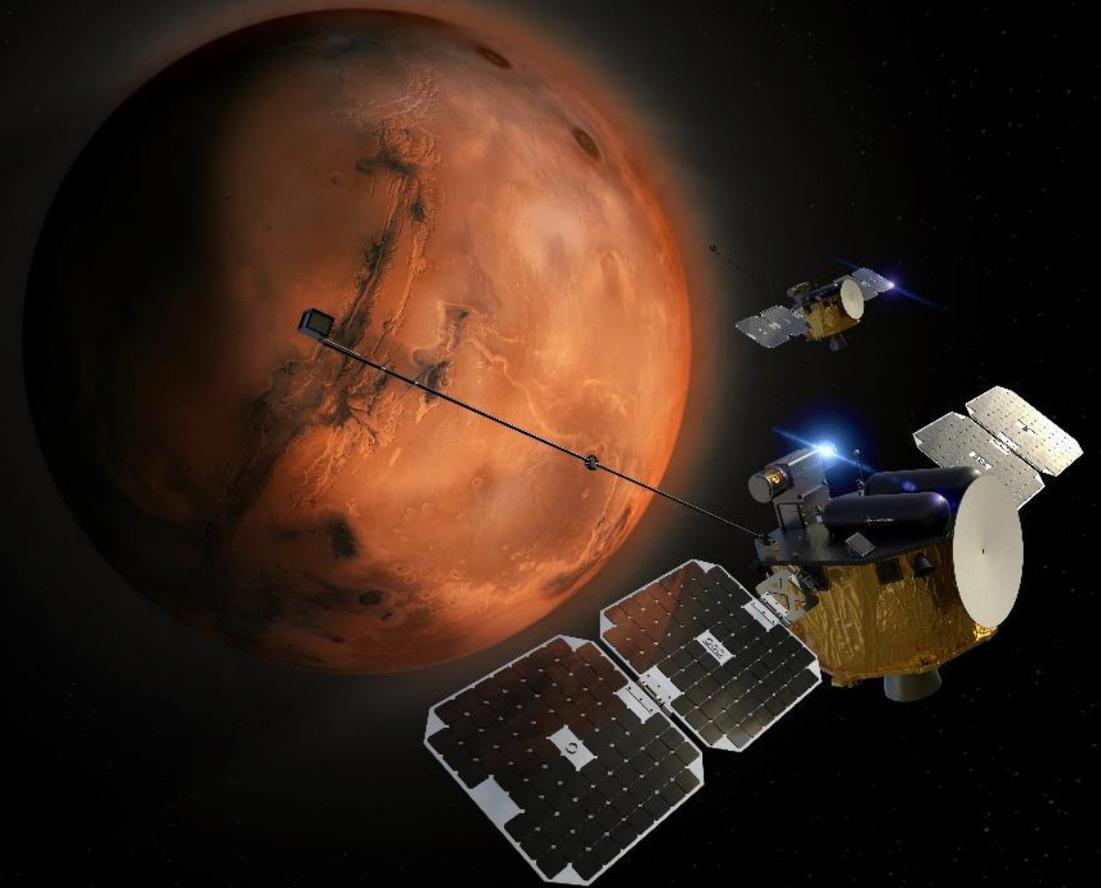
Further advancing Electron recoverability program to enable increased launch cadence and reduce cost per mission.

KEY 2021 ACCOMPLISHMENTS



PASSED KEY DESIGN REVIEW FOR TWIN PHOTON MISSION TO MARS

Received NASA approval to move toward launch for the ESCAPE mission. Led by the University of California, Berkeley Space Sciences Laboratory, the mission will study Mars' magnetosphere with two Rocket Lab Photon spacecraft.



STRONG 2021 BOOKINGS

ACROSS LAUNCH AND SPACE SYSTEMS FROM NEW AND REPEAT CUSTOMERS



Signed deals to supply components for commercial constellations, including first mega constellation deal



Selected to launch NASA ACS3 Solar Sail mission

BLACK|SKY

Signed 5 launch deal with BlackSky Global



Entered into dedicated launch contract with undisclosed government customer



Signed 3 Photon deal with Varda Space Industries to enable in-space manufacturing



Awarded multiple study and development contracts with U.S. government customers to support advanced Electron capabilities, Neutron Development and Photon performance



Signed Orbital Debris Removal Demonstration Mission with Astroscale



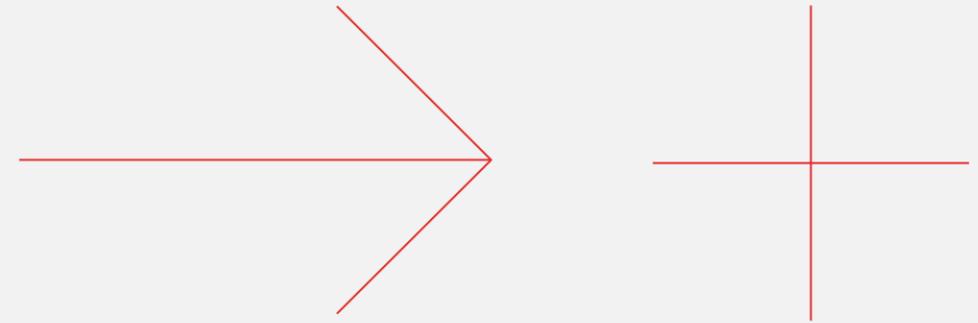
Entered into a contract to deploy GA-EMS developed Orbital Test Bed (OTB) Satellite



Selected to build two Photon spacecraft buses for ESCAPEDE Mars NASA Interplanetary Mission



Signed a contract to launch a cluster of small satellites for Alba Orbital



ADDITIONAL ACCOMPLISHMENTS

After December 31, 2021



AWARDED \$143M CONTRACT BY MDA TO DESIGN AND MANUFACTURE 17 SPACECRAFT FOR GLOBALSTAR

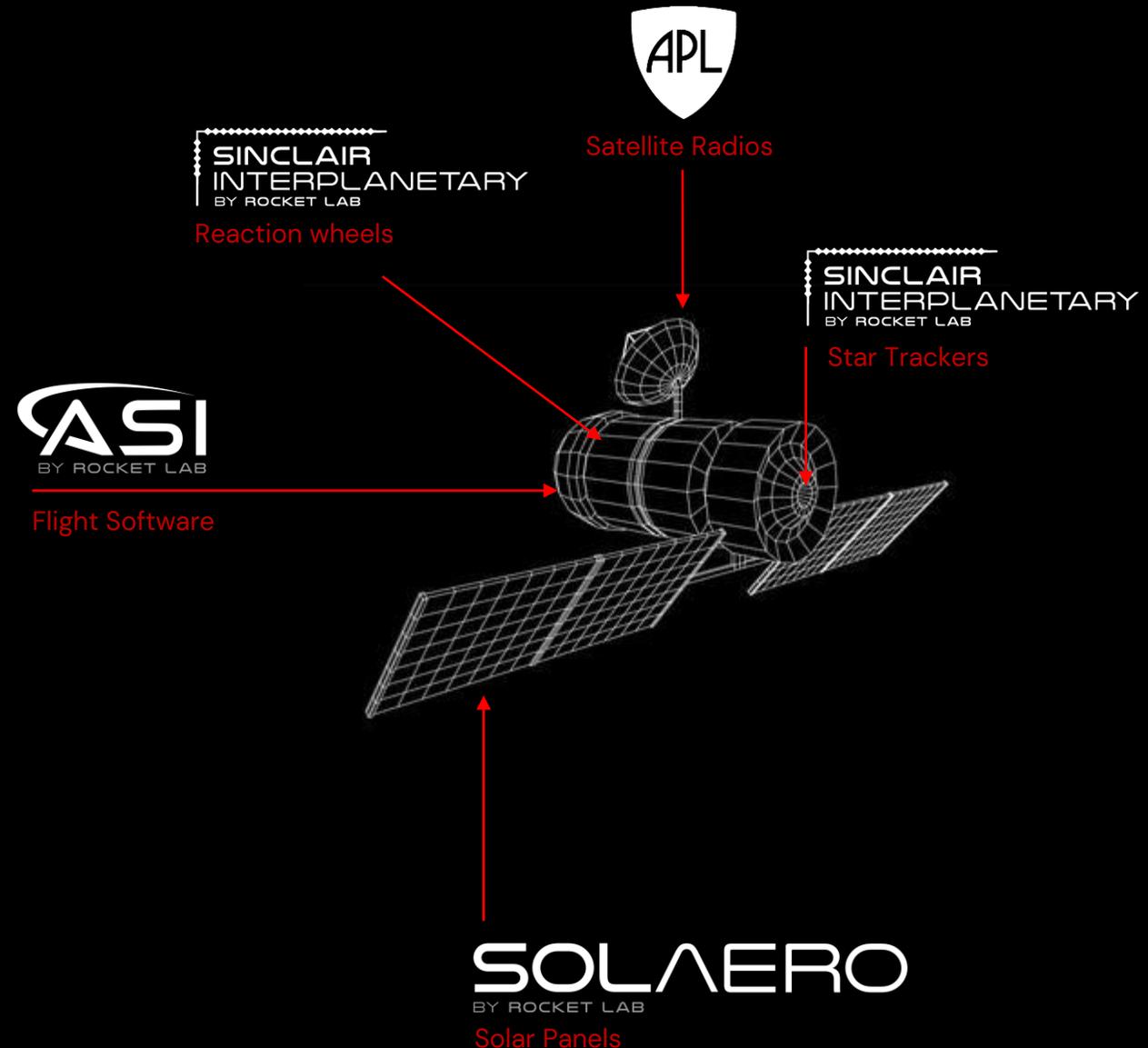
- Rocket Lab awarded contract over established Tier 1 prime contractors in highly competitive bid process.
- Reflects a deliberate and well-resourced strategy to grow Rocket Lab's Space Systems business and continue moving up the value chain by providing end-to-end space mission solutions.





EXECUTING ON STRATEGY TO DELIVER COMPLETE SPACE SOLUTIONS

- 17x 500kg spacecraft to be designed and manufactured at Rocket Lab's Long Beach production complex.
- Leverages Rocket Lab's vertical integration strategy and will feature components and subsystems produced by Rocket Lab's recently acquired companies:
 - Solar panels and structures from SolAero Technologies
 - Software from Advanced Solutions Inc.
 - Reaction wheels from Sinclair Interplanetary
 - Satellite radio is Rocket Lab's Frontier Satellite Radio (Frontier-C).



WE SAID EVERYTHING THAT GOES TO SPACE SHOULD HAVE A ROCKET LAB LOGO ON IT

We're executing on that strategy.



MDA contract demonstrates our vertical integration strategy though recent acquisitions is yielding results already.



We deliver multiple parts of the launch and small satellite supply chain, enabling us to offer customers schedule security and attractive pricing.



75 years of technical maturity and 1,200+ successful missions across Rocket Lab and strategic acquisitions.



State-of-the-art facilities, 1,200 team members, and supply chain now in place to deliver spacecraft and component manufacturing at scale to meet growing global demand.



Rocket Lab now uniquely positioned to complete final move up the value chain to develop our own constellations to provide data and services to the market.



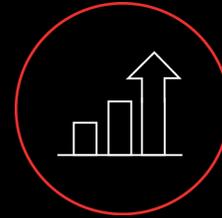
SELECTED BY NASA TO PROVIDE LAUNCH SERVICES FOR VADR MISSIONS

Maximum total budget of
\$300 million in launch contracts
across 12 launch providers





Additional Accomplishments
after December 31, 2021



BEGAN DEVELOPMENT OF NEW SPACE SYSTEMS COMPLEX IN LITTLETON, COLORADO

New facility will more than triple Rocket Lab's footprint in Colorado to support growing customer demand for flight software, mission simulation, and Guidance, Navigation and Control (GNC) services

Additional Accomplishments
after December 31, 2021



COMMENCED OPERATIONS FROM THIRD ROCKET LAB LAUNCH PAD

Pad B at Launch Complex 1 doubles
launch capability from New Zealand

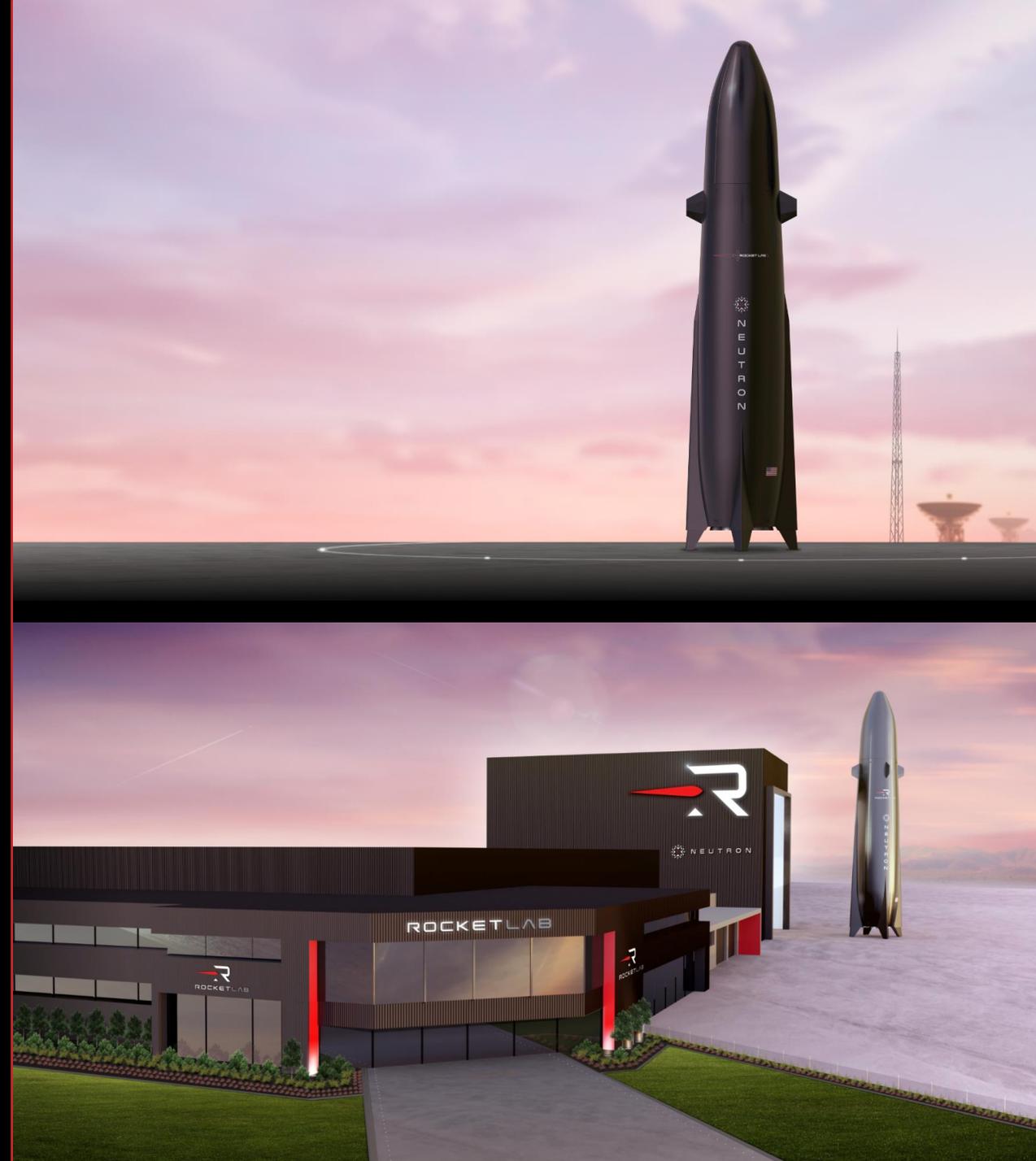


Additional Accomplishments
after December 31, 2021



SELECTED VIRGINIA FOR NEUTRON LAUNCH SITE AND PRODUCTION COMPLEX

Commonwealth of Virginia to invest \$45 million in infrastructure and operational systems improvements to the Mid-Atlantic Regional Spaceport to support Neutron launch and production facilities.





SECTION

03

FINANCIAL
HIGHLIGHTS
AND OUTLOOK

REVIEW OF REVENUE AND GROSS MARGIN RESULTS

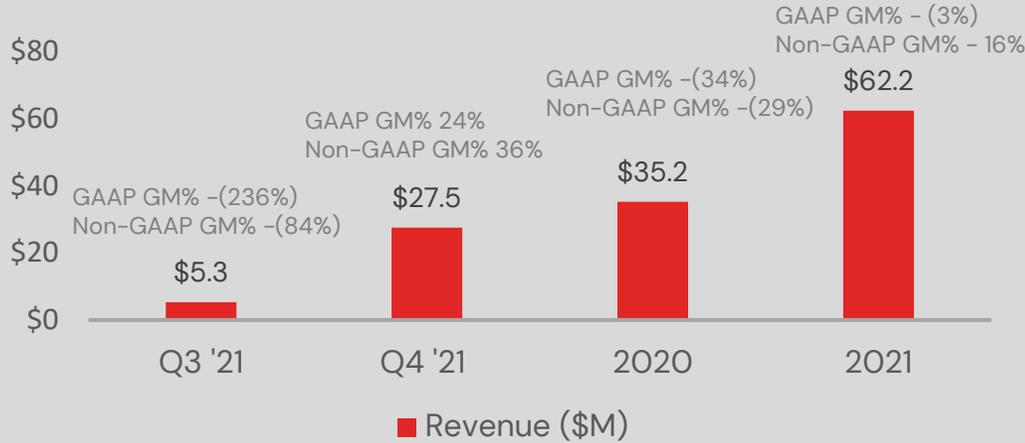
\$62.2M

Revenue in 2021

77%

Year-on-Year revenue growth

Year-on-Year and Quarter-on-Quarter Revenue Growth

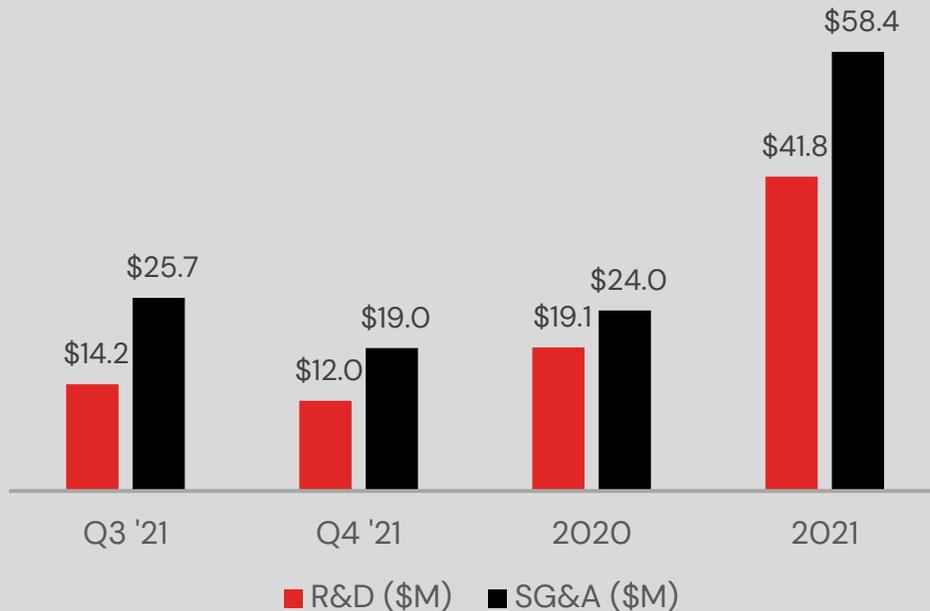


Space Systems contributed 50% of the total revenue for the Q4 period while growing by 1464% YoY

Experienced strong revenue growth in Launch Services, 18% growth in 2021 versus 2020

REVIEW OF FINANCIAL RESULTS

GAAP R&D vs. SG&A Spending



Continued aggressive investments in scaling our public company infrastructure and in executing on TAM-expanding product development initiatives

CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME/LOSS (UNAUDITED)

ROCKET LAB USA, INC. CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS (\$ in thousands)	Three Months Ended		Twelve Months Ended
	December 31, 2021	December 31, 2021	December 31, 2020
REVENUES	27,477	62,237	35,160
Cost of goods sold	22,340	53,574	33,381
Production costs	13,990	44,500	31,174
Launch costs	4,169	16,407	12,063
Recoveries	(19,706)	(50,351)	(29,641)
COST OF GOODS SOLD	20,793	64,130	46,977
GROSS PROFIT	6,684	(1,893)	(11,817)
OPERATING EXPENSES:			
Research and development	11,968	41,765	19,142
Selling, general and administrative	19,048	58,395	23,993
Total operating expenses	31,016	100,160	43,135
OPERATING LOSS	(24,332)	(102,053)	(54,952)
OTHER INCOME (EXPENSE):			
Interest income, net	(2,751)	(6,128)	224
Change in fair value of liability classified warrants	23,751	(15,294)	(2,417)
Gain (loss) on foreign exchange	(177)	(567)	2,420
Other income (expense), net	165	(798)	187
Total Other income (expense), net	20,988	(22,787)	414
LOSS BEFORE INCOME TAXES	(3,344)	(124,840)	(54,538)
PROVISION FOR INCOME TAXES	6,111	7,090	(467)
NET INCOME (LOSS)	2,767	(117,750)	(55,005)
OTHER COMPREHENSIVE LOSS			
Foreign currency translation adjustments	184	250	1,134
COMPREHENSIVE INCOME/LOSS	2,951	(117,500)	(53,871)

ADJUSTED EBITDA (UNAUDITED)

ROCKET LAB USA, INC. Adjusted EBITDA (\$ in thousands)	Three Months Ended		Twelve Months Ended
	December 31, 2021	December 31, 2021	December 31, 2020
Net Income (Loss)	2,767	(117,750)	(55,005)
Depreciation	2,030	7,530	7,117
Amortization	1,411	3,321	2,222
Stock Based Compensation	8,409	42,304*	4,218
Transaction costs	1,836	2,495	834
Loss on extinguishment of debt	-	795	-
Interest income (expense)	2,751	6,129	(224)
Warrants Income (expense)	(24,050)	15,294	2,490
Performance Reserve Escrow	1,895	1,895	-
Amortization of inventory step-up	616	616	-
Income tax provisions (benefit)	(6,111)	(7,090)	467
Foreign currency exchange	177	567	(2,420)
ADJUSTED EBITDA	(8,269)	(43,894)	(40,301)

*This includes \$9.6M of compensation expense associated with the redemption

GAAP TO NON-GAAP RECONCILIATIONS (UNAUDITED)

ROCKET LAB USA, INC. GAAP to Non-GAAP Reconciliations (\$ in thousands)	Three Months Ended		Twelve Months Ended
	December 31, 2021	December 31, 2021	December 31, 2020
GAAP Gross Profit	6,684	(1,894)	(11,817)
Stock-based compensation	2,455	10,996	1,404
Amortization of purchased intangible assets	143	312	142
Amortization of inventory step-up	616	616	-
Performance Reserve Escrow	114	114	-
Non-GAAP Gross Profit	10,012	10,144	(10,271)
Non-GAAP Gross Margin	36%	16%	-29%
GAAP R&D Expenses	11,969	41,765	19,142
Stock-based compensation	(3,039)	(9,973)	(1,183)
Amortization of purchased intangible assets	(975)	(2,081)	(931)
Non-GAAP R&D expenses	7,955	29,711	17,028
GAAP SG&A Expenses	19,048	58,395	23,993
Stock-based compensation*	(2,914)	(21,335)*	(1,631)
Amortization of purchased intangible assets	(113)	(185)	(111)
Transaction costs	(1,836)	(2,495)	(834)
Performance Reserve Escrow	(1,781)	(1,781)	-
Non-GAAP SG&A expenses	12,404	32,599	21,417
GAAP Operating Expenses	31,016	100,160	43,135
Stock-based compensation	(5,953)	(31,309)*	(2,814)
Amortization of purchased intangible assets	(1,088)	(2,265)	(1,042)
Transaction costs	(1,836)	(2,495)	(834)
Performance Reserve Escrow	(1,781)	(1,781)	-
Non-GAAP Operating expenses	20,358	62,310	38,445
GAAP income (loss) from operations	(24,332)	(102,054)	(54,952)
Total non-GAAP adjustments	13,371	49,271	6,235
Non-GAAP income (loss) from operations	(10,961)	(52,783)	(48,717)
GAAP and non-GAAP interest and other income (expense), net	20,988	(22,786)	414
Non-recurring interest and other income (expense), net	(23,873)	16,656	71
Non-GAAP interest and other income (expense), net	(2,885)	(6,130)	485

*This includes \$9.6M of compensation expense associated with the redemption

STATEMENT OF CASH FLOWS (UNAUDITED)

Rocket Lab USA, Inc. CASH FLOWS FROM OPERATING ACTIVITIES: (\$ in thousands)	Three Months Ended		Twelve Months Ended
	December 31, 2021	December 31, 2021	December 31, 2020
Net income (loss)	2,767	(117,750)	(55,005)
Adjustments to reconcile net income (loss) to net cash used in operating activities:	-	-	-
Depreciation and amortization	3,441	10,851	9,339
Stock compensation expense	8,384	32,557	4,218
Amortization of inventory step-up	616	616	-
Loss on disposal of assets	94	156	1,473
Loss on debt extinguishment	-	496	-
Amortization of debt issuance costs and discount	700	1,546	-
Noncash lease expense	531	2,010	1,533
Noncash expense (income) associated with liability-classified warrants	(24,130)	15,294	2,615
Deferred income taxes	(5,842)	(9,549)	(713)
Changes in operating assets and liabilities:	-	-	-
Accounts receivable	3,327	(7,274)	(522)
Contract assets	(154)	1,816	5,019
Inventories	(462)	(12,688)	(11,260)
Prepays and other current assets	(8,632)	(10,504)	(2,375)
Other non-current Assets	(4,548)	(4,548)	-
Trade payables	(20)	(4,517)	(1,603)
Accrued expenses	305	3,074	4,104
Employee benefits payables	(1,560)	(326)	1,538
Contract liabilities	2,512	27,542	15,921
Other current liabilities	929	838	(832)
Non-current lease liabilities	(543)	(1,801)	(965)
Other non-current liabilities	373	370	(242)
Net cash used in operating activities	(21,912)	(71,791)	(27,757)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property, equipment and software	(14,252)	(25,699)	(25,121)
Cash paid for acquisitions, net of acquired cash	(66,435)	(66,435)	(12,208)
Net cash used in investing activities	(80,687)	(92,134)	(37,329)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from the exercise of stock options	357	3,147	978
Proceeds from long-term revolving line of credit	-	15,000	-
Proceeds from long-term secured term loan	-	98,895	-
Repayments on long-term revolving line of credit	-	(15,000)	-
Net Proceeds from issuance of Series E-1 Preferred Stock	-	-	20,500
Proceeds from Business Combination and PIPE Investment, net of transaction costs	(2,196)	728,255	-
Repurchase of shares and options from management, net of amount recognized as compensation cost	-	(30,358)	-
Net cash provided by financing activities	(1,839)	799,939	21,478
Effect of exchange rate changes on cash and cash equivalents	2,725	2,128	(153)
Net increase (decrease) in cash and cash equivalents and restricted cash	(101,713)	638,142	(43,761)
Cash and cash equivalents, and restricted cash, beginning of period	793,788	53,933	97,694
Cash and cash equivalents, and restricted cash, end of period	692,075	692,075	53,933

FINANCIAL OUTLOOK

Q1 2022 Revenue Outlook

- We expect Q1 Revenue of approximately **\$42 - \$47 million**.
- We are currently planning for two launches in Q1 and anticipate Launch Service revenue of approximately **\$14 million**.
- Space Systems including full quarter contribution from of ASI and PSC acquisitions, and near full quarter contribution from SolAero, we anticipate revenue of **\$28 million to \$33 million**.

Q1 GAAP and Non-GAAP Gross Margins

- Expect **GAAP gross margins of 17%**, impacted by product mix and full quarter contribution of purchased intangibles amortization expense and a step-up in stock-based compensation resulting from our recent acquisitions. Note: The Purchase Price Allocation for SolAero was not complete at the time of Guidance and therefore its impact is not captured in our Q1 Guidance.
- Expect **Non-GAAP gross margins of 30%** driven by increased profitability in our launch service business offset by a lower margin mix shift within our space systems business.

Q1 Operating Expense, Interest Expense and Adjusted EBITDA

- Expect GAAP Operating Expenses of **\$38.0 million to \$40.0 million**
- Expect Non-GAAP Operating Expenses of **\$21.0 million to \$23.0 million**
- Expect Interest Expense: **\$2.7 million**
- Q1 adjusted EBITDA loss of **\$3 million to \$5 million**, which reflects adjustments for stock-based compensation, third-party fees associated with M&A activity, depreciation and amortization, FX gains and losses, interest expense, warrant expense, taxes, performance reserve escrow and other non-recurring items.

UPCOMING CONFERENCES



34th Annual ROTH Conference

March 13 – 15, 2022

Peter Beck
Founder & Chief Executive

Adam Spice
Chief Financial Officer

Deutsche Bank



30th Annual Media, Internet & Telecom Conference

March 14 – 16, 2022

Peter Beck
Founder & Chief Executive

Adam Spice
Chief Financial Officer

BANK OF AMERICA 

Space, Transport, Aviation & Autos Research Summit (STAARS)

March 20 – 22, 2022

Peter Beck
Founder & Chief Executive

Adam Spice
Chief Financial Officer

