

ROCKET LAB U.S.A., INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2023 AND 2022
(in thousands, except share and per share values)

	December 31,	
	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 162,518	\$ 242,515
Marketable securities, current	82,255	229,276
Accounts receivable, net	35,176	36,572
Contract assets	12,951	9,451
Inventories	107,857	92,279
Prepays and other current assets	66,949	52,201
Assets held for sale	9,016	—
Total current assets	476,722	662,294
Non-current assets:		
Property, plant and equipment, net	145,409	101,514
Intangible assets, net	68,094	79,692
Goodwill	71,020	71,020
Right-of-use assets - operating leases	59,401	35,239
Right-of-use assets - finance leases	14,987	15,614
Marketable securities, non-current	79,247	9,193
Restricted cash	3,916	3,356
Deferred income tax assets, net	3,501	3,898
Other non-current assets	18,914	7,303
Total assets	\$ 941,211	\$ 989,123
Liabilities and Stockholders' Equity		
Current liabilities:		
Trade payables	\$ 29,303	\$ 12,084
Accrued expenses	5,590	8,723
Employee benefits payable	16,342	8,634
Contract liabilities	139,338	108,344
Current installments of long-term borrowings	17,764	2,906
Other current liabilities	15,036	22,249
Total current liabilities	223,373	162,940
Non-current liabilities:		
Long-term borrowings, excluding current installments	87,587	100,043
Non-current operating lease liabilities	56,099	34,266
Non-current finance lease liabilities	15,238	15,568
Deferred tax liabilities	426	95
Other non-current liabilities	3,944	3,005
Total liabilities	386,667	315,917
COMMITMENTS AND CONTINGENCIES (Note 17)		
Stockholders' equity:		
Common stock, \$0.0001 par value; authorized shares: 2,500,000,000; issued and outstanding shares: 488,923,055 and 475,356,517 at December 31, 2023 and December 31, 2022, respectively	49	48
Additional paid-in capital	1,176,484	1,112,977
Accumulated deficit	(623,526)	(440,955)
Accumulated other comprehensive income	1,537	1,136
Total stockholders' equity	554,544	673,206
Total liabilities and stockholders' equity	\$ 941,211	\$ 989,123

The accompanying notes are an integral part of these consolidated financial statements.

ROCKET LAB U.S.A., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(in thousands, except share and per share data)

	Years Ended December 31,		
	2023	2022	2021
Revenues	\$ 244,592	\$ 210,996	\$ 62,237
Cost of revenues	193,183	192,006	64,130
Gross profit (loss)	51,409	18,990	(1,893)
Operating expenses:			
Research and development, net	119,054	65,168	41,765
Selling, general and administrative	110,273	89,026	58,395
Total operating expenses	229,327	154,194	100,160
Operating loss	(177,918)	(135,204)	(102,053)
Other income (expense):			
Interest income (expense), net	(4,248)	(7,799)	(6,128)
Loss on foreign exchange	(470)	(4,435)	(567)
Change in fair value of liability classified warrants	—	13,482	(15,294)
Other income (expense), net	3,715	1,010	(798)
Total other income (expense), net	(1,003)	2,258	(22,787)
Loss before income taxes	(178,921)	(132,946)	(124,840)
Benefit (provision) for income taxes	(3,650)	(2,998)	7,520
Net loss	\$ (182,571)	\$ (135,944)	\$ (117,320)
Other comprehensive income (loss), net of tax:			
Foreign currency translation income (loss)	(93)	600	253
Unrealized gain (loss) on available-for-sale marketable securities	494	(772)	—
Comprehensive loss	\$ (182,170)	\$ (136,116)	\$ (117,067)
Net loss per share attributable to Rocket Lab USA, Inc.:			
Basic and diluted	\$ (0.38)	\$ (0.29)	\$ (0.56)
Weighted-average common shares outstanding:			
Basic and diluted	481,768,060	466,214,095	209,895,135

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ROCKET LAB U.S.A., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN REDEEMABLE CONVERTIBLE
PREFERRED STOCK AND STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(in thousands, except share and per share data)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In	Accumulated	Other Comprehensive Income	Total
	Shares	Amount	Shares	Amount	Capital	Deficit	(Loss)	
December 31, 2020	283,843,764	\$ 274,960	78,410,162	\$ 8	\$ 19,920	\$ (187,691)	\$ 1,055	\$ (166,708)
Net loss	—	—	—	—	—	(117,320)	—	(117,320)
Exercise of stock options	—	—	3,688,836	—	3,122	—	—	3,122
Stock-based compensation	—	—	—	—	33,108	—	—	33,108
Exercise of preferred stock warrants	817,981	—	—	—	6,514	—	—	6,514
Exchange of preferred stock warrants for common stock warrants	—	—	—	—	2,975	—	—	2,975
Conversion of public warrants for common stock	—	—	2,180	—	35	—	—	35
Conversion of redeemable convertible preferred stock to common stock	(284,661,745)	(274,960)	284,661,745	29	274,932	—	—	274,961
Issuance of stock for acquisition	—	—	853,306	—	11,568	—	—	11,568
Reverse recapitalization, net of transaction costs	—	—	81,685,363	8	649,932	—	—	649,940
Common stock issued upon exercise of warrants	—	—	878,887	—	—	—	—	—
Other comprehensive income	—	—	—	—	—	—	253	253
December 31, 2021	—	—	450,180,479	45	1,002,106	(305,011)	1,308	698,448
Net loss	—	—	—	—	—	(135,944)	—	(135,944)
Issuance of common stock under equity plans	—	—	18,210,116	3	7,624	—	—	7,627
Stock-based compensation	—	—	—	—	58,403	—	—	58,403
Common stock issued upon exercise of Public and Private Warrants	—	—	4,554,830	—	44,844	—	—	44,844
Issuance of common stock for acquisitions	—	—	2,411,092	—	—	—	—	—
Other comprehensive loss	—	—	—	—	—	—	(172)	(172)
December 31, 2022	—	—	475,356,517	48	1,112,977	(440,955)	1,136	673,206
Net loss	—	—	—	—	—	(182,571)	—	(182,571)
Issuance of common stock under equity plans	—	—	12,880,415	1	7,422	—	—	7,423
Stock-based compensation	—	—	—	—	51,403	—	—	51,403
Issuance of common stock warrants in connection with loan agreement	—	—	—	—	2,595	—	—	2,595
Issuance of common stock for acquisition	—	—	686,123	—	2,087	—	—	2,087
Other comprehensive income	—	—	—	—	—	—	401	401
December 31, 2023	—	\$ —	488,923,055	\$ 49	\$ 1,176,484	\$ (623,526)	\$ 1,537	\$ 554,544

The accompanying notes are an integral part of these consolidated financial statements.

ROCKET LAB U.S.A., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(in thousands)

	Years Ended December 31,		
	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$ (182,571)	\$ (135,944)	\$ (117,320)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	29,744	29,947	10,851
Stock-based compensation expense	53,461	55,649	32,557
(Gain) loss on disposal of assets	(111)	923	156
Loss on extinguishment of long-term debt	1,732	—	496
Amortization of debt issuance costs and discount	2,904	2,827	1,546
Noncash lease expense	5,787	3,199	2,010
Noncash (income) expense associated with liability-classified warrants	—	(13,482)	15,294
Change in the fair value of contingent consideration	1,343	—	—
Accretion of marketable securities purchased at a discount	(4,571)	(1,395)	—
Deferred income taxes	708	(576)	(9,979)
Changes in operating assets and liabilities:			
Accounts receivable, net	1,452	(9,430)	(7,789)
Contract assets	(3,501)	(7,545)	1,816
Inventories	(15,562)	(25,964)	(12,072)
Prepays and other current assets	(14,586)	(15,059)	(10,504)
Other non-current assets	(11,470)	(7,072)	(4,548)
Trade payables	15,585	(2,129)	(4,517)
Accrued expenses	(3,275)	(3,518)	3,074
Employee benefits payables	5,484	2,108	(326)
Contract liabilities	30,992	22,661	28,057
Other current liabilities	(7,563)	1,280	838
Non-current lease liabilities	(5,076)	(3,686)	(1,801)
Other non-current liabilities	227	668	370
Net cash used in operating activities	(98,867)	(106,538)	(71,791)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property, equipment and software	(54,707)	(42,412)	(25,699)
Proceeds on disposal of assets, net	3,660	—	—
Cash paid for business combinations and asset acquisitions, net of acquired cash and restricted cash	(18,966)	(65,824)	(66,435)
Purchases of marketable securities	(207,266)	(259,567)	—
Maturities of marketable securities	269,204	21,724	—
Sale of marketable securities	20,093	—	—
Net cash provided by (used in) investing activities	12,018	(346,079)	(92,134)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from the exercise of stock options and public warrants	2,444	3,874	3,147
Proceeds from Employee Stock Purchase Plan	4,988	4,380	—
Proceeds from sale of employees restricted stock units to cover taxes	15,995	31,166	—
Minimum tax withholding paid on behalf of employees for restricted stock units	(15,722)	(31,164)	—
Tax payment for net settled option shares	—	(444)	—
Payment of contingent consideration	(1,000)	(5,500)	—
Finance lease principal payments	(336)	(271)	—
Proceeds from revolving line of credit	—	—	15,000
Proceeds from secured term loan	110,000	—	98,895
Repayments on secured term loan	(107,573)	—	—
Payment of debt issuance costs	(1,427)	—	—
Repayments on revolving line of credit	—	—	(15,000)
Proceeds from Business Combination and PIPE Investment, net of transaction costs	—	—	728,255
Repurchase of shares and options from management, net of amount recognized as compensation cost	—	—	(30,358)
Net cash provided by financing activities	7,369	2,041	799,939
Effect of exchange rate changes on cash and cash equivalents	43	4,372	2,128
Net increase (decrease) in cash and cash equivalents and restricted cash	(79,437)	(446,204)	638,142
Cash and cash equivalents, and restricted cash, beginning of period	245,871	692,075	53,933
Cash and cash equivalents, and restricted cash, end of period	\$ 166,434	\$ 245,871	\$ 692,075

ROCKET LAB U.S.A., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(in thousands)

	Years Ended December 31,		
	2023	2022	2021
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid for interest	\$ 15,553	\$ 10,749	\$ 3,991
Cash paid for income taxes	769	2,666	1,842
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:			
Unpaid purchases of property, equipment and software	2,796	1,865	938
Right-of-use assets obtained in exchange for new operating lease liabilities	30,396	9,140	3,916
Early termination of right-of-use assets	664	—	—
Net exercise of public and private warrants into common stock	—	44,739	—
Issuance of common stock for payment of accrued bonus	—	1,441	—
Issuance of common stock warrants in connection with Loan Agreement	2,595	—	—
Warrants assumed as part of Business Combination	—	—	48,149
Contingent consideration assumed at acquisitions	—	—	7,300
Issuance of common stock in connection with acquisition, at fair value	2,087	—	11,568
Prepaid expenses assumed as part of Business Combination	—	—	219
Accrued issuance costs in connection with Loan Agreement	641	—	—
Unpaid transaction costs	—	—	27

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