



Rocket Lab USA, Inc.

Q1 2024 INVESTOR UPDATE

May 6th, 2024

rocketlabusa.com



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 Exchange Act of 1934, as amended. All statements, other than statements of historical facts, contained in this press release, including statements regarding our expectations of financial results for the second quarter of 2024, 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 are based on Rocket Lab's current expectations and beliefs concerning future developments and their potential effects. 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 these forward-looking statements. Many factors could cause actual future events to differ materially from the forward-looking statements in this release, including risks related to delays and disruptions in expansion efforts; delays in the development of our Neutron rocket; 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 competition in our industry due in part to rapid technological development; 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; general economic uncertainty and turbulence which could impact our customers' ability to pay what we are owed; failure of our launch vehicles, spacecraft 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; any inability to effectively integrate recently acquired assets; a US government shutdown or delays in government funding; 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; risks that acquisitions may not be completed on the anticipated time frame or at all or do not achieve the anticipated benefits and results; 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 Rocket Lab's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, which was filed with the SEC on February 28, 2024 and elsewhere. There can be no assurance that the future developments affecting Rocket Lab will be those that we have anticipated. Except as required by law, Rocket Lab is not undertaking any obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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, research and development expenses, and non-GAAP net selling, general and administrative expenses. 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; (iv) non-cash income tax benefits and expenses (v) depreciation; (vi) transaction costs; (vii) change in fair value of liability classified warrants; (viii) change in fair value of contingent consideration; (ix) performance reserve escrow; (x) amortization of inventory step-up; (xi) provision for income taxes; (xii) loss on foreign exchange; (xiii) accretion of marketable securities purchased at a discount; (xiv) loss on disposal of assets; and (xv) employee retention credit. We also supplement our unaudited historical statements and forward-looking guidance with the measure of adjusted EBITDA, where adjustments to EBITDA include share-based compensation, warrant expense related to customers and partners, foreign exchange gains or losses, acquisition related performance reserve and escrow, and other non-recurring gains or losses. 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. We encourage investors to review the detailed reconciliation of our GAAP and non-GAAP presentations in our Earnings Release dated February 27, 2024. We have not provided a reconciliation for the 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

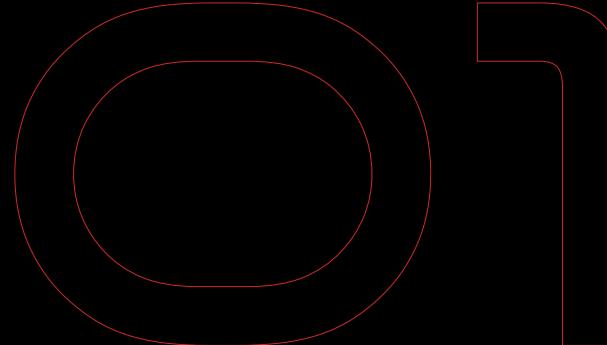
AGENDA

- 1 Electron
- 2 Space Systems
- 3 Neutron
- 4 Financial Highlights and Outlook
- 5 Q&A and Upcoming Events





SECTION



KEY ACCOMPLISHMENTS
Q1 2024

LAUNCH

FOUR SUCCESSFUL LAUNCHES IN Q1



F43 | Rideshare
Launch Complex 1
Launched: 31 January, 2024



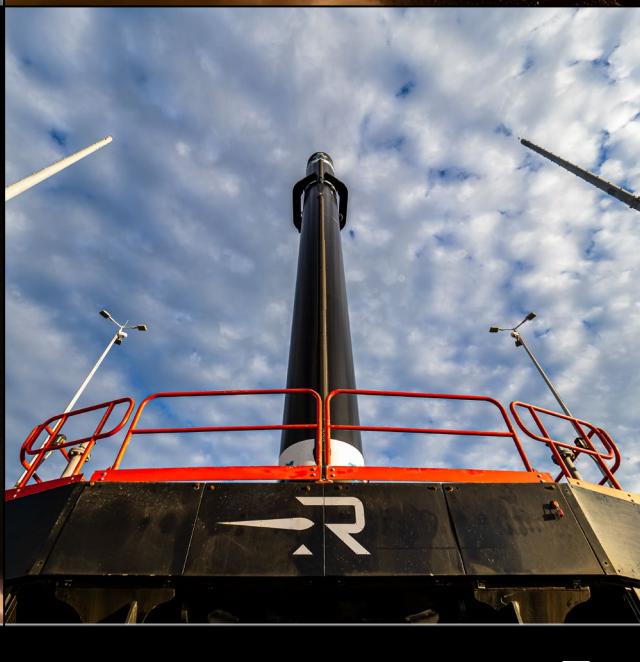
F44 | Astroscale Japan
Launch Complex 1
Launched: 19 February, 2024



F45 | Synspective
Launch Complex 1
Launched: 13 March, 2024



F46 | National Reconnaissance Office
Launch Complex 2
Launched: 21 March, 2024

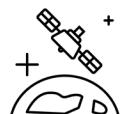


FIRST LAUNCH IN Q2, 2024 COMPLETE

'Beginning Of The Swarm' was Electron's 47th launch.



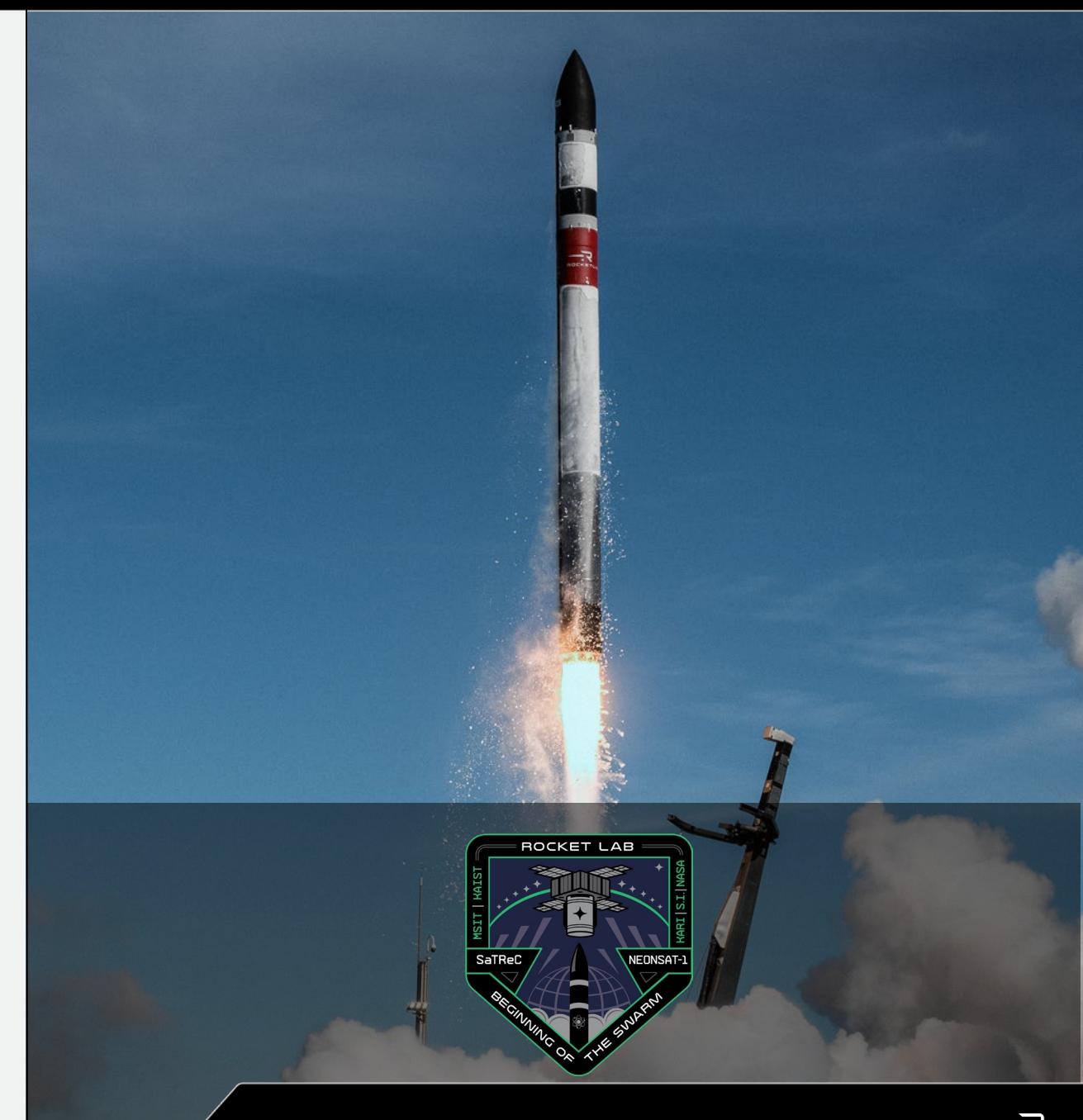
Two satellites deployed to 520km and 1,000km orbits respectively for KAIST and NASA.



The ability of Electron's Kick Stage to perform multiple engine burns to reach two completely separate orbits was critical to this mission. Multi-orbit dedicated deployment is typically not performed on larger rideshare missions.



The Kick Stage also completed an orbit lowering maneuver to speed up its removal from space in support of minimizing space junk.



Q2 LAUNCH SCHEDULE

UP TO FOUR MORE LAUNCHES SCHEDULED:

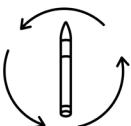
LAUNCHED	  F47 KAIST & NASA <p>Two satellites deployed to 520km and 1,000km orbits respectively for KAIST and NASA. <i>Launch Complex 1, New Zealand</i></p>
UPCOMING	 BACK-TO-BACK MISSIONS FOR NASA <p>Dedicated launches of two satellites for NASA PREFIRE, a climate change focused mission to study heat loss from the Arctic and Antarctica. <i>Launch Complex 1, New Zealand</i></p>
	 PREFIRE-2  DEDICATED MISSION FOR KINEIS <p>First of five dedicated launches to deploy entire constellation for Kineis. <i>Launch Complex 1, New Zealand</i></p>
POTENTIAL	 1x LAUNCH SCHEDULED FOR COMMERCIAL CUSTOMER <p>Note: customer assessing payload readiness that could drive launch to later quarter. <i>Launch Complex 1, New Zealand</i></p>



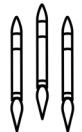
ELECTRON MANIFEST 2024



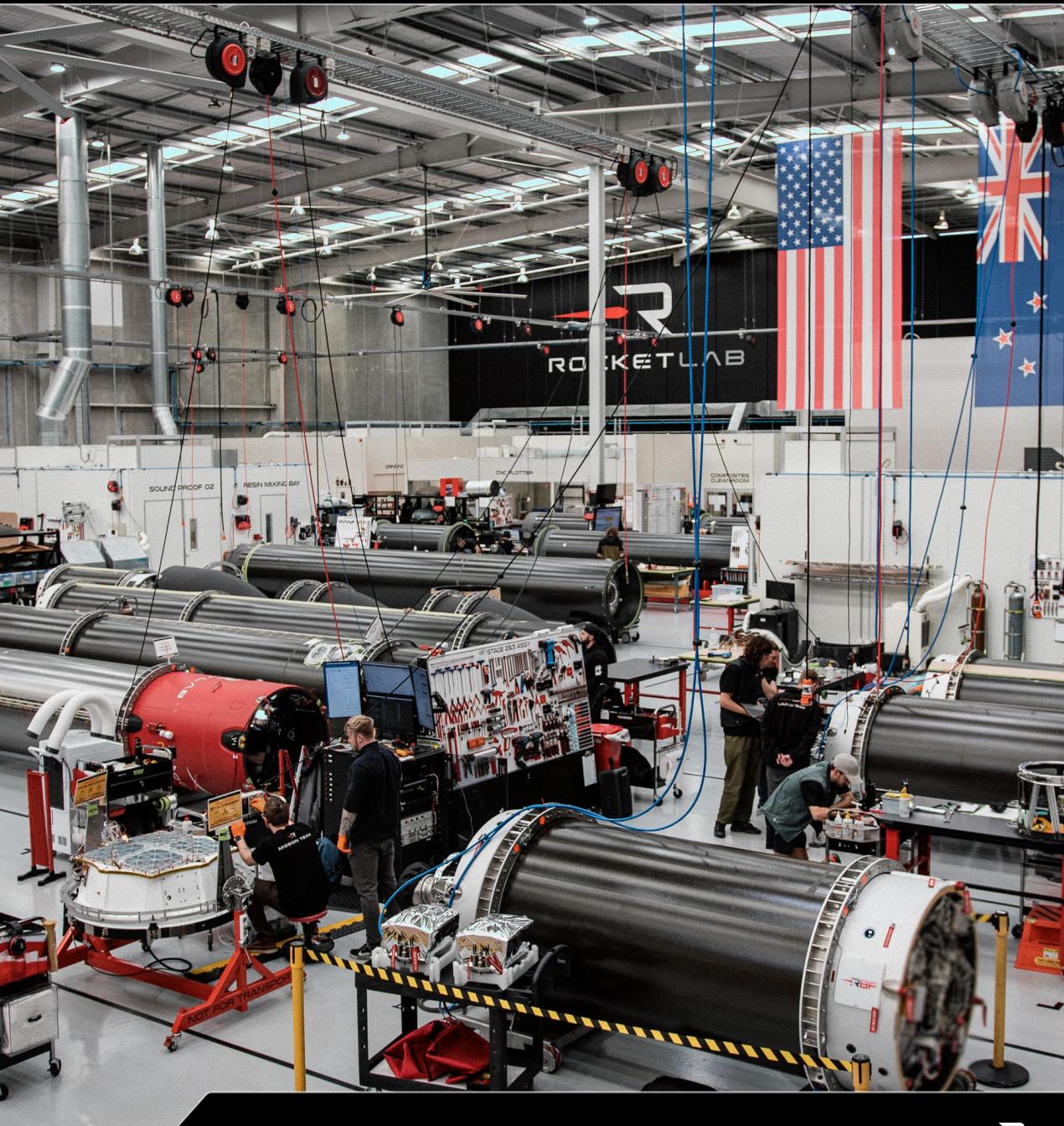
22 missions sold for 2024 but customer readiness, payload delays and other factors continue to cause manifest movement. Several customers requested new launch dates in 2025.



Launch flexibility is critical to Electron's dedicated launch service and a major drawcard over large rideshare for customers.



Electron remains on track for a record number of launches in 2024.



\$32M END-TO-END MISSION FOR SPACE FORCE

Validation of our model as an end-to-end space company delivering mission design, spacecraft build, components, launch, and on-orbit operations.



Rocket Lab will design and build a spacecraft, then launch it on Electron with just 24 hours' notice for the USSF's Space Systems Command.



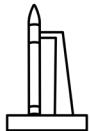
Contract includes:

- Pioneer-class Rocket Lab satellite with in-house components incl.
 - Propulsion system.
 - Solar cells and panels.
 - Reaction wheels & star trackers.
 - Flight and ground software.
 - Composite spacecraft structures.
 - Radios.
 - Avionics.
- Launch on Electron.
- Rocket Lab leading mission operations.
- Demonstrating on-orbit space domain awareness.



AWARDED SECOND U.S. SPACE FORCE LAUNCH CONTRACT WORTH \$14.49 MILLION

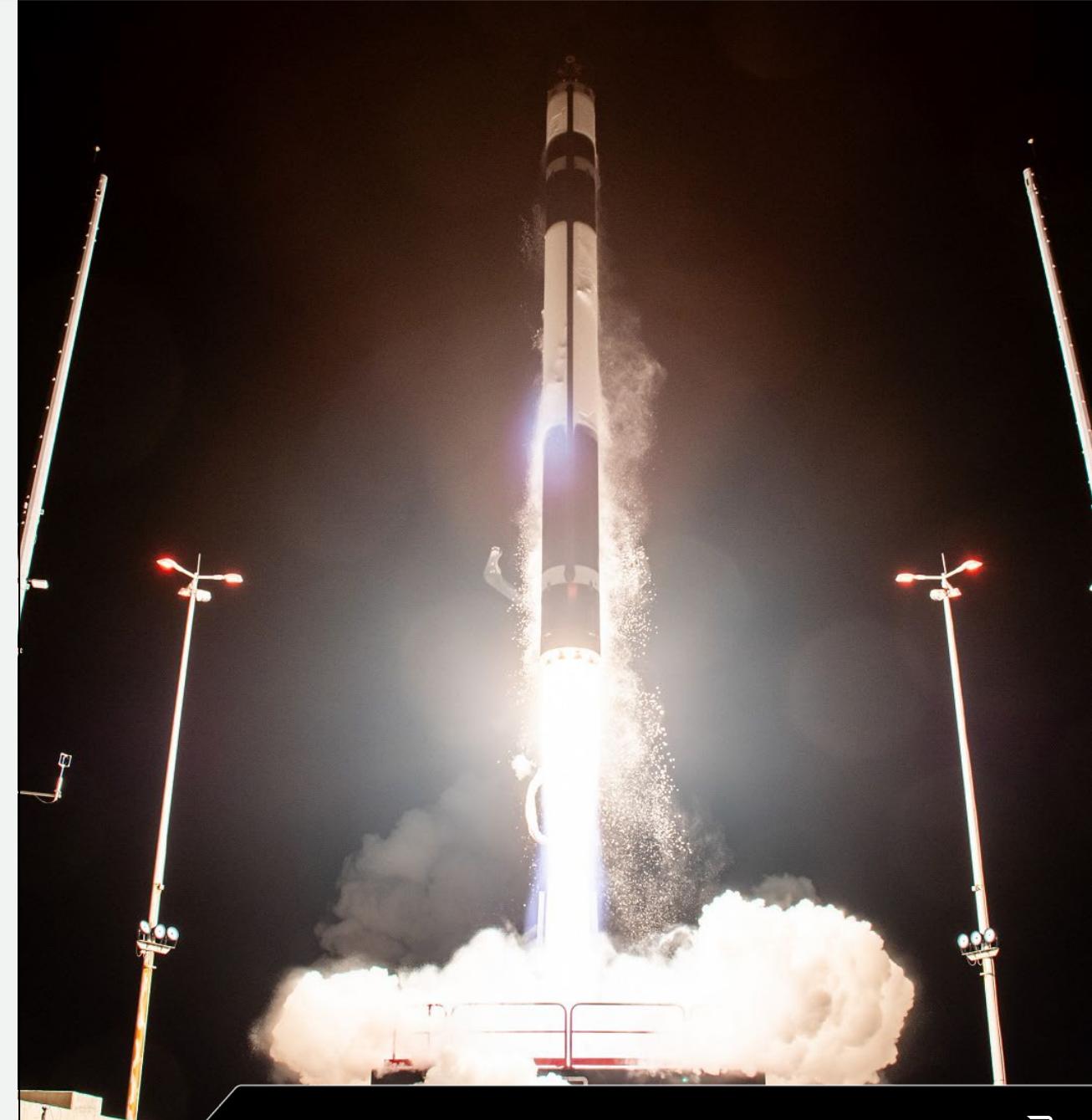
The Space Test Program (STP)-S30 mission expected to launch within 24 months of contract signing.



The STP-S30 mission for the USSF's Space Systems Command will launch within 24 months from Rocket Lab Launch Complex 2 in Virginia.

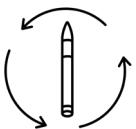


The dedicated mission is further demonstration of Rocket Lab as a trusted partner to the DoD for assured access to space.



MAJOR REUSABLE ELECTRON MILESTONE REACHED

'Four Of A Kind' Electron first stage launched January 2024 currently undergoing assurance testing for possible relaunch.



An Electron first stage, successfully recovered during January 2024 recovery launch, has returned to the production line for the first time and is earmarked for possible relaunch.

Critical tests passed so far include:

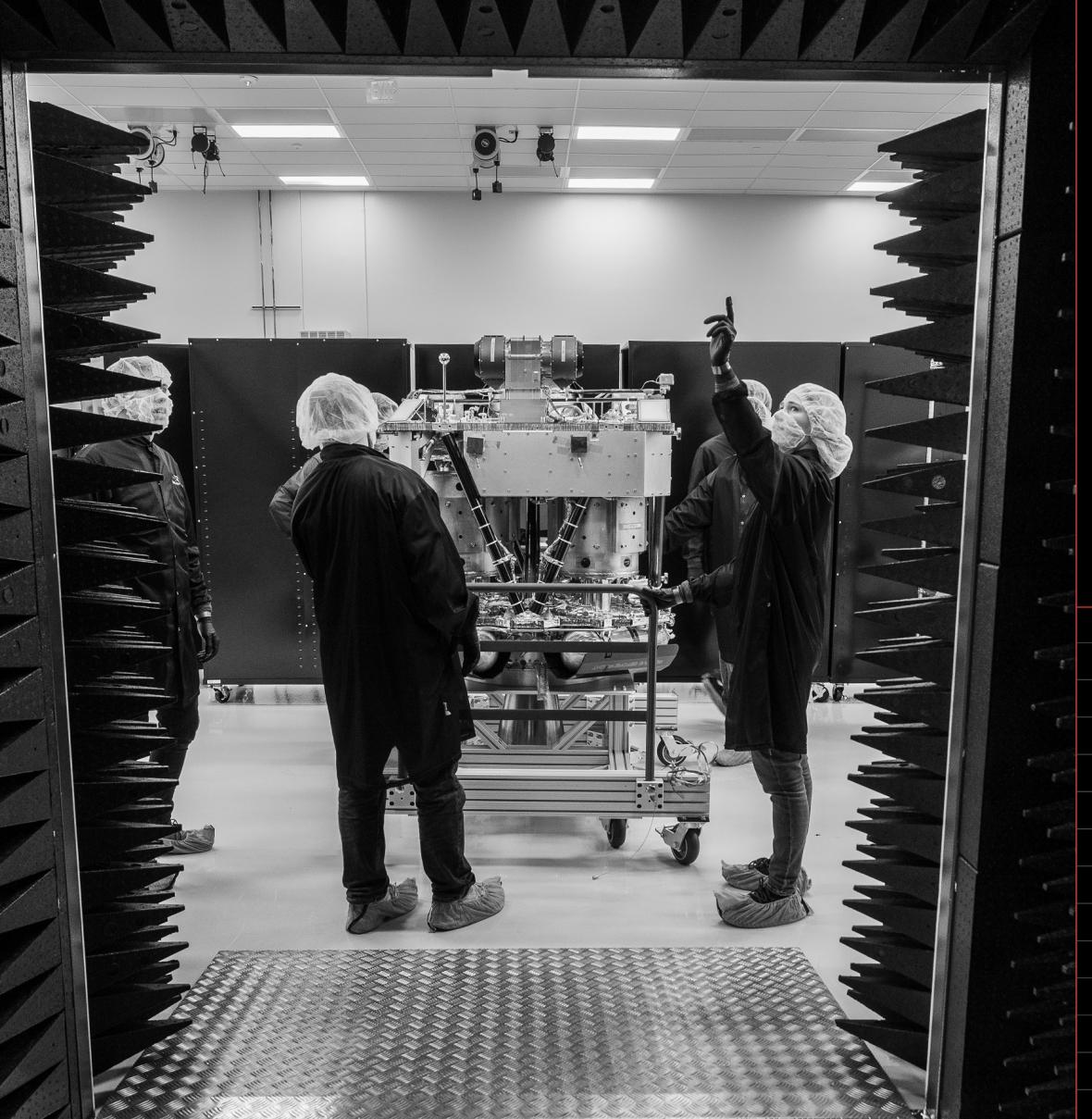


Tank pressurization test at 20x standard Electron flight duration.

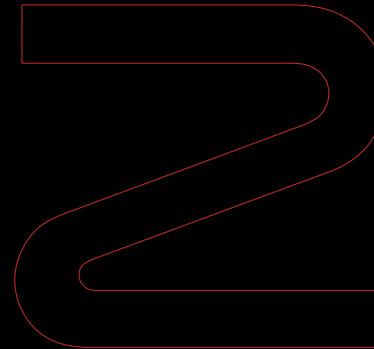
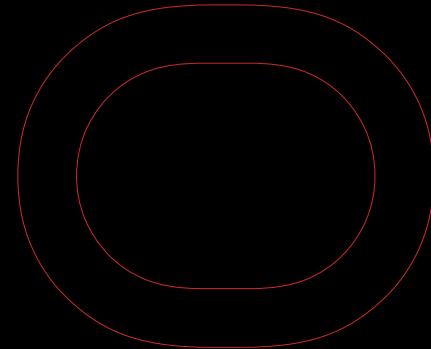
Helium leak check confirmed no leaks in the tank.

Carbon fiber structural tests.





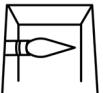
SECTION



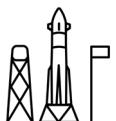
KEY ACCOMPLISHMENTS
Q1 2024

SPACE
SYSTEMS

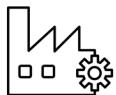
\$515M SDA CONSTELLATION PROGRAM BEGINS



Completed the selection and onboarding of the program's six subcontractors who will contribute toward the SDA constellation across various mission requirements, incl. payloads & ground systems.



Successful program kick-off completed with the SDA, along with completed preliminary design studies for the constellation's spacecraft ahead of upcoming System Design Review (SDR).

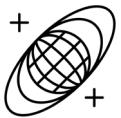


All 18 spacecraft to include Rocket Lab components incl. solar panels, structures, star trackers, reaction wheels, radio, flight software, and avionics.

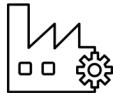


SPACECRAFT RETURNED TO EARTH FOR VARDÀ

Rocket Lab is now one of only two commercial companies with spacecraft re-entry capabilities. Work on re-entry missions is informing a future capsule on Neutron.



Rocket Lab conducted in-space operations, deorbit, and reentry positioning maneuvers for its spacecraft, enabling Varda's reentry capsule and payload of pharmaceutical crystals to return to Earth.



The mission was the first of four spacecraft ordered by Varda for future missions. All remaining spacecraft are currently in production and testing.



The second Rocket Lab spacecraft for Varda is expected to launch before the end of the year.

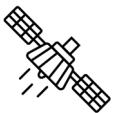


Photo by Varda Space Industries.

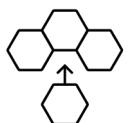


GLOBALSTAR CONSTELLATION NOW SHIPPING

Spacecraft flight hardware now waiting for Globalstar payload deliveries before final integration begins.



First two flight frames of 17 spacecraft delivered to MDA for Globalstar constellation.



Satellite integration to be completed by Rocket Lab and MDA once Globalstar payloads arrive before undergoing final acceptance tests.



Program shipment milestone results in significant revenue contribution in the quarter.

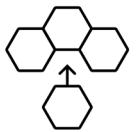
SPACE SYSTEMS



TWIN SPACECRAFT GOING TO MARS FOR NASA



First of two spacecraft for ESCAPEADE mission, Blue, undergoing 24/7 operations and vacuum chamber testing to survive its journey to Mars. Second spacecraft, Gold, is fully assembled and undergoing vibration testing.



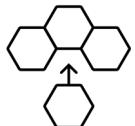
Both spacecraft include all Rocket Lab-made solar cells, reaction wheels, star trackers, separation systems, radios, and flight software.



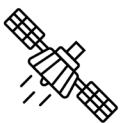
Both spacecraft are on schedule ahead of their planned launch later this year.



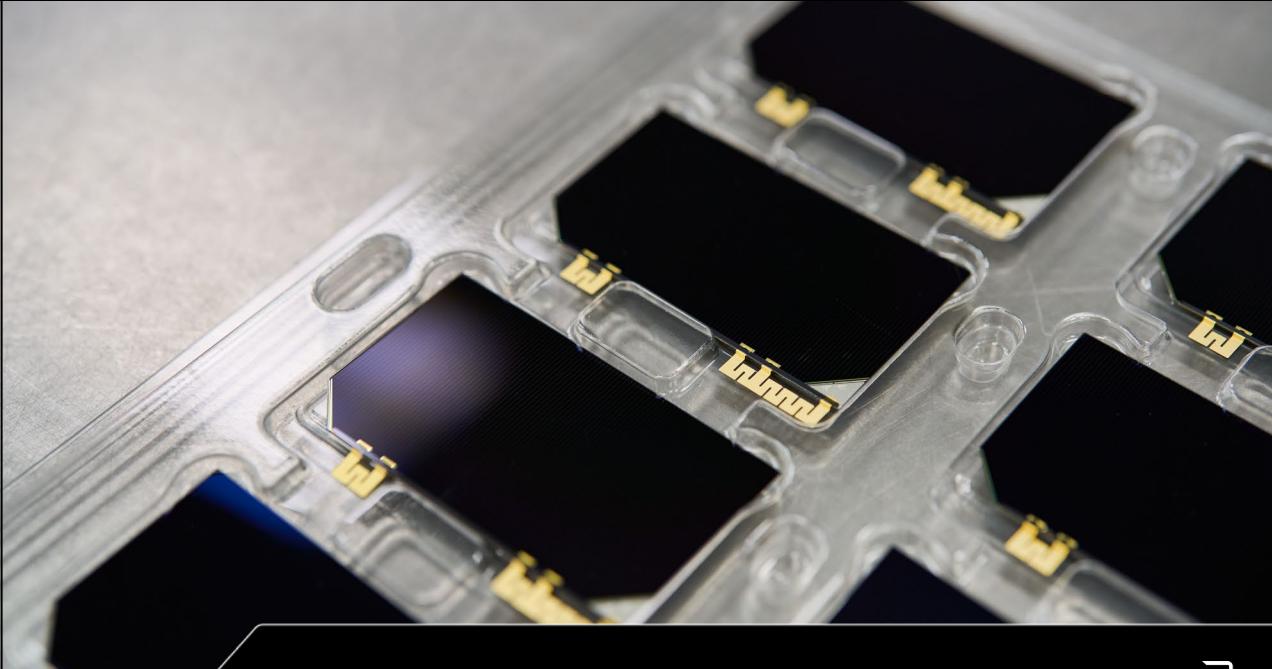
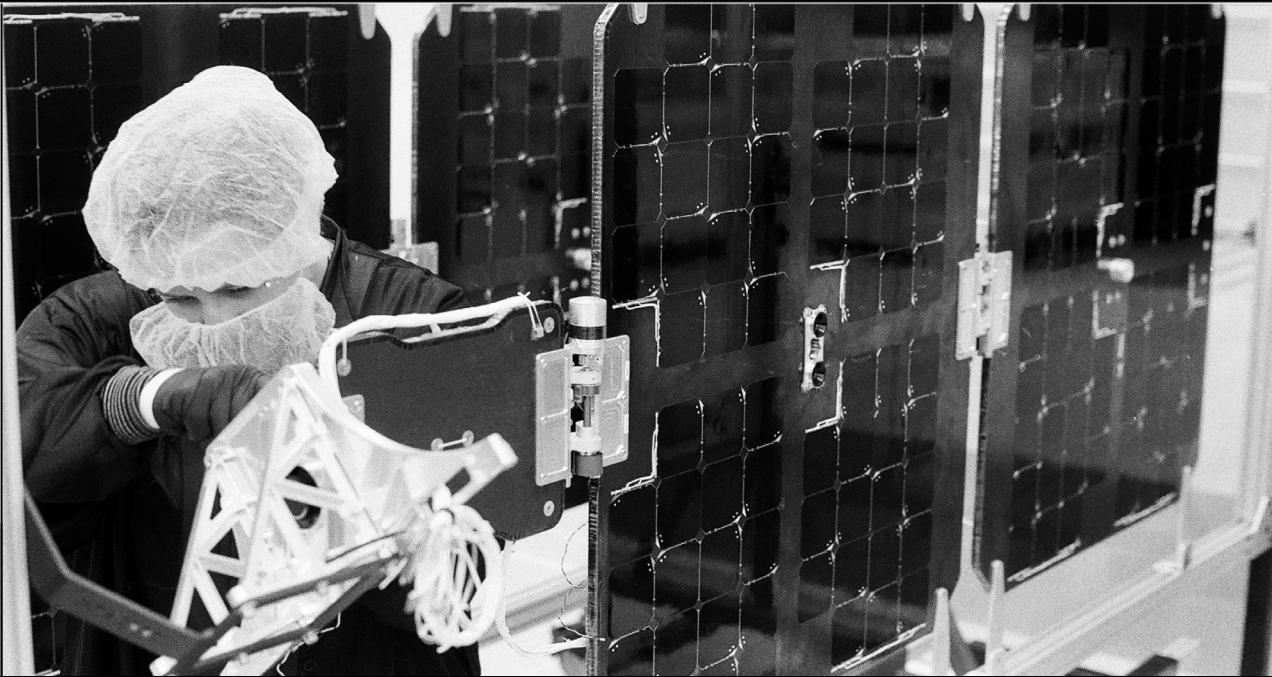
UP TO \$150 MILLION SOLAR SUPPLY AGREEMENT WITH SPACE PRIME



Multi-year agreement to supply space solar cells to established space prime contractor. Initial additions to backlog of approximately \$30 million in Q1.

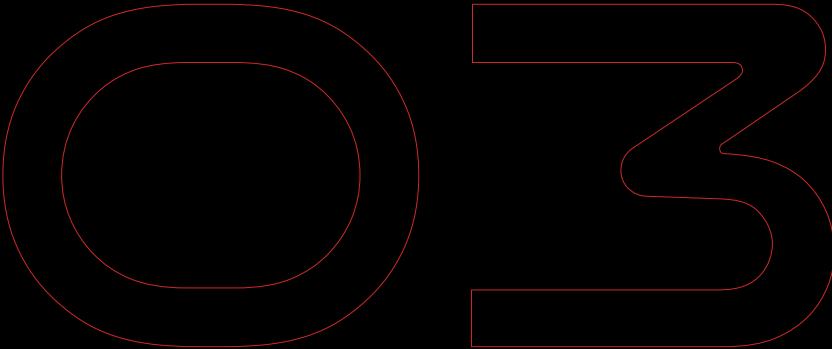


The solar cells will support critical missions spanning civil, defense, and national security satellites.





SECTION

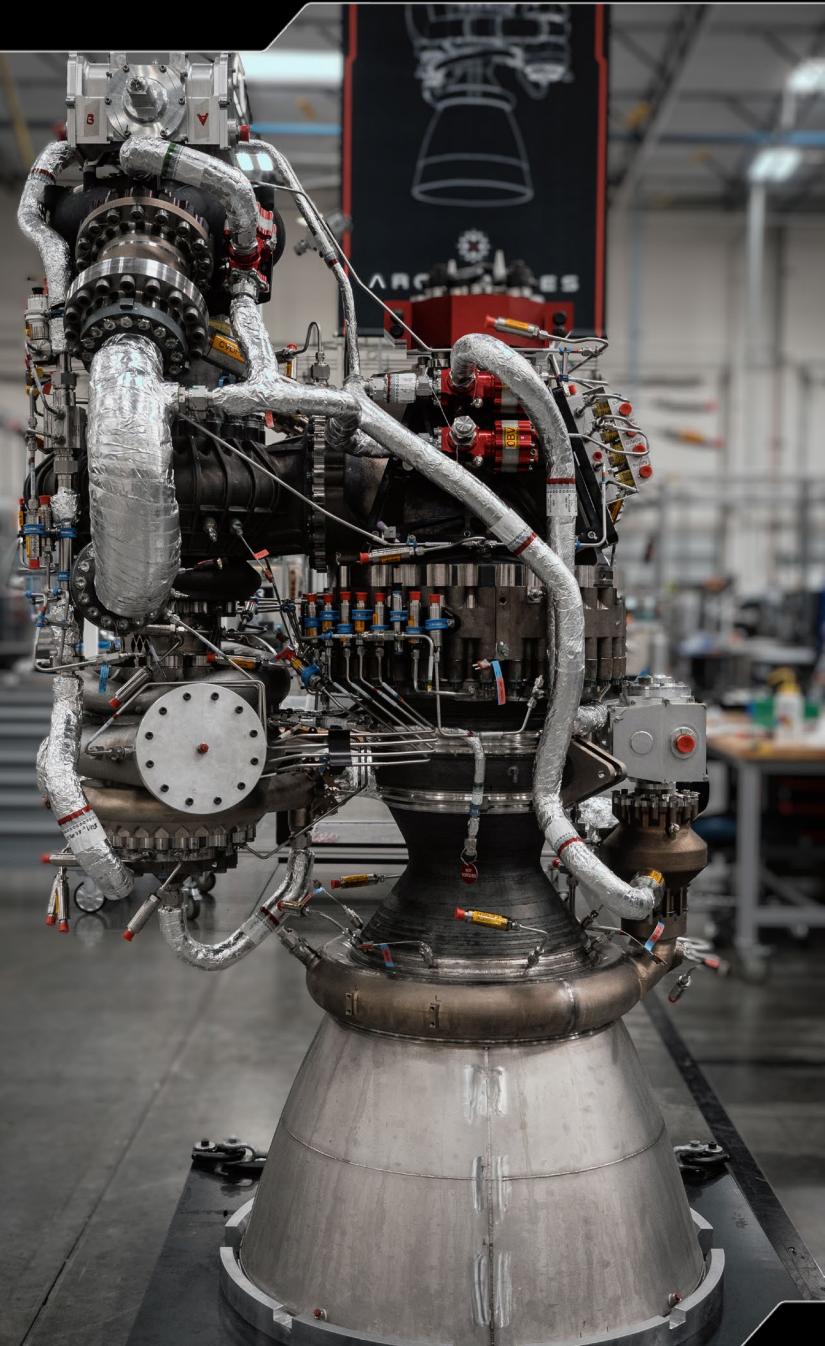


KEY ACCOMPLISHMENTS
NEUTRON

ARCHIMEDES IS HERE

Archimedes engine build complete

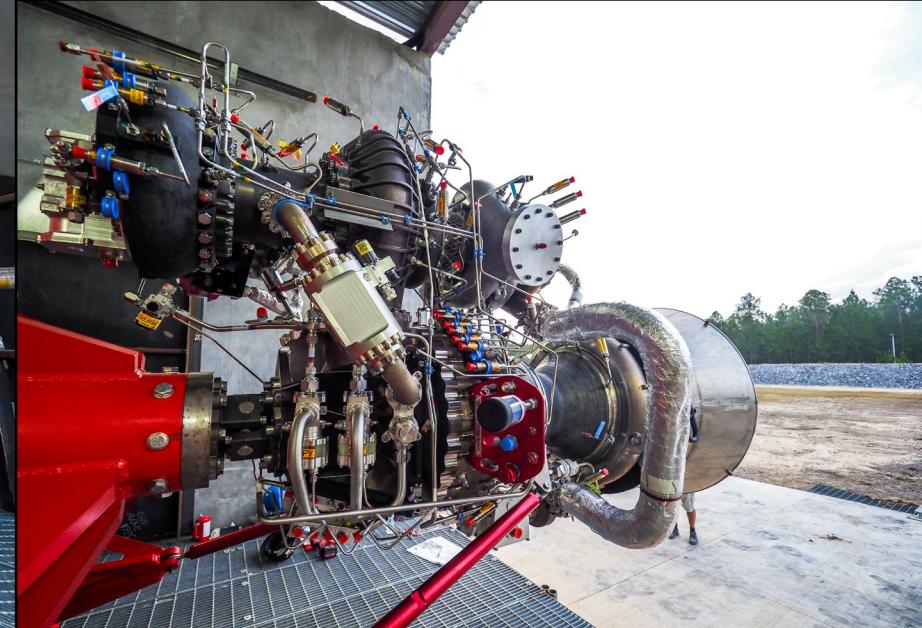
- First all-up engine assembly is complete.
- Full engine assembly is a major program milestone, with upcoming engine test campaign a key driver to Neutron's first launch.
- Full-rate production of additional Archimedes engines is continuing in parallel with the engine test campaign.
- Several long-lead engine components already manufactured for the next four engines.



ARCHIMEDES TESTING BEGINS

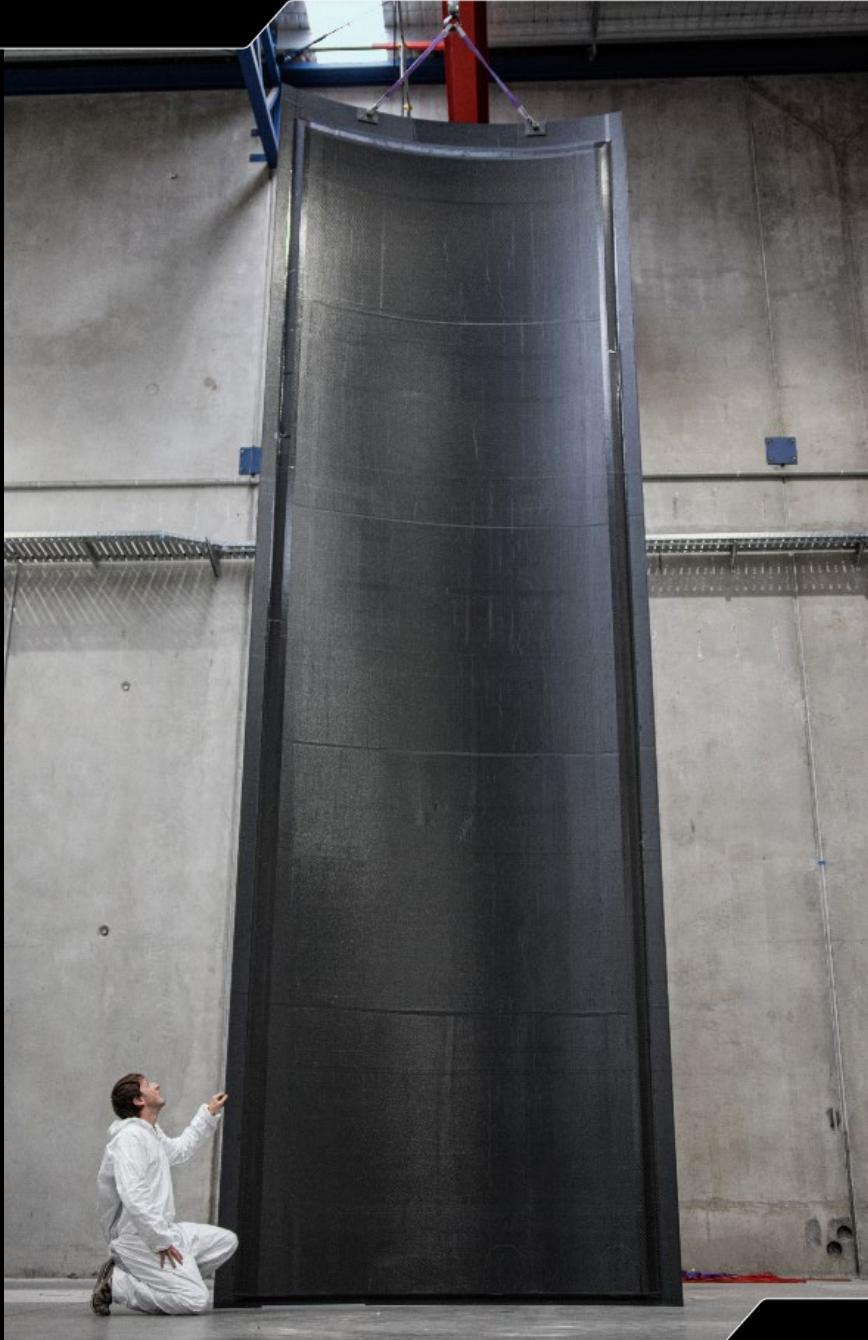
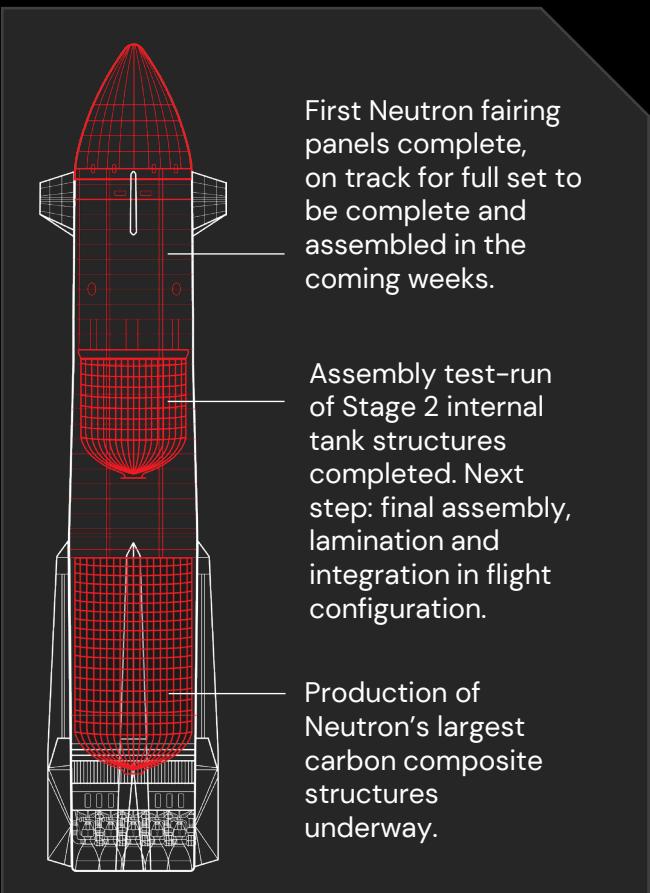
Archimedes' engine test campaign

- Archimedes hot fire campaign for the first engine has begun and is expected to run for several weeks.
- Archimedes Test Complex at NASA Stennis has completed commissioning, currently undergoing activation and checkouts ahead of engine test campaign.
- 50+ tests expected including engine activation, ignition tests such as engine start-up, long-duration engine fires, and engine shut down.

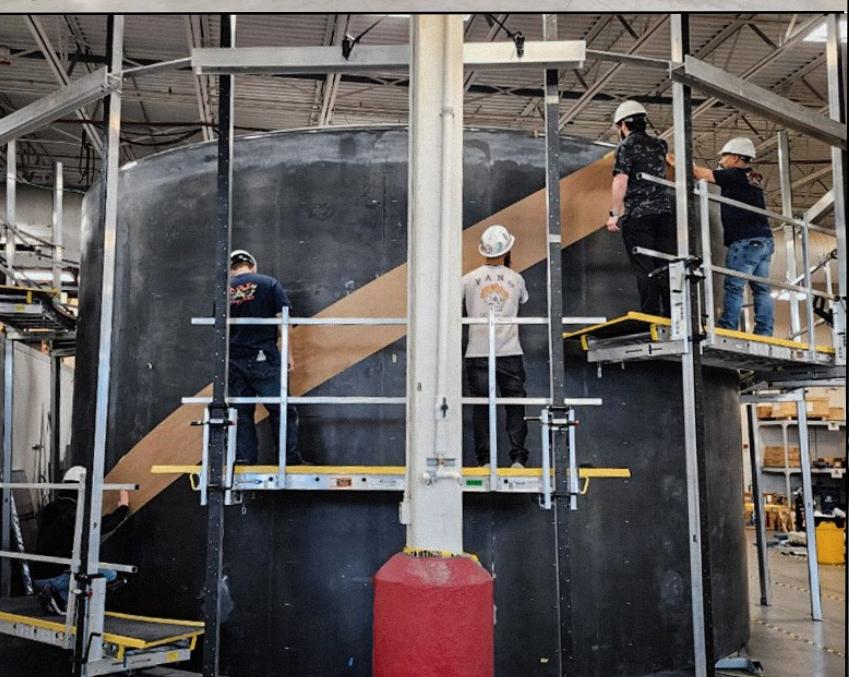


VEHICLE DEVELOPMENT

Neutron Stage 1 & 2 tanks
and large structures



SECTION 3 | NEUTRON UPDATE



LAUNCH PAD DEVELOPMENT

Key LC-3 Construction Milestones:

- Concrete works for the Neutron launch mount completed, propellant and gas storage foundations undergoing final concrete pour.
- Water tower installed for Neutron pad test and launch operations.
- Additional Neutron facilities undergoing significant changes daily, incl. Neutron Assembly & Integration Complex outside NASA Wallops gate.





SECTION



FINANCIAL
HIGHLIGHTS
AND OUTLOOK

REVIEW OF REVENUE AND GROSS MARGINS

69%

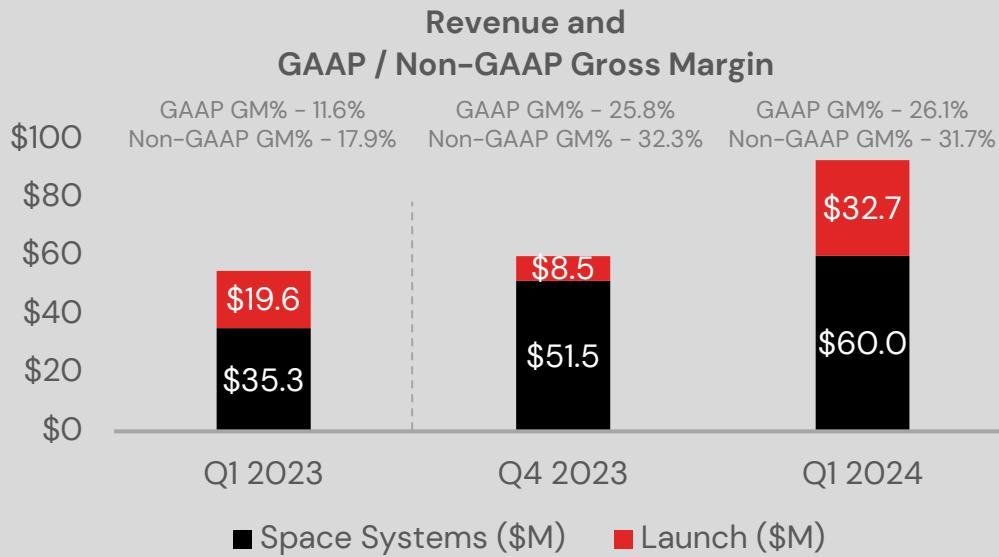
Year-on-Year
revenue increase

55%

Quarter-on-Quarter
revenue increase

\$93M

Revenue in
Q1 2024



Revenue increased 69% or \$37.9M year-on-year, driven by an increase of launches from three to four as well as growth in our Space Systems business.

Sequential revenue increase of 55%, or \$32.8M, driven by an increase of launches from one to four as well as growth in our Space Systems business, driven primarily by our MDA contract revenue.

Q1 gross margin roughly flat sequentially (GAAP up slightly and non-GAAP down slightly) as cadence-driven launch improvement was offset by weaker mix in our Space Systems businesses.

REVIEW OF BACKLOG

\$1,015M

Backlog as
of Q1 2024

2.9%

Quarter-on-Quarter
backlog decrease

Backlog by Segment

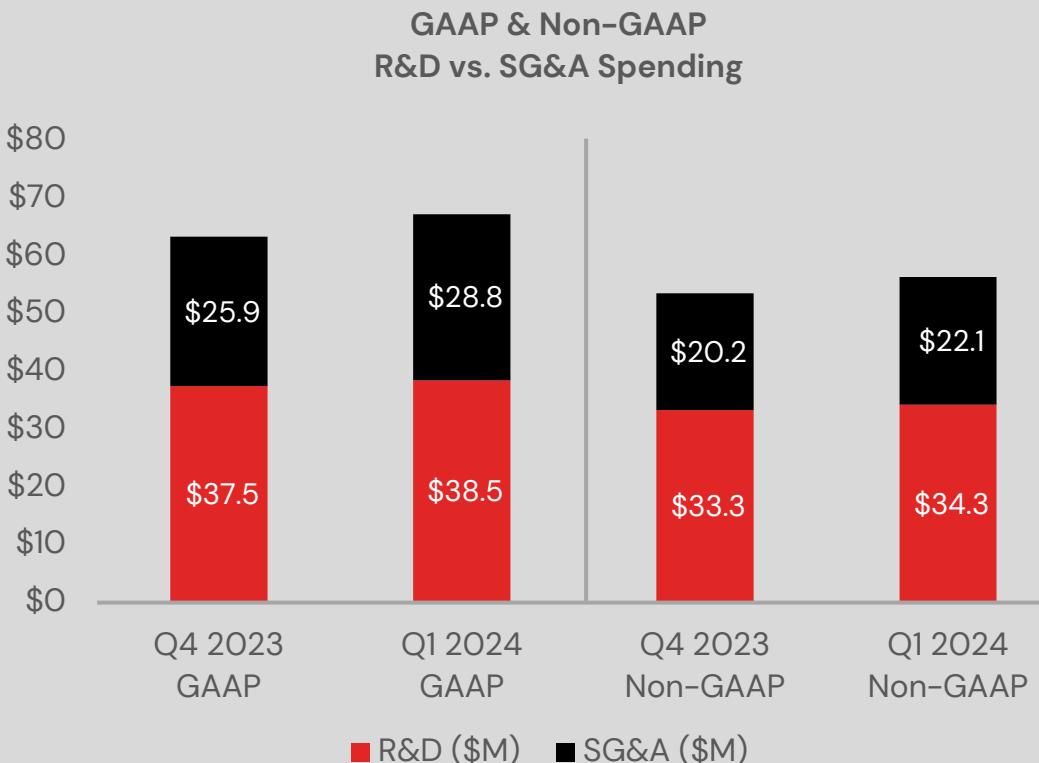


Sequential backlog decrease quarter-over-quarter of 2.9%, or \$30.8M, driven by step up in revenue recognized in the quarter against both Launch and Space Systems backlog, partially offset by healthy bookings, driven primarily by our Space Systems components businesses.

We expect approximately 42% of this backlog to be recognized within 12 months with the remaining 58% to be recognized beyond 12 months.

REVIEW OF OPERATING EXPENSES

Quarter-on-Quarter



GAAP SG&A expense increased primarily due to increases in outside services and stock-based compensation expense.

Non-GAAP SG&A expense increased primarily due to increases in outside services, largely driven by end-of-year audit expenses.

GAAP R&D expense increased due to a step up in Neutron development spending, specifically within propulsion and mechanical related functions.

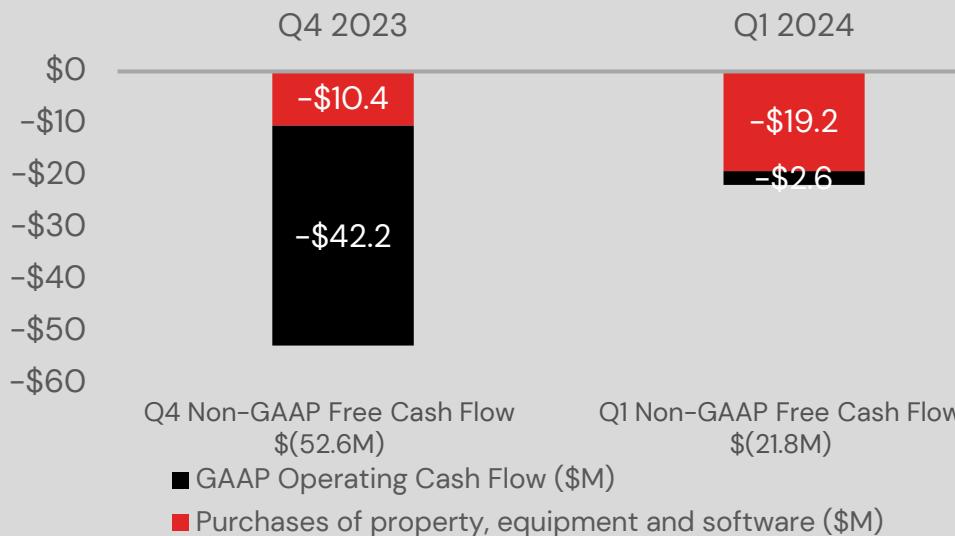
Non-GAAP R&D expense increased due to the above reasons, minus stock based compensation expenses.

ENDING CASH AND NON-GAAP FREE CASH FLOW METRICS

Quarter-on-Quarter

\$564.9M in cash and cash equivalents, marketable securities and restricted cash, end of period in Q1 2024.

Non-GAAP Free Cash Flow Activities



Note: Non-GAAP free cash flow is defined as GAAP operating cash flow reduced by purchases of property, equipment and software.

Cash consumed from purchases of property, equipment and software increased \$8.8M sequentially, due to the timing of delivery and of equipment associated with Neutron research, testing and production infrastructure.

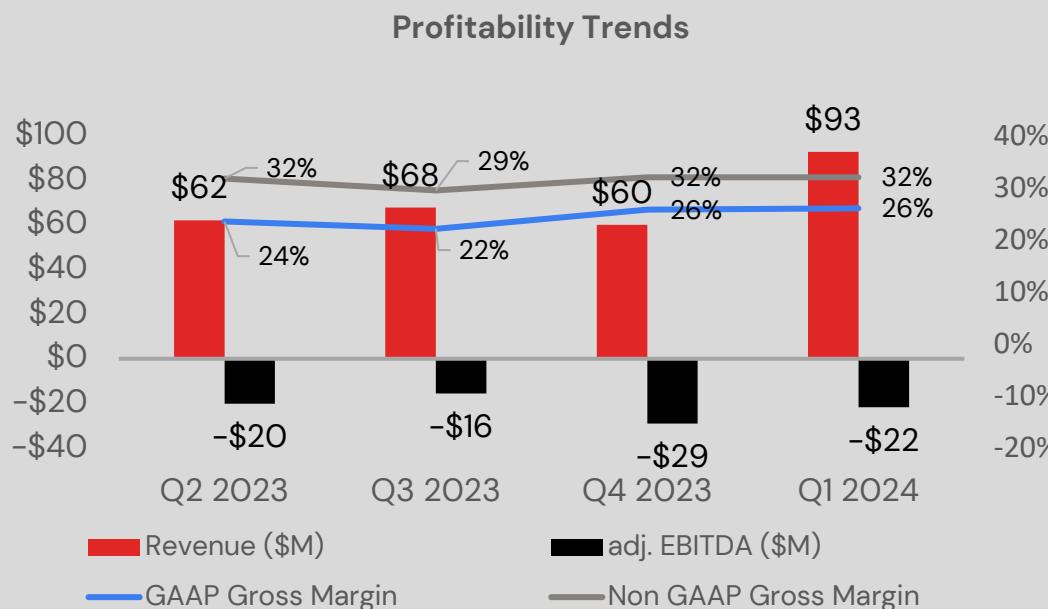
Cash consumed from Operations decreased \$39.6M sequentially, driven primarily by improved revenue and working capital owing to increases in Launch and satellite program revenue, and strong cash collections



PROFITABILITY TRENDS

Trailing Four Quarters

Increasing revenue scale enabling meaningful progress towards adjusted EBITDA breakeven while funding Neutron



Improving gross profit trends on Electron and scaling satellite manufacturing revenues, helping to close the gap to adjusted EBITDA break-even.

We expect Electron gross margins to continue to improve over time due to increased scale and production efficiencies, and satellite manufacturing contributions to improve due to increased scale and leverage of growing IP capabilities and infrastructure.

Attaining adjusted EBITDA breakeven is dependent on the above factors, as well as the pace of Neutron-related investment.

Consistent with past practice, we have defined adjusted EBITDA to reflect adjustments for stock-based compensation, transaction costs, depreciation and amortization, FX gains and losses, interest expense, warrant expense, taxes, acquisition related performance reserve escrow, and other recurring and non-recurring items. A reconciliation of our GAAP and non-GAAP presentations in our Earnings Release dated February 27, 2024

FINANCIAL OUTLOOK

Q2 2024 Revenue Outlook

- Expect revenue to range between **\$105 million to \$110 million**.
- Expect Space Systems revenue of **\$77 million to \$81 million**.
- Currently planning for four launches and anticipate Launch Services revenue of **\$28 million to \$29 million**. We do have a credible path to a fifth launch during late Q2, which is not reflected in guidance range.

Q2 2024 GAAP and Non-GAAP Gross Margins

- Expect **GAAP gross margin to range between 24 – 26%**, driven by favorable mix between Launch and Space Systems and offset by less favorable mix within Space Systems.
- Expect **Non-GAAP gross margin of 30 – 32%**.

Q2 2024 GAAP and Non-GAAP Operating Expense

- Expect GAAP Operating Expenses of **\$74 million to \$76 million.***
- Expect Non-GAAP Operating Expenses of **\$62 million to \$64 million.**

Q2 2024 Adjusted EBITDA

- Expect Interest Expense (Income), net: **\$1 million**.
- Adjusted EBITDA loss of **\$23 million to \$25 million.****
- Basic Weighted Average Shares Outstanding of **494 million**.

*We do not include in the guidance any impacts from change in the fair value of contingent considerations related to recent acquisitions.

**Consistent with past practice, we have defined adjusted EBITDA to reflect adjustments for stock-based compensation, transaction costs, depreciation and amortization, FX gains and losses, interest expense, warrant expense, taxes, acquisition related performance reserve escrow, and other recurring and non-recurring items.



UPCOMING INVESTOR EVENTS



BANK OF AMERICA

**Bank of America
Industrials Conference**

May 14, 2024

Adam Spice
CFO



**KeyBanc Capital
Markets**

May 28, 2024

Adam Spice
CFO



**Cross Sector Insight
Conference**

June 04, 2024

Adam Spice
CFO



**Wells Fargo Industrials
Conference**

June 11, 2024

Adam Spice
CFO



**Roth 10th Annual
London Conference**

June 25-27, 2024

Stephen Ananias
Vice President – Finance

