



**Rocket Lab, Inc.**  
(NAS: RKLB)

# Industry Overview



## Architecture



**Payload:** Cameras, communication equipment, sensors  
(Planet Labs, Spire)



**Satellite Bus:** Satellite structure, power, thermal control, communication  
(Maxar, Rocket Lab: Photon)



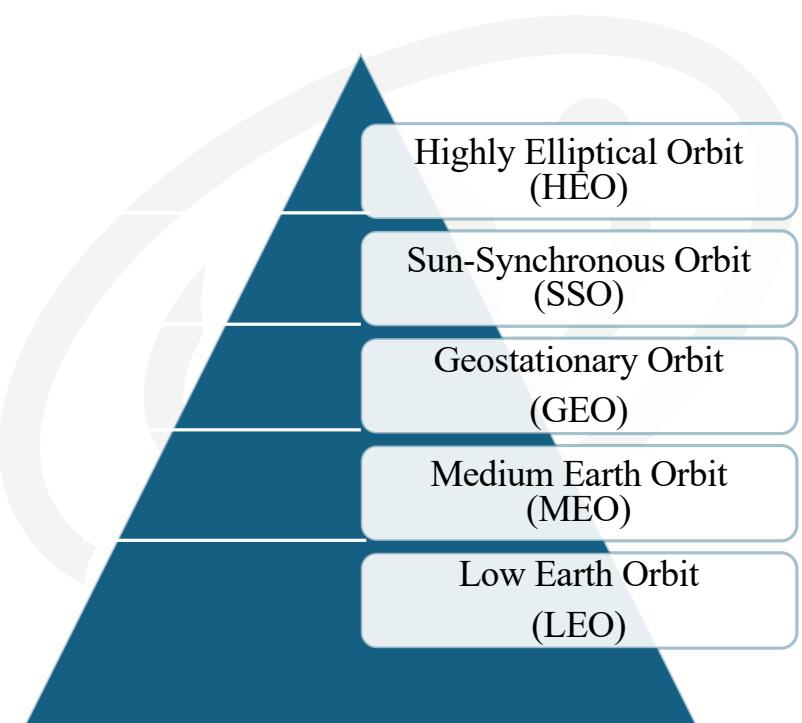
**Launch Vehicle:** Rocket Itself  
(Space X)

**Ground Segment:** Satellite signal reception and control  
(KSAT, Viasat)



**Data Analytics:** Satellite data analysis  
(Palantir, BlackSky, ICEYE)

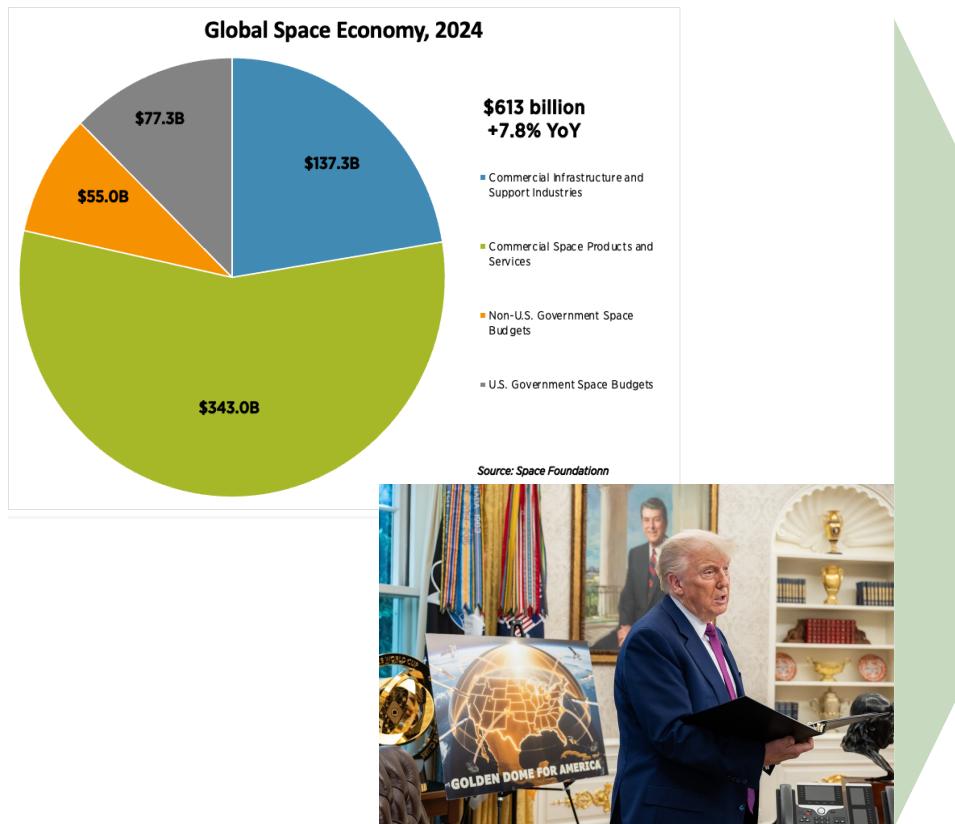
## Orbits



# Industry Overview



1.8T Space Economy by 2035



Space economy will reach **1.8T** by 2035, up from 613B in 2024

The share of the total space economy captured by traditional hardware and service providers will slowly **decrease** to the benefit of other services such as ride hailing apps, whose **products rely on space-enabled technology** such as satellites.

launch costs have fallen 10-fold over the last 20 years

Moreover, as mega-rocket technology becomes ubiquitous by the early-mid 30s

# Industry Overview



## Aerospace & AI Integration

Figure 1

### Digital technologies are creating opportunities for aftermarket services

81%



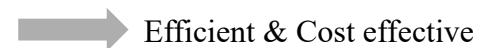
of aerospace and defense survey respondents indicated that they are already using or plan to use artificial intelligence and machine learning (AI/ML) technology

Aftermarket survey respondents Technologies in focus for next three years		Deloitte analysis Significant use cases	
1	AI/ML	Operational flight management	Capacity management
2	Generative AI	Predictive maintenance and inventory optimization	Resource allocation
3	Extended reality		

Sources: Deloitte Future of Digital Customer Experience survey; Deloitte analysis.

**Deloitte.** | [deloitte.com/us/en/insights/research-centers/center-energy-industrials.html](http://deloitte.com/us/en/insights/research-centers/center-energy-industrials.html)

MRO (Maintenance, Repair, Overhaul)



Efficient & Cost effective

**81% of respondents** from the aerospace and defense industry reported that they are already **using or plan to use** artificial intelligence and machine learning (AI/ML) technology.

#### Implications

- a) Predictive maintenance and inventory optimization
- b) Resource allocation

# Company Overview



## Market Data

NAS: RKLB

Market Capitalization	21.42 B
52 Weeks High	\$53.44
52 Weeks Low	\$5.03
Shares Outstanding	479 M
Free Float	406~424 M



Source: <https://www.nasdaq.com/market-activity/stocks/rklb/advanced-charting>

## Management & Top Holdings



**Peter Beck**

**Founder**

Currently: Chairman &  
Chief Executive Officer

Source: Business Insider

## Top 5 Shareholders

Vanguard	8.35%
Black Rock	6.59%
VK Services	4.45%
State Street Corps	2.99%
D.E. Shaw & Co	2.84%



“Peter Beck” → ~2%

# Company Overview



## Products & Services

Space Systems	
Photon	Satellite Platform
Explorer	Deep Space Mission
Lightning	High-powered Satellite System
Pioneer	Platform for orbit re-entry
Flatellite	High-performance satellite platform designed for large-scale constellations

## Launch Services

Electron: **300kg** Payload to LEO

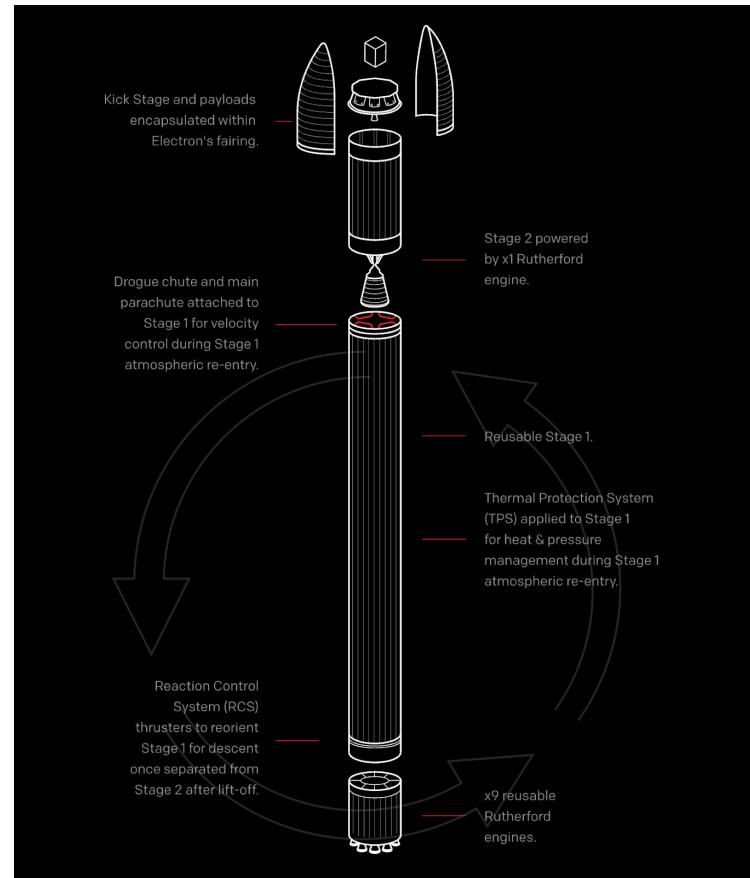
- Stage1 & Engine Reusable
- 69 Launches (**overall 98%** success rate)

Neutron: **13,000kg** Payload to LEO

- Stage1, Engine, Fairing Reusable → Aiming for "**fully reusable**"
- **Yr 25** Expected

HASTE: Hypersonic Accelerator Suborbital Test Electron

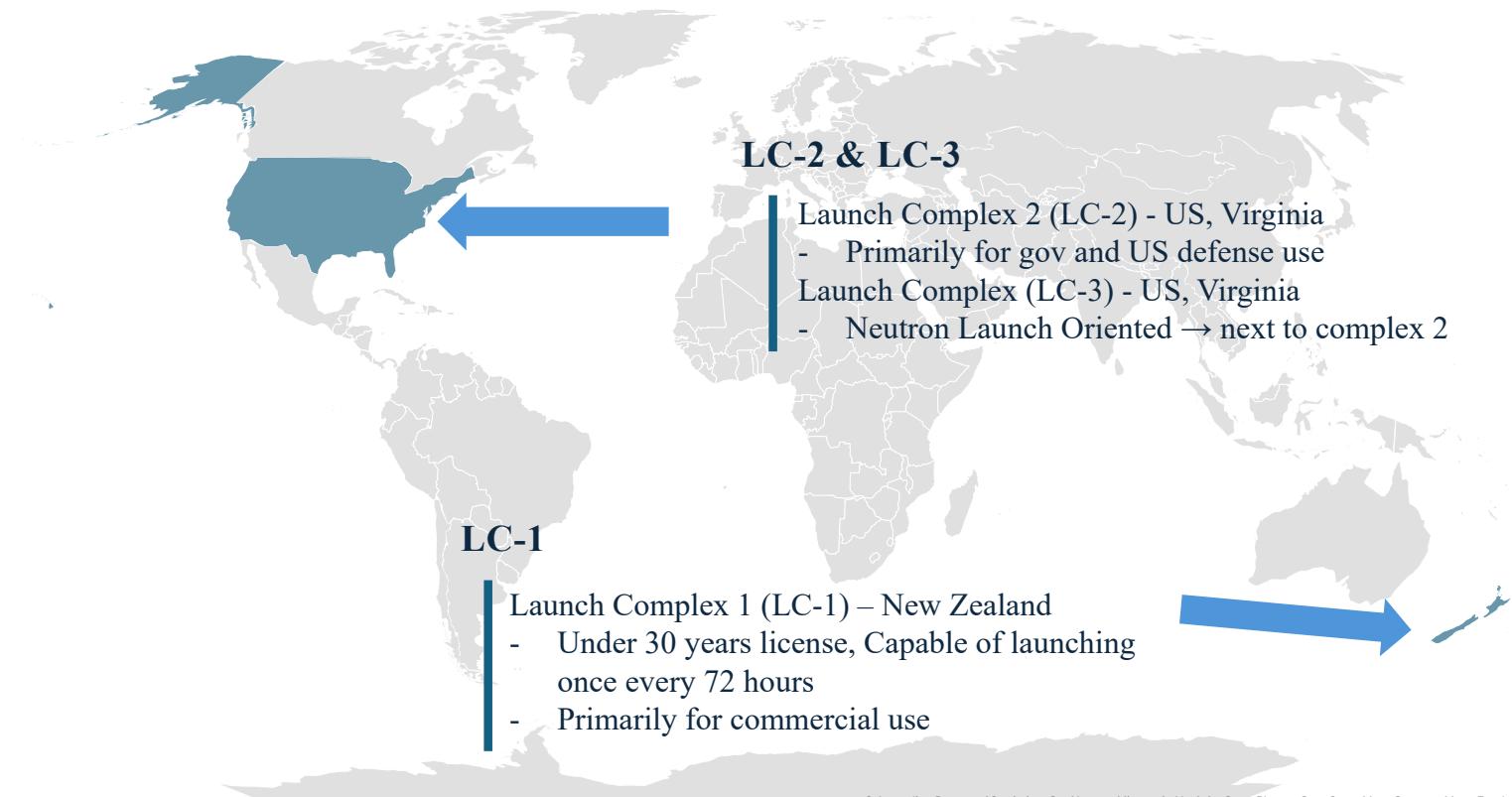
- **Test Rocket** → For commercial & defense use



# Company Overview



## Launch Sites (LCs)



# Company Overview

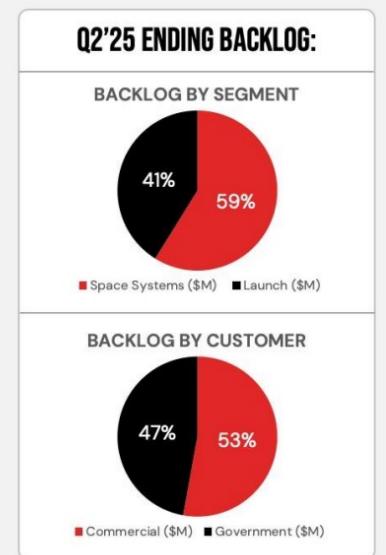
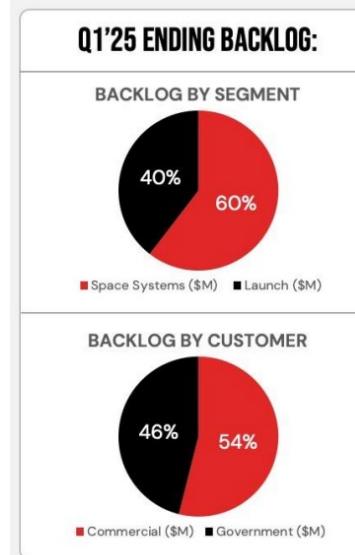


## Contracts

Due to the **regulated nature** of the Aerospace & Defense industry, close collaboration and contracts with the government are essential. Therefore, RKL's contract performance and backlog serve as key indicators of the company's **position as a trusted partner** for the government and the Department of Defense.

Lists of Contracts	
1. International Space Agency Contracts	European Space Agency
2. Aspera Astrophysics Science Mission	NASA
3. Victus Haze	USSF
4. Constellation Program (tranche 2 completed)	Space Development Agency (SDA)
5. VADR (Neutron)	NASA
6. NSSL Phase 3 Lane 1	U.S. NSSL
7. Golden Dome (projected)	U.S. Gov

## Backlogs



**Healthy Backlog** Balancing → Maintaining the mix between Commercial & Government

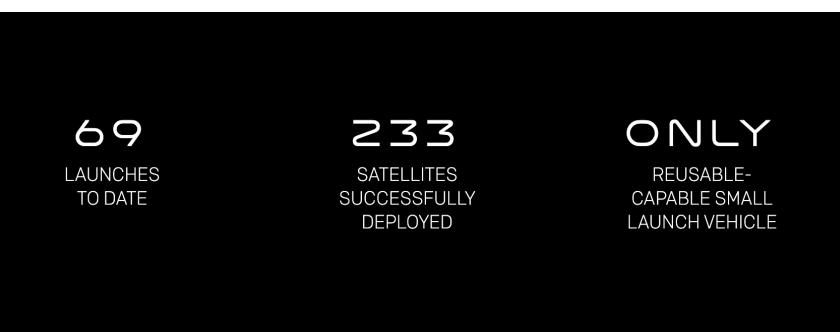
Guidance → **Backlog recognition** within and beyond 12 months time period

# Comparative Advantage



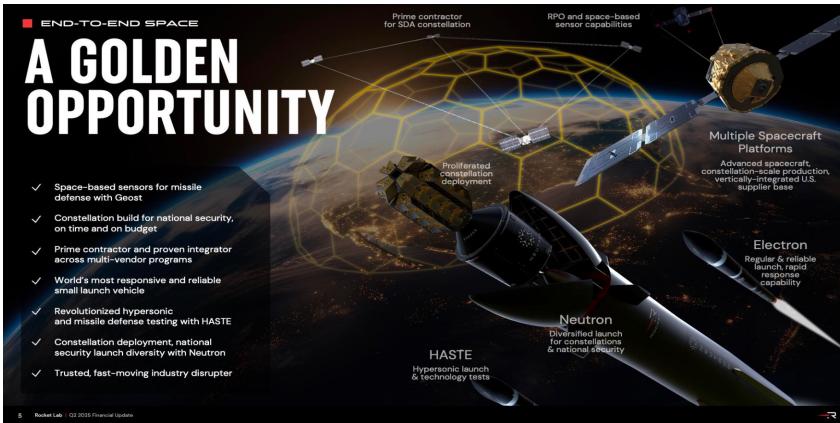
## 3 Primary Catalyst

### 1. Proven and Extensive Launch Record



Source: <https://investors.rocketlabcorp.com/static-files/815a4786-20f5-4f20-be8a-2bbfc8d75449>

### 2. Integrated Launch & Space Systems Capability



**#2 in U.S. Annual Orbital Launches** – 16 missions in 2024, >10% U.S. market share

**World's Most Frequently Launched Small Rocket** – Electron with >90% cumulative success rate

**Diverse & Trusted Customer Base** – DoD, NASA, commercial satellite operators

**Strong Backlog** – ~\$1B as of Q2 2025; 53% government & defense contracts

Among the few providers delivering both **launch services** and **end-to-end space systems** in-house

Vertical integration enhances cost efficiency, mitigates risk, and accelerates delivery timelines

Proven model for securing recurring contracts and long-term strategic partnerships

# Comparative Advantage



## 3 Primary Catalyst

### 3-1 Neutron's Mass-Optimization Strategy for Profitability

#### Acquisitions

##### Mar 2020 – Sinclair Interplanetary

Brought small satellite component manufacturing in-house, integrated into Photon platform, and strengthened supply chain.

##### Dec 2021 – Planetary Systems Corp

Secured payload separation systems for satellite launches, expanding hardware capabilities.

##### Dec 2021 – Advanced Solutions, Inc.

Internalized software capabilities for satellites and rocket systems, enhancing platform integration.

##### Jan 2022 – SolEro Holdings, Inc.

Acquired satellite power systems, increasing the completeness of Space Systems integration.

##### 2025 (expected) – GEOST, LLC

Pending acquisition focused on advanced space domain awareness and defense-related capabilities.

**Deal close expected soon** – \$275M cash-plus-equity transaction.

Establishing new "**Optical Systems**" business unit.

Focus: Electro-optical & infrared sensors for missile warning, tracking, and space domain awareness.

Strengthens capabilities in **defense and national security**



With the sector's heavy reliance on government investment, Rocket Lab's deeper push into defense and national security strengthens its positioning for future opportunities like the **Golden Dome** program.

# Comparative Advantage



## 3 Primary Catalyst

### 3-2 Neutron's Mass-Optimization Strategy for Profitability

Company	Public/Private	Segment	Launch (cum)	Success Rate	Backlog	Payload (max to Leo)	Reusability
Space X	Pri	Launch	512 (Falcon 9)	~98%	N/A	22.8t (Falcon 9)	Partial
ULA	Pri	Launch	155+	~98%	N/A	8t (Atlas V)	None
Blue Origin	Pri	Launch	1	100%	N/A	45t (planned)	Planned
Relativity Space	Pri	Launch	1	0%	~1.8B	23.5t (Terran R planned)	Planned
Stoke Space	Pri	Launch	0	-	N/A	3t (planned)	Planned
Rocket Lab	Pub	Launch & Space systems	69 (Electron)	~98%	1B	13t (Neutron)	Partial
Firefly Aero	Pub	Launch	6	33%	1.1B	1t (Alpha)	None
Astra Space	Pub	Launch	7	~30%	0.16B	~0.5t (planned)	None
Northrop Grumman	Pub	Space Systems	~100	~90%	89.74B	N/A	N/A
Lockheed Martin	Pub	Space Systems	N/A	N/A	176B	N/A	N/A
Boeing	Pub	Space Systems	N/A	N/A	619B	N/A	N/A

# Comparative Advantage



## Public vs. Private

### Why Remain Private?

#### Flexibility in Long-Term R&D

- Freedom to pursue multi-year, capital-intensive development without short-term earnings pressure from public shareholders.

#### Lower Public Disclosure Requirements

- Ability to keep sensitive technology, contract terms, and program details confidential — critical in a highly regulated, defense-linked industry.

#### Reduced Market Volatility Risk

- Avoidance of valuation swings driven by investor sentiment or macro events unrelated to company fundamentals.

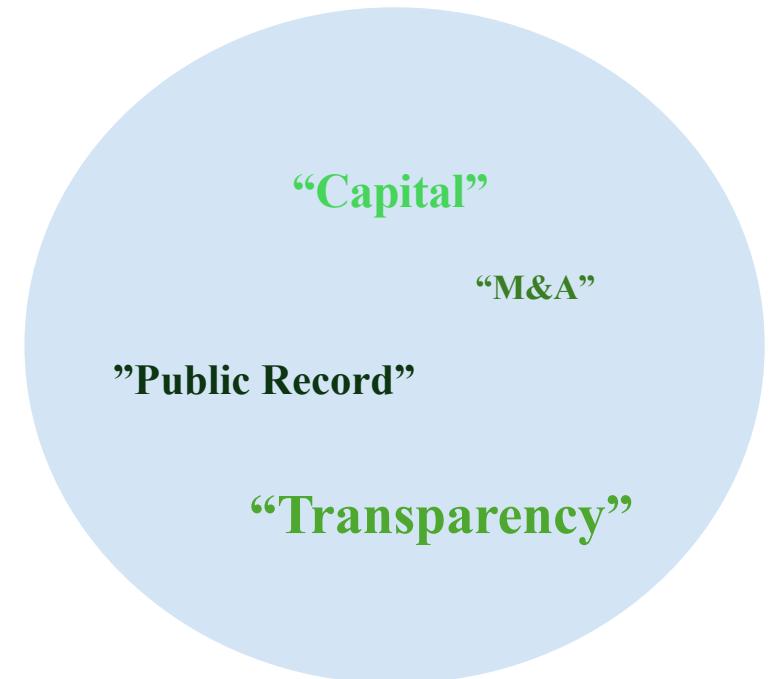
#### Freedom in Strategic Pivoting

- Easier to change direction or reallocate resources quickly without public scrutiny or shareholder backlash.

#### Investor Alignment

- Private investors (e.g., venture capital, private equity) may have higher tolerance for delayed profitability and are often more aligned with long-term growth goals.

### Why RKL go Public?



# Financials



## Income Statement

### Income Statement

Thousands, USD

	Trend 5FY + TTM	FY 2022	FY 2023	FY 2024	TTM Jun 2025
Total Revenue		210,996	244,592	436,214	504,263
Revenue % Growth		239.02%	15.92%	78.34%	54.36%
Gross Profit		18,990	51,409	116,149	146,448
Gross Margin		9.00%	21.02%	26.63%	29.04%
Total Operating Profit/(Loss)		(135,204)	(177,918)	(189,801)	(222,275)
Operating Margin		-64.08%	-72.74%	-43.51%	-44.08%
EBIT (Analyst Normalized)		(163,223)	(171,709)	(187,173)	
EBIT Margin		-59.31%	-71.41%	-42.52%	-43.70%
EBITDA (Analyst Normalized)		(134,779)	(141,965)	(153,518)	
EBITDA Margin		-45.12%	-59.25%	-34.80%	-36.82%
Net Income (Analyst Normalized)		(166,024)	(180,229)	(191,531)	
Net Profit Margin		-64.43%	-74.64%	-43.60%	-45.87%
EPS (Analyst Normalized)		(0.35)	(0.38)	(0.37)	

Created on: 11-Aug-2025 | Source: PitchBook Data



# Financials



## Income Statement

Percent of Total (%)						
	DEC '20	DEC '21	DEC '22	DEC '23	DEC '24	
<b>Total</b>	-	100.0	100.0	100.0	100.0	
<b>Space Systems</b>	-	37.4	71.2	70.6	71.3	
<b>Launch Services</b>	-	62.6	28.8	29.4	28.7	

Growth (%)						
	DEC '21	DEC '22	DEC '23	DEC '24		
<b>Total</b>	-	-	239.0	15.9	78.3	
<b>Space Systems</b>	-	-	546.0	14.9	80.0	
<b>Launch Services</b>	-	-	55.7	18.5	74.4	

(Unit: Millions)	JUN '25 LTM	DEC '24	DEC '23	DEC '22	DEC '21	DEC '20 Restate
<b>Sales</b>	504.26	436.21	244.59	211.00	62.24	35.16
	372.05	333.71	206.10	203.38	69.81	49.92
	338.50	301.28	176.97	170.23	56.95	39.63
	33.55	32.44	29.13	33.15	12.86	10.29
	22.29	20.37	16.03	19.92	9.54	8.07
	11.26	12.07	13.10	13.23	3.32	2.22
	132.21	102.50	38.49	7.62	-7.58	-14.76
	354.49	292.30	216.41	149.39	95.49	42.86
	210.06	168.46	114.26	66.74	41.66	22.42
	144.43	123.85	102.14	82.66	53.84	20.45
<b>EBIT (Operating Income)</b>	-222.28	-189.80	-177.92	-141.78	-103.07	-57.62

# Financials



## Statement of CF

### Cash Flow

Thousands, USD

	FY 2023	FY 2024	TTM Jun 2025	
Cash Flow from Operati...	(98,867)	(48,890)	(110,769)	R&D For Neutron Launch → Aligning the Timing → Launch Services High Op Ex
Cash Flow from Investin...	12,018	(98,327)	(71,252)	
Cash Flow from Financi...	7,369	256,682	405,787	
Change in Cash	(79,480)	109,465	223,766	Typical Aerospace Company → High R&D, CAPEX → Can't create sufficient shareholder value
Capital Expenditure (Calc)	54,707	67,093	93,291	

Created on: 11-Aug-2025 | Source: PitchBook Data



# Financials



Balance Sheet						
Rocket Lab Corporation						
Source: FactSet Fundamentals	DEC '24	DEC '23	DEC '22	DEC '21	DEC '20	Restate
<b>Assets</b>						
<b>Cash &amp; Short-Term Investments</b>	<b>419.0</b>	<b>244.8</b>	<b>471.8</b>	<b>691.0</b>	<b>52.8</b>	
Cash Only	271.0	162.5	242.5	691.0	52.8	
Total Short Term Investments	147.9	82.3	229.3	0.0	0.0	
<b>Short-Term Receivables</b>	<b>111.5</b>	<b>61.8</b>	<b>47.5</b>	<b>19.0</b>	<b>10.6</b>	
<b>Accounts Receivable, Net</b>	<b>99.5</b>	<b>48.1</b>	<b>46.0</b>	<b>16.4</b>	<b>4.8</b>	
Accounts Receivable, Gross	99.5	48.1	46.0	16.4	4.8	
Other Receivables	12.0	13.7	1.4	2.6	5.9	
<b>Inventories</b>	<b>119.1</b>	<b>107.9</b>	<b>92.3</b>	<b>47.9</b>	<b>26.1</b>	
Finished Goods	8.0	9.2	8.2	2.2	0.0	
Work in Progress	60.5	53.6	50.7	24.2	12.1	
Raw Materials	50.7	45.1	33.4	21.5	14.0	
<b>Other Current Assets</b>	<b>43.0</b>	<b>62.3</b>	<b>50.8</b>	<b>16.9</b>	<b>3.5</b>	
Prepaid Expenses	38.0	48.0	43.1	14.8	2.6	
Miscellaneous Current Assets	5.0	14.3	7.6	2.1	0.9	
Total Current Assets	692.6	476.7	662.3	774.8	93.1	
<b>Net Property, Plant &amp; Equipment</b>	<b>262.9</b>	<b>219.8</b>	<b>152.4</b>	<b>93.8</b>	<b>76.7</b>	
<b>Property, Plant &amp; Equipment - Gross</b>	<b>328.5</b>	<b>268.9</b>	<b>188.8</b>	<b>116.0</b>	<b>92.6</b>	
Buildings	68.6	59.7	36.5	25.1	20.3	
Construction in Progress	27.3	26.0	26.8	22.4	10.2	
Leases	14.4	15.0	15.6			
Computer Software and Equipment	16.2	11.6	7.5	5.6	3.8	
Other Property, Plant & Equipment	148.3	97.2	67.1	34.5	31.3	
Operating Lease Right-of-Use Assets	53.7	59.4	35.2	28.4	26.9	
Accumulated Depreciation	65.6	49.1	36.4	22.2	15.8	
<b>Total Long-Term Investments</b>	<b>78.5</b>	<b>96.7</b>	<b>12.5</b>	<b>1.1</b>	<b>1.1</b>	
Other Long-Term Investments	64.9	83.2	12.5	1.1	1.1	
Long-Term Note Receivable	13.5	13.5				
<b>Intangible Assets</b>	<b>129.7</b>	<b>139.1</b>	<b>150.7</b>	<b>100.8</b>	<b>14.5</b>	
Goodwill	71.0	71.0	71.0	43.3	3.1	
Other Intangible Assets	58.6	68.1	79.7	57.5	11.3	
Deferred Tax Assets	3.0	3.5	3.9	5.9	2.4	
<b>Other Assets</b>	<b>17.7</b>	<b>5.4</b>	<b>7.3</b>	<b>4.6</b>	<b>0.0</b>	
Tangible Other Assets	17.7	5.4	7.3	4.6	0.0	
Total Assets	1,184.3	941.2	989.1	980.8	187.9	
<b>Liabilities &amp; Shareholders' Equity</b>						
<b>Current</b>						
ST Debt & Curr. Portion LT Debt	18.48	23.37	6.63	5.21	1.67	
Accounts Payable	53.06	29.30	12.08	3.49	3.37	
<b>Other Current Liabilities</b>	<b>267.98</b>	<b>170.70</b>	<b>144.23</b>	<b>87.61</b>	<b>43.38</b>	
Accrued Payroll	20.85	16.34	8.63	8.27	4.58	
Miscellaneous Current Liabilities	247.14	154.36	135.59	79.34	38.80	
Total Current Liabilities	339.53	223.37	162.94	96.31	48.42	
<b>Long-Term</b>						
<b>Long-Term Debt</b>	<b>456.4</b>	<b>158.9</b>	<b>149.9</b>	<b>125.6</b>	<b>27.3</b>	
Long-Term Debt excl Lease Obligations	389.4	87.6	100.0	97.3	0.0	
Capital and Operating Lease Obligations	66.9	71.3	49.8	28.3	27.3	
Deferred Tax Liabilities	0.9	0.4	0.1	0.5		
<b>Other Liabilities</b>	<b>5.1</b>	<b>3.9</b>	<b>3.0</b>	<b>60.0</b>	<b>3.9</b>	
Other Liabilities (excl. Deferred Income)	5.1	3.9	3.0	60.0	3.9	
Total Liabilities	801.9	386.7	315.9	282.4	79.6	
<b>Equity</b>						
<b>Preferred Stock (Carrying Value)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>275.0</b>	
Redeemable Preferred Stock	0.0	0.0	0.0	0.0	275.0	
<b>Common Equity</b>	<b>382.5</b>	<b>554.5</b>	<b>673.2</b>	<b>698.4</b>	<b>-166.7</b>	
Common Stock Par/Carry Value	0.1	0.0	0.0	0.0	0.0	
Additional Paid-In Capital/Capital Surplus	1,198.9	1,176.5	1,113.0	1,002.1	19.9	
Retained Earnings	-813.7	-623.5	-441.0	-305.0	-187.7	
Cumulative Translation Adjustment/Unrealized For. Exch. Gain	-2.8	1.5	1.1	1.3	1.1	
Total Shareholders' Equity	382.5	554.5	673.2	698.4	108.3	
Total Equity	382.5	554.5	673.2	698.4	108.3	
Total Liabilities & Shareholders' Equity	1,184.3	941.2	989.1	980.8	187.9	
<b>Per Share</b>						
Book Value per Share	0.76	1.13	1.42	1.55	-2.13	

- AR Inc
- Work in progress (demand inc)
- CAPEX inc
- LTD inc (ability to issue debt)

# Financials



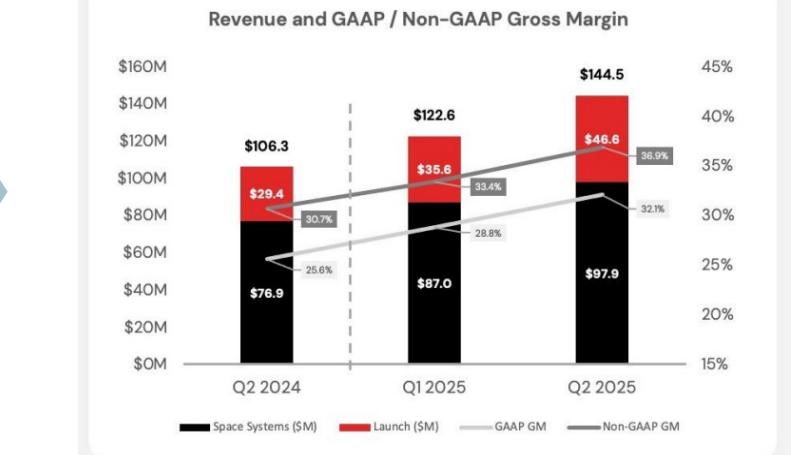
## Ratios & Multiples

Profitability	Jun 2025	FY 2024	FY 2023	FY 2022
Return on Invested Capital (ROIC)	-23.61%	-21.47%	-23.14%	-15.32%
Normalized Return on Invested Capital	-18.09%	-16.45%	-17.52%	-11.30%
Return on Equity (ROE)	-48.65%	-41.51%	-29.79%	-19.37%
Normalized Return on Equity	-37.55%	-31.97%	-22.69%	-14.52%
Return on Asset (ROA)	-18.26%	-16.83%	-18.81%	-13.50%
Normalized Return on Assets	-14.09%	-12.96%	-14.33%	-10.12%
Price To Sales	45.09	22.80	37.37	19.83
Price to Cash	31.36	22.86	31.20	16.56
Price to Book (PB)	31.34	22.70	32.87	17.45
Price to Tangible Book Value	38.29	32.20	48.05	25.50

Based solely on profitability and ratios, RKL may appear highly unprofitable and significantly overvalued - with ROIC under -20%, ROE under ~50%

However, RKL demonstrates strong revenue growth and margin expansion, posting Q2 FY25 revenue of \$144.5M, above guidance (\$133–140M), marking a **36% YoY** increase and a **17.9% gain** from Q1 2025. Operating leverage inherent to the industry is expected to drive further margin improvement.

## Q2 Earning



# Risk Factors



## 3 Main Risks

### **1. Heavy reliance on Neutron-related contracts** for future growth

A significant portion of RKL's contracts and backlog is based on expectations and future success of the Neutron rocket. As Neutron's first launch is scheduled for the first half of 2025, RKL's revenue trajectory could be heavily impacted by its outcome

### **3. Already high valuation multiples**

RKL trades at significantly higher multiples compared to peers, with a Price-to-Book ratio in the 40s (vs. industry median in the low 2s), while traditional metrics show negative profitability. This suggests a potential risk of overvaluation and limited room for upside

### **2. Potential IPOs of major private peers**

RKL is one of the few publicly traded companies in the aerospace sector offering launch services. If key private peers enter public markets, RKL may face heightened competition, potentially losing market share and being pressured to reduce costs to offer customers more competitive and diverse pricing options