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PRESENTATION

Operator

Good afternoon and welcome to Astra's Second Quarter 2021 Earnings Conference Call. Joining us today are Astra's Founder, Chairman and CEO, Chris Kemp; CFO, Kelyn Brannon; and Vice President of Compliance and Deputy General Counsel, Michael Stitcher. (Operator Instructions)

I would now like to turn the call over to Michael for introductory remarks. Please go ahead.

Michael Stitcher - Astra Space, Inc. - VP of Compliance & Deputy General Counsel

Thank you, operator. Good afternoon, everyone. Thank you for joining us for Astra's Second Quarter 2021 Earnings Call. After the market closed, we released our financial results. The earnings release is available on the SEC's website and our Investor Relations website at investor.astra.com, where you can also find a link to our investor presentation. This teleconference is also being broadcast over the Internet and will be archived and available on our Investor Relations website.

During our call today, we will reference non-GAAP financial measures, which we believe to be useful to investors as our management team uses these non-GAAP financial measures to plan, monitor and evaluate our financial performance. These non-GAAP financial measures exclude certain items that should not be considered as substitute for comparable GAAP financial measures. Astra's methods of computing these non-GAAP financial measures may differ from similar non-GAAP financial measures used by other companies. A description of these items, along with the reconciliation of our non-GAAP financial measures to their most comparable GAAP financial measures, can be found in our earnings release.

Today's call will also contain forward-looking statements that refer to future events, including Astra's future financial outlook. When used in this call, the words anticipate, could, enable, estimate, intend, expect, believe, potential, will, should, project and similar expressions as they relate to Astra are as such a forward-looking statement. These forward-looking statements are subject to a number of risks and uncertainties. And as a result, Astra's actual future results and performance may differ materially from those discussed in this call. We encourage you to review our filings with the SEC in which we describe the factors that could cause actual results to differ materially from our current expectations.

We also refer to commercial launches in this press release. When we use the phrase commercial launch, commercial revenue launch or commercial orbital launch, we mean a launch conducted under an FAA commercial launch license. Additionally, each of our launch vehicles is noted by an asset title with the abbreviation of LV standing in for launch vehicle followed by the serial number. For instance, our current launch vehicle is referenced as LV0006.

Finally, I would like to remind everyone this call will be recorded, and it will be made available for replay via a link available on the Investor Relations section of our website.

With that, I would now like to turn the call over to Chris Kemp, Astra's Founder, Chairman and CEO. Chris?

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

Thanks, Michael, and good afternoon, everyone, and thank you for joining us today. Welcome to our first earnings call as a public company.

Let's proceed to Slide 3. The end of our second quarter coincided with the completion of our merger transaction with Holicity, which generated \$464 million of net cash proceeds to fund our continued development and mark the start of Astra trading on the Nasdaq Exchange under the ticker ASTR on July 1. Both of these events are major milestones in our mission to improve life on Earth from space.

Another important milestone is our upcoming launch for the United States Space Force, which we announced last week. This is our first commercial launch and the first launch of our upgraded 3.3 version rocket, which I'll discuss later. The Space Force launch is planned during the window that begins August 27 and will be opened through September 11 and will test Astra's ability to deliver payload to a precise orbit. This is a unique opportunity to serve the Space Force and the first of several launches aimed at validating their use of low-cost, mobile and responsive launch services. All of us at Astra are excited to get back to space.

I will spend a few minutes discussing Astra's mission to deliver rapid low-cost access to space, then I'll share some highlights from our second quarter and provide more details on our current and future areas of focus. Later, Kelyn will walk you through the financial highlights for the second quarter.

Let's move on to Slide 4. For those of you who are new to the Astra story, first, some brief background. Adam London, my cofounder, and I spent years independently learning about the difficulty of cost-effectively accessing space, working with MIT, NASA, DARPA and other leading technology organizations. We were lucky enough to cross paths and share common views on bringing innovation to space. Namely, the inefficiency of the prior 50 years was directly attributed to the approach of legacy aerospace companies, big rockets designed to carry people or very expensive satellites burdened by inefficient supply chains and underwritten by deep-pocketed governments. There was little incentive to innovate. We believe that the space industry was ripe for technology-led innovation.

Today, space technology is gaining traction with new Low Earth Orbit, LEO, satellites, which have rapidly become smaller, cheaper and more numerous than legacy satellites. The challenge is that launch vehicles have not evolved in the same way. Most rockets remained focused on physical size and the level of reliability necessary to carry out human space flight missions and deliver large communication satellites to geostationary orbits tens of thousands of miles from Earth. As a result, we believe most existing launch vehicles are too large, too expensive, too infrequently launched and insufficiently responsive to meet the needs of the emerging space tech industry.

Please turn to Slide 5. We aim to solve this problem with the world's first mass-produced orbital launch system consisting of small launch vehicles and mobile launch infrastructure that can fit inside standard shipping containers that can be rapidly deployed anywhere in the world. Our rocket requires a launch site with merely a concrete pad with the support of 6 people in the field, leveraging our highly automated launch operations.

Our rocket's payload capacity is tailored to the needs of modern LEO satellite constellations, allowing precise and rapid placement of individual satellites into the required orbits. We believe this makes Astra's system more responsive and affordable than alternatives for the thousands of LEO satellites planned for the launch in the next decade.

In December 2020, we successfully launched Rocket 3.2 to altitude of 380 kilometers, successfully passing the Karman line and demonstrating orbital launch capabilities. This launch demonstrated orbital capability in that an identically performing launch from Cape Canaveral, for example, would have reached orbit at our target orbital velocity and target altitude. Launching to polar orbits like Kodiak, Alaska requires more performance than low-inclination orbits. While we consider making only small changes in flying again, given how well the rest of the system performed, we decided to complete the remaining upgrades planned to increase payload capacity and transition the launch vehicles into production.

Highlights of our upgrades include stretching the first stage tank to increase propellant capacity, reducing the mass of the upper stage, adding sensors to gather more data about flight environments and consolidating over a dozen individual components on the upper stage into a single assembler.

Making any changes to a complex system like a rocket always involves risks. We appreciate this, but also believe that maximizing our learning requires us to make advances and take appropriate technical risks. With rockets, a launch is the only way to test the entire system. So we've carefully evaluated all of our changes, completed component and system testing and shipped LV0006 to Kodiak for the upcoming launch window.

As we move forward to a more regular launch cadence, Astra is fortunate to have customers, investors and team members with a grit to endure the risks inherent in the development of the new launch system because they understand the importance of frequent low-cost access to space. At nearly 5 years of hard work and incredible learnings, this strategy has allowed us to reach the milestone of our first commercial orbital launch in less than half the time of our peers.

While we are proud to be the fastest launch company to reach space and demonstrate orbital capability, we acknowledge that we must continue to be relentless in our developments and rigorous in our testing to maximize the probability of success of each new version of our system, even if we do not guarantee it. We accept this challenge, and regardless of the outcome of our upcoming launch, we have additional rockets on the production line and remain on plan to complete these launches before the end of the year.

To this end, we began ramping up hiring of production personnel and we're pleased with the quality of talent we continue to attract. Our target for this design is to ultimately produce and launch this version of our rocket at a monthly rate, with the next 2 rockets, LV0007 and LV0008, currently taking shape in our factory.

Please turn to Slide 6. Turning to market demand. The excitement about a new wave of small satellites and LEO and well-capitalized constellation customers translate to strong demand for launch services. Customer indications of launch may suggest that demand is years away from being dispelled. Our differentiated low-cost rapid-launch strategy, combined with our demonstrated launch success in 2020, helped Astra amass a backlog of over 50 launches, representing over \$150 million of contracted revenue, which we disclosed in our February merger announcement.

Earlier this year, we announced our second NASA contract, TROPICS, in a competitive and thorough bidding process versus other major launch service companies. TROPICS is a 3-launch contract to rapidly deploy a global 6-satellite constellation to observe tropical cyclones, which really highlights the benefits of Astra's approach to respond to small launch. This was Astra's second NASA win in a row after receiving the VCLS cubesat mission contract in December of last year. Following the 2 NASA wins, we announced a launch agreement with Planet Labs. Astra expects to building multi-launch missions to Planet starting in 2022 to further its position as the leading provider of global daily satellite imagery and geospatial solutions.

And earlier this week, we announced Astra was awarded the Orbital Services Program (OSP)-4 contracts from the Rocket Systems Launch Program of the Space Force. This positions us to compete for up to \$1 billion launch services over the next 9 years. We also announced a launch contract with Spire today. Our NASA, Planet, Space Force inspired wins are objective evidence of both our technical capabilities and the cost-efficient launch services for government and commercial customers that we provide.

Moving to Slide 7. Turning to recent company developments. In June, we announced the acquisition of Apollo Fusion, a leading design and manufacturing company of some of the world's most efficient electric propulsion engines. The purchase price for Apollo was \$145 million, including earn-outs. I'm particularly pleased that Apollo selected Astra amongst a handful of competitive offers and elected to receive 2/3 of the total consideration in Astra shares, a testament to the vision of our joint opportunity. Apollo is a real differentiator for Astra customers, allowing them to move beyond LEO to medium, geo and even lunar orbits or maintain any orbit for a longer period of time. In addition, Apollo makes Astra a more versatile launch provider as well as increases our total addressable market. The incredible team led by CEO, Mike Cassidy, will also play a key role in the development of our spacecraft platform.

We turn to our state-of-the-art facilities. Astra headquarters is located on the former U.S. naval air station in Alameda, California, just on the San Francisco Bay 15 minutes outside of the financial district. We currently reside in more than 100,000 square feet of manufacturing, office and launch

system development space. In May, we began an expansion of more than 200,000 square feet, which we expect to complete yet by the end of this year. We'll complete our facilities to total approximately 350,000 square feet, enough to support our long-term plan producing one rocket per day. Our facilities are a unique differentiator in the space tech industry.

Almost all of our competitors would transport their rockets and their engines from their factory to remote locations to test the performance. Astra engineers, with the experience in other launch companies describe a lengthy and highly inefficient process to assess engine performance by testing in remote locations. Our facility is unique in the industry and permits us to test engines multiple times a day, every day. This is a key enabler of our goal to constantly improve.

Moving to Slide 8. Now on to our incredible team. All of our efforts wouldn't be possible without building upon our extraordinary team. I spend a significant portion of my time identifying and recruiting talented people to help us accomplish great things faster. Our goal is more than just hiring smart people. We're building a culture that is comfortable taking on challenges and overcoming them. Several high-profile hires have joined Astra from leading companies like Apple, SpaceX, Tesla and Blue Origin to do something unique and untried in the space industry. Adam and I take great pride in the team at Astra, and we admire their grit and determination.

During the second quarter, we added 62 new employees and ended the quarter with 188 total employees. Most of these additions are in the areas of design, engineering and software to keep us on the path to daily launches. We made several important and strategic additions to our Board in the past couple of months. We're thrilled to welcome our newest Board members, including Michele Flournoy and Lisa Nelson, we announced yesterday and earlier today. Michele and Lisa join current independent Board of Directors, Mike Lehman and Craig McCaw, both of them joined in June; and our long-term Director and trusted mentor, Scott Stanford of ACME Capital, who serves as our lead independent director.

A few words about our Board members. Michele Flournoy was Deputy Assistant Secretary of Defense for Strategy under President Bill Clinton and Undersecretary of Defense for Policy under President Obama. She's widely respected and a strategic adviser with niche skills and experience in the defense industry. Lisa Nelson spent 14 years at Microsoft in various executive positions before cofounding Microsoft's Venture Group, M12. She's an accomplished executive with global success in finance and business development and history of advising and serving on Boards of young growth companies.

Mike Lehman presents with extensive CFO and general finance experience from [reputed] and highly successful technology companies such as Arista Networks, Palo Alto Networks and Sun Microsystems. Finally, Craig McCaw is Chairman and CEO of Eagle River, which is focused on strategic investments in the telecommunications industry. Craig is a successful entrepreneur who started to build many companies in the cable, cellular and broadband industries, including McCaw Cellular. Astra is extremely fortunate to have this group of talented, knowledgeable and passionate advisers to help us navigate and execute our growth goals in this emerging space tech industry.

Now I'd like to turn the call over to our CFO, Kelyn Brannon, to discuss our second quarter results. Kelyn?

Kelyn Brannon - Astra Space, Inc. - CFO

Thank you, Chris. And good afternoon, everyone. As Chris noted, our second quarter results were steady and solid, and we continue moving from a primarily development-driven company to a production focus.

Now let me run through the details. As a reminder, all non-revenue financial figures I will discuss today are non-GAAP unless I state them as a GAAP measure. You will find a reconciliation from GAAP to non-GAAP results in today's press release.

On June 30, we completed our merger with Holicity. This transaction, including the PIPE transaction led by BlackRock, provided Astra with \$464 million of cash proceeds and offers us a solid foundation as we progress to our plan of reaching a daily launch cadence. These cash proceeds were net of certain onetime expenses related to underwriting, legal, accounting and other fees.

Earlier this week, we filed our amended Form S-1 registration statement with the SEC. In connection with that filing, we registered the resale of shares issued to our PIPE investors, certain of our affiliates and the Holicity sponsor in the business combination. We also registered the shares

issuable pursuant to the public and private warrants that were issued prior to the de-SPAC and the shares issued and issuable pursuant to our Apollo Fusion transaction. We have not yet met the requirements to do a mandatory redemption of the outstanding public warrants. And as a result, we have not decided whether we would redeem the warrants if we meet such requirements.

As Chris mentioned in his remarks, we plan to launch our first commercial test payload for Space Force as the window opens between August 27 through September 11. The contract we have with the Space Force also includes a second launch that we expect to occur later this year.

We ended the quarter with cash, cash equivalents and restricted cash of \$452.4 million. We did not generate any revenue during the second quarter. Q2 2021 adjusted net loss was \$23.1 million and \$31.3 million on a GAAP basis. Adjusted EBITDA was a loss of \$21.4 million for the quarter. Capital expenditures totaled \$8.5 million in the second quarter, comprised primarily of the expansion of our Alameda headquarters and investments in manufacturing equipment.

Next, I'll provide an outlook for our third quarter ending September 30, 2021. We currently expect adjusted EBITDA to be a loss between approximately \$32 million and \$35 million; depreciation and amortization to be between \$1 million and \$1.3 million; stock-based compensation to be between \$6 million and \$10 million; cash taxes are forecasted to be 0; basic shares outstanding to be between 255 million and 260 million; and capital expenditures to be between \$10 million and \$15 million.

Let me provide a bit more context on our expected spend for Q3 2021. Third quarter operating expenses are tracking ahead of our projected financials and will be up sequentially from Q2 2021. The increase is due to our broader investment in our product road map, program execution and operational capacity as we look to expand opportunities in our operational model. In addition, we accelerated headcount in our back-office functions to strengthen our ability to support the business and operate as a public company.

Offsetting the increase in operating expenses in Q2 2021, CapEx in the first half of the year and expected spend in the third quarter are tracking below our projected financials for 2021. The underspend is due to a delayed start to our factory build-out. However, we expect that capital spend or that underspend to shift to 2022 through early 2024.

Finally, I want to highlight our updated risk factors in our forthcoming 10-Q for the second quarter. The merging of Astra and Holicity included 2 sets of risk factors. And after an in-depth review, we are including a comprehensive list of risk factors for new Astra. As we transition from a pre-revenue company to regular commercial launches, we plan to offer a more detailed outlook regarding revenue and spend in the quarters to come.

With that, I'll turn the call back to Chris.

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

Thanks, Kelyn. The commencement of commercial launch services is an important milestone for Astra. Our design, manufacturing and software engineers are focused on identifying efficiencies that are not only reducing costs but increasing performance and reliability of our services. We have a talented team make many decisions along this path, and we're optimistic, but we will make mistakes along the way, knowing that our strategy will continue to make the next launch better as we believe rapid iteration is our key differentiator versus other launch providers.

Starting on August 27, when our launch window opens, we will initiate the launch of LV0006 and live streaming events on our website at astra.com. We look forward to updating you on the subsequent launches later this year, in line with our core belief in the value of launch, learn and repeat.

With that, let's open the call for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Our first question comes from Edison Yu with Deutsche Bank.

Xin Yu - *Deutsche Bank AG, Research Division - Research Analyst*

Congratulations on the -- on becoming public and the first quarter out the gate. I had some questions, some strategic, some operational and maybe sneak in a financial one. On the upcoming launch, first commercial one, could you maybe go through what still needs to get done operationally ahead of that time in the next 2, 3, 4 weeks? And can you provide maybe any more details on the payload for the Space Force?

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

I think, Edison, we shipped the rocket up to Kodiak, and it will be arriving along with the entire launch system on Monday of next week. So the team will be deployed to Kodiak to set up the launcher and transport the rocket out to our Spaceport at the Pacific Spaceport Complex. This is a pretty routine thing. We've done this with each of our launches. So we set up the launcher. And there's a wet dress rehearsal, where the rocket is loaded with propellents and we check everything out to make sure that it wasn't damaged in shipping. And then we go into the launch, which the window opens on the 27th.

We've got a pretty long launch window because we've had things like boats and other things interfere with launch operations. And we want to make sure that, with the team out there, we're able to launch it in that window. The payload is a test payload that will be loaded up in the payload bay from the Space Force, and it's really there to test the local environments so that when we do our next launch with the Space Force, they will be able to predict the impact on their satellite.

Xin Yu - *Deutsche Bank AG, Research Division - Research Analyst*

Got it. Then wanted to shift to some of the wins that you've announced. So for the other Space Force, multi-contract (OSP)-4. Could you maybe describe or could you maybe go over what kind of potential contribution, whether it's revenue or backlog contribution from this? From my understanding, it's basically -- there's several other competing rocket launch companies involved. And so just how do we think about that in terms of the impact in -- either into the backlog and -- or the pipeline?

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

Thanks. Yes. So we are now able to compete for about \$1 billion of launch opportunities over the next 9 years with the DoD. We are, as you mentioned, one of several companies. Before being awarded this, we couldn't compete for any of that business. So while none of that potential \$1 billion of launch opportunity is in our backlog today, I will add it as task orders and as opportunities emerge to serve the Space Force and the DoD. So it really just opens up a bunch of additional TAM that was totally closed to us prior to being included in the (OSP)-4 contract.

Xin Yu - *Deutsche Bank AG, Research Division - Research Analyst*

Understood. Is there any sort of -- I guess, do you have any sort of initial expectations on what you could possibly win? Obviously, there's a lot of other players. Any kind of initial thoughts about what is kind of winnable in that -- of the 20 -- what is it, 18 or 20 missions?

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

Well, I think we've, as you've seen, won some pretty exciting contracts with NASA back-to-back. And we hope that there will be many opportunities to serve the Space Force under that contract. I think it's early to say until we start to have the opportunity to put in for some of these opportunities and start winning some of the task orders that could be issued under that contract. But it's fine to say there's -- there continues to be a lot of opportunities for small satellite payloads coming out of the DoD, and this vehicle now allows Astra to participate in delivering those to space.

Xin Yu - *Deutsche Bank AG, Research Division - Research Analyst*

Got you. And just one last one for me. I'll jump back in the queue. The Spire contract, any more details you could provide there? I think -- is it just one launch? Anything about how heavy that payload could be going up next year?

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

Yes. What we can say is it's -- the Spire spacecraft that have been launched on some of our competitors, and we're now going to be helping them get the existing spacecraft that they have into space. It will be for launches beginning in the spring of next year. And I think the contract provides some flexibility for more than one launch. But what we announced today was that we're going to kick things off early next year with the launch of one of the spacecraft.

Operator

Our next question comes from Pete Skibitski with Alembic Global.

Peter John Skibitski - *Alembic Global Advisors - Research Analyst*

Congratulations on being a public company. I guess, Chris, to start off, if we assume that the first Rocket 3.3 flight is successful relatively soon, would you expect to be able to do maybe one per month the balance of this year in terms of additional launches? Or is that contingent on other factors?

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

Well, we remain on plan to hit our target of doing a total of 3 launches this year. The exact dates of the launches are not locked in. So whether they'll be exactly 30 days apart or not, we'll really get to when a range and when we can kind of get up there in formal launches. But what I can say is there -- the rockets are being produced now. They're coming together on our production line, and we are scheduled to launch this rocket and 2 more before the end of the year.

Peter John Skibitski - *Alembic Global Advisors - Research Analyst*

Are they both going to be 3.3 or newer rockets? Just curious.

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

No. We -- I believe and have also shared that our intent is to manufacture about a dozen of these version 3 rockets. And we will be attempting to achieve this monthly launch rate in the fourth quarter this year. So starting to launch at a monthly cadence remains the plan.

Peter John Skibitski - *Alembic Global Advisors - Research Analyst*

Okay. Okay. Got it. Next question, I'm wondering just kind of you guys with the rates that you are foreseeing, how do you kind of judge the -- gaining the necessary regulatory approvals to hit these higher rates? Especially kind of get to maybe like the back half of 2022, how much of a challenge do you think it's going to be to get the necessary regulatory approvals, even -- not just national approvals, but local approvals? You mentioned even things like boat issues around Kodiak. Can you kind of walk us through your plans with that regard?

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

Well, there's really a couple of parts to that. Part one is, in our most recent launches because the rockets are really similar, they're increasingly becoming batched in our licenses, so we can launch several on a single license. We'll be moving to working with the FAA to secure a launch operator's license, which will allow us to, as long as there's no material change to the rocket or the spaceport, perform a number of launches under the same launch license.

And then the second part to your question is, our team remains very focused on working to establish several more spaceports. And we're working hard both here in the United States and abroad to identify and secure and work through the regulatory process for a number of additional government, commercial, private, international, and in the future, ocean-based base platforms, which will give us a tremendous amount of flexibility that we'll need more to support the daily space delivery goal that we have in 2025.

Peter John Skibitski - *Alembic Global Advisors - Research Analyst*

I see. Okay. That's great color. I appreciate it. One last one for me. I'm intrigued about this whole kind of rideshare versus direct-to-orbit kind of debate, let's call it, maybe. And you see SpaceX continuing to get rideshare missions. On the other hand, both Planet and Spire kind of lining up with you as well. So my question is, would you say with regard to Planet and Spire, they're kind of opening the door for you? And should you be successful on some of your initial launches with them that could lead to much larger opportunities with those guys? Is that a fair way to characterize it?

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

Well, I think that if a large rocket happens to be going exactly where you want to go, exactly where you want to get there, it's kind of like a ferry or a large 777 happens to be leaving, it's great. But a lot of our customers value how quickly they can deploy a particular asset and also exactly where they want to go.

So I think that if you put the value of the time and potentially the services that they're able to provide to their customers into perspective, Astra is actually very affordable because you're not waiting for 6 months either for a launch or waiting for 6 months once you're already in space to get to the exact orbit or altitude where you need to be to perform the service for your end users.

So I think our customers are smart, and they look at the total economic cost of some of these larger launches. And I think that, that really explains why we continue to win contracts.

Operator

(Operator Instructions) Our next question comes from Suji Desilva with ROTH Capital.

Suji Desilva - ROTH Capital Partners, LLC, Research Division - MD & Senior Research Analyst

Congratulations on completing the merger and becoming public. I just want to -- in the prepared remarks, you talked about metrics. I just want to get a quick check on that. The backlog of launches is 50, and the contract really \$150 million. I wanted to check if that was all similar to what you had said previously, if there's anything incremental there. And if not, which -- what frequency would you be updating that metric, just so we can understand going forward?

Kelyn Brannon - Astra Space, Inc. - CFO

Yes. I think I'll take it, and then I'll pass it back over to Chris. But as I think about coming into this, we've indicated that we have about \$150 million in contracted revenue. Our pipeline continues to grow. Our backlog continues to grow. But as we look forward, we will be thinking about what we want to disclose and when we want to disclose. And so what I can tell you is backlog is growing and so is the pipeline.

Suji Desilva - ROTH Capital Partners, LLC, Research Division - MD & Senior Research Analyst

Okay. Kelyn, very helpful. And then looking at the kind of customers, kind of elaborating on the last caller's questions. A customer like Planet or Spire, how should we think, Chris, about how Astra's business versus other competitors' business with them might break out? Would it be by something like payload size? Or would it just be diversification of risk? Or would they be alternating? Just give us a sense maybe of how you might picture those customers divvying out their business or perhaps all of it is available to you and if you prove out your model, maybe it can shift over to you. Any thoughts there would be helpful.

Chris C. Kemp - Astra Space, Inc. - Founder, Chairman & CEO

I think when you look at the payload from the customers we've announced, we can fly all of their payloads. But I don't think any customer wants to be in a position where they're depending on any one launch service provider and -- whether that's a start-up or even a large mega constellation. What we're hearing is that customers, they don't want to get locked in to a single provider. They want to have 2 or even 3 different providers.

Launches are often delayed. And in particular large launch vehicles are really delayed because of factors that are beyond the control of the launch provider themselves. If there's a delay to the large spacecraft that is the primary customer for that rideshare, can often delay dozens of small companies that are trying to develop new capabilities.

So Astra gives you that ability to own your outcome. And we're able to put a -- tailor it exactly where it needs to go on an exact schedule, and customers value that. So I think we'll continue to -- our goal is to try to do that and then do it again and again and again and really establish credibility with our customers. And I think that will just make it easier for us to win business in the future. We're just getting started.

Suji Desilva - ROTH Capital Partners, LLC, Research Division - MD & Senior Research Analyst

Okay. Chris. That's very helpful color. My last question really is around the acquisition you did, Apollo Fusion. I know it's only been a few weeks even perhaps that you've acquired them. But I'm curious if the customer conversations have started morphing a bit given that you have this capability whereas you didn't have before. I'm curious, any changes there on how the customers are approaching you?

Chris C. Kemp - Astra Space, Inc. - Founder, Chairman & CEO

Yes. It's a great question. I would say that the conversations we're having with customers are deeper and more strategic than they ever have been before. This technology is a critical component in many of the large mega constellations. And so it gives us a new opportunity to serve our customers. And it, of course, is a new capability for our own system that will allow us to take payloads to places we could never reach before, again, increasing our TAM considerably.

Operator

Our next question comes from Austin Moeller with Canaccord.

Austin Nathan Moeller - *Canaccord Genuity Corp., Research Division - Associate*

Just a quick question here. Obviously, you guys have a good amount of cash on the balance sheet now. And so I'm just thinking following the Apollo Fusion acquisition, is there an interest here in conducting future M&A to further diversify the business? Obviously, we look at competitors like Firefly, they're branching out into moon landers and space transfer vehicles and other platforms. And Rocket Lab is, of course, working on their Photon satellite bus platform. So is there an intent to do some M&A activity maybe here in the near future to expand the product offerings?

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

Yes. I think that, that's a great question. We see the opportunity with being a public company as a way to accelerate our business plan. And where there are core technologies that will make our products better in some dimension, lower cost, more efficient to operate, higher performance, we have a choice. We can either hire people and develop that capability. We can potentially license technology. We can buy those components, which was always never the right thing to do because it's very expensive to buy things from the aerospace supply chain or we can make acquisitions. And I think that we look at each of those very, very carefully.

And in some cases, you'll see us acquire companies. In some cases, you'll see us hire people. In some cases, you'll see us license things. And I think that what we're here to do is not expand but focus. And we have a huge backlog. We have a lot of customers that are relying on us to increase our launch rate. And so our focus with this capital and the ability to consider a transaction like this will be to accelerate revenues, not expand what we're offering.

Operator

And I'm not showing any further questions at this time. I'd like to turn the call back to Chris Kemp for any closing remarks.

Chris C. Kemp - *Astra Space, Inc. - Founder, Chairman & CEO*

Yes. I really appreciate everyone's participation today, and we're really excited to have us move forward to share what we're working on with you all and look forward to an exciting quarter ahead and getting back together with you all next quarter. (technical difficulty) participation today, and see you all in the near future.

Operator

Ladies and gentlemen, this does conclude today's presentation. You may now disconnect, and have a wonderful day.

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