

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 14, 2023

Astra Space, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-39426
(Commission File Number)

85-1270303
(IRS Employer
Identification No.)

1900 Skyhawk Street
Alameda, California
(Address of Principal Executive Offices)

94501
(Zip Code)

Registrant's Telephone Number, Including Area Code: (866) 278-7217

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.0001 per share	ASTR	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On August 14, 2023, Astra Space, Inc. (the "Company") issued a press release announcing its financial results for the second quarter ended June 30, 2023.

A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Item 2.02 of this Current Report, including the accompanying Exhibit 99.1, shall not be deemed "filed" for purposes of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 7.01 Regulation FD Disclosure.

Also, on August 14, 2023, the Company made a presentation available on our website: www.astra.com. This presentation is intended to accompany our earnings call to be held on August 14, 2023, at 4:30 p.m. eastern time, and to assist in understanding information that the Company will discuss on this call. A copy of this presentation is furnished as Exhibit 99.2 and is incorporated herein by reference.

The information in this Item 7.01 of this Current Report, including the accompanying Exhibit 99.2, shall be deemed "furnished" and shall not be deemed "filed" for the purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of such section, nor shall it be incorporated by reference in any filing made by the Company pursuant to the Securities Act of 1933, as amended, or the Exchange Act, regardless of the general incorporation language of such filing, except to the extent that such filing incorporates by reference any or all of such information by express reference thereto.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release issued by Astra Space, Inc. dated August 14, 2023
99.2	Earnings presentation dated August 14, 2023
104	Cover Page Interactive Data File (embedded with the Inline XBRL document)



ASTRA ANNOUNCES SECOND QUARTER 2023 FINANCIAL RESULTS

ALAMEDA, California — August 14, 2023 — Astra Space, Inc. ("Astra") (Nasdaq: ASTR) today announced financial results for its second quarter ended June 30, 2023.

Astra also announced on August 4, 2023 a strategic near-term prioritization of the Astra Spacecraft Engines™ business, including a reallocation of approximately 50 engineering and manufacturing personnel from Launch Services to Space Products, spanning both permanent and temporary reassignments to support specific customer programs and to increase Astra Spacecraft Engine™ production and test capacity through the end of the year.

"We remain intensely focused on near-term deliveries of Astra Spacecraft Engines™ to our customers and have made difficult but necessary decisions to enable these efforts. I believe our existing organization can support a sustainable business going forward," said Chris Kemp, Founder, Chairman and CEO.

Astra's Launch Services business will continue to focus on the development of Rocket 4 and servicing new and existing launch contracts, including the contracts announced earlier this year with the U.S. Space Force and Defense Innovation Unit, among others.

In Q2 2023, Astra continued to closely manage its financial runway and evaluate strategic opportunities in support of a long-term sustainable growth strategy across both Space Products and Launch Services.

"We were excited to announce on August 4, 2023 the closing of a Senior Secured Notes offering, which, when combined with our existing ATM, represents a broad financing strategy and demonstrates our ability to access the capital markets when needed. We also continue to reduce operating expenses, including a 52% decrease in G&A Expenses quarter over quarter. We expect additional savings of approximately \$4 million per quarter starting in Q4 based on the strategic reallocation of resources announced earlier this month. As a result, we expect further reductions in quarterly cash burn throughout the remainder of the year," said CFO, Axel Martinez.

Recent Business Highlights:

- Announced the first 4 shipments of Astra Spacecraft Engines™ out of Sunnyvale spacecraft engine manufacturing facility
- Announced the completion of approximately 77% of non-delivery customer milestones related to Astra Spacecraft Engines™
- Completed the Service Readiness Review (SRR) for Astra's Space Force STP-29B mission
- Announced the closing of a Senior Secured Notes facility offering and ATM program

Second Quarter 2023 Financial Highlights:

For the three months ended June 30, 2023:

- GAAP Gross Profit was \$0.3 million
 - GAAP Net Loss was \$14.0 million
 - Adjusted Net Loss* was \$33.7 million
 - Adjusted EBITDA Loss* was \$33.1 million
 - Capital expenditures during the quarter totaled \$3.2 million
 - Cash, cash equivalents and marketable securities totaled \$26.3 million
-

***Denotes Non-GAAP financial measure. Refer to “Explanation of Adjusted (or Non-GAAP) Financial Measures” later in this press release for reconciliation of GAAP to Non-GAAP financial measures.**

Third Quarter 2023 Outlook

As of August 14, 2023, we are providing guidance for the third quarter 2023 based on current market conditions, our ongoing investments to scale our Space Products business and on the development of Launch System 2. We emphasize that the guidance is subject to various important cautionary factors referenced in the section entitled “Forward-Looking Statements” below and our annual report on Form 10-K for the year ended December 31, 2022, including risks and uncertainties associated with geopolitical conditions and their potential impact on our business as well as our ability to continue operating as a going concern.

For the third quarter ending September 30, 2023, we currently expect:

- Deliveries of 8 to 12 Astra Spacecraft Engines™
- Adjusted EBITDA Loss* to be between \$25.0 million and \$29.0 million,
- Basic shares outstanding to be between 280 million and 290 million shares,
- Capital expenditures to be between \$1.0 million and \$2.0 million, and
- Cash, cash equivalents and marketable securities to be between \$15.0 million and \$20.0 million

In conjunction with this announcement, Astra will host a conference call for investors at 1:30 p.m. PT (4:30 p.m. ET) today to discuss second quarter 2023 results and our outlook for the third quarter ending September 30, 2023. The live webcast and a replay of the webcast will be available on the Investor Relations section of Astra’s website: <https://investor.astra.com/news-and-events/events-and-presentations>.

About Astra Space, Inc.

Astra’s mission is to Improve Life on Earth from Space® by creating a healthier and more connected planet. Astra pursues that mission through its Launch Services and Space Products businesses. Astra’s Launch Services business offers one of the lowest cost-per-launch dedicated orbital launch services of any operational launch provider in the world. Astra delivered its first commercial launch to low Earth orbit in 2021, making it the fastest company in history to reach this milestone, just five years after it was founded in 2016. Astra’s Space Products business offers one of the industry’s first flight-proven electric propulsion systems for satellites, the Astra Spacecraft Engine™. Astra Spacecraft Engines™ have extensive on-orbit flight heritage and are available as fully assembled units or as individual components in the Astra Propulsion Kit. Astra (NASDAQ: ASTR) was the first space launch company to be publicly traded on Nasdaq. Visit astra.com to learn more about Astra.

Forward Looking Statements

Certain statements made in this press release are “forward-looking statements”. Forward-looking statements may be identified by the use of words such as “anticipate”, “believe”, “expect”, “estimate”, “plan”, “outlook”, and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements reflect the current analysis of existing information and are subject to various risks and uncertainties. As a result, caution must be exercised in relying on forward-looking statements. Due to known and unknown risks, actual results may differ materially from Astra’s expectations or projections, including the following factors, among others: (i) the failure to meet projected development, delivery and launch targets, including as a result of the decisions of governmental authorities or other third parties not within our control; (ii) changes in applicable laws or regulations; (iii) the ability of Astra to meet its financial and strategic goals, due to, among other things, competition and the reallocation of our resources to Astra Spacecraft Engine™ and

its ability to continue operating as a going concern; (iv) the ability of Astra to pursue a growth strategy and manage growth profitability without additional funding; (v) the possibility that Astra may be adversely affected by other economic, business, and/or competitive factors; (vi) the ability to manage its cash outflows related to its business operations, (vii) the ability of Astra to develop its space services offering as part of its long-term business and growth strategy and (viii) other risks and uncertainties described herein, as well as those risks and uncertainties discussed from time to time in other reports and other public filings with the Securities and Exchange Commission by Astra.

Explanation of Non-GAAP (or Adjusted) Financial Measures

This press release includes information about Adjusted Net Loss and Adjusted EBITDA (collectively the “non-GAAP financial measures”), all of which are non-GAAP financial measures. These non-GAAP financial measures are measurements of financial performance that are not prepared in accordance with U.S. generally accepted accounting principles and computational methods may differ from those used by other companies. Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with Astra’s condensed consolidated financial statements prepared in accordance with GAAP. Non-GAAP financial measures are reconciled to their most comparable GAAP measures in the table set forth in this release.

We believe that both management and our investors benefit from referring to these non-GAAP financial measures in planning, forecasting and analyzing future periods. Specifically, our management uses these non-GAAP financial measures in planning, monitoring and evaluating our financial and operational decision making and as a means to evaluate period-to-period comparisons. Our management recognizes that the non-GAAP financial measures have inherent limitations because of the excluded items described below.

We believe that providing the non-GAAP financial measures, together with the reconciliation to GAAP measures, helps investors make comparisons between Astra and other companies in our industry. In making any comparisons to other companies in our industry, investors need to be aware that companies use different non-GAAP measures to evaluate their financial performance. Investors should pay close attention to the specific definition being used and to the reconciliation between such measure and the corresponding GAAP measure provided by each company under applicable SEC rules.

We define Free Cash Flow as cash used in operating activities including cash used for capital expenditures.

Adjusted Gross Loss differs from GAAP Gross Loss in that it excludes inventory and deferred launch cost write-downs related to discontinuance of production of our current version of launch system.

Adjusted Net Loss differs from GAAP Net Loss in that it excludes the items excluded from Adjusted Gross Loss and the following items: (a) stock-based compensation, (b) loss on change in fair value of contingent consideration, (c) cash earnout compensation cost related to the acquisition of Apollo Fusion and (d) other special items. For the three months ended June 30, 2022, other special items primarily related to amortization of licensed intellectual property, employee COVID-19 testing expenses and payroll taxes.

We define Adjusted EBITDA as Adjusted Net Loss, excluding the following items: (a) interest income, (b) loss on marketable securities and (c) depreciation and amortization. We are unable to predict with reasonable certainty the ultimate outcome of these exclusions without unreasonable effort.

Astra Space, Inc.
Condensed Consolidated Statement of Operations
(Unaudited, in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues				
Launch services	\$ -	\$ 1,988	\$ -	\$ 5,899
Space products	707	694	707	694
Total revenues	707	2,682	707	6,593
Cost of revenues				
Launch services	-	17,179	-	28,193
Space products	388	266	388	266
Total cost of revenues	388	17,445	388	28,459
Gross loss	319	(14,763)	319	(21,866)
Operating expenses				
Research and development	24,395	40,798	55,477	78,725
Sales and marketing	650	4,636	3,134	9,400
General and administrative	7,580	20,608	23,262	41,594
(Gain) loss on change in fair value of contingent consideration	(16,625)	1,800	(19,390)	17,300
Total operating expenses	16,000	67,842	62,483	147,019
Operating loss	(15,681)	(82,605)	(62,164)	(168,885)
Interest income	384	356	1,714	530
Other income/(expense), net	1,293	(54)	1,553	339
Loss before taxes	(14,004)	(82,303)	(58,897)	(168,016)
Provision for income tax	-	-	-	-
Net loss	\$ (14,004)	\$ (82,303)	\$ (58,897)	\$ (168,016)
Basic and diluted loss per share				
Weighted average basic and diluted shares - Class A	215,870	209,022	215,288	208,570
Loss per share	\$ (0.05)	\$ (0.31)	\$ (0.22)	\$ (0.64)
Weighted average basic and diluted shares - Class B	55,539	55,539	55,539	55,539
Loss per share	\$ (0.05)	\$ (0.31)	\$ (0.22)	\$ (0.64)

Astra Space, Inc.
Condensed Consolidated Balance Sheets
(Unaudited, in thousands)

	June 30, 2023	December 31, 2022
Assets:		
Cash and cash equivalents	\$ 13,384	\$ 33,644
Marketable securities	12,935	69,173
Trade accounts receivables	5,546	5,327
Inventories	11,231	4,142
Prepaid and other current assets	15,757	13,496
Total current assets	58,853	125,782
Property, plant and equipment, net	28,301	24,271
Right-of-use asset	11,096	12,813
Intangible assets, net	8,999	10,132
Other non-current assets	1,847	1,701
Total assets	\$ 109,096	\$ 174,699
Liabilities and Stockholders' Equity:		
Accounts payable	\$ 7,187	\$ 1,799
Operating lease obligation, current portion	3,797	3,800
Contingent consideration	14,510	33,900
Accrued expenses and other current liabilities	40,262	42,043
Total current liabilities	65,756	81,542
Operating lease obligation, net of current portion	7,548	9,051
Other non-current liabilities	8,629	1,796
Total liabilities	81,933	92,389
Total stockholders' equity	27,163	82,310
Total liabilities and stockholders' equity	\$ 109,096	\$ 174,699

Astra Space, Inc.
Summary of Cash Flow Data
(Unaudited, in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Cash used in operating activities	\$ (33,489)	\$ (43,588)	\$ (69,488)	\$ (91,862)
Capital expenditures	(3,192)	(11,122)	(8,223)	(32,064)
Free cash flow (non-GAAP)	\$ (36,681)	(54,710)	(77,711)	(123,926)
Cash provided by (used in) investing activities	\$ 30,068	\$ (13,964)	\$ 48,787	\$ (129,647)
Cash provided by financing activities	\$ -	\$ 346	\$ 441	\$ 817

Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures
(Unaudited, in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues				
Launch services	\$ -	\$ 1,988	\$ -	\$ 5,899
Space products	707	694	707	694
Total revenues	<u>707</u>	<u>2,682</u>	<u>707</u>	<u>6,593</u>
Cost of revenues				
Launch services	-	17,179	-	28,193
Space products	388	266	388	266
Total cost of revenues	<u>388</u>	<u>17,445</u>	<u>388</u>	<u>28,459</u>
GAAP gross loss	<u>\$ 319</u>	<u>\$ (14,763)</u>	<u>\$ 319</u>	<u>\$ (21,866)</u>
GAAP gross margin	<u>45 %</u>	<u>(550 %)</u>	<u>45 %</u>	<u>(332 %)</u>
Inventory adjustments	-	10,200	-	10,200
Capitalize launch costs write downs	-	2,213	-	2,213
Adjusted gross profit (loss)	<u>\$ 319</u>	<u>\$ (2,350)</u>	<u>\$ 319</u>	<u>\$ (9,453)</u>
Adjusted gross margin	<u>45 %</u>	<u>(88 %)</u>	<u>45 %</u>	<u>(143 %)</u>
GAAP net loss	<u>\$ (14,004)</u>	<u>\$ (82,303)</u>	<u>\$ (58,897)</u>	<u>\$ (168,016)</u>
Stock-based compensation	(2,112)	12,791	3,216	29,832
(Gain) loss on change in fair value of contingent consideration	(16,625)	1,800	(19,390)	17,300
Apollo cash earnout compensation	-	1,242	-	2,575
Inventory write downs	-	10,200	-	10,200
Deferred launch costs write downs	-	2,213	-	2,213
Other special items	(967)	1,088	(1,185)	2,781
Adjusted net loss	<u>\$ (33,708)</u>	<u>\$ (52,969)</u>	<u>\$ (76,256)</u>	<u>\$ (103,115)</u>
Interest income	(384)	(356)	(1,714)	(530)
Accretion (amortization) of marketable securities	(679)	65	(679)	132
Depreciation and amortization	1,688	4,858	3,033	7,633
Adjusted EBITDA	<u>\$ (33,083)</u>	<u>\$ (48,402)</u>	<u>\$ (75,616)</u>	<u>\$ (95,880)</u>

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ASTRA
INVESTOR
UPDATE
Q2 2023

DISCLAIMER AND FORWARD-LOOKING STATEMENTS

Certain statements made in this press release are “forward-looking statements”. Forward-looking statements may be identified by the use of words such as “anticipate”, “believe”, “expect”, “estimate”, “plan”, “outlook”, and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements reflect the current analysis of existing information and are subject to various risks and uncertainties. As a result, caution must be exercised in relying on forward-looking statements. Due to known and unknown risks, actual results may differ materially from Astra’s expectations or projections, including the following factors, among others: (i) the failure to meet projected development, delivery and launch targets, including as a result of the decisions of governmental authorities or other third parties not within our control; (ii) changes in applicable laws or regulations; (iii) the ability of Astra to meet its financial and strategic goals, due to, among other things, competition and the dedication of our launch resources to the development of Launch System 2 and its ability to continue operating as a going concern; (iv) the ability of Astra to pursue a growth strategy and manage growth profitability without additional funding; (v) the possibility that Astra may be adversely affected by other economic, business, and/or competitive factors; (vi) the ability to manage its cash outflows related to its business operations, (vii) the ability of Astra to develop its space services offering as part of its long-term business and growth strategy and (viii) other risks and uncertainties described herein, as well as those risks and uncertainties discussed from time to time in other reports and other public filings with the Securities and Exchange Commission by Astra.

This Presentation contains statistical data, estimates and forecasts that have been provided by Astra and/or are based on independent industry publications or other publicly available information, as well as other information based on Astra’s internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data that has been provided by Astra and/or contained in these industry publications and other publicly available information.

Accordingly, none of Astra nor its respective affiliates and advisors makes any representations as to the accuracy or completeness of this data. Certain amounts related to the transaction described herein have been expressed in U.S. dollars for convenience and, when expressed in U.S. dollars in the future, such amounts may be different from those set forth herein.

Non-GAAP Financial Measures. This Presentation includes non-GAAP financial measures. Astra believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Astra’s financial condition and results of operations. Astra’s management uses certain of these non-GAAP measures to compare Astra’s performance to that of prior periods for trend analyses and for budgeting and planning purposes.

All rights to the trademarks, copyrights, logos and other intellectual property listed herein belong to their respective owners and Astra’s use thereof does not imply an affiliation with, or endorsement by the owners of such trademarks, copyrights, logos and other intellectual property. Solely for convenience, trademarks and trade names referred to in this Presentation may appear with the ® or ™ symbols, but such references are not intended to indicate, in any way, that such names and logos are trademarks or registered trademarks of Astra.

This Presentation accompanies Astra’s earnings call for the second quarter 2023, which was held on August 14, 2023, and is intended to assist in understanding information Astra’s management discussed in that call. This Presentation should be viewed in conjunction with the August 14, 2023, earnings call, a replay of which is available on Astra’s website at www.astra.com, under Investors.

EXPLANATION OF NON-GAAP (OR ADJUSTED) FINANCIAL MEASURES

This press release includes information about Adjusted Gross Profit (Loss), Adjusted Net Loss and Adjusted EBITDA (collectively the “non-GAAP financial measures”), all of which are non-GAAP financial measures. These non-GAAP financial measures are measurements of financial performance that are not prepared in accordance with U.S. generally accepted accounting principles and computational methods may differ from those used by other companies. Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with Astra’s condensed consolidated financial statements prepared in accordance with GAAP. Non-GAAP financial measures are reconciled to their most comparable GAAP measures in the table set forth in this release.

We believe that both management and our investors benefit from referring to these non-GAAP financial measures in planning, forecasting and analyzing future periods. Specifically, our management uses these non-GAAP financial measures in planning, monitoring and evaluating our financial and operational decision making and as a means to evaluate period-to-period comparisons. Our management recognizes that the non-GAAP financial measures have inherent limitations because of the excluded items described below.

We believe that providing the non-GAAP financial measures, together with the reconciliation to GAAP measures, helps investors make comparisons between Astra and other companies in our industry. In making any comparisons to other companies in our industry, investors need to be aware that companies use different non-GAAP measures to evaluate their financial performance. Investors should pay close attention to the specific definition being used and to the reconciliation between such measure and the corresponding GAAP measure provided by each company under applicable SEC rules.

Adjusted Gross Profit (Loss) differs from GAAP Gross Profit (Loss) in that it excludes inventory adjustments related to Rocket 3.

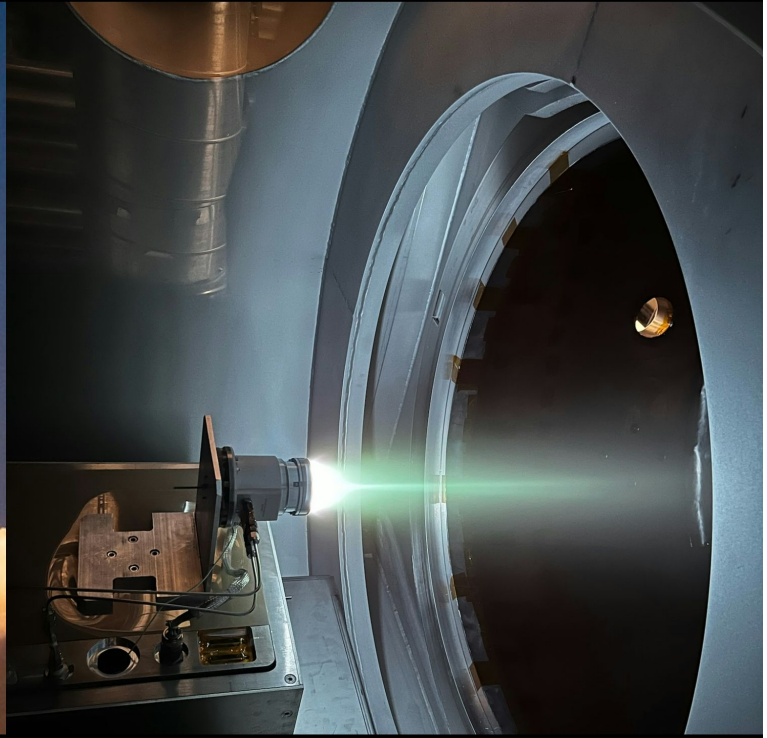
Adjusted Net Loss differs from GAAP Net Loss in that it excludes the following items: (a) stock-based compensation, (b) loss on change in fair value of contingent consideration, (c) cash earnout compensation cost related to the acquisition of Apollo Fusion, (d) inventory write-downs related to discontinuance of production of Launch System 1, (e) capitalized launch costs write-downs related to discontinuance of production of Launch System 1 (f) impairment charge, (g) employee retention credit, (h) PPP loan forgiveness, and (i) other special items, including related to Worker Adjustment and Retraining Notification (WARN), employee safety, licensed technology, and a contract cancellation.

We define Adjusted EBITDA as Adjusted Net Loss, excluding the following items: (a) interest expense and interest income, (b) income tax expense, (c) loss on marketable securities, and (d) depreciation and amortization. We are unable to predict with reasonable certainty the ultimate outcome of these exclusions without unreasonable effort.

OUR MISSION:
IMPROVE LIFE ON EARTH FROM
SPACE®



LAUNCH SERVICES



SPACE PRODUCTS

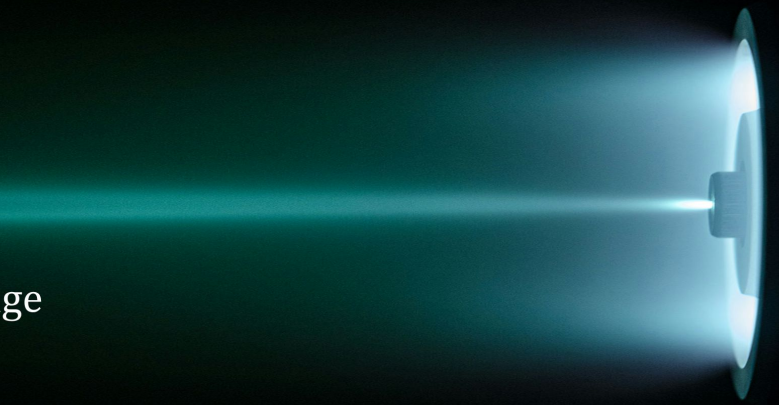
SPACE PRODUCTS



ASTRA SPACECRAFT ENGINE™

Flight-Proven Electric Propulsion Systems

- Scaling to serve constellations
- Currently at work on orbit
- Extensive on-orbit flight heritage





ORBIT RAISING



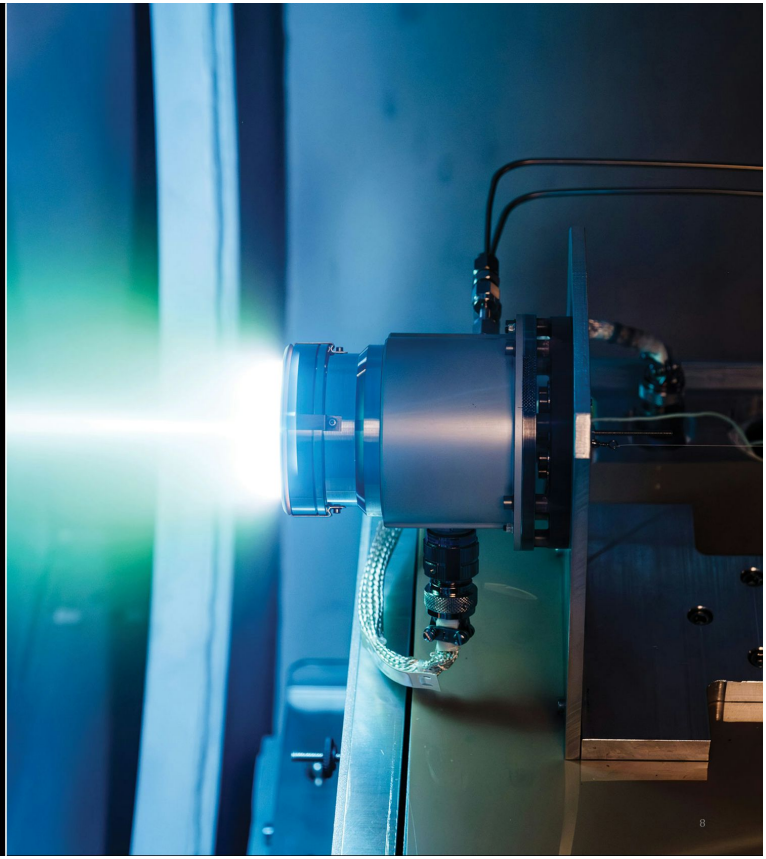
STATION
KEEPING



COLLISION AVOIDANCE



DE-ORBITING





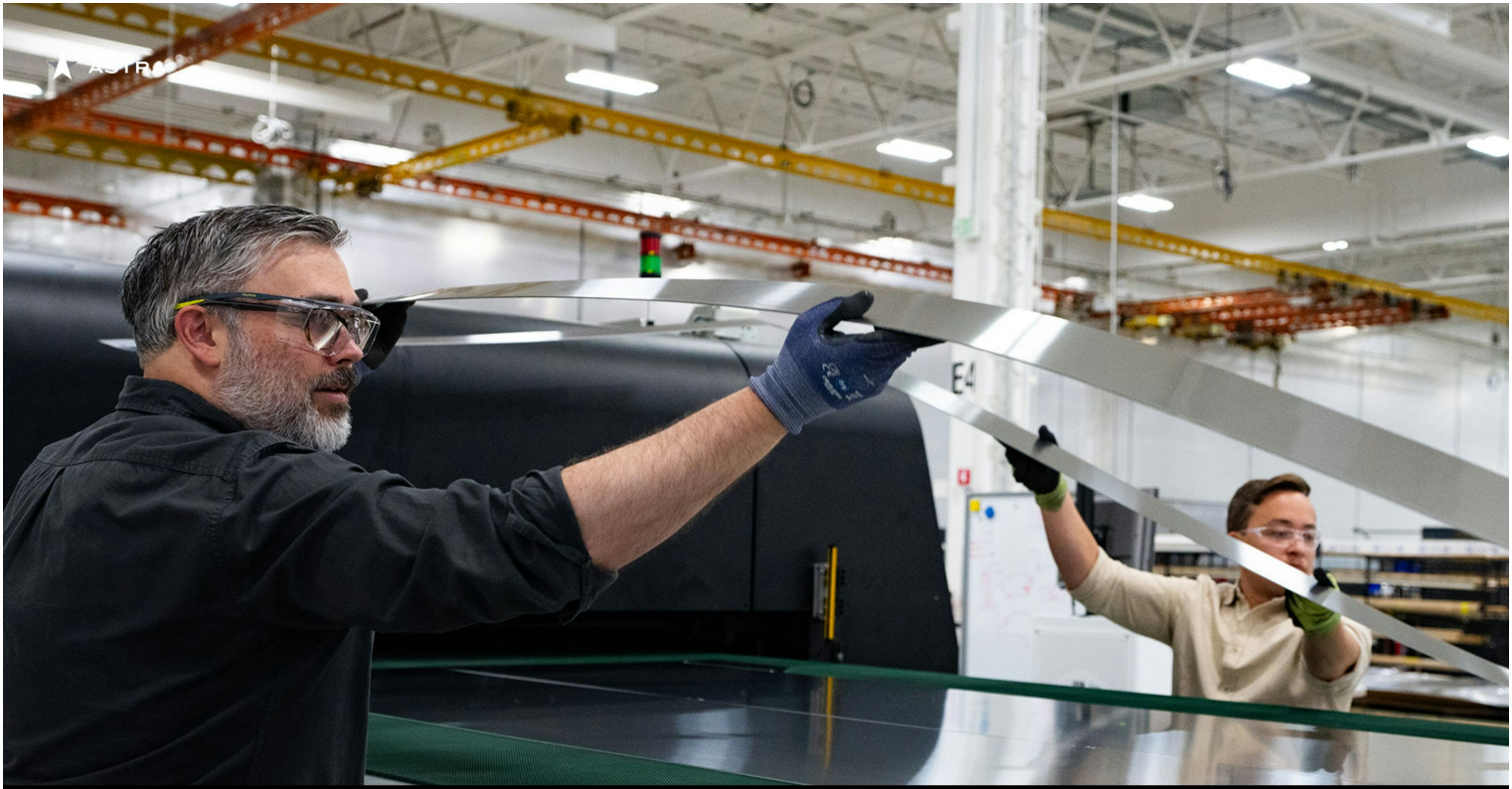
Astra Spacecraft Engine™ testing — Sunnyvale facility



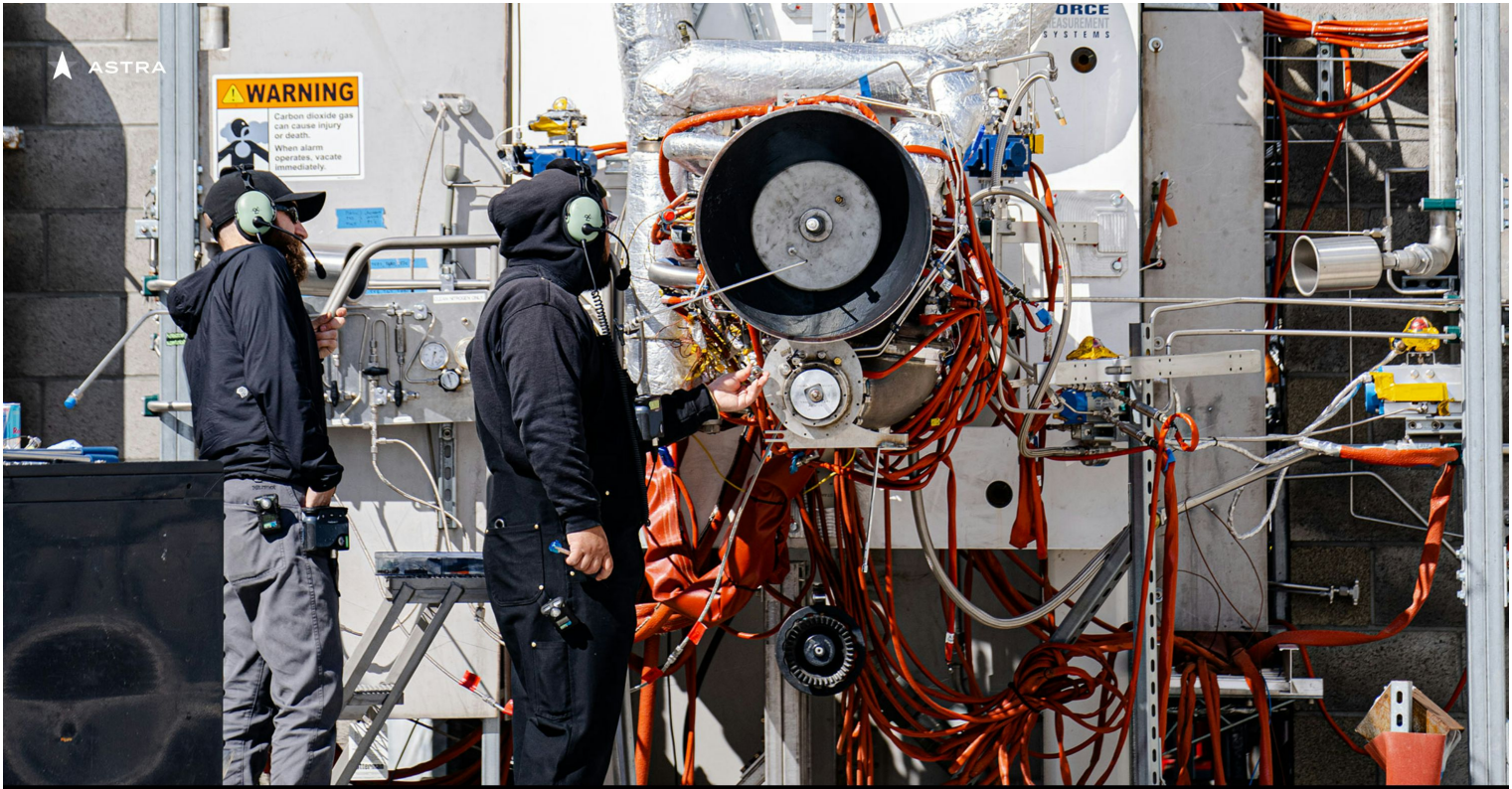
Astra Spacecraft Engine™ flight set delivery

LAUNCH SERVICES





Rocket 4 Production Line



Rocket 4 engine test stand

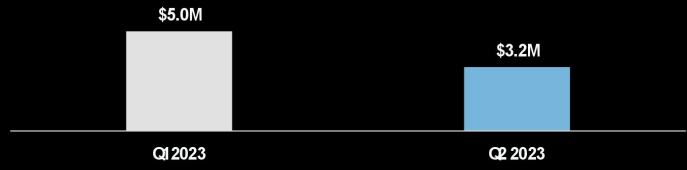


Rocket 4 circular TIG welder

KEY FINANCIAL METRICS | Q2 2023

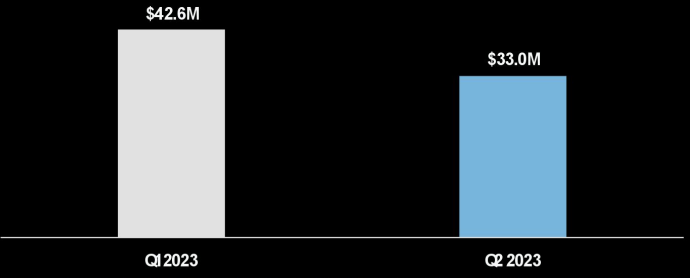


CAPITAL EXPENDITURES

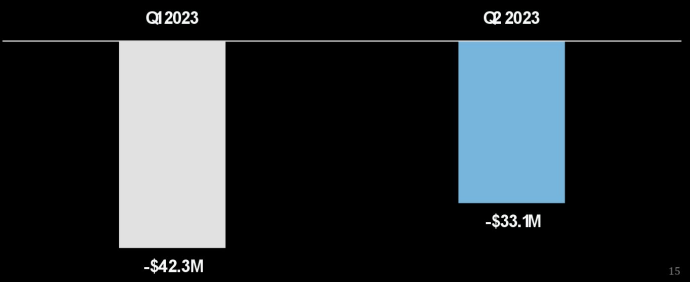


¹ Excludes non-cash items and non-recurring expenses

OPERATING EXPENSES (NON-GAAP)¹

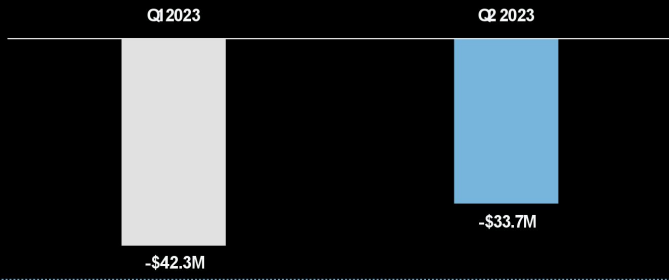


ADJUSTED EBITDA¹

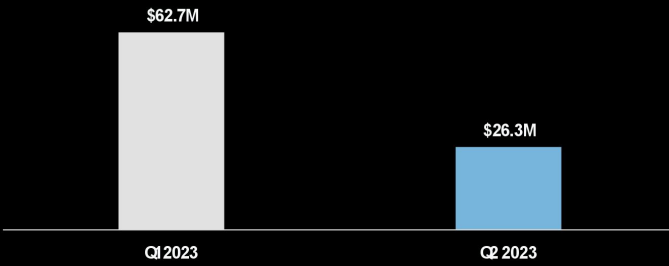


KEY FINANCIAL METRICS | Q2 2023

ADJUSTED NET INCOME (LOSS)¹

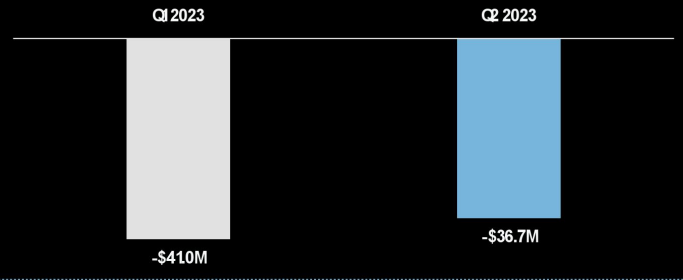


CASH, CASH EQUIVALENTS & MARKETABLE SECURITIES

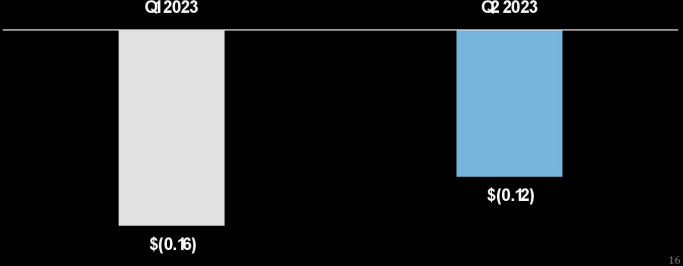


¹ Excludes non-cash items and non-recurring expenses

FREE CASH FLOW



ADJUSTED EPS¹



GAAP TO NON-GAAP RECONCILIATION | Q2 2023

Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures				
<i>(Unaudited, in thousands)</i>				
	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Revenues				
Launch services	\$ -	\$ 1,988	\$ -	\$ 5,899
Space products	707	694	707	694
Total revenues	707	2,682	707	6,593
Cost of revenues				
Launch services	-	17,179	-	28,193
Space products	388	266	388	266
Total cost of revenues	388	17,445	388	28,459
GAAP gross loss	\$ 319	\$ (14,763)	\$ 319	(21,866)
GAAP gross margin	45%	(550%)	45%	(332%)
Inventory write-downs	-	10,200	-	10,200
Deferred launch costs write downs	-	2,213	-	2,213
Adjusted gross profit (loss)	\$ 319	\$ (2,350)	\$ 319	\$ (9,453)
Adjusted gross margin	45%	(88%)	45%	(143%)
GAAP net loss	\$ (14,004)	\$ (82,303)	\$ (58,897)	\$ (168,016)
Stock-based compensation	(2,112)	12,791	3,216	29,832
(Gain) loss on change in fair value of contingent consideration	(16,625)	1,800	(19,390)	17,300
Apollo cash earnout compensation	-	1,242	-	2,575
Inventory write downs	-	10,200	-	10,200
Deferred launch costs write downs	-	2,213	-	2,213
Other special items	(967)	1,088	(1,185)	2,781
Adjusted net loss	\$ (33,708)	\$ (52,969)	\$ (76,256)	\$ (103,115)
Interest income	(384)	(356)	(1,714)	(530)
Accretion (amortization) of marketable securities	(679)	65	(679)	132
Depreciation and amortization	1,688	4,858	3,033	7,633
Adjusted EBITDA	\$ (33,083)	\$ (48,402)	\$ (75,616)	\$ (95,880)

