

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

March 7, 2023

Date of Report (date of earliest event reported)

Momentum Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

3901 N. First Street
San Jose, California

(Address of Principal Executive Offices)

001-39128

(Commission File Number)

84-1905538

(I.R.S. Employer Identification No.)

95134

(Zip Code)

(650) 564-7820

Registrant's telephone number, including area code

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 (see General Instruction A.2. below):

- 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(g) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|----------------------|-------------------|---|
| Class A common stock | MNTS | The Nasdaq Capital Market LLC |
| Warrants | MNTSW | The Nasdaq Capital Market LLC |

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.

Item 7.01 Regulation FD Disclosure.

The following information is provided pursuant to Item 7.01 of Form 8-K, "Regulation FD Disclosure" and Item 2.02 of Form 8-K, "Results of Operations and Financial Condition."

On March 7, 2023, Momentus Inc. (the "Company") issued a press release announcing its financial results for the fourth quarter and full year ended December 31, 2022. In addition, the Company will be using a slide presentation during its earnings conference call. Copies of the press release and slide presentation are furnished as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

This information and the information contained in Exhibits 99.1 and 99.2 are furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in any such filing, regardless of any general incorporation language in the filing.

The Company does not have, and expressly disclaims, any obligation to release publicly any updates or any changes in its expectations or any change in events, conditions, or circumstances on which any forward-looking statement is based.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit Number</u> | <u>Exhibit Description</u> |
|-----------------------|--|
| 99.1 | Press Release, dated March 7, 2023, issued by Momentus Inc. |
| 99.2 | Momentus Inc. Investor Presentation, dated March 7, 2023 |
| 104 | Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101) |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: March 7, 2023

By: /s/Dennis Mahoney
Name: Dennis Mahoney
Title: Interim Chief Financial Officer



Momentum Inc. Announces Fourth Quarter and Full Year 2022 Financial Results

SAN JOSE, CA – March 7, 2023 – Momentum Inc. (NASDAQ: MNTS) (“Momentum” or the “Company”), a U.S. commercial space company that offers transportation and other in-space infrastructure services, today announced its financial results for the fourth quarter and full year ended December 31, 2022.

John Rood, Momentum Chief Executive Officer, said, “Momentum took great strides in 2022 and so far in 2023 toward our goal of being one of the market leaders in in-space transportation and infrastructure services. We are one of a select number of companies that have launched orbital service vehicles into space to serve this market. We have made significant progress on our technology development, conducting the first launch of our Vigoride Orbital Service Vehicle in May 2022 and our second Vigoride launch in January 2023, which is a mission that remains underway. We deployed our first eight customer satellites in orbit. We have recruited a highly experienced group of leaders for our engineering, technology, program management, manufacturing, and supply chain organizations that we believe gives us a competitive edge over our peer group.”

Rood went on to say, “We see multiple opportunities for growth. We recently signed new and repeat commercial customers and are seeing increased interest in our services. We have begun to focus on growing our government business and are delighted that NASA contracted with us to fly two satellites on our next launch targeted for April 2023 on an important mission to study spacecraft interactions with the upper atmosphere. Finally, we’re excited about the significant interest we are seeing from U.S. Defense Department organizations in our capabilities and expect to be very competitive in winning contracts in this area.”

The space economy continues to experience significant growth. The number of small satellites launched continues to grow to historic highs and new regulations put in place by the Federal Communications Commission (FCC) requiring the de-orbit of satellites in Low Earth Orbit has combined to create a very favorable demand outlook for the services we provide.

Momentum is eager to play a key role in the vibrant and growing space economy and we look forward to showing more progress in 2023.

Fourth Quarter 2022 Business Highlights:

- Applied lessons learned from the company’s inaugural mission with Vigoride 3 to the next generation Vigoride 5 Orbital Service Vehicle (OSV).
- Completed thermal vacuum testing of Vigoride 5, concluding its rigorous environmental testing campaign.
- Integrated all customer satellites onto Vigoride 5, shipped Vigoride 5 to launch site, and completed all on-base preparation for launch including integration onto the SpaceX Falcon-9 launch vehicle.
- On January 3, 2023, subsequent to the close of the fourth quarter, Momentum launched Vigoride 5 to space onboard the SpaceX Transporter-6 mission from Cape Canaveral, Florida.
- Established communications with Vigoride 5 on its first orbital pass, deployed solar arrays, generated power nominally, commissioned the vehicle’s attitude determination system, and pressurized its propulsion system in anticipation of firing the Microwave Electrothermal Thruster.
- Signed transportation contracts with new customer CONTEC, new customer Australian Research Council Training Centre for CubeSats, Uncrewed Aerial Vehicles, and their Applications (CUAVA), repeat customer FOSSA Systems, and another repeat customer that wishes to remain anonymous.
- Subsequent to the close of the fourth quarter, completed assembly, customer integration and ground-testing of Vigoride 6, the next spacecraft that the company plans to launch on the Transporter-7 mission, which SpaceX is targeting for April 2023. Completed the Vigoride 6 Flight Readiness Review and shipped the vehicle to its launch site at Vandenberg Space Force Base in California where it has been integrated onto a SpaceX launch vehicle.

- Continued to implement the previously-announced cash-reduction plan and took steps to further extend Momentus' cash runway.
- Subsequent to the close of the quarter, reached agreement in principle to settle certain securities class action lawsuits. Under the settlement, Momentus would pay \$8.5 million to the plaintiffs, at least \$4 million of which is expected to be funded by insurance proceeds.
- Subsequent to the close of the quarter, issued \$10 million in stock and warrants to an institutional investor through a registered direct offering. The infusion of capital combined with the retirement of legacy challenges from the period before Momentus became a public company in August 2021, enables the Company to focus on future growth.

Conference Call Information

Momentus Inc. will host a conference call to discuss its financial results today, at 5:00 p.m. Eastern Time (2:00 p.m. Pacific Time). To access the conference call, participants should dial +1 (800) 715-9871 and enter the conference ID number 2057180. International participants should dial +1 (646) 307-1963. The live audio webcast along with supplemental information will be accessible on the Company's Investor Relations website at <https://investors.momentus.space/events-and-presentations>. A recording of the webcast will also be available following the conference call.

About Momentus Inc.

Momentus is a U.S. commercial space company that offers in-space infrastructure services, including in-space transportation, hosted payloads and in-orbit services. Momentus believes it can make new ways of operating in space possible with its planned in-space transfer and service vehicles that will be powered by an innovative water plasma-based propulsion system that is under development.

Forward-Looking Statements

This press release contains certain statements which may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements regarding Momentus or its management team's expectations, hopes, beliefs, intentions or strategies regarding the future, projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, and are not guarantees of future performance. The words "may," "will," "anticipate," "believe," "expect," "continue," "could," "estimate," "future," "expect," "intends," "may," "might," "plan," "possible," "potential," "aim," "strive," "predict," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions.

Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of Momentus' control. Many factors could cause actual future events to differ materially from the forward-looking statements in this press release, including but not limited to: the ability of the Company to obtain licenses and government approvals for its missions, which are essential to its operations; the ability of the Company to effectively market and sell satellite transport services and planned in-orbit services; the ability of the Company to protect its intellectual property and trade secrets; the development of markets for satellite transport and in-orbit services; the ability of the Company to develop, test and validate its technology, including its water plasma propulsion technology; delays or impediments that the Company may face in the development, manufacture and deployment of next generation satellite transport systems; the ability of the Company to convert backlog or inbound inquiries into revenue; changes in applicable laws or regulations and extensive and evolving government regulations that impact operations and business, including export control license requirements; the ability to attract or maintain a qualified workforce with the required security clearances and requisite skills; product service or product or launch failures or delays that could lead customers to use competitors' services; investigations, claims, disputes, enforcement actions, litigation and/or other regulatory or legal proceedings; the effects of the COVID-19 pandemic on the Company's business; the Company's ability to comply with the terms of its National Security Agreement and any related compliance measures instituted by the director who was approved by the CFIUS Monitoring Agencies (the "Security Director"); the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; and/or other risks and uncertainties. These are only some of the factors that may affect the forward-looking

statements contained in this press release. For a discussion identifying additional important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, see the company's filings with the U.S. Securities and Exchange Commission including, but not limited to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. The company's filings may be accessed through the Investor Relations page of its website, investors.momentum.space, or through the website maintained by the SEC at www.sec.gov. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and, except as required by law, the Company assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.

Fiscal Year 2022 Financial Results

MOMENTUS INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share data)

| | Three Months Ended December 31, | | Year Ended December 31, | |
|--|------------------------------------|------------|----------------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| Service revenue ¹ | \$ 120 | \$ — | \$ 299 | \$ 330 |
| Cost of (reversal of) revenue ² (exclusive of items shown separately below) | — | — | 26 | (135) |
| Gross profit | 120 | — | 273 | 465 |
| Operating expenses: | | | | |
| Research and development expenses | 10,283 | 11,574 | 41,721 | 51,321 |
| Selling, general and administrative expenses | 10,929 | 13,103 | 49,827 | 48,905 |
| Total operating expenses | 21,212 | 24,677 | 91,548 | 100,226 |
| Loss from operations | (21,092) | (24,677) | (91,275) | (99,761) |
| Other income (expense): | | | | |
| Decrease (increase) in fair value of SAFE notes | — | — | — | 209,291 |
| Decrease (increase) in fair value of warrants | 1,803 | 27,505 | 5,185 | 37,330 |
| Realized loss on disposal of asset | (54) | (17) | (168) | (17) |
| Interest income | 489 | — | 522 | 2 |
| Interest expense | (1,096) | (5,544) | (5,262) | (14,229) |
| SEC settlement | — | — | — | (7,000) |
| Litigation settlement, net | (4,500) | — | (4,500) | — |
| Other income (expense) ³ | 10 | 5 | 54 | (4,960) |
| Total other income | (3,348) | 21,949 | (4,169) | 220,417 |
| (Loss) income before income taxes | (24,440) | (2,728) | (95,444) | 120,656 |
| Income tax provision | — | 1 | — | 2 |
| Net (loss) income | \$ (24,440) | \$ (2,729) | \$ (95,444) | \$ 120,654 |
| Net (loss) income per share, basic | \$ (0.30) | \$ (0.03) | \$ (1.17) | \$ 1.85 |
| Net (loss) income per share, fully diluted | \$ (0.30) | \$ (0.03) | \$ (1.17) | \$ 1.70 |
| Weighted average shares outstanding, basic | 82,805,352 | 79,429,672 | 81,546,648 | 65,177,873 |
| Weighted average shares outstanding, fully diluted | 82,805,352 | 79,429,672 | 81,546,648 | 70,918,777 |

1 - Prior year revenue recognized related to the cancellation of customer contracts, resulting in the forfeiture of customer deposits

2 - The reduction of cost of revenue represents the reversal of a contingency recorded during the prior year for loss contracts related to free slots on future missions. During the prior year ended December 31, 2021, the Company signed amendments or terminations with those customers such that the services will no longer be free of charge. The reversed contingency was offset by costs incurred related to one of the cancelled contracts.

3 - Other expenses during the year ended December 31, 2021 were due to the transaction costs allocated to the liability-classified warrant assumed in connection with the Business Combination.

MOMENTUS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

| | December 31, 2022 | December 31, 2021 |
|---|----------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 61,094 | \$ 160,036 |
| Restricted cash, current | 1,007 | 197 |
| Insurance receivable | 4,000 | — |
| Prepaids and other current assets | 10,173 | 9,431 |
| Total current assets | 76,274 | 169,664 |
| Property, machinery and equipment, net | 4,016 | 4,829 |
| Intangible assets, net | 337 | 349 |
| Operating right-of-use asset | 6,441 | 7,604 |
| Deferred offering costs | 331 | — |
| Restricted cash, non-current | 312 | 314 |
| Other non-current assets | 4,712 | 3,065 |
| Total assets | \$ 92,423 | \$ 185,825 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Accounts payable | 2,239 | 1,911 |
| Accrued expenses | 8,026 | 9,785 |
| Loan payable, current | 11,627 | 20,907 |
| Contract liabilities, current | 1,654 | — |
| Operating lease liability, current | 1,153 | 1,189 |
| Stock repurchase liability | 10,000 | — |
| Litigation settlement contingency | 8,500 | — |
| Other current liabilities | 27 | 5,075 |
| Total current liabilities | 43,226 | 38,867 |
| Contract liabilities, non-current | 1,026 | 1,554 |
| Loan Payable, non-current | 2,404 | — |
| Warrant liability | 564 | 5,749 |
| Operating lease liability, non-current | 6,131 | 7,284 |
| Other non-current liabilities | 465 | 483 |
| Total non-current liabilities | 10,590 | 15,070 |
| Total liabilities | 53,816 | 53,937 |
| Commitment and Contingencies (Note 12) | | |
| Shareholders' equity: | | |
| Common stock, \$0.00001 par value; 250,000,000 shares authorized and 84,441,153 issued and outstanding as of December 31, 2022; 250,000,000 shares authorized and 81,211,781 issued and outstanding as of December 31, 2021 | 1 | 1 |
| Additional paid-in capital | 342,733 | 340,570 |
| Accumulated deficit | (304,127) | (208,683) |
| Total shareholders' equity | 38,607 | 131,888 |
| Total liabilities and shareholders' equity | \$ 92,423 | \$ 185,825 |

MOMENTUS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

| | Year Ended December 31, | |
|--|----------------------------|-------------------|
| | 2022 | 2021 |
| Cash flows from operating activities: | | |
| Net (loss) income | \$ (95,444) | \$ 120,654 |
| Adjustments to reconcile net (loss) income to net cash used in operating activities: | | |
| Depreciation and amortization | 1,090 | 1,092 |
| Amortization of debt discount and issuance costs | 2,690 | 11,729 |
| Amortization of right-of-use asset | 1,163 | 1,285 |
| Decrease in fair value of warrants | (5,185) | (37,330) |
| Decrease in fair value of SAFE notes | — | (209,291) |
| Impairment of prepaid launch costs | — | 9,450 |
| Litigation settlement, net | 4,500 | — |
| Loss on disposal of fixed and intangible assets | 168 | 17 |
| Stock-based compensation expense | 11,580 | 18,452 |
| Changes in operating assets and liabilities: | | |
| Prepays and other current assets | (2,206) | (14,373) |
| Other non-current assets | (147) | (325) |
| Accounts payable | 373 | 1,562 |
| Accrued expenses | (1,540) | 7,042 |
| Accrued interest | 131 | — |
| Other current liabilities | (5,020) | 4,810 |
| Contract liabilities | 1,126 | (1,071) |
| Lease liability | (1,189) | (426) |
| Other non-current liabilities | 23 | 11 |
| Net cash used in operating activities | (87,887) | (86,712) |
| Cash flows from investing activities: | | |
| Purchases of property, machinery and equipment | (583) | (2,972) |
| Proceeds from sale of property, machinery and equipment | 34 | — |
| Purchases of intangible assets | (184) | (118) |
| Net cash used in investing activities | (733) | (3,090) |
| Cash flows from financing activities: | | |
| Proceeds from issuance of SAFE notes | — | 30,853 |
| Proceeds from issuance of loan payable | — | 25,000 |
| Proceeds from exercise of stock options | 574 | 336 |
| Proceeds from employee stock purchase plan | 271 | — |
| Repurchase of Section 16 Officer shares for tax coverage exchange | (331) | (151) |
| Payment of loan payable | (9,697) | (1,500) |
| Payment of debt issuance costs | — | (144) |
| Payment of warrant issuance costs | — | (31) |
| Payment of deferred offering costs | (331) | — |
| Payment for repurchase of common shares | — | (40,000) |
| Proceeds from issuance of common shares in PIPE | — | 110,000 |
| Payments of issuances costs related to PIPE | — | (4,416) |
| Proceeds from issuance of common stock upon Business Combination | — | 128,167 |
| Payments for issuance costs related to Business Combination | — | (21,285) |
| Net cash (used in) provided by financing activities | (9,514) | 226,829 |
| (Decrease) Increase in cash, cash equivalents and restricted cash | (98,134) | 137,027 |
| Cash, cash equivalents and restricted cash, beginning of period | 160,547 | 23,520 |
| Cash, cash equivalents and restricted cash, end of period | \$ 62,413 | \$ 160,547 |
| Supplemental disclosure of non-cash investing and financing activities | | |
| Issuance of common stock related to conversion of SAFE notes | \$ — | \$ 136,001 |
| Issuance of common stock related to exercise of warrant liabilities | \$ — | \$ 6,999 |
| Reclassification of deferred offering costs | \$ — | \$ 2,610 |
| Assumption of merger warrants liability | \$ — | \$ 31,225 |
| Operating lease right-of-use assets in exchange for lease obligations | \$ — | \$ 8,501 |
| Stock repurchase liability fair value | \$ 10,000 | \$ — |
| Supplemental disclosure of cash flow information | | |
| Cash paid for income taxes | \$ — | \$ 1 |
| Cash paid for interest | \$ 2,440 | \$ 2,500 |

Reclassifications

Certain reclassifications have been made to the prior year's financial statements to conform to the current year's presentation. None of the reclassifications have changed the total assets, liabilities, shareholders' deficit, income, expenses or net losses previously reported.

Use of Non-GAAP Financial Measures (unaudited)

This press release references certain non-GAAP financial measures, including adjusted EBITDA, non-GAAP selling, general, and administrative expense and non-GAAP research and development expense. The Company defines adjusted EBITDA as earnings before interest expense, taxes, depreciation and amortization, stock-based compensation, and certain other items the Company believes are not indicative of its core operating performance. The Company defines non-GAAP selling, general, and administrative expenses and research and development expenses as those respective GAAP amounts, excluding stock-based compensation and non-recurring items not indicative of core operating performance. None of these non-GAAP financial measures is a substitute for or superior to measures of financial performance prepared in accordance with generally accepted accounting principles in the United States (GAAP) and should not be considered as an alternative to any other performance measures derived in accordance with GAAP.

The Company believes that presenting these non-GAAP financial measures provides useful supplemental information to investors about the Company that is helpful in understanding and evaluating its operating results, enhancing the overall understanding of its past performance and future prospects, and allowing for greater transparency with respect to key financial metrics used by its management in financial and operational-decision making. However, there are a number of limitations related to the use of non-GAAP measures and their nearest GAAP equivalents. For example, other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore any non-GAAP measures the Company uses may not be directly comparable to similarly titled measures of other companies.

Full year adjusted EBITDA

A reconciliation of adjusted EBITDA to net loss for the years ended December 31, 2022 and December 31, 2021 is set forth below:

| (in thousands) | Year Ended December 31, | |
|---|-------------------------|--------------------|
| | 2022 | 2021 |
| Net Income (Loss) | \$ (95,444) | \$ 120,654 |
| Income tax expense | — | 2 |
| Interest income | (522) | (2) |
| Interest expense | 5,262 | 14,229 |
| Depreciation & amortization | 1,090 | 1,092 |
| EBITDA | (89,614) | 135,975 |
| (Decrease) increase in fair value of SAFE notes | — | (209,291) |
| (Decrease) increase in fair value of warrants | (5,185) | (37,330) |
| Realized loss on disposal of assets | 168 | 17 |
| SEC settlement | — | 7,000 |
| Litigation settlement, net | 4,500 | — |
| Transaction costs allocated to warrant liability | — | 4,780 |
| Investment banking fees related to SAFE financing | — | 175 |
| Prepaid launch deposit impairment | — | 9,450 |
| SEC and CFIUS legal expenses | 1,740 | 10,038 |
| Reduction in SEC and CFIUS legal expenses due to fee dispute resolution | — | (2,551) |
| Class action litigation legal expenses | 2,659 | 852 |
| Other non-recurring litigation legal expense | 1,736 | — |
| SEC compliance costs | 2,268 | 1,073 |
| NSA compliance costs | 2,530 | 1,835 |
| Severance and other non-recurring expenses | 421 | 136 |
| Stock-based compensation | 11,580 | 18,452 |
| Adjusted EBITDA | \$ (67,197) | \$ (59,389) |

A reconciliation of selling, general, and administrative expenses to non-GAAP selling, general, and administrative expenses for the years ended December 31, 2022 and December 31, 2021 is set forth below:

| <i>(in thousands)</i> | Year Ended December 31, | |
|---|-------------------------|-----------|
| | 2022 | 2021 |
| Selling, general, and administrative expenses | \$ 49,827 | \$ 48,905 |
| Stock-based compensation | 9,446 | 16,111 |
| SEC and CFIUS legal expenses | 1,740 | 10,038 |
| Reduction in SEC and CFIUS legal expenses due to fee dispute resolution | — | (2,551) |
| Class action litigation legal expenses | 2,659 | 852 |
| Other non-recurring litigation legal expense | 1,736 | — |
| SEC compliance costs | 2,268 | 1,073 |
| NSA compliance costs | 2,530 | 1,835 |
| Severance and other non-recurring expenses | 155 | 63 |
| Non-GAAP selling, general, administration expenses | \$ 29,293 | \$ 21,484 |

A reconciliation of research and development expenses to non-GAAP research and development expenses for the years ended December 31, 2022 and December 31, 2021 is set forth below:

| <i>(in thousands)</i> | Year Ended December 31, | |
|--|-------------------------|-----------|
| | 2022 | 2021 |
| Research and development expenses | \$ 41,721 | \$ 51,321 |
| Prepaid launch deposit impairment | — | 9,450 |
| Stock-based compensation | 2,134 | 2,341 |
| Severance and other non-recurring expenses | 388 | 74 |
| Non-GAAP Research and development expenses | \$ 39,199 | \$ 39,456 |

Quarterly adjusted EBITDA

A reconciliation of adjusted EBITDA to net loss for the three months ended December 31, 2022, December 31, 2021, and September 30, 2022, is set forth below:

| (in thousands) | Three Months Ended | | |
|---|--------------------|-------------------|--------------------|
| | December 31, 2022 | December 31, 2021 | September 30, 2022 |
| Net Income (Loss) | \$ (24,440) | \$ (2,729) | \$ (21,298) |
| Income tax expense | — | 1 | — |
| Interest income | (489) | — | (28) |
| Interest expense | 1,096 | 5,544 | 1,261 |
| Depreciation & amortization | 259 | 324 | 253 |
| EBITDA | (23,574) | 3,140 | (19,812) |
| (Decrease) increase in fair value of warrants | (1,803) | (27,505) | (1,579) |
| Realized loss on disposal of assets | 54 | 17 | 45 |
| Litigation settlement, net | 4,500 | — | — |
| SEC and CFIUS legal expenses | 161 | 464 | 279 |
| Reduction in SEC and CFIUS legal expenses due to fee dispute resolution | — | (2,551) | — |
| Class action litigation legal expenses | 755 | 797 | 621 |
| Other non-recurring litigation legal expense | 1,004 | — | 447 |
| SEC compliance costs | 76 | 1,073 | 20 |
| NSA compliance costs | 233 | 905 | 487 |
| Severance and other non-recurring expenses ¹ | — | (13) | 90 |
| Stock-based compensation | 3,044 | 7,265 | 3,289 |
| Adjusted EBITDA | \$ (15,550) | \$ (16,408) | \$ (16,113) |

1 - Loss contingencies for certain severance agreements were reversed when the Company determined they would not be signed and paid

A reconciliation of selling, general, and administrative expenses to non-GAAP selling, general, and administrative expenses for the three months ended December 31, 2022, December 31, 2021, and September 30, 2022, is set forth below:

| (in thousands) | Three Months Ended | | |
|---|--------------------|-------------------|--------------------|
| | December 31, 2022 | December 31, 2021 | September 30, 2022 |
| Selling, general, and administrative expenses | \$ 10,929 | \$ 13,103 | \$ 11,184 |
| Stock-based compensation | 2,534 | 5,109 | 2,552 |
| SEC and CFIUS legal expenses | 161 | 464 | 279 |
| Reduction in SEC and CFIUS legal expenses due to fee dispute resolution | — | (2,551) | — |
| Class action litigation legal expenses | 755 | 797 | 621 |
| Other non-recurring litigation legal expense | 1,004 | — | 447 |
| SEC compliance costs | 76 | 1,073 | 20 |
| NSA compliance costs | 233 | 905 | 487 |
| Severance and other non-recurring expenses ¹ | — | (13) | 52 |
| Non-GAAP selling, general, administration expenses | \$ 6,166 | \$ 7,318 | \$ 6,726 |

1 - Loss contingencies for certain severance agreements were reversed when the Company determined they would not be signed and paid

A reconciliation of research and development expenses to non-GAAP research and development expenses for the three months ended December 31, 2022, December 31, 2021, and September 30, 2022, is set forth below:

(in thousands)

| | Three Months Ended | | |
|--|--------------------|-------------------|--------------------|
| | December 31, 2022 | December 31, 2021 | September 30, 2022 |
| Research and development expenses | \$ 10,283 | \$ 11,574 | \$ 10,571 |
| Stock-based compensation | 510 | 2,156 | 737 |
| Severance and non-recurring expenses | — | — | 38 |
| Non-GAAP Research and development expenses | <u>\$ 9,773</u> | <u>\$ 9,418</u> | <u>\$ 9,796</u> |

1 - Loss contingencies for certain severance agreements were reversed when the Company determined they would not be signed and paid

For media inquiries:

press@momentus.space


For investor relations inquiries:

investors@momentus.space



Q4 2022 and FY 2022 Business and Financial Highlights

March 7, 2023

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Disclaimer and Cautionary Note Regarding Forward-Looking Statements and Non-GAAP Financial Measures

Forward-Looking Statements

This presentation contains certain statements which constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act of 1934. Forward-looking statements include, but are not limited to, statements regarding future financial results, future operations, future financial position, projected costs, objectives of management, and other statements regarding Momentus or its management team's expectations, hopes, beliefs, intentions or strategies regarding the future, projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, and are not guarantees of future performance. The words "may," "will," "anticipate," "believe," "expect," "continue," "could," "estimate," "future," "expect," "intends," "may," "might," "plan," "possible," "potential," "aim," "strive," "predict," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

Many factors could cause actual future events to differ materially from the forward-looking statements in this presentation, including but not limited to risks related to obtaining licenses and government approvals for our missions; delays or impediments in vehicle development, manufacture, test and deployment; the harsh and unpredictable environment of space in which our products operate; increased competition in our industry due in part to rapid technological development; delays or impediments in the development, manufacture and deployment of our vehicles; failure of our vehicles and components to operate as intended either due to 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 or other events that force us to cancel or reschedule launches; our ability to convert backlog or inbound inquiries into revenue; investigations, claims, disputes, enforcement actions, litigation and/or other regulatory or legal proceedings; the effects of the COVID-19 pandemic on our business; and the factors, risks and uncertainties. These are only some of the factors that may affect the forward-looking statements contained in this presentation. For a discussion identifying additional important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, see the company's filings with the U.S. Securities and Exchange Commission including, but not limited to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2022 and subsequent quarterly reports on Form 10-Q. The company's filings may be accessed through the Investor Relations page of its website, investors.momentus.space, or through the website maintained by the SEC at www.sec.gov. Forward-looking statements speak only as of the date they are made. There can be no assurance that we will achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Moreover, it is not possible for our management to predict all risks or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. You should read this presentation with the understanding that our actual results may be materially different from the plans, intentions and expectations disclosed in the forward-looking statements we make. Readers are cautioned not to put undue reliance on forward-looking statements, and, except as required by law, the Company assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.

The technology underlying our anticipated service offerings is still in the process of being developed, and has not been fully tested or validated in space. Our ability to execute on our business plan is dependent on the successful development and commercialization of our technologies. Development of space technologies is extremely complex, time consuming, and expensive, and there can be no assurance that our predicted theoretical and ground-based results will translate into operational space vehicles that operate within the parameters we expect, or at all.


Use of Non-GAAP Financial Measures

This presentation references certain non-GAAP financial measures, including adjusted EBITDA, non-GAAP selling, general, and administrative expense and non-GAAP research and development expense. Momentus defines adjusted EBITDA as earnings before interest expense, taxes, depreciation and amortization, stock-based compensation, and certain other items Momentus believes are not indicative of its core operating performance. Momentus defines non-GAAP selling, general, and administrative expenses and research and development expenses as those respective GAAP amounts, excluding stock-based compensation and non-recurring items not indicative of core operating performance. None of these non-GAAP financial measures is a substitute for or superior to measures of financial performance prepared in accordance with generally accepted accounting principles in the United States (GAAP) and should not be considered as an alternative to any other performance measures derived in accordance with GAAP.

Momentus believes that presenting these non-GAAP financial measures provides useful supplemental information to investors about Momentus that is helpful in understanding and evaluating its operating results, enhancing the overall understanding of its past performance and future prospects, and allowing for greater transparency with respect to key financial metrics used by its management in financial and operational-decision making. However, there are a number of limitations related to the use of non-GAAP measures and their nearest GAAP equivalents. For example, other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore any non-GAAP measures Momentus uses may not be directly comparable to similarly titled measures of other companies.




John Rood, CEO

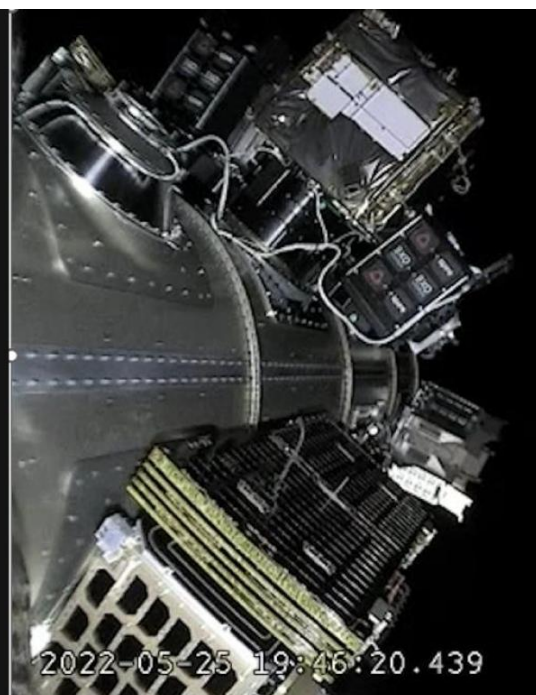
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Significant progress in 2022 and early 2023

- Flew inaugural mission on SpaceX Transporter-5 in May 2022.
 - Deployed eight customer satellites including seven from Vigoride 3 Orbital Service Vehicle and one from a third-party system.
- Launched second mission with Vigoride 5 in January 2023:
 - Spacecraft is undergoing commissioning operations and in good health.
- Completed Vigoride 6 assembly and test and are on track to launch in April:
 - Exhibiting strong learning relative to first two missions.
- Significantly improved Engineering and Operations capabilities.
- Made progress on new business:
 - Signed service agreements with new customers and repeat customers.
 - *Refocused sales efforts on gov't customers and large constellations.*
- Strengthened the company's finances:
 - Settled class action lawsuit.
 - Raised capital for stock repurchase obligation to founders.
- Reconstituted the org chart from top to bottom with seasoned senior leaders who bring decades of relevant experience to highly motivated and capable individual contributors with the right skillsets to achieve Momentus' vision.

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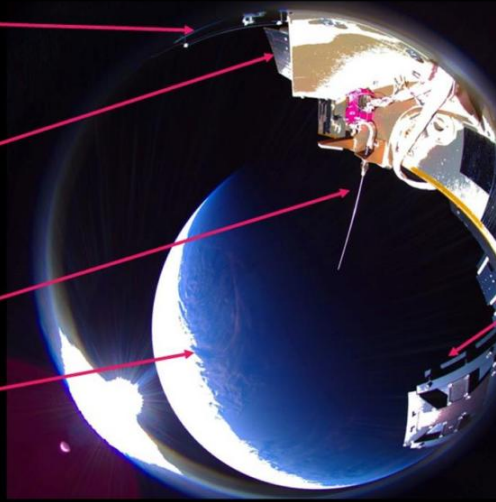
Vigoride 5 Mission Update

Edge of Caltech Payload

+Z Solar Array Fully Deployed

Pulse Beacon UHF Antenna

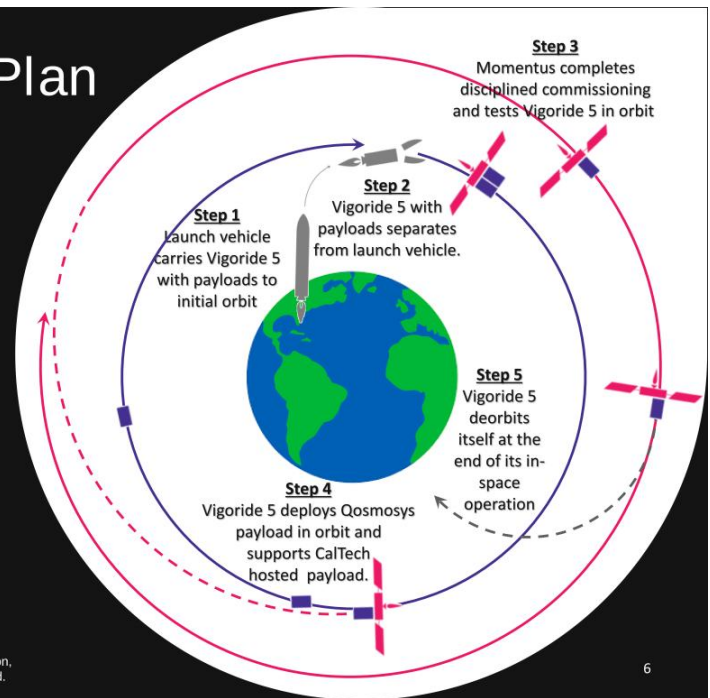
Norway



Deployer Doors 1, 3 & 4 are Open and Door 2 is Closed as Expected

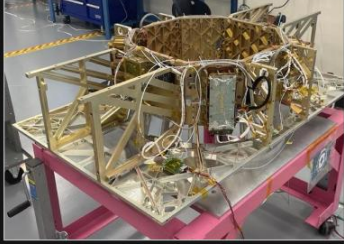
Vigoride 5 Mission Plan

- Primary goals of demonstration mission:
 - Test Vigoride on orbit,
 - Learn from any issues,
 - Incorporate lessons learned into future Vigorides.
- Sequence of events:
 - ✓ Travel on launch vehicle to sun-synchronous orbit at over 500 km altitude,
 - ✓ Separate from launch vehicle,
 - Complete disciplined commissioning (in-process),
 - Operate Vigoride in space through powered flight,
 - Deploy Qosmosys satellite, support Caltech hosted payload onboard, and
 - De-orbit Vigoride 5 at mission conclusion.



Vigride 6 Progress in Pictures

Vigride 6 assembly commences



Vigride 6 ready for vibe testing



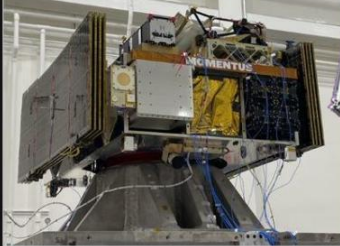
TASSA on Vigride 6 Upper Deck



Vigride 6 in the cleanroom



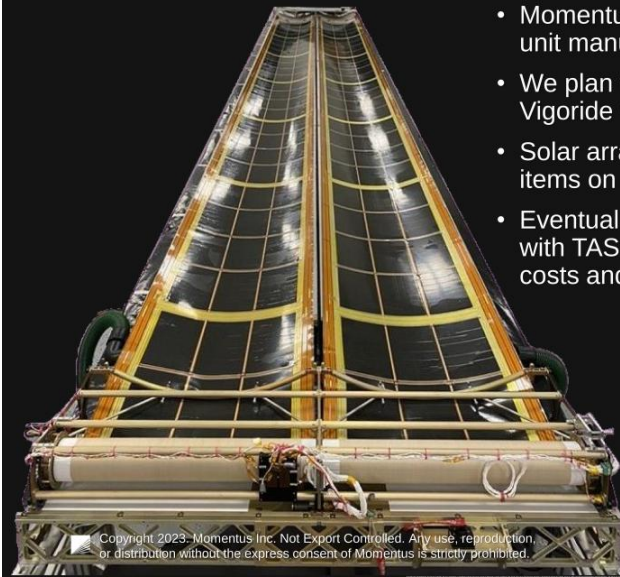
Vigride 6 on the vibe table



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Tape Spring Solar Array (TASSA) Demo Mission

- Momentus developed the TASSA concept to reduce Vigoride unit manufacturing costs and lead times.
- We plan to fly our first TASSA prototype on the upper deck of Vigoride 6 in April.
- Solar arrays are the costliest and longest lead component items on the Vigoride bill of materials.
- Eventual replacement of Vigoride's third-party solar array with TASSA could significantly reduce recurring production costs and lead time by several months.



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Rendezvous & Proximity Operations (RPO) Demo Mission

- We are developing a reusable version of Vigoride with the potential to reduce our manufacturing and launch costs.
- Vigoride Block 2.2, after completing its mission, moves to a decaying orbit and burns up in reentry. Follow-on missions require another Vigoride and another launch.
- A reusable Vigoride, after completing its mission, would rendezvous with and provide services to additional customer satellites, allowing Momentus to serve customers at lower cost.
- We plan to demonstrate the RPO capability that we need for reusability with Vigoride 7 in October 2023.
- Vigoride 7 will release a satellite and then maneuver closer and farther, and attempt to maintain relative distance to the satellite in space using its RPO sensor suite.
- In addition to reusability, RPO capability is also necessary to expand our menu of available services to include satellite de-orbiting, life-extension, refueling, maintenance and repair.

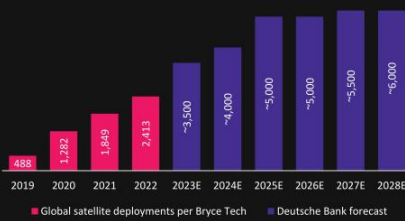
Commercial Highlights from Q4 and Early 2023

- Signed a contract with CONTEC Co. (South Korea) to provide space transportation services for the JINJUSat-1 CubeSat.
- Announced agreements with the Australian Research Council Training Centre for CubeSats, Uncrewed Aerial Vehicles, and their Applications (CUAVA), for the transportation of two CubeSats to low-Earth orbit.
- Signed contracts with FOSSA Systems (Spain) for the transportation of two satellites and one PocketPod deployer carrying eight satellites.



Momentum Market Opportunity

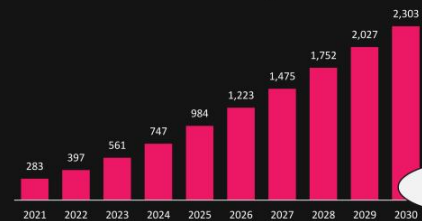
Historical and Forecasted Satellite Deployments



With satellite deployments ramping past 2,000/year, Deutsche Bank Research sees the in-space Transportation market ~doubling to:

~\$4B/year by CY25

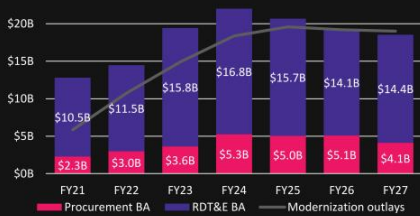
Momentum Satellite De-Orbiting Market Forecast



Momentum believes demand for life-extension and de-orbiting operations could approach 1,000/year or:

~\$500M/year by CY25

US Space Force Modernization Budget & Outlays



Future Years Defense Program implies Space Force modernization outlays could ~double to:

~\$20B/year by FY25

NASA Space Programs Budget Forecast



President's budget reflects steady growth for NASA space programs to:

~\$14B/year by FY25

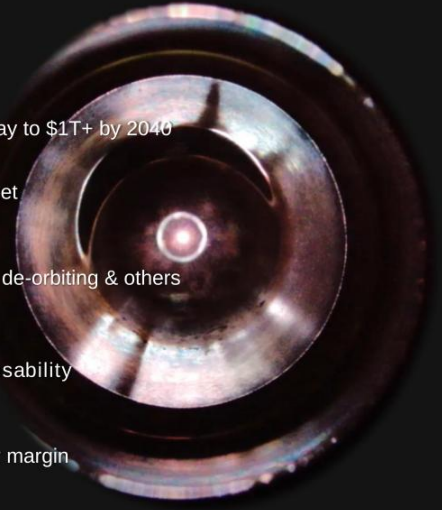
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Source: 1.) historical satellite deliveries per Bryce Technology, 2.) future satellite delivery forecast per Deutsche Bank Research, 3.) satellite de-orbiting market forecast per Momentum, 4.) US Space Force modernization budget/outlays per DoD Greenbook, 5.) NASA space programs budget per OMB.

Momentum Investment Thesis

MET Hot Fire Test


- Space transportation and infrastructure market is attractive
 - Cost to access space declining, number of satellites launched growing
 - Larger launch vehicles, competition, and satellite miniaturization
 - Regulatory environment favorable (new de-orbiting rule)
 - Morgan Stanley forecasts space economy will ~double from ~\$469B today to \$1T+ by 2040
- Momentum well-positioned to capture a key portion of this growing market
 - Few companies have built and launched Orbital Service Vehicles (OSV)
 - Momentum already offering in-space transportation & payload-hosting
 - Working on expanded menu of services: in-orbit maintenance, refueling, de-orbiting & others
 - Key capability advantages over competition
- Profitability should improve with scale, learning, capacity utilization, reusability
 - Production costs should decline
 - Revenue per mission should increase
 - De-orbiting and satellite servicing missions offer opportunities for greater margin
 - Longer-term, we expect a discrete margin boost from reusability
- Highly experienced and capable leadership team



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Dennis Mahoney, Interim CFO

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Q4 and 2022 Financial Highlights

- \$33 million backlog as of December 31, 2022.*
- Non-restricted cash and cash equivalents of \$61 million as of December 31, 2022.
- Approximately \$15 million term loan debt as of December 31, 2022.
- Recognized \$120 thousand in revenue, which included customer deposits and milestones payments.
- Q4 loss from operations was approximately \$21 million.
- Q4 Adjusted EBITDA was negative \$15.5 million, an improvement over Q3 of \$0.5 million.
- Adjusted EBITDA excludes stock-based compensation expense, certain legal matters, and net mark-to-market gains and losses on warrant liabilities, and other adjusting items.
- Refer to the Appendix of this presentation for reconciliation with equivalent GAAP financials.


* Backlog includes signed contracts spanning across 18 companies in 12 countries. Backlog contains firm orders as well as options, which allow customers to opt-in to launches on shorter notice without requiring a separate agreement. In general, our customers have the right to cancel their contracts with the understanding that they will forfeit their deposits. If a customer cancels a contract before it is required to pay non-refundable deposits, we may not receive revenue from these orders, except for an initial deposit which is paid at the time the contract is signed.



Thank you!



Appendix

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Q4 2022 and Full Year 2022 Income Statement



Fiscal Year 2022 Financial Results

MOMENTUS INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (in thousands, except share data)

| | Three Months Ended December 31, | | Year Ended December 31, | |
|--|------------------------------------|------------|----------------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| Service revenue ¹ | \$ 120 | \$ — | \$ 299 | \$ 330 |
| Cost of (reversal of) revenue ² (exclusive of items shown separately below) | — | — | 26 | (135) |
| Gross profit | 120 | — | 273 | 465 |
| Operating expenses: | | | | |
| Research and development expenses | 10,283 | 11,574 | 41,721 | 51,321 |
| Selling, general and administrative expenses | 10,929 | 13,103 | 49,827 | 48,905 |
| Total operating expenses | 21,212 | 24,677 | 91,548 | 100,226 |
| Loss from operations | (21,092) | (24,677) | (91,275) | (99,761) |
| Other income (expense): | | | | |
| Decrease (increase) in fair value of SAFE notes | — | — | — | 209,291 |
| Decrease (increase) in fair value of warrants | 1,803 | 27,505 | 5,185 | 37,330 |
| Realized loss on disposal of asset | (54) | (17) | (168) | (17) |
| Interest income | 489 | — | 522 | 2 |
| Interest expense | (1,096) | (5,544) | (5,262) | (14,229) |
| SEC settlement | — | — | — | (7,000) |
| Litigation settlement, net | (4,500) | — | (4,500) | — |
| Other income (expense) ³ | 10 | 5 | 54 | (4,960) |
| Total other income | (3,348) | 21,949 | (4,169) | 220,417 |
| (Loss) income before income taxes | (24,440) | (2,728) | (95,444) | 120,656 |
| Income tax provision | — | 1 | — | 2 |
| Net (loss) income | \$ (24,440) | \$ (2,729) | \$ (95,444) | \$ 120,654 |
| Net (loss) income per share, basic | \$ (0.30) | \$ (0.03) | \$ (1.17) | \$ 1.85 |
| Net (loss) income per share, fully diluted | \$ (0.30) | \$ (0.03) | \$ (1.17) | \$ 1.70 |
| Weighted average shares outstanding, basic | 82,805,352 | 79,429,672 | 81,546,648 | 65,177,873 |
| Weighted average shares outstanding, fully diluted | 82,805,352 | 79,429,672 | 81,546,648 | 70,918,777 |

1 - Prior year revenue recognized related to the cancellation of customer contracts, resulting in the forfeiture of customer deposits

2 - The reduction of cost of revenue represents the reversal of a contingency recorded during the prior year for loss contracts related to free slots on future missions. During the prior year ended December 31, 2021, the Company signed amendments or terminations with those customers such that the services will no longer be free of charge. The reversed contingency was offset by costs incurred related to one of the cancelled contracts.

3 - Other expenses during the year ended December 31, 2021 were due to the transaction costs allocated to the liability-classified warrant assumed in connection with the Business Combination.

December 2022 Balance Sheet



MOMENTUS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

| | December 31, 2022 | December 31, 2021 |
|---|----------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 61,094 | \$ 160,036 |
| Restricted cash, current | 1,007 | 197 |
| Insurance receivable | 4,000 | — |
| Prepays and other current assets | 10,173 | 9,431 |
| Total current assets | 76,274 | 169,664 |
| Property, machinery and equipment, net | 4,016 | 4,829 |
| Intangible assets, net | 337 | 349 |
| Operating right-of-use asset | 6,441 | 7,604 |
| Deferred offering costs | 331 | — |
| Restricted cash, non-current | 312 | 314 |
| Other non-current assets | 4,712 | 3,065 |
| Total assets | <u>\$ 92,423</u> | <u>\$ 185,825</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Accounts payable | 2,239 | 1,911 |
| Accrued expenses | 8,026 | 9,785 |
| Loan payable, current | 11,627 | 20,907 |
| Contract liabilities, current | 1,654 | — |
| Operating lease liability, current | 1,153 | 1,189 |
| Stock repurchase liability | 10,000 | — |
| Litigation settlement contingency | 8,500 | — |
| Other current liabilities | 27 | 5,075 |
| Total current liabilities | 43,226 | 38,867 |
| Contract liabilities, non-current | 1,026 | 1,554 |
| Loan Payable, non-current | 2,404 | — |
| Warrant liability | 564 | 5,749 |
| Operating lease liability, non-current | 6,131 | 7,284 |
| Other non-current liabilities | 465 | 483 |
| Total non-current liabilities | 10,590 | 15,070 |
| Total liabilities | 53,816 | 53,937 |
| Commitment and Contingencies (Note 12) | | |
| Shareholders' equity: | | |
| Common stock, \$0.00001 par value; 250,000,000 shares authorized and 84,441,153 issued and outstanding as of December 31, 2022; 250,000,000 shares authorized and 81,211,781 issued and outstanding as of December 31, 2021 | 1 | 1 |
| Additional paid-in capital | 342,733 | 340,570 |
| Accumulated deficit | (304,127) | (208,683) |
| Total shareholders' equity | 38,607 | 131,888 |
| Total liabilities and shareholders' equity | <u>\$ 92,423</u> | <u>\$ 185,825</u> |

CY 2022 Cash Flow Statement



MOMENTUS INC. CONSOLIDATED STATEMENTS OF CASH FLOWS (in thousands)

| | Year Ended | |
|--|-----------------|-----------------|
| | 2022 | 2021 |
| Cash flows from operating activities: | | |
| Net (loss) income | \$ (95,444) | \$ 120,654 |
| Adjustments to reconcile net (loss) income to net cash used in operating activities: | | |
| Depreciation and amortization | 1,090 | 1,092 |
| Amortization of debt discount and issuance costs | 2,690 | 11,229 |
| Amortization of right-of-use asset | 1,163 | 1,285 |
| Decrease in fair value of warrants | (5,185) | (372,500) |
| Impairment of prepaid launch costs | — | 9,450 |
| Litigation settlement, net | 4,500 | — |
| Loss on disposal of fixed and intangible assets | 168 | 17 |
| Stock-based compensation expense | 11,580 | 18,452 |
| Changes in operating assets and liabilities: | | |
| Prepays and other current assets | (2,206) | (14,373) |
| Other non-current assets | (147) | (525) |
| Accounts payable | 373 | 1,562 |
| Accrued expenses | (131) | 7,942 |
| Accrued interest | — | — |
| Other current liabilities | (5,020) | 4,810 |
| Contract liabilities | 1,126 | (1,071) |
| Lease liability | (1,189) | (426) |
| Other non-current liabilities | 23 | 11 |
| Net cash used in operating activities | (87,887) | (86,712) |
| Cash flows from investing activities: | | |
| Purchases of property, machinery and equipment | (583) | (2,972) |
| Proceeds from sale of property, machinery and equipment | 34 | — |
| Purchases of intangible assets | (184) | (118) |
| Net cash used in investing activities | (733) | (3,090) |
| Cash flows from financing activities: | | |
| Proceeds from issuance of SAFE notes | — | 30,853 |
| Proceeds from issuance of loan payable | — | 25,000 |
| Proceeds from exercise of stock options | 574 | 336 |
| Proceeds from employee stock purchase plan | 271 | — |
| Repurchase of Section 1a Officer shares for tax coverage exchange | (331) | (151) |
| Payment of loan payable | (9,697) | (1,500) |
| Payment of debt issuance costs | — | (144) |
| Payment of warrant issuance costs | — | (31) |
| Payment of deferred offering costs | (331) | — |
| Payment for repurchase of common shares | — | (40,000) |
| Proceeds from issuance of common shares in PIPE | — | 110,000 |
| Payments of issuance costs related to PIPE | — | (4,416) |
| Proceeds from issuance of common stock upon Business Combination | — | 128,167 |
| Payments for issuance costs related to Business Combination | — | (21,282) |
| Net cash (used in) provided by financing activities | (9,574) | 275,577 |
| (Decrease) Increase in cash, cash equivalents and restricted cash | (98,134) | 137,617 |
| Cash, cash equivalents and restricted cash, beginning of period | 166,547 | 23,520 |
| Cash, cash equivalents and restricted cash, end of period | \$ 62,413 | \$ 160,547 |
| Supplemental disclosure of non-cash investing and financing activities | | |
| Issuance of common stock related to conversion of SAFE notes | \$ — | \$ 136,001 |
| Issuance of common stock related to conversion of warrant liabilities | \$ — | \$ 6,999 |
| Reclassification of deferred offering costs | \$ — | \$ 7,610 |
| Assumption of merger warrants liability | \$ — | \$ 31,225 |
| Operating lease right-of-use assets in exchange for lease obligations | \$ — | \$ 8,501 |
| Stock repurchase liability fair value | \$ 10,000 | \$ — |
| Supplemental disclosure of cash flow information | | |
| Cash paid for income taxes | \$ — | \$ 1 |
| Cash paid for interest | \$ 2,440 | \$ 2,500 |

CY 2022 GAAP to Non-GAAP Reconciliations



Full year adjusted EBITDA

A reconciliation of adjusted EBITDA to net loss for the years ended December 31, 2022 and December 31, 2021 is set forth below:

| <i>(in thousands)</i> | Year Ended December 31, | |
|---|-------------------------|-------------|
| | 2022 | 2021 |
| Net Income (Loss) | \$ (95,444) | \$ 120,654 |
| Income tax expense | — | 2 |
| Interest income | (522) | (2) |
| Interest expense | 5,262 | 14,229 |
| Depreciation & amortization | 1,090 | 1,092 |
| EBITDA | (89,614) | 135,975 |
| (Decrease) increase in fair value of SAFE notes | — | (209,291) |
| (Decrease) increase in fair value of warrants | (5,185) | (37,330) |
| Realized loss on disposal of assets | 168 | 17 |
| SEC settlement | — | 7,000 |
| Litigation settlement, net | 4,500 | — |
| Transaction costs allocated to warrant liability | — | 4,780 |
| Investment banking fees related to SAFE financing | — | 175 |
| Prepaid launch deposit impairment | — | 9,450 |
| SEC and CFIUS legal expenses | 1,740 | 10,038 |
| Reduction in SEC and CFIUS legal expenses due to fee dispute resolution | — | (2,551) |
| Class action litigation legal expenses | 2,659 | 852 |
| Other non-recurring litigation legal expense | 1,736 | — |
| SEC compliance costs | 2,268 | 1,073 |
| NSA compliance costs | 2,530 | 1,835 |
| Severance and other non-recurring expenses | 421 | 136 |
| Stock-based compensation | 11,580 | 18,452 |
| Adjusted EBITDA | \$ (67,197) | \$ (59,389) |

CY 2022 GAAP to Non-GAAP Reconciliations



A reconciliation of selling, general, and administrative expenses to non-GAAP selling, general, and administrative expenses for the years ended December 31, 2022 and December 31, 2021 is set forth below:

| | Year Ended December 31, | |
|---|-------------------------|-----------|
| | 2022 | 2021 |
| <i>(in thousands)</i> | | |
| Selling, general, and administrative expenses | \$ 49,827 | \$ 48,905 |
| Stock-based compensation | 9,446 | 16,111 |
| SEC and CFIUS legal expenses | 1,740 | 10,038 |
| Reduction in SEC and CFIUS legal expenses due to fee dispute resolution | — | (2,551) |
| Class action litigation legal expenses | 2,659 | 852 |
| Other non-recurring litigation legal expense | 1,736 | — |
| SEC compliance costs | 2,268 | 1,073 |
| NSA compliance costs | 2,530 | 1,835 |
| Severance and other non-recurring expenses | 155 | 63 |
| Non-GAAP selling, general, administration expenses | \$ 29,293 | \$ 21,484 |

A reconciliation of research and development expenses to non-GAAP research and development expenses for the years ended December 31, 2022 and December 31, 2021 is set forth below:

| | Year Ended December 31, | |
|--|-------------------------|-----------|
| | 2022 | 2021 |
| <i>(in thousands)</i> | | |
| Research and development expenses | \$ 41,721 | \$ 51,321 |
| Prepaid launch deposit impairment | — | 9,450 |
| Stock-based compensation | 2,134 | 2,341 |
| Severance and other non-recurring expenses | 388 | 74 |
| Non-GAAP Research and development expenses | \$ 39,199 | \$ 39,456 |

Q4 2022 GAAP to Non-GAAP Reconciliations



Quarterly adjusted EBITDA

A reconciliation of adjusted EBITDA to net loss for the three months ended December 31, 2022, December 31, 2021, and September 30, 2022, is set forth below:

| (in thousands) | Three Months Ended | | |
|---|--------------------|-------------------|--------------------|
| | December 31, 2022 | December 31, 2021 | September 30, 2022 |
| Net Income (Loss) | \$ (24,440) | \$ (2,729) | \$ (21,298) |
| Income tax expense | — | 1 | — |
| Interest income | (489) | — | (28) |
| Interest expense | 1,096 | 5,544 | 1,261 |
| Depreciation & amortization | 259 | 324 | 253 |
| EBITDA | (23,573) | 3,140 | (19,812) |
| (Decrease) increase in fair value of warrants | (1,803) | (27,505) | (1,579) |
| Realized loss on disposal of assets | 54 | 17 | 45 |
| Litigation settlement, net | 4,500 | — | — |
| SEC and CFILUS legal expenses | 161 | 464 | 279 |
| Reduction in SEC and CFILUS legal expenses due to fee dispute | — | (2,551) | — |
| Class action litigation legal expenses | 755 | 797 | 621 |
| Other non-recurring litigation legal expense | 1,004 | — | 447 |
| SEC compliance costs | 76 | 1,073 | 20 |
| NSA compliance costs | 233 | 905 | 487 |
| Severance and other non-recurring expenses ¹ | — | (13) | 90 |
| Stock-based compensation | 3,044 | 7,265 | 3,289 |
| Adjusted EBITDA | \$ (15,549) | \$ (16,408) | \$ (16,113) |

¹ - Loss contingencies for certain severance agreements were reversed when the Company determined they would not be signed and paid

Q4 2022 GAAP to Non-GAAP Reconciliations



A reconciliation of selling, general, and administrative expenses to non-GAAP selling, general, and administrative expenses for the three months ended December 31, 2022, December 31, 2021, and September 30, 2022, is set forth below:

| <i>(in thousands)</i> | Three Months Ended | | |
|---|--------------------|-------------------|--------------------|
| | December 31, 2022 | December 31, 2021 | September 30, 2022 |
| Selling, general, and administrative expenses | \$ 10,929 | \$ 13,103 | \$ 11,184 |
| Stock-based compensation | 2,534 | 5,109 | 2,552 |
| SEC and CFUS legal expenses | 161 | 464 | 279 |
| Class action litigation legal expenses | 755 | 797 | 621 |
| Other non-recurring litigation legal expense | 1,004 | — | 447 |
| SEC compliance costs | 76 | 1,073 | 20 |
| NSA compliance costs | 233 | 905 | 487 |
| Severance and other non-recurring expenses ¹ | — | (13) | 52 |
| Non-GAAP selling, general, administration expenses | \$ 6,166 | \$ 7,318 | \$ 6,726 |

¹ - Loss contingencies for certain severance agreements were reversed when the Company determined they would not be signed and paid

A reconciliation of research and development expenses to non-GAAP research and development expenses for the three months ended December 31, 2022, December 31, 2021, and September 30, 2022, is set forth below:

| <i>(in thousands)</i> | Three Months Ended | | |
|--|--------------------|-------------------|--------------------|
| | December 31, 2022 | December 31, 2021 | September 30, 2022 |
| Research and development expenses | \$ 10,283 | \$ 11,574 | \$ 10,571 |
| Stock-based compensation | 510 | 2,156 | 737 |
| Severance and non-recurring expenses | — | — | 38 |
| Non-GAAP Research and development expenses | \$ 9,772 | \$ 9,418 | \$ 9,796 |

¹ - Loss contingencies for certain severance agreements were reversed when the Company determined they would not be signed and paid

