



# GALACTIC EARNINGS PRESENTATION

SECOND QUARTER 2025  
08.06.2025



# DISCLOSURES

## FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements contained in this presentation other than statements of historical fact, including, without limitation, statements regarding our spaceflight systems, scaling of our future fleet, increasing our flight rate, providing repeatable and reliable access to space, development of our spaceships and proposed timeline for assembling, testing and commercial service using such spaceships, the potential to develop additional spaceships in the future and the anticipated costs thereof, our commercial initiatives, including our plans for reopening sales, potential opportunities for our carrier platform, our potential to raise growth capital and the sources thereof, the timing of the design process, tooling development, parts fabrication and assembly of our spaceships, expansion plans for a second spaceport and additional spaceports around the world, and our objectives for future operations, growth plans and profitability and the Company's financial forecasts, including expected free cash flow, potential annualized revenues and adjusted EBITDA and contribution margin, are forward-looking statements. The words "believe," "may," "will," "estimate," "potential," "continue," "anticipate," "intend," "expect," "strategy," "future," "could," "would," "project," "plan," "target," and similar expressions are intended to identify forward-looking statements, though not all forward-looking statements use these words or expressions. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including but not limited to any delay in future commercial flights of our spaceflight fleet, our ability to successfully develop and test our next generation vehicles, and the time and costs associated with doing so, our expected capital requirements and the availability of additional financing, and the other factors, risks and uncertainties included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as such factors may be updated from time to time in our other filings with the Securities and Exchange Commission (the "SEC"), accessible on the SEC's website at [www.sec.gov](http://www.sec.gov) and the Investor Relations section of our website at [www.virgingalactic.com](http://www.virgingalactic.com), which could cause our actual results to differ materially from those indicated by the forward-looking statements made in this presentation. Any such forward-looking statements represent management's estimates as of the date of this presentation. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change.

## USE OF NON-GAAP FINANCIAL MEASURES

This presentation references certain financial measures that are not prepared in accordance with generally accepted accounting principles in the United States (GAAP), including, Adjusted EBITDA and free cash flow. The Company defines Adjusted EBITDA as earnings before interest expense, income 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 free cash flow as net cash provided by operating activities less capital expenditures. None of these non-GAAP financial measures is a substitute for or superior to measures prepared in accordance with GAAP and should not be considered as an alternative to any other 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 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.

A reconciliation of these non-GAAP financial measures is included in the appendix to this presentation.

The Company also provides certain non-GAAP measures, including free cash flow, on a forward-looking basis. The Company has not provided a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures because such a reconciliation is not available without unreasonable efforts, due to the variability of these items and the fact that there is substantial uncertainty associated with predicting any future adjustments that we may make to our GAAP financial measures in calculating our non-GAAP financial measures.



# AGENDA

- Business Overview
- SpaceShip Program Progress
- Financial Overview
- Q&A



# RECENT VIRGIN GALACTIC UPDATES

## GALACTIC 10 SERIES



WATCH THE VIDEO: <http://www.VirginGalactic.com>

## WE BUILD SPACESHIPS

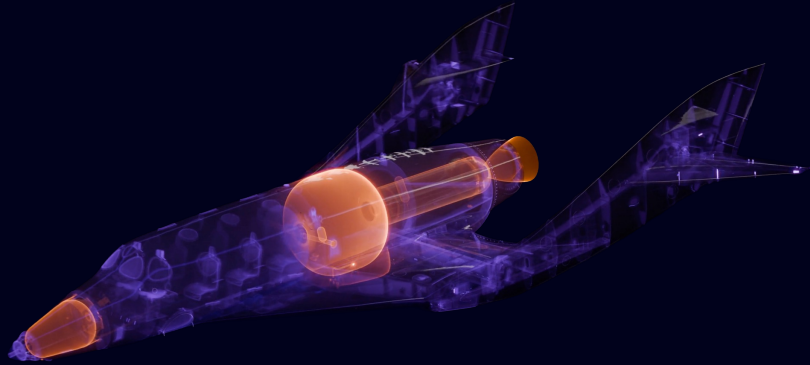
WATCH THE SERIES:

<https://bit.ly/WeBuildSpaceShips>

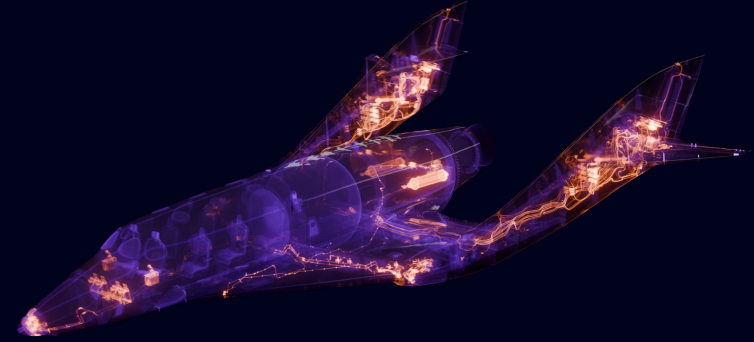




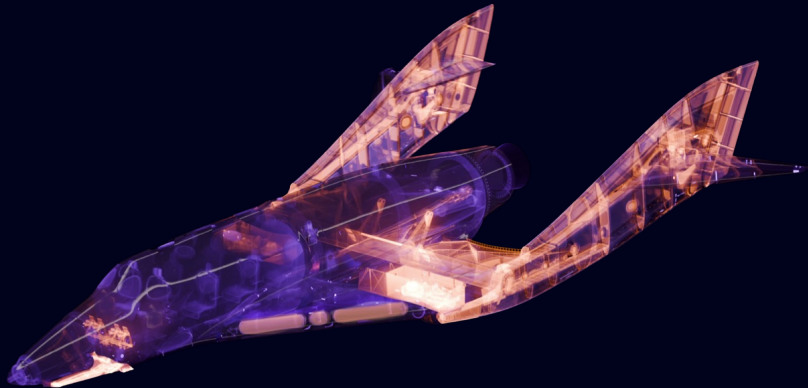
# BUILDING SPACESHIPS



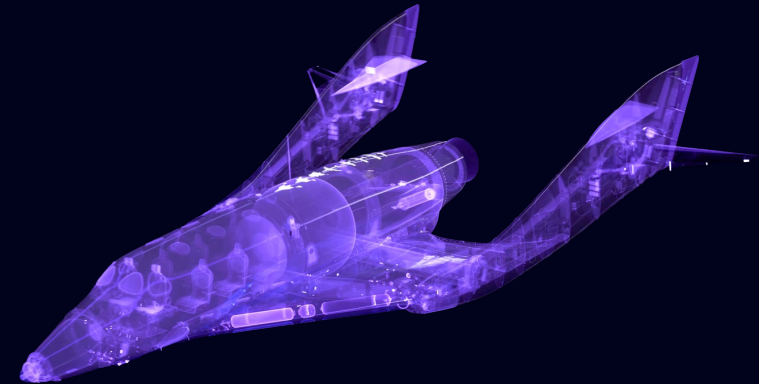
Rocket and Propulsion System



Avionics and Flight Controls



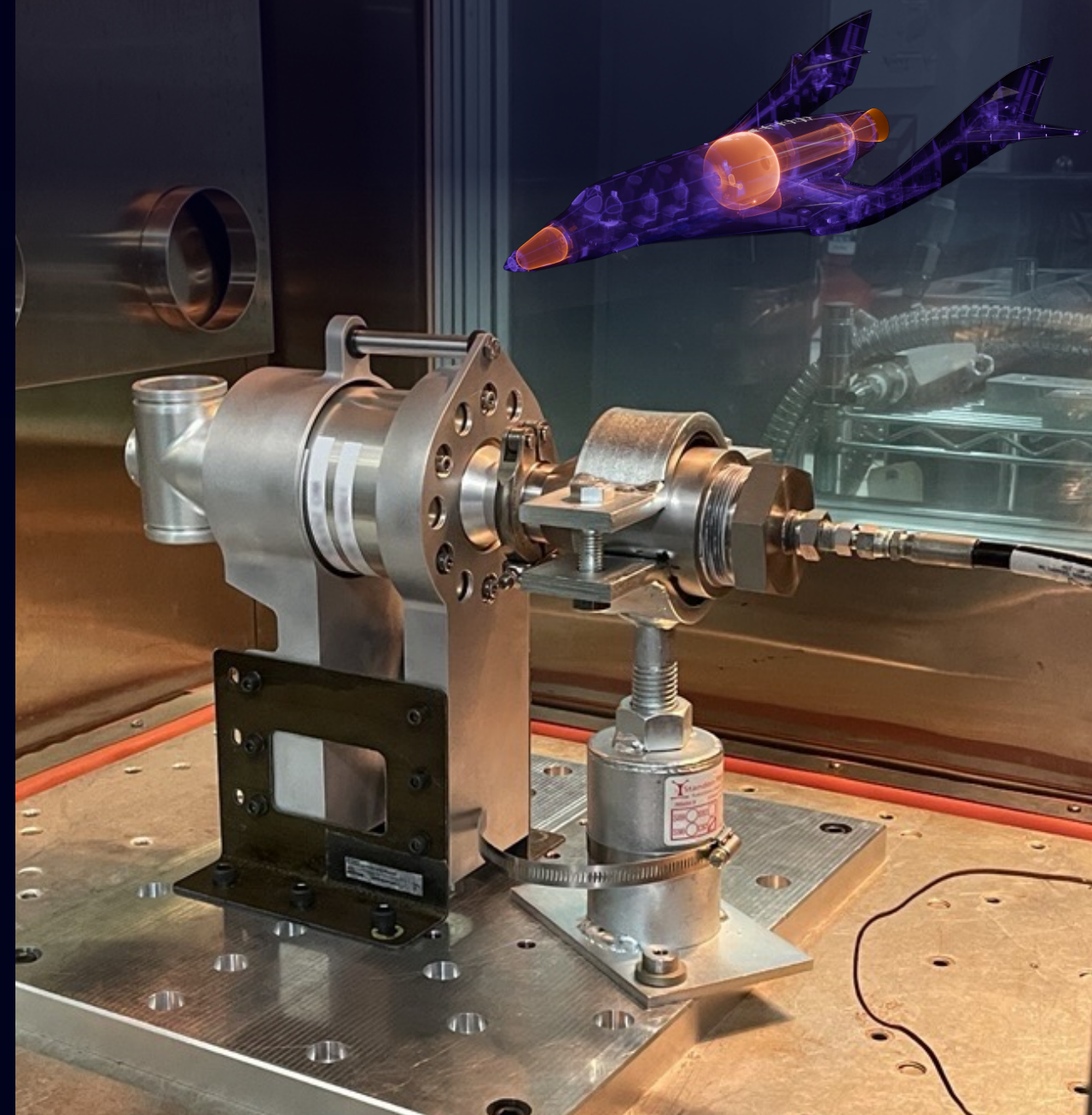
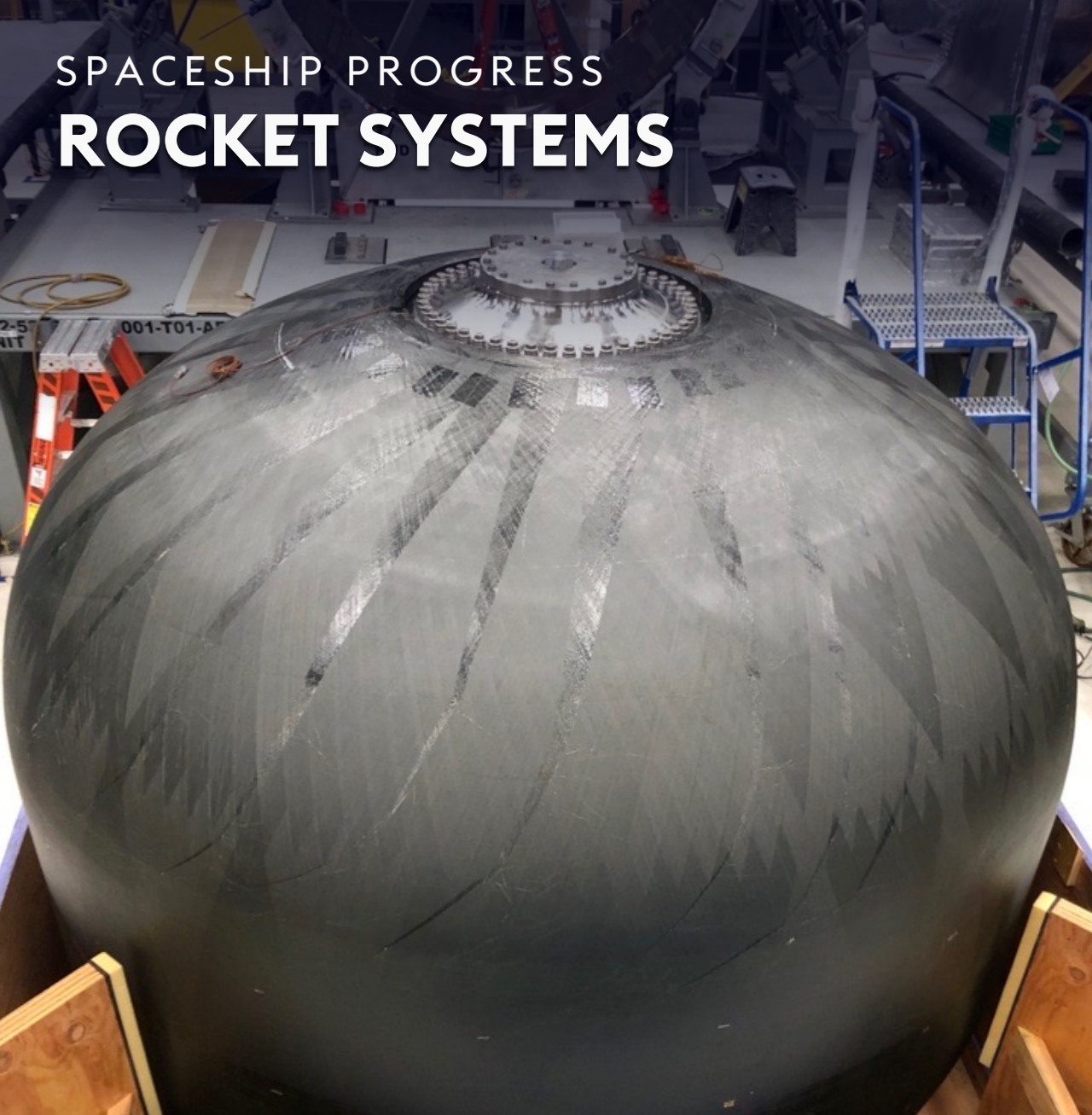
Mechanical Systems



Development & Delivery  
of Carbon & Metallic Structures

# SPACESHIP PROGRESS

## ROCKET SYSTEMS





SPACESHIP PROGRESS

# AVIONICS AND FLIGHT CONTROLS





# SPACESHIP PROGRESS

## MECHANICAL SYSTEMS



NOSE LANDING GEAR



SAFETY & TEST FACILITY

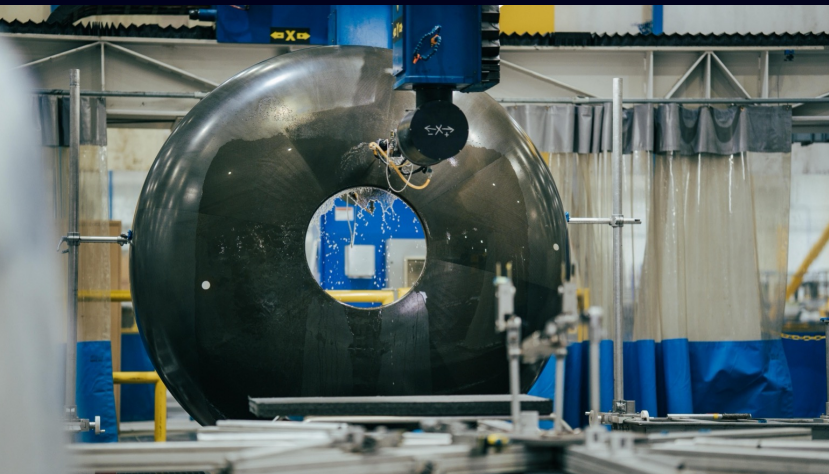
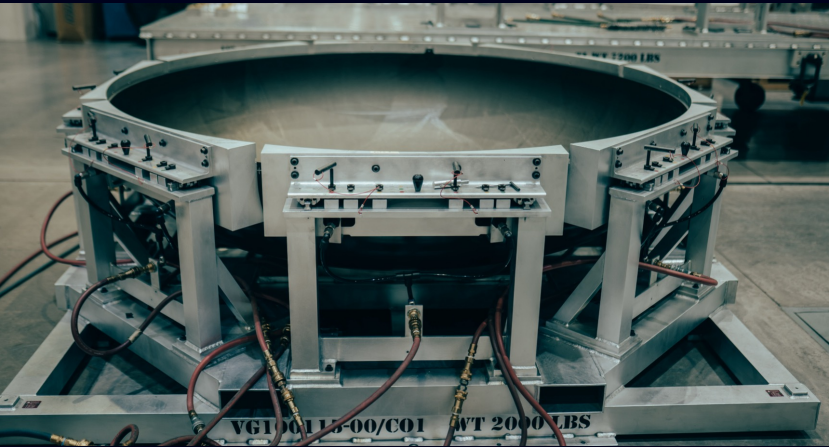
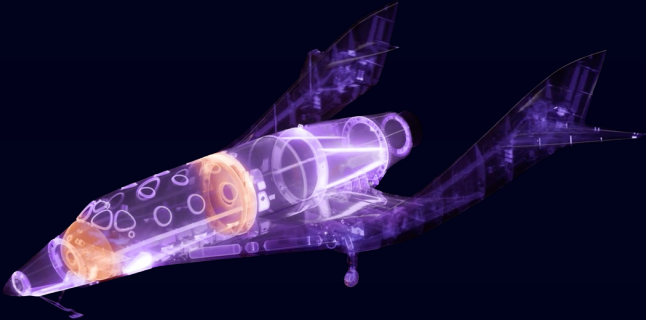


WING LEADING EDGE BOTTLES



SPACESHIP PROGRESS

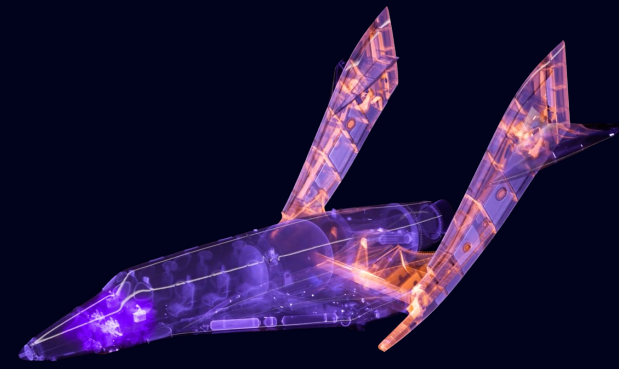
# FUSELAGE - BULKHEADS





# SPACESHIP PROGRESS

## FEATHER BOOM SKINS



LAYUP



TRIM

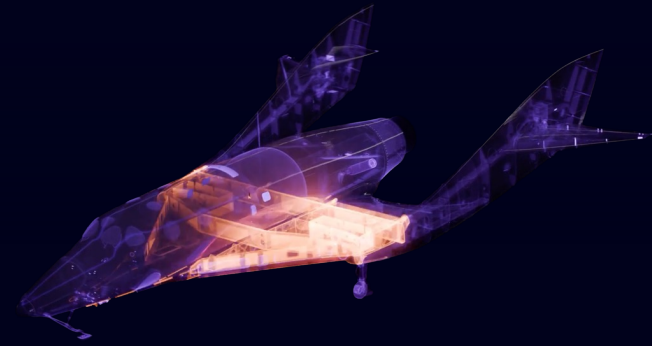


INSPECTION



# SPACESHIP PROGRESS

## WING



LOWER WING SKINS



UPPER WING SKINS



# SPACESHIP PROGRESS WING CONTINUED

A large industrial facility, likely a manufacturing or assembly plant, with a yellow scissor lift in the foreground. A purple wireframe model of a spaceship wing is suspended in the air. The wing is composed of several sections, including a leading edge shear web and an aft spar. The lift has a yellow platform and safety railings. The background shows various industrial structures and equipment.

LEADING EDGE  
SHEAR WEB

AFT SPAR



# “LV-X” LAUNCH VEHICLE PROGRAM



# FINANCIAL RESULTS

**SECOND QUARTER 2025**

Ended June 30, 2025

- Revenue of \$0.4 million, compared to \$4.2 million in the prior year period, with the decrease driven by the pause in commercial spaceflights to focus efforts on the production of our new SpaceShips.
- Total operating expenses were \$70 million, compared to \$106 million in the prior year period. This reflects a shift from R&D to capital investments in manufacturing assets and the production of our SpaceShips, as well as a reduction in overall cost structure.
- Net loss of \$67 million, compared to net loss of \$94 million in the prior year period, with the improvement primarily driven by lower operating expenses.
- Adjusted EBITDA of \$(52) million, compared to \$(79) million in the prior year period.
- Free cash flow of \$(114) million in each of the second quarters of 2025 and 2024.
- Raised \$56 million in gross proceeds as part of the at-the-market equity offering program.



# CASH FLOW AND BALANCE SHEET

## FREE CASH FLOW <sup>(1)</sup>

Q2 2025

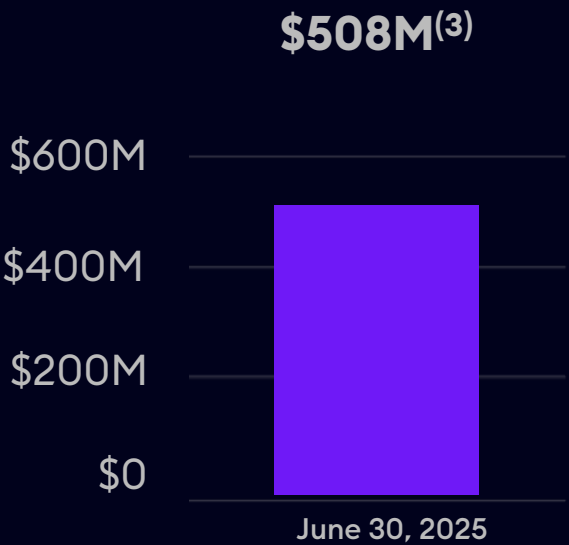
\$(114) million

## Q3 2025 GUIDANCE <sup>(2)</sup>

Expected to be in the range of

\$(100) million to \$(110) million

## CASH, CASH EQUIVALENTS, AND MARKETABLE SECURITIES



1. Virgin Galactic uses Free Cash Flow as a key measure of its performance. Free Cash Flow is defined as cash flows provided by operating activities less capital expenditures. Refer to the appendix of this presentation for a reconciliation to GAAP.  
2. For the reasons discussed under the heading "Use of Non-GAAP Financial Measures" on slide 2, the Company has not provided a reconciliation of this forward-looking non-GAAP financial measure to the most directly comparable GAAP financial measure because such a reconciliation is not available without unreasonable efforts.  
3. Amount includes \$30M of restricted cash.



# Economies of Scale Expected as Fleet Size Grows

(Illustrative Economics)

	SPACEPORT AMERICA		
	Initial Fleet	Expanded Fleet	Growth with Expanded Fleet
Annual Revenue <sup>1</sup>	<b>\$450M</b>	<b>\$990M</b>	Approx. <b>2x</b> Revenue
- Variable Spaceflight Costs <sup>2</sup>	(80M)	(165M)	
<b>Contribution Margin</b>	<b>\$370M</b>	<b>\$825M</b>	
- Spaceline Operation Costs	(105M - 120M)	(140M - 170M)	
- Sales, General, & Administrative	(95M - 100M)	(100M - 110M)	
- Business Development/R&D/Other	(55M - 60M)	(85M - 95M)	
<b>Adjusted EBITDA<sup>3</sup></b>	<b>\$90M - \$115M</b>	<b>\$450M - \$500M</b>	Approx. <b>4x</b> Adj. EBITDA
<b>Adjusted EBITDA %</b>	<b>20% - 25%</b>	<b>45% - 50%</b>	
Approximate Annual # of flights/astronauts	125 flights/ 750 passengers	275 flights/ 1,650 passengers	
<b># of SpaceShips in Operation</b>	<b>2</b>	<b>4</b>	Delta #3 and Delta #4 Additional Launch Vehicle
<b># of Launch Vehicles in Operation</b>	<b>1</b>	<b>2</b>	

1. Reflects stabilized annual revenue with ticket price at \$600K/passenger

2. Rocket motor, Astronaut support, fuel, Spaceport landing fees, other

3. Adjusted EBITDA excludes stock-based compensation. See definition of Adjusted EBITDA on page 2. For the reasons discussed under the heading "Use of Non-GAAP Financial Measures" on slide 2, the Company has not provided a reconciliation of this forward-looking non-GAAP financial measure to the most directly comparable GAAP financial measure because such a reconciliation is not available without unreasonable efforts.



# APPENDIX



SPACESHIP PROGRESS

## FORWARD SPAR IN TRIM



## RECONCILIATION OF NON-GAAP MEASURES – Adjusted EBITDA

(In thousands)	THREE MONTHS ENDED	
	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Net loss	\$ (67,280)	\$ (93,775)
Interest expense	3,247	3,230
Income tax expense (benefit)	(37)	34
Depreciation and amortization	4,171	3,256
Stock-based compensation	4,832	8,236
Accrued legal settlement expense	<u>2,875</u>	<u>-</u>
<b>Adjusted EBITDA</b>	<b>\$ (52,192)</b>	<b>\$ (79,019)</b>



# RECONCILIATION OF NON-GAAP MEASURES – Free Cash Flow

(In thousands)	THREE MONTHS ENDED	
	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Net cash used in operating activities	\$ (55,446)	\$ (79,132)
Capital expenditures	<u>(58,361)</u>	<u>(34,415)</u>
<b>Free cash flow</b>	<b>\$(113,807)</b>	<b>\$(113,547)</b>





SECOND QUARTER 2025 | EARNINGS UPDATE | 8.6.25