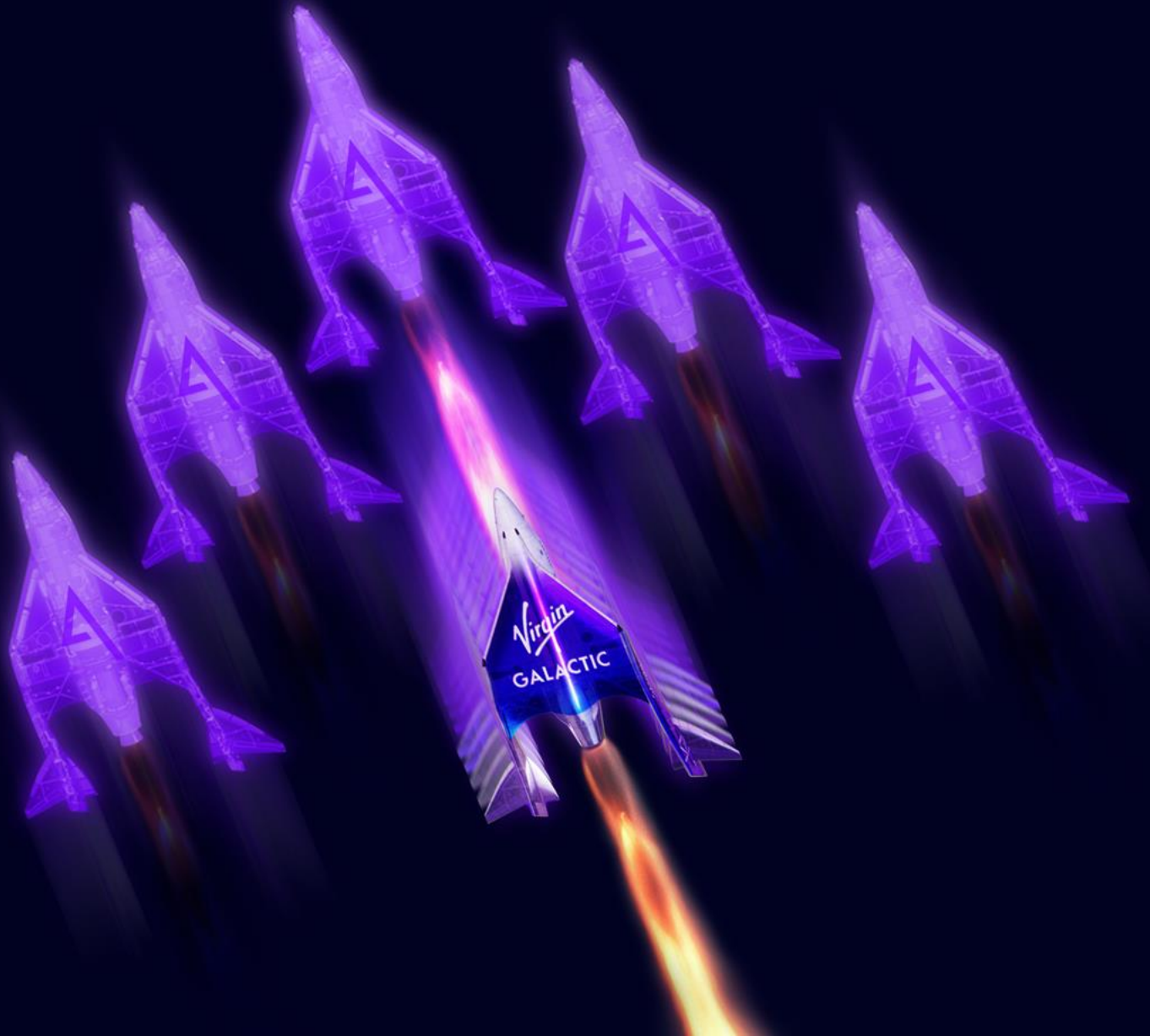




GALACTIC

FOURTH QUARTER AND FULL YEAR 2023
EARNINGS UPDATE
2.27.2024



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, next commercial space mission and proposed timing thereof, scaling of our future fleet, providing repeatable and reliable access to space, development of our Delta Class spaceships and proposed timeline for testing and commercial service using such spaceships, the timing of the opening of our spaceship factory in Arizona and the delivery of parts ahead of assembling the initial Delta Class spaceships, our objectives for future operations, the total addressable market for private spaceflights, and the Company's financial forecasts, including first quarter 2024 expected free cash flow, estimated revenue per flight, estimated number of flights per year, estimated flights per Delta Class ship, estimated costs per Delta Class ship, and the expectation for positive cash flow and the timing thereof, 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, 2023, 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 and the Investor Relations section of our website at 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, total non-GAAP operating expenses, Adjusted EBITDA and free cash flow. The Company defines total non-GAAP operating expenses as total operating expenses other than stock-based compensation, depreciation and amortization and certain other items the Company believes are not indicative of its core operating performance. 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.

AGENDA

- **2023 Overview**
- **Moving Forward in 2024**
- **Delta Class Progress**
 - *Mike Moses – President, Spaceline*
- **Financial Overview**
- **Q&A**



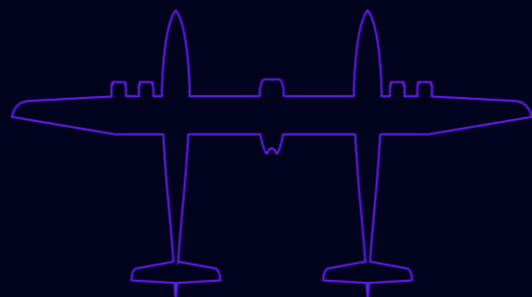


Building Assets to Scale the Business


Planned Fleet Assets at each Spaceport



4-5 Delta Class Ships



2 Motherships



300-400
Flights per year at
optimal utilization

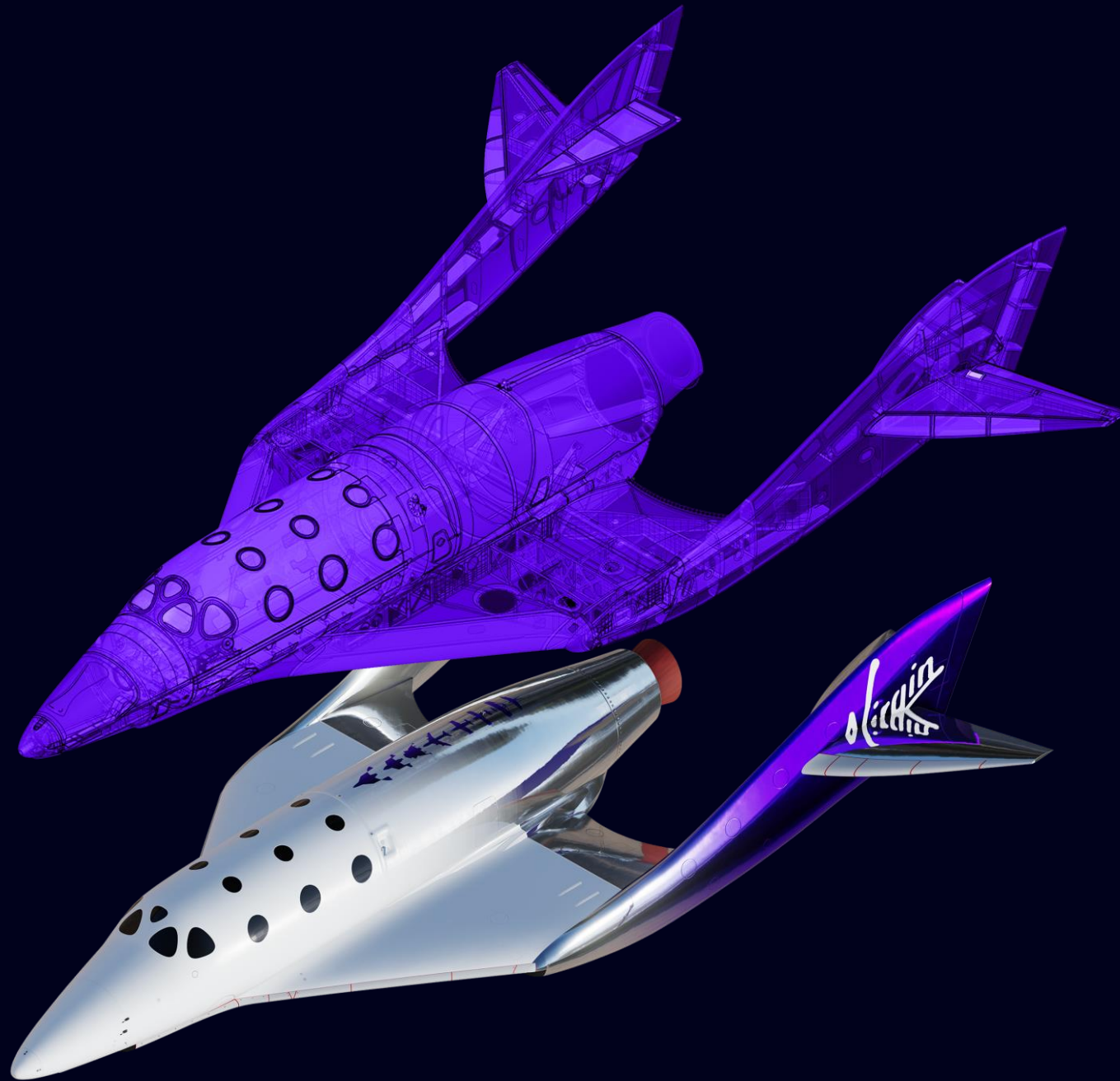
A photograph of a Virgin Galactic rocket launching, with the words "Virgin GALACTIC" visible on the side of the vehicle. The rocket is angled upwards, and a large plume of fire and smoke is visible at the base.

MULTIPLE

Spaceports around the world

- Building larger viewing audiences
- Favorable economic impact to communities

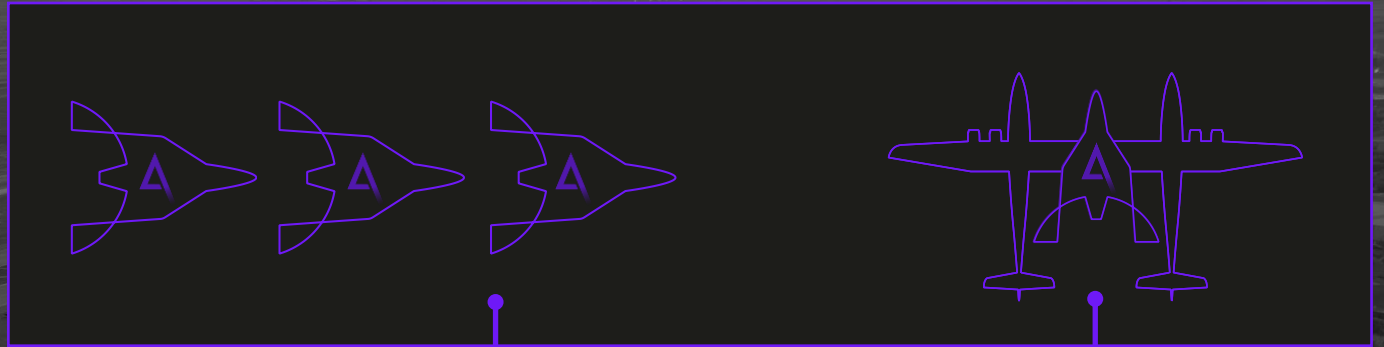
A photograph of a Virgin Galactic mothership on a runway, with mountains in the background. The mothership is a large, white, multi-winged aircraft with a high-wing configuration.



Delta Class Progress

- Delta spaceship facility in Phoenix
- Final assembly of the spaceship

PHOENIX, Arizona

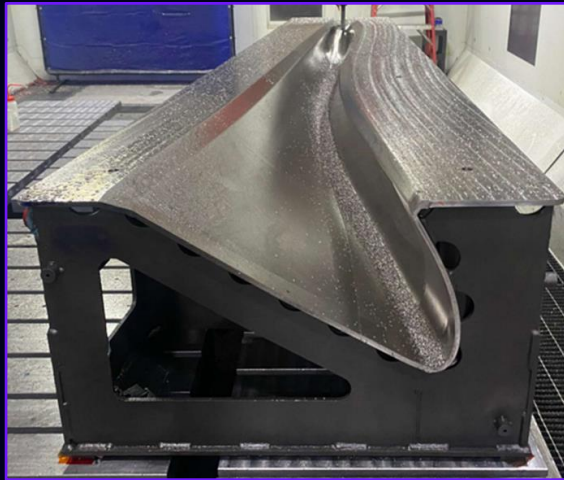




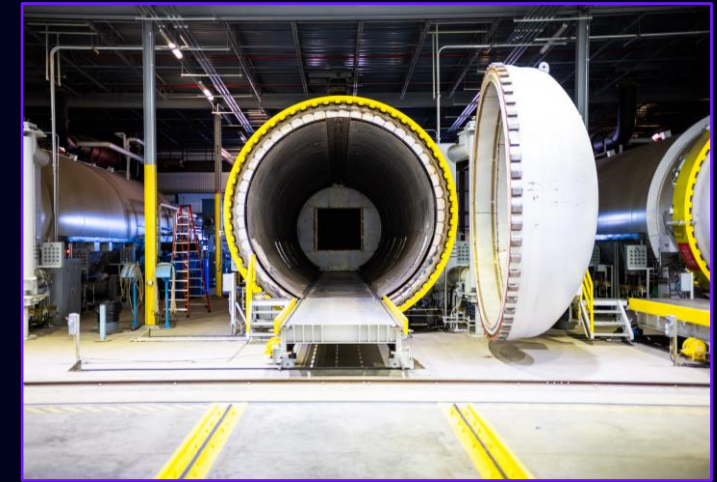
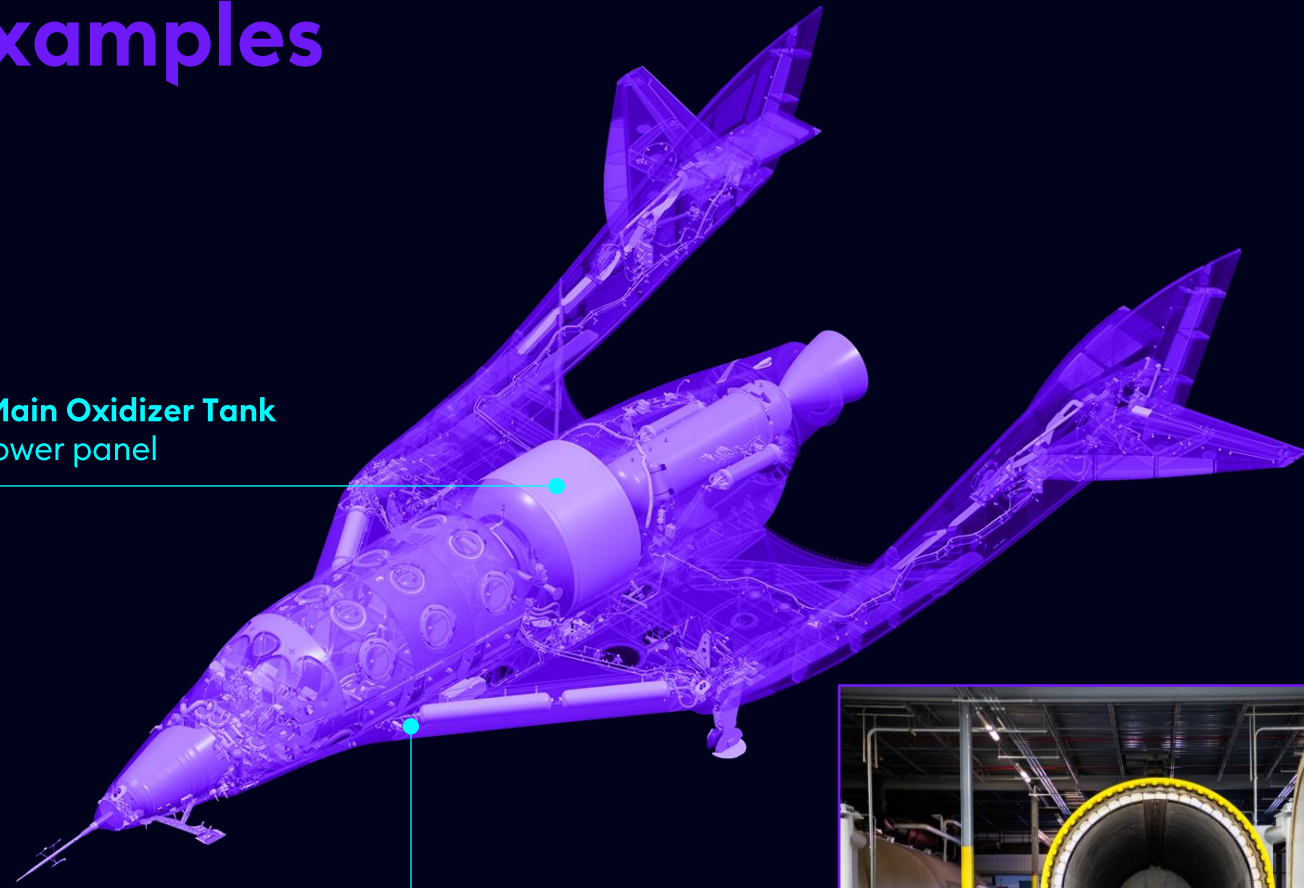
Delta Tooling Build Examples



Main Oxidizer Tank
lower panel



Fuselage-to-wing
Extension



Autoclave: Cures composite materials

Delta Ground Test and Pilot Training Simulator



Financial Results

FOURTH QUARTER

Ended December 31, 2023

- Revenue of \$3 million, compared to \$1 million in the prior year period, driven by commercial spaceflights and membership fees related to future astronauts.
- Total operating expenses were \$117 million, compared to \$154 million in the prior year period, primarily driven by lower R&D and SG&A expenses.
 - Spaceline Operations expenses were \$24 million
 - R&D expenses were \$54 million
 - SG&A expenses were \$31 million
- Net loss of \$104 million, compared to \$151 million in the prior year period.
- Adjusted EBITDA of \$(84) million, compared to \$(133) million in the prior year period.
- Free cash flow of \$(114) million, compared to \$(135) million in the prior year period.



Financial Results

FULL YEAR 2023

Ended December 31, 2023

- Revenue of \$7 million, compared to \$2 million in the prior year, driven by commercial spaceflights and membership fees related to future astronauts.
- Total operating expenses were \$538 million, compared to \$502 million in the prior year.
 - Spaceline Operations expenses were \$51 million
 - R&D expenses were \$295 million
 - SG&A expenses were \$175 million
- Net loss of \$502 million, compared to \$500 million in the prior year.
- Adjusted EBITDA of \$(427) million, compared to \$(431) million in the prior year.
- Free cash flow of \$(493) million, compared to \$(397) million in the prior year.
- Raised \$484 million in gross proceeds as part of the at-the-market offering program.



CASH FLOW AND BALANCE SHEET

FREE CASH FLOW ⁽¹⁾

Q4 2023

\$(114) million

FY 2023

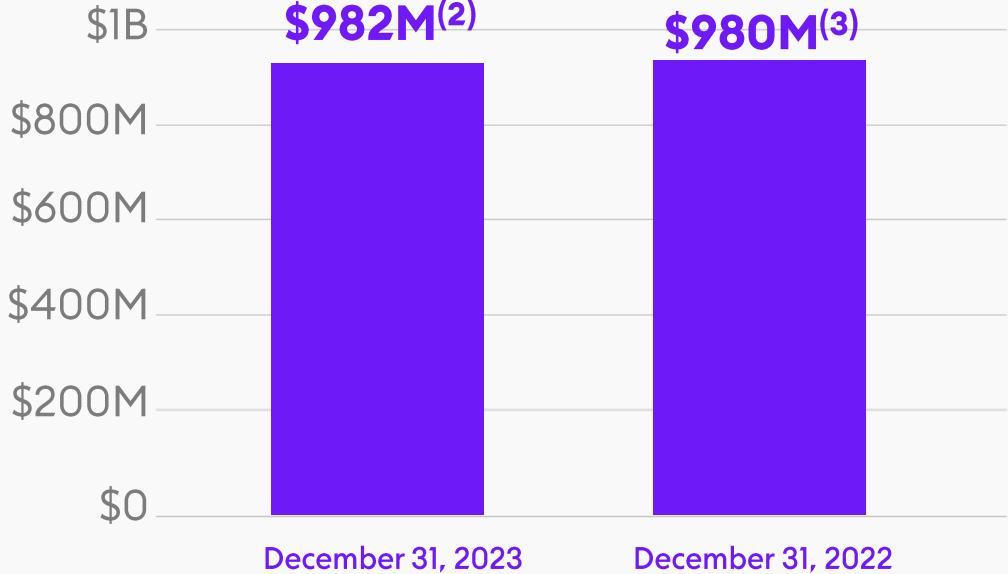
\$(493) million

Q1 2024 Guidance

Expected to be in the range of

\$(125) million to \$(135) 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. Amount includes \$37M of restricted cash.
 3. Amount includes \$40M of restricted cash.



APPENDIX

RECONCILIATION OF NON-GAAP MEASURES – Adjusted EBITDA

(In thousands)	THREE MONTHS ENDED		YEAR ENDED	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Net loss	\$ (103,984)	\$ (150,820)	\$ (502,337)	\$ (500,152)
Interest expense	3,224	3,206	12,872	12,130
Income tax expense	238	529	453	598
Depreciation and amortization	3,646	3,117	13,369	11,098
Stock-based compensation	8,660	11,221	44,258	45,709
Special charges (1)	4,398	-	4,398	-
Adjusted EBITDA	\$ (83,818)	\$ (132,747)	\$ (426,987)	\$ (430,617)

1. Special charges includes severance and related benefit costs in connection with the Company's workforce reduction.

RECONCILIATION OF NON-GAAP MEASURES – Operating Expenses

(In thousands)	THREE MONTHS ENDED		YEAR ENDED	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Total operating expenses	\$ 117,074	\$ 154,180	\$ 538,309	\$ 502,296
Stock-based compensation	8,660	11,221	44,258	45,709
Depreciation and amortization	3,646	3,117	13,369	11,098
Special charges (1)	4,398	-	4,398	-
Total non-GAAP operating expenses	\$ 100,370	\$ 139,842	\$ 476,284	\$ 445,489

1. Special charges includes severance and related benefit costs in connection with the Company's workforce reduction.

RECONCILIATION OF NON-GAAP MEASURES – Free Cash Flow

(In thousands)	THREE MONTHS ENDED		YEAR ENDED	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Net cash used in operating activities	\$ (95,309)	\$ (131,242)	\$ (448,193)	\$ (380,241)
Capital expenditures	(18,368)	(4,183)	(44,309)	(16,489)
Free cash flow	\$(113,677)	\$(135,425)	\$(492,502)	\$(396,730)

RECONCILIATION OF NON-GAAP MEASURES – Free Cash Flow

Q1 2024 GUIDANCE

(In thousands)	FORECASTED RANGE
Net cash used in operating activities	\$ (85,000) – (90,000)
Capital expenditures	(40,000) – (45,000)
Free cash flow	\$ (125,000) – (135,000)



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