

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-39128

Momentum Inc.

(Exact name of registrant as specified in its charter)

Delaware

84-1905538

(State or other jurisdiction of incorporation or organization)

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

**3901 N. First Street
San Jose, California**

95134

(Address of Principal Executive Offices)

(Zip Code)

(650) 564-7820

Registrant's telephone number, including area code

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	MNTS	Nasdaq Stock Market LLC
Warrants	MNTSW	Nasdaq Stock Market LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The registrant had outstanding 5,536,616 shares of Class A common stock as of May 12, 2025.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Form 10-Q"), including, without limitation, statements under the headings "Management's Discussion and Analysis of Financial Condition and Results of Operations," includes forward-looking statements within the meaning of 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"). Generally, statements that are not historical facts, including statements concerning Momentus Inc.'s (the "Company," "Momentus," "we," "us," or "our") possible or assumed future actions, business strategies, events, or results of operations, are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the words "believes," "estimates," "anticipates," "expects," "intends," "plans," "may," "will," "potential," "projects," "predicts," "continue," or "should," or, in each case, their negative or other variations or comparable terminology, but the absence of these words does not mean that a statement is not forward-looking. There can be no assurance that actual results will not materially differ from expectations.

The forward-looking statements contained in this Form 10-Q are based on our current expectations and beliefs concerning future developments and their potential effects on us. Future developments affecting us may not be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) and other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, without limitation, the ability of the Company to raise additional capital to finance its operations and business plan; the results of the Company's evaluation of the strategic alternatives and the risks associated with any transactions pursued as a result thereof; the ability of the Company to obtain licenses and government approvals for its missions, which are essential to its operations; successful completion of our efforts to prepare our spacecraft for flight, that the vehicles that we plan to operate in future missions will be ready on time, or that they will operate as intended; the ability of the Company to effectively market and sell satellite buses; 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; level of 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 possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; and/or other risks and uncertainties

described under Part II, Item 1A: “*Risk Factors*,” in this Form 10-Q and under Part I, Item 1A in our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (“SEC”) on April 1, 2025, as amended on April 9, 2025. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required under applicable securities laws. These risks and others described under Part II, Item 1A: “*Risk Factors*,” in this Form 10-Q and under Part I, Item 1A in our Annual Report on Form 10-K filed with the SEC on April 1, 2025, as amended on April 9, 2025, may not be exhaustive.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and developments in the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this Form 10-Q. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements. In addition, even if our results or operations, financial condition and liquidity, and developments in the industry in which we operate are consistent with the forward-looking statements contained in this Form 10-Q, those results or developments may not be indicative of results or developments in subsequent periods.

ITEM 1. Financial Statements

MOMENTUS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(in thousands except number of shares and par value)

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
	<i>(unaudited)</i>	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,398	\$ 1,572
Accounts receivable	—	879
Insurance receivable	408	408
Prepays and other current assets	3,031	1,667
Total current assets	<u>6,837</u>	<u>4,526</u>
Property, machinery and equipment, net	1,871	2,182
Intangible assets, net	240	253
Operating right-of-use asset	288	347
Other non-current assets	2,491	2,644
Total assets	<u>\$ 11,727</u>	<u>\$ 9,952</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 6,312	\$ 5,596
Accrued liabilities	2,887	3,006
Loan payable, current	3,759	4,957
Contract liabilities, current	2,765	345
Operating lease liability, current	827	685
Litigation settlement contingency	420	420
Other current liabilities	3	1
Total current liabilities	<u>16,973</u>	<u>15,010</u>
Contract liabilities, non-current	239	1,901
Warrant liability	3	3
Operating lease liability, non-current	—	333
Other non-current liabilities	484	515
Total non-current liabilities	<u>726</u>	<u>2,752</u>
Total liabilities	<u>17,699</u>	<u>17,762</u>
Commitments and Contingencies (Note 12)		
Stockholders' deficit:		
Preferred stock, \$0.00001 par value; 20,000,000 shares authorized and 0 issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	—	—
Class A common stock, \$0.00001 par value; 250,000,000 shares authorized and 4,780,010 issued and outstanding as of March 31, 2025; 250,000,000 shares authorized and 2,780,597 issued and outstanding as of December 31, 2024	—	—
Class B common stock, \$0.00001 par value; 0 shares authorized and 0 issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	—	—
Additional paid-in capital	408,193	400,183
Accumulated deficit	(414,165)	(407,993)
Total stockholders' deficit	<u>(5,972)</u>	<u>(7,810)</u>
Total liabilities and stockholders' equity deficit	<u>\$ 11,727</u>	<u>\$ 9,952</u>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

MOMENTUS INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

(in thousands, except share and per share data)

	Three Months Ended March 31,	
	2025	2024
Service revenue	\$ 322	\$ 513
Gross profit	322	513
Operating expenses:		
Research and development expenses	1,915	2,676
Selling, general and administrative expenses	4,592	6,164
Total operating expenses	6,507	8,840
Loss from operations	(6,185)	(8,327)
Other income (expense), net:		
Interest income	4	18
Interest expense	156	(57)
Gain on debt extinguishment	58	—
Other income (expense)	(205)	53
Total other income, net	13	14
Net loss	\$ (6,172)	\$ (8,313)
Net loss per share, basic and diluted	\$ (1.64)	\$ (9.25)
Weighted average shares outstanding, basic and diluted	3,761,542	899,068

The accompanying notes are an integral part of these condensed consolidated interim financial statements

MOMENTUS INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(UNAUDITED)

(in thousands, except share data)

	Common stock – Class A		Additional paid-in capital	Accumulated deficit	Total stockholders' equity (deficit)
	Shares	Amount			
Balance, December 31, 2024	2,780,597	\$ —	\$ 400,183	\$ (407,993)	\$ (7,810)
Issuance of common stock upon vesting of RSUs	1,951	—	—	—	—
Share repurchase related to Section 16 Officer tax coverage exchange	(424)	—	(1)	—	(1)
Stock-based compensation - stock options, RSAs, RSUs	—	—	1,057	—	1,057
Issuance of common stock and related warrants in registered offering, net of issuance costs	300,000	—	4,401	—	4,401
Issuance of common stock upon exercise of pre-funded warrants	1,176,886	—	—	—	—
Issuance of common stock in connection with warrant inducement, net of issuance costs	331,000	—	1,889	—	1,889
Issuance of common stock for convertible note principal and interest	190,000	—	664	—	664
Net loss	—	—	—	(6,172)	(6,172)
Balance, March 31, 2025	<u>4,780,010</u>	<u>\$ —</u>	<u>\$ 408,193</u>	<u>\$ (414,165)</u>	<u>\$ (5,972)</u>
Balance, December 31, 2023	591,712	\$ —	\$ 376,234	\$ (373,047)	\$ 3,187
Issuance of common stock upon vesting of RSUs	2,613	—	—	—	—
Share repurchase related to Section 16 Officer tax coverage exchange	(425)	—	(3)	—	(3)
Stock-based compensation - stock options, RSAs, RSUs	—	—	1,443	—	1,443
Issuance of common stock and related warrants in registered offering, net of issuance costs	158,572	—	7,171	—	7,171
Issuance of common stock upon exercise of pre-funded warrants	435,092	—	—	—	—
Net loss	—	—	—	(8,313)	(8,313)
Balance, March 31, 2024	<u>1,187,564</u>	<u>\$ —</u>	<u>\$ 384,845</u>	<u>\$ (381,360)</u>	<u>\$ 3,485</u>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

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

	Three Months Ended March 31,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (6,172)	\$ (8,313)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	324	222
Amortization of debt (premium) and issuance costs	(315)	46
Amortization of right-of-use asset	59	283
Gain on debt extinguishment	(58)	—
Stock-based compensation expense	1,057	1,443
Changes in operating assets and liabilities:		
Accounts receivable	879	(15)
Prepays and other current assets	(1,363)	1,288
Insurance receivable	—	(308)
Other non-current assets	153	18
Accounts payable	716	26
Accrued liabilities	(119)	(276)
Accrued interest	127	—
Other current liabilities	—	(4)
Contract liabilities	758	115
Operating lease liability	(191)	(310)
Litigation settlement contingency	—	526
Other non-current liabilities	(30)	6
Net cash used in operating activities	(4,175)	(5,253)
Cash flows from investing activities:		
Purchases of intangible assets	—	(39)
Net cash used in investing activities	—	(39)
Cash flows from financing activities:		
Payment of convertible notes	(288)	—
Principal payments on loan payable	—	(2,319)
Proceeds from exercise of warrants	2,068	—
Payments for issuance costs related to exercise of warrants	(179)	—
Repurchase of Section 16 Officer shares for tax coverage exchange	(1)	(3)
Proceeds from issuance of common stock and related warrants	5,000	8,000
Payments for issuance costs related to common stock and related warrants	(599)	(829)
Net cash provided by financing activities	6,001	4,849
Increase (Decrease) in cash, cash equivalents and restricted cash	1,826	(443)
Cash, cash equivalents and restricted cash, beginning of period	1,572	2,492
Cash, cash equivalents and restricted cash, end of period	<u>\$ 3,398</u>	<u>\$ 2,049</u>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 1. Nature of Operations***The Company***

Momentum Inc. (together with its consolidated subsidiaries “Momentum” or the “Company”) is a U.S. commercial space company that offers satellites, satellite buses, satellite technologies, and space infrastructure services, including in-space transportation, hosted payloads and in-orbit services. Momentum is making new ways of operating in space possible with its in-space transfer and service vehicles, powered by an innovative, space-proven water plasma-based propulsion system.

Momentum has launched four missions to date, deployed 17 customer satellites, and provided hosted payload services. Three of these missions involved operation of the Vigoride Orbital Service Vehicle (“OSV”) in orbit. During these three Vigoride missions, the system and technology were tested repeatedly. Improvements based on lessons learned during these missions were rapidly incorporated. As a result of these three missions, the Vigoride OSV has been successfully demonstrated in space and accumulated significant flight heritage. The Company has produced its next Orbital Service Vehicle, Vigoride 7, that it intends to utilize on a future mission or for use as a satellite bus.

In addition to the Vigoride OSV, Momentum is now also offering its M-1000 satellite bus which has substantial commonality with Vigoride. With a growing demand for satellite bus services, Momentum is positioned to advance its hardware and flight-proven technology for this market. The M-1000 bus is a flexible option to meet various mission requirements. Innovations to improve sensor capability, maneuverability, increased power, and lower costs are integrated into the product. Momentum believes it can manufacture satellite buses like the M-1000 at a rapid and scalable pace.

Momentum has completed work in support of its Small Business Innovation Research contract from the Space Development Agency that was signed in August 2023. This project’s scope involved making tailored modifications to the system underlying the M-1000 satellite bus and Vigoride OSV to support a full range of U.S. Department of Defense (DoD) payloads. Some of these areas include adding a secure payload interface, optical communications terminals, a high-volume data recorder, and improving the modularity of the propulsion system.

Business Combination

On August 12, 2021, the Company consummated a merger pursuant to the terms of the Agreement and Plan of Merger, dated October 7, 2020, and as amended on March 5, 2021, April 6, 2021, and June 29, 2021 (the “Merger Agreement”), by and among Stable Road Acquisition Corp (“SRAC”), Project Marvel First Merger Sub, Inc., a Delaware corporation and a direct, wholly-owned subsidiary of SRAC (“First Merger Sub”), and Project Marvel Second Merger Sub, LLC, a Delaware limited liability company and a direct, wholly-owned subsidiary of SRAC (“Second Merger Sub”), pursuant to which First Merger Sub merged with and into Momentum Inc., a Delaware corporation (“Legacy Momentum”) with Legacy Momentum as the surviving corporation of the First Merger Sub, and immediately following which Legacy Momentum merged with and into the Second Merger Sub, with the Second Merger Sub as the surviving entity (the “Business Combination”). In connection with the closing of the Business Combination (“Closing”), the Company changed its name from Stable Road Acquisition Corp. to Momentum Inc., and Legacy Momentum changed its name to Momentum Space, LLC.

The Business Combination was accounted for as a reverse recapitalization under ASC Topic 805, *Business Combinations*, with SRAC and its two wholly-owned subsidiaries. The Company received gross proceeds of \$247.3 million upon the closing of the Business Combination. Public and private warrants of SRAC were assumed by the Company as a result of the Business Combination.

Going Concern

The accompanying condensed consolidated interim financial statements have been prepared assuming that the Company will continue as a going concern. The going concern basis of presentation assumes that the Company will continue in operation one year after the date these condensed consolidated interim financial statements are issued and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company’s ability to continue as a going concern is dependent on the Company’s ability to successfully raise capital to fund its business operations and execute on its business plan. To date the Company remains heavily

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 1. Nature of Operations (cont.)

focused on growth and continued development of its proprietary technology, and as a result, it has not generated sufficient revenues to provide cash flows that enable the Company to finance its operations internally and the Company's consolidated financial position and operating results raise substantial doubt about the Company's ability to continue as a going concern. This is reflected by the Company's incurred net loss of \$6.2 million for the three months ended March 31, 2025, and accumulated deficit of \$414.2 million as of March 31, 2025. Additionally, the Company used net cash of \$4.2 million to fund its operating activities for the three months ended March 31, 2025, and had cash and cash equivalents of \$3.4 million as of March 31, 2025.

Pursuant to the requirements of ASC Sub-Topic 205-40, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, management must evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year from the date these condensed consolidated interim financial statements are issued. This evaluation does not take into consideration the potential mitigating effect of management's plans that have not been fully implemented or are not within control of the Company as of the date the condensed consolidated interim financial statements are issued. When substantial doubt exists, management evaluates whether the mitigating effect of its plans sufficiently alleviates substantial doubt about the Company's ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that the condensed consolidated interim financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the condensed consolidated interim financial statements are issued.

In connection with the preparation of the condensed consolidated interim financial statements for the three months ended March 31, 2025, management conducted an evaluation and concluded that there were conditions and events, considered in the aggregate, which raised substantial doubt as to the Company's ability to continue as a going concern within twelve months after the date of the issuance of such condensed consolidated interim financial statements. The Company believes that its current level of cash and cash equivalents are not sufficient to fund its regular operations, scaling of commercial production, and maintain its existing services and products. These conditions raise substantial doubt regarding its ability to continue as a going concern for a period of at least one year from the date of issuance of these condensed consolidated interim financial statements. In order to proceed with the Company's business plan and operating strategy, the Company will need to raise substantial additional capital to fund its operations until such time, if ever, the Company can generate revenues sufficient to achieve profitability. The Company expects to finance its operations through equity or debt financings, which may not be available to the Company on the timing needed or on terms that the Company deems to be favorable. In an effort to alleviate these conditions, the Company continues to seek and evaluate all opportunities to access additional capital through any available means.

As a result of these uncertainties, and notwithstanding management's plans and efforts to date, there is substantial doubt about the Company's ability to continue as a going concern. If the Company is unable to raise substantial additional capital in the near term, the Company's operations and business plan will need to be scaled back or halted altogether. Additionally, if the Company is able to raise additional capital but that capital is insufficient to provide a bridge to full commercial production at a profit, the Company's operations could be severely curtailed or cease entirely and the Company may not realize any significant value from its assets.

The accompanying condensed consolidated interim financial statements have been prepared on a going concern basis of accounting. The accompanying condensed consolidated interim financial statements do not reflect any adjustments that might result if the Company is unable to continue as a going concern.

Reverse Stock Splits

Effective December 12, 2024, the Company's stockholders approved a 1-for-14 reverse stock split of the Company's Class A common stock. As a result of the reverse stock split, every 14 shares of Class A common stock issued and outstanding on December 12, 2024, were automatically combined into one share of Class A common stock. Any fractional shares resulting from the reverse stock split were rounded up to the next nearest whole share of Class A common stock. The reverse stock split did not affect the stated par value of the Class A common stock nor did it change the total number of the Company's authorized shares of Class A common stock. Both the Company's Class B common stock and the Company's preferred stock were not affected by the reverse stock split.

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 1. Nature of Operations (cont.)

In addition to the reverse stock split implemented in December 2024, the Company previously effected a 1-for-50 reverse stock split of the Company's Class A common stock on August 22, 2023, whereby every 50 shares of Class A common stock issued and outstanding on August 22, 2023, were automatically combined into one share of Class A common stock. Any fractional shares resulting from the reverse stock split were rounded up to the next nearest whole share of Class A common stock. The reverse stock split did not affect the stated par value of the Class A common stock nor did it change the total number of the Company's authorized shares of Class A common stock. Both the Company's Class B common stock and the Company's preferred stock were not affected by the reverse stock split.

Also on the effective date of each reverse stock split, all options, warrants and other convertible securities of the Company outstanding immediately prior to each reverse stock split were adjusted by dividing the number of shares of Class A common stock into which the options, warrants and other convertible securities are exercisable or convertible by the factor applied in each reverse stock split, and multiplying the exercise or conversion price thereof by the same amount, all in accordance with the terms of the plans, agreements or arrangements governing such options, warrants and other convertible securities and subject to rounding to the nearest whole share. Such proportional adjustments were also made to the number of shares and restricted stock units issued and issuable under the Company's equity compensation plan.

The Company has retroactively adjusted all periods presented for the effects of the December 2024 1-for-14 reverse stock split. See Note 9 for additional information.

Note 2. Summary of Significant Accounting Policies***Consolidated Interim Financial Information***

The accompanying condensed consolidated interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and pursuant to the rules and regulations of the SEC. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. The consolidated balance sheet as of December 31, 2024 was derived from the Company's audited financial statements but does not include all disclosures required by GAAP for audited financial statements. Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Update ("ASU") of the Financial Accounting Standards Board (the "FASB").

The unaudited condensed consolidated interim financial statements have been prepared on the same basis as the audited consolidated financial statements. The accompanying condensed consolidated interim financial statements contain all adjustments that are necessary to present fairly the Company's financial position as of March 31, 2025 and December 31, 2024, the results of operations for the three months ended March 31, 2025 and 2024, the statement of stockholders' equity for the three months ended March 31, 2025 and 2024, and cash flows for the three months ended March 31, 2025 and 2024. Such adjustments are of a normal and recurring nature. The results for the three months ended March 31, 2025 are not necessarily indicative of the results for the year ending December 31, 2025, or for any future period. These condensed consolidated interim financial statements should be read in conjunction with the audited financial statements as of and for the years ended December 31, 2024 and 2023, filed with the SEC in our Annual Report on Form 10-K filed by the Company on April 1, 2025, and Form 10-K/A filed on April 9, 2025.

Principles of Consolidation

The condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances have been eliminated upon consolidation.

Use of Estimates

The preparation of condensed consolidated interim financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the condensed consolidated interim financial statements and accompanying notes. Management bases its estimates on historical experience and on various other factors it believes to be reasonable under the circumstances, the results of which form the basis for

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (cont.)

making judgments about the carrying values of assets and liabilities. Accordingly, actual results could differ from those estimates. Significant estimates inherent in the preparation of the condensed consolidated interim financial statements include, but are not limited to, the timing of revenue recognition, accounting for useful lives of property, machinery and equipment, net, intangible assets, net, accrued liabilities, leases, income taxes including deferred tax assets and liabilities, impairment valuation, stock-based compensation, warrant liabilities, and litigation contingencies.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash in bank with no restrictions, as well as highly liquid investments which are unrestricted as to withdrawal or use, and which have original maturities of three months or less when initially purchased.

The Company places its cash in the bank, which may at times be in excess of the Federal Deposit Insurance Corporation (“FDIC”) insurance limits of \$250,000 per depositor, with high credit quality financial institutions and attempts to limit the amount of credit exposure with any one institution.

Accounts Receivable

Accounts receivable as of December 31, 2024, represent amounts primarily due from the Defense Advanced Research Project Agency (“DARPA”) to provide support to the DARPA Novel Orbital and Moon Manufacturing, Materials, and Mass-efficient Design (NOM4D) program, including arranging launch services, payload integration, and in-orbit hosting of the payload for a complex in-space assembly mission. Accounts Receivable are stated at invoice value less estimated allowances for credit losses. Allowances are recorded based on the Company’s assessment of various factors, such as: historical experience, credit quality of its customers, aging of the accounts receivable balances, economic conditions, and other factors that may affect a customer’s ability to pay. The allowance for credit losses as of March 31, 2025 and December 31, 2024, was zero.

Deferred Fulfillment and Prepaid Launch Costs

The Company prepays for certain launch costs to third-party providers that will carry the transport vehicle to orbit. Prepaid costs allocated to the delivery of a customers’ payload are classified as deferred fulfillment costs and prepaid costs allocated to our payload are classified as prepaid launch costs. All deferred fulfillment and prepaid launch costs recognized as cost of revenue upon delivery of the related payloads.

As of March 31, 2025 and December 31, 2024, the Company had deferred fulfillment and prepaid launch costs of \$3.1 million and \$2.6 million, respectively, with \$1.5 million and zero recorded within prepaids and other current assets, respectively, and \$1.6 million and \$2.6 million recorded within other non-current assets in our condensed consolidated balance sheets.

Property, Machinery and Equipment

Property, machinery and equipment are stated at cost less accumulated depreciation. Depreciation is generally recorded using the straight-line method over the estimated useful lives of the respective assets. The estimated useful lives of fixed assets by asset category are described below:

Fixed Assets	Estimated Useful Life
Computer equipment	Three years
Furniture and fixtures	Five years
Leasehold improvements	Lesser of estimated useful life or remaining lease term (one year to seven years)
Machinery and equipment	Seven years

Costs of maintenance or repairs that do not extend the lives of the respective assets are charged to expenses as incurred.

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (cont.)

Intangible Assets

Intangible assets, which consist of patents, are considered long-lived assets and are reported at cost less accumulated amortization and accumulated impairment loss, if any. Amortization is recognized on a straight-line basis over 10 years for patents, which is the estimated useful lives of the intangible assets.

In accordance with ASC Sub-Topic 350-40, *Intangibles*, the Company presents capitalized implementation costs for cloud computing arrangements within prepaid and other current assets, and other non-current assets to properly present the capitalized costs with their related subscription fees.

Loss Contingencies

The Company estimates loss contingencies in accordance with ASC Sub-Topic 450-20, *Loss Contingencies* (“ASC 450-20”), which states that a loss contingency shall be accrued by a charge to income if both of the following conditions are met: (i) information available before the condensed consolidated interim financial statements are issued or are available to be issued indicates that it is probable that a liability had been incurred at the date of the condensed consolidated interim financial statements and (ii) the amount of loss can be reasonably estimated. We regularly evaluate current information available to us to determine whether such accruals should be adjusted and whether new accruals are required. Refer to Note 12 for additional information.

Revenue Recognition

The Company enters into short-term contracts for ‘last-mile’ satellite and cargo delivery (transportation service), payload hosting and in-orbit servicing options with customers that are primarily in the aerospace industry. For its transportation service arrangements, the Company has a single performance obligation of delivering the customers’ payload to its designated orbit and recognizes revenue (along with any other fees that have been paid) at a point in time, upon satisfaction of this performance obligation. Additionally, for its in-orbit service arrangements, the Company provides a multitude of services consistently throughout the mission to its customers and also has services available on a ‘stand ready’ basis as needed until the mission reaches its conclusion. The Company recognizes revenue for these in-orbit services ratably over time on a straight-line basis. The Company also enters into contracts to perform analysis and provide engineering services to U.S. Government organizations.

The Company accounts for customer contracts in accordance with ASC Topic 606, *Revenue from Contracts with Customers* (“ASC Topic 606”), which includes the following five-step model:

- Identification of the contract, or contracts, with a customer.
- Identification of the performance obligations in the contract.
- Determination of the transaction price.
- Allocation of the transaction price to the performance obligations in the contract.
- Recognition of revenue when, or as, the Company satisfies a performance obligation.

The Company estimates variable consideration at the most likely amount, which is included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur. While the Company’s standard contracts do not contain refund or recourse provisions that enable its customers to recover any non-refundable fees that have been paid, the Company may issue full or partial refunds, or concessions on future services to customers on a case-by-case basis as necessary to preserve and foster future business relationships and customer goodwill. Contracts to provide engineering services to U.S. Government organizations generally have set payments tied to each milestone. When a milestone is achieved, the Company submits the completed service for approval, submits invoices to the government site, and collects on that completed milestone. During the three months ended March 31, 2025 and 2024, the Company recorded \$0.2 million and \$0.5 million, respectively, of revenue from the U.S. Government.

As part of its contracts with customers, the Company collects up-front non-refundable deposits prior to launch. As of March 31, 2025 and December 31, 2024, the Company had customer deposit balances of \$3.0 million and \$2.2 million, respectively, related to signed contracts with customers, including firm orders and options (some of which have already been exercised by customers). These deposits are recorded as contract liabilities in the Company’s

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (cont.)

condensed consolidated balance sheets. Included in the collected amount as of March 31, 2025 and December 31, 2024, are \$0.2 million and \$1.9 million, respectively, of non-current deposits.

During the three months ended March 31, 2025, the Company recognized \$0.3 million of revenue, due to engineering services performed under the DARPA NOM4D and other DARPA programs, payment under the Space Development Agency Hybrid Acquisition for Proliferated Low Earth Orbit (HALO) program, and forfeited customer deposits primarily related to expired options. Of the \$0.3 million of revenue recognized, \$0.1 million was derived from the December 31, 2024 contract liability balance. During the three months ended March 31, 2024, the Company recognized \$0.5 million of revenue, due to engineering services performed on the Space Development Agency milestone two agreement and forfeited customer deposits primarily related to expired options. Of the \$0.5 million of revenue recognized, \$0.04 million was derived from the December 31, 2023 contract liability balance.

The disaggregation of revenue by type is as follows:

<i>(in thousands)</i>	Three Months Ended March 31,	
	2025	2024
Forfeited customer deposits	87	35
Engineering project services	235	478
Total revenue	\$ 322	\$ 513

Fair Value Measurement

The Company uses valuation approaches that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. A three-tiered hierarchy is established as a basis for considering such assumptions and for inputs used in the valuation methodologies in measuring fair value. This hierarchy requires that the Company use observable market data, when available, and minimize the use of unobservable inputs when determining fair value:

- Level 1, observable inputs such as quoted prices in active markets;
- Level 2, inputs other than the quoted prices in active markets that are observable either directly or indirectly; and
- Level 3, unobservable inputs in which there is little or no market data, which requires that the Company develop its own assumptions.

The fair values of cash and cash equivalents, accounts payable, and certain prepaid and other current assets and accrued expenses approximate carrying values due to the short-term maturities of these instruments which fall with Level 1 of the fair value hierarchy. The carrying value of certain other non-current assets and liabilities approximates fair value. The Company had no Level 2 inputs for the three months ended March 31, 2025 and at December 31, 2024.

Certain of the Company's warrants are recorded as a derivative liability pursuant to ASC Topic 815, *Derivatives and Hedging* ("ASC Topic 815"), and are classified within Level 3 of the fair value hierarchy as the Company is using the Black Scholes Option Pricing model. The primary significant unobservable input used in the valuation of the warrants is expected stock price volatility. Expected stock price volatility is based on the actual historical volatility of a group of comparable publicly traded companies observed over a historical period equal to the expected remaining life of the warrants. The risk-free interest rate is based on the U.S. Treasury yield curve in effect on the date of valuation equal to the remaining expected life of the warrants. The expected term was based on the maturity of the warrants, which is 5 years for Class A common stock warrants and 1.5 years for Class B common stock warrants. The dividend yield percentage is zero because the Company does not currently pay dividends, nor does it intend to do so during the expected term of the warrants. Upon conversion of the Legacy Momentus private warrants immediately prior to the business combination, the key valuation input was the closing price of Company's Class A common stock on the Closing, as the expected term and volatility were immaterial to the pricing model. There were no transfers between levels of input during the three months ended March 31, 2025 and 2024.

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (cont.)

The change in fair values of liabilities subject to recurring remeasurement were as follows:

<i>(in thousands)</i>	Warrant Liability (Level 3)
Balance, December 31, 2024	\$ 3
Change in Fair Value	—
Balance, March 31, 2025	\$ 3

Warrant Liability

The Company's private warrants and stock purchase warrants are recorded as derivative liabilities pursuant to ASC Topic 815 and are classified within Level 3 of the fair value hierarchy as the Company is using the Black Scholes Option Pricing model to calculate fair value. See Note 9 for additional information. Significant unobservable inputs, prior to the Company's stock being publicly listed, included stock price, volatility and expected term. At the end of each reporting period, changes in fair value during the period are recognized as components of other income within the condensed consolidated statements of operations. The Company will continue to adjust the warrant liability for changes in fair value until the earlier of (i) the exercise or expiration of the warrants or (ii) the redemption of the warrants, at which time the warrants will be reclassified to additional paid-in capital within the condensed consolidated statements of stockholders' equity (deficit).

The warrants issued by Momentus Inc. prior to the Business Combination were exercised in connection with the Business Combination and as a result, the Company performed a fair value measurement of those warrants on the Closing and recorded the change in the instruments' fair values prior to converting them to equity. The warrants assumed by the Company as a result of the Business Combination remain outstanding.

Public and Private Warrants

Prior to the Business Combination, SRAC issued 16,104 private placement warrants ("Private Warrants") and 12,322 public warrants ("Public Warrants" and, collectively with the Private Warrants, the "Public and Private Warrants"). Each whole warrant entitles the holder to purchase one share of the Company's Class A common stock at a price of \$8,050 per share, subject to adjustments and will expire five years after the Business Combination or earlier upon redemption or liquidation.

The Private Warrants do not meet the derivative scope exception and are accounted for as derivative liabilities. Specifically, the Private Warrants contain provisions that cause the settlement amounts to be dependent upon the characteristics of the holder of the warrant which is not an input into the pricing of a fixed-for-fixed option on equity shares. Therefore, the Private Warrants are not considered indexed to the Company's stock and should be classified as a liability. Since the Private Warrants meet the definition of a derivative, the Company recorded the Private Warrants as liabilities on the condensed consolidated balance sheet at fair value upon the Closing, with subsequent changes in the fair value recognized in the condensed consolidated statements of operations at each reporting date. The fair value of the Private Warrants was measured using the Black-Scholes option-pricing model at each measurement date.

In addition, the Public Warrants are accounted for as equity classified by the Company. On consummation of the Business Combination, the Company recorded equity related to the Public Warrants of \$20.2 million, with an offsetting entry to additional paid-in capital. Similarly, on the consummation of the Business Combination, the Company recorded a liability related to the Private Warrants of \$31.2 million, with an offsetting entry to additional paid-in capital.

The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. The Company evaluates all of its financial instruments, including issued stock purchase warrants, to determine if such instruments are derivatives or contain features that qualify as embedded derivatives, pursuant to ASC Topic 815, at the initial recognition.

Other than the Public and Private Warrants noted above, the Company also had other warrants issued and outstanding which were recognized as derivative liabilities in accordance with ASC Topic 815 until they were fully exercised. Accordingly, the Company recognized the warrant instruments as liabilities at fair value and adjusts the instruments to fair value at each reporting period until exercised. The fair value of the warrant liabilities issued were

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (cont.)

initially measured using the Black-Scholes model and were subsequently remeasured at each reporting period with changes recorded as a component of other income in the Company's condensed consolidated statements of operations. Derivative warrant liabilities are classified as non-current as their liquidation is not reasonably expected to require the use of current assets or require the creation of current liabilities. See Note 9 for additional information.

Equity Classified Warrants

Subsequent to the Business Combination, the Company has issued warrants in conjunction with various securities purchase agreements and borrowings (See Note 8 and Note 9 for additional information). The warrants are freestanding equity-linked instruments that meet the indexation and equity classification criteria of ASC Sub-Topic 815-40.

The grant-date fair value of these warrants is recorded in additional paid-in capital on the condensed consolidated balance sheets. The fair value of the warrants are measured using the Black-Scholes option-pricing model on the grant date.

Modification of Equity Classified Warrants

A change in the terms or conditions of a warrant is accounted for as a modification. For a warrant modification accounted for under ASC Topic 815, the effect of a modification shall be measured as the difference between the fair value of the modified warrant and the fair value of the original warrant immediately before its terms are modified, with each measured on the modification date. The accounting for incremental fair value of the modified warrants over the original warrants is based on the specific facts and circumstances related to the modification. When a modification is directly attributable to an equity offering, the incremental change in fair value of the warrants is accounted for as an equity issuance cost. When a modification is directly attributable to a debt offering, the incremental change in fair value of the warrants is accounted for as a debt discount or debt issuance cost. For all other modifications, the incremental change in fair value is recognized as a deemed dividend.

Convertible Instruments

The Company evaluates its convertible debt issuances to determine if those contracts or embedded components of those contracts qualify as derivatives requiring separate recognition in the Company's financial statements. Entities must consider whether to classify contracts that may be settled in its own stock, such as warrants, as equity of the entity or as an asset or liability. If an event that is not within the entity's control could require net cash settlement, then the contract should be classified as an asset or a liability rather than as equity.

If the embedded conversion options do not require bifurcation, the Company then evaluates for the existence of a beneficial conversion feature by comparing the fair value of the Company's underlying stock as of the commitment date to the effective conversion price of the instrument (the intrinsic value).

Debt discounts under these arrangements are amortized over the term of the related debt to their stated date of redemption and are classified in interest expense in the condensed consolidated statements of operations.

Amendments to convertible instruments are evaluated as to whether they should be accounted for as a modification of the original instrument with no change to the accounting or, if the terms are substantially changed, as an extinguishment of the original instrument and the issuance of a new instrument.

Basic and Diluted Loss Per Share

Net loss per share is provided in accordance with ASC Sub-Topic 260-10, *Earnings per Share*. Basic net loss per share is computed by dividing losses by the weighted average number of common shares outstanding during the period. Diluted loss per share gives effect to all dilutive potential common shares outstanding during the period. Diluted loss per share excludes all potential common shares if their effect is anti-dilutive. See Note 11 for additional information.

Impairment of Long-lived Assets

The Company evaluates the carrying value of long-lived assets, which includes intangible assets, on an annual basis, or more frequently whenever circumstances indicate a long-lived asset may be impaired. When indicators of impairment exist, the Company estimates future undiscounted cash flows attributable to such assets. In the event

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (cont.)

cash flows are not expected to be sufficient to recover the recorded value of the assets, the assets are written down to their estimated fair value. During the three months ended March 31, 2025 and 2024, there were no impairments of long-lived assets. See Note 4 and Note 5 for additional information.

Stock-based Compensation

The Company has a stock incentive plan under which equity awards are granted to employees, directors, and consultants. All stock-based payments are recognized in the condensed consolidated interim financial statements based on their respective grant date fair values.

Restricted stock unit fair value is based on our closing stock price on the day of the grant. Stock option fair value is determined using the Black Scholes Merton Option Pricing model. The model requires management to make a number of assumptions, including expected volatility of the Company's stock, expected life of the option, risk-free interest rate, and expected dividends. Employee Stock Purchase Plan ("ESPP") compensation fair value is also determined using the Black Scholes Merton Option Pricing model, using a six-month expected term to conform with the six month ESPP offering period.

The fair value of equity awards is expensed over the related service period which is typically the vesting period, and expense is only recognized for awards that are expected to vest. The Company accounts for forfeitures as they occur.

401(k) Plan

The Company has a 401(k) plan that it offers to its full-time employees. The Company did not contribute to the plan during the three months ended March 31, 2025 and 2024.

Research and Development Costs

Research and development costs are expensed as incurred. Research and development costs include activities to develop existing and future technologies for the Company's vehicles. Research and development activities include basic research, applied research, design, development, and related test program activities. Costs incurred for developing our vehicles primarily include equipment and labor hours (both internal and subcontractors).

Nonrefundable advance payments for goods or services that will be used or rendered for future research and development activities related to an executory contractual arrangement are deferred and capitalized. These advance payments are recognized as an expense as the related goods are delivered or services performed. When the related goods are no longer expected to be delivered or services rendered, the capitalized advance payment is charged to expense.

Leases

The Company determines if an arrangement contains a lease at inception based on whether there is an identified property, plant or equipment and whether the Company controls the use of the identified asset throughout the period of use.

Operating leases are included in the accompanying condensed consolidated balance sheets. Operating lease right-of-use ("ROU") assets represent the Company's right to use an underlying asset for the lease term. Lease liabilities represent the Company's obligation to make lease payments arising from the lease and are included in current and non-current liabilities. Operating lease ROU assets and lease liabilities are recognized at the lease inception date based on the present value of lease payments over the lease term discounted based on the more readily determinable of (i) the rate implicit in the lease or (ii) the Company's incremental borrowing rate (which is the estimated rate the Company would be required to pay for a collateralized borrowing equal to the total lease payments over the term of the lease). Because the Company's operating leases generally do not provide an implicit rate, the Company estimates its incremental borrowing rate based on the information available at lease commencement date for borrowings with a similar term.

The Company's operating lease ROU assets are measured based on the corresponding operating lease liability adjusted for (i) payments made to the lessor at or before the commencement date, (ii) initial direct costs incurred and (iii) tenant incentives under the lease. The Company does not assume renewals or early terminations unless it is reasonably certain to exercise these options at commencement. The Company elected the practical expedient which allows the Company to not allocate consideration between lease and non-lease components. Variable lease payments

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (cont.)

are recognized in the period in which the obligation for those payments is incurred. In addition, the Company elected the practical expedient such that it does not recognize ROU assets or lease liabilities for leases with a term of 12 months or less of all asset classes. Operating lease expense is recognized on a straight-line basis over the lease term. See Note 6 for additional details on the Company's leases.

Income Taxes

The Company accounts for income taxes in accordance with authoritative guidance, which requires the use of the asset and liability method. Under this method, deferred income tax assets and liabilities are determined based upon the difference between the financial statement carrying amounts and the tax basis of assets and liabilities and are measured using the enacted tax rate expected to apply to taxable income in the years in which the differences are expected to be reversed.

Significant judgment is required in determining any valuation allowance recorded against deferred tax assets. In assessing the need for a valuation allowance, management considers all available evidence, including past operating results, estimates of future taxable income, and the feasibility of tax planning strategies.

In the event that management changes its determination as to the amount of deferred tax assets that can be realized, the Company will adjust its valuation allowance with a corresponding impact to the provision for income taxes in the period in which such determination is made.

The Company is required to evaluate the tax positions taken in the course of preparing its tax returns to determine whether tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax benefits of positions not deemed to meet the "more likely than not" threshold would be recorded as a tax expense in the current year. The amount recognized is subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount that is initially recognized.

Concentrations of Risk

Financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents. The Company places its cash and cash equivalents in banks that management believes are creditworthy, however deposits may exceed federally insured limits.

Segment Reporting

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing operating performance. In consideration of ASC Topic 280, *Segment Reporting* ("ASC Topic 280"), we are not organized around specific services or geographic regions.

Our chief operating decision maker "CODM" uses financial information to evaluate our performance, which is the same basis on which our results and performance are communicated to our Board of Directors. All of the Company's long-lived assets are held domestically in the United States and of the \$0.3 million of revenue recognized by the Company during the three months ended March 31, 2025, none was derived from customers domiciled in foreign countries. Based on the information described above and in accordance with the applicable literature, management has concluded that we are organized and operated as one operating and reportable segment.

Recently Issued Accounting Standards

Although there are several new accounting pronouncements issued or proposed by the FASB, which have been adopted or will be adopted as applicable, management does not believe any of these accounting pronouncements has had or will have a material impact on the Company's consolidated financial position or results of operations.

In October 2023, the FASB issued Accounting Standards Update ("ASU") 2023-06, Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative ("ASU 2023-06"). The amendments in this ASU are expected to clarify or improve disclosure and presentation requirements of a variety of ASC topics by aligning them with the SEC's regulations. ASU 2023-06 will become effective for each amendment on the effective date of the SEC's corresponding disclosure rule changes, which must

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (cont.)

occur by June 30, 2027, or the amendments will not take effect. The Company does not anticipate that the adoption of ASU 2023-06 will have a material impact on its consolidated financial statement disclosures.

In March 2024, the FASB issued ASU 2024-01 to clarify how an entity determines whether a profits interest or similar award is within the scope of ASC Topic 718 *Compensation - Stock Compensation* or not a share-based payment arrangement and therefore within the scope of other guidance. The amendments of ASU 2024-01 are effective for annual periods beginning after December 15, 2024, and interim periods within those annual periods. For all other entities, the amendments are effective for annual periods beginning after December 15, 2025, and interim periods within those annual periods. The Company is in the process of evaluating the potential impact ASU 2024-01 will have on its consolidated financial statement disclosures.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses (DISE)* (“ASU 2024-03”), that requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. Public entities must adopt the new guidance for fiscal years beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The amendments in ASU 2024-06 will be applied prospectively with the option for retrospective application and early adoption is permitted. The Company is in the process of evaluating the potential impact of ASU 2024-03 will have on its consolidated financial statements and related disclosures.

Recently Adopted Accounting Standards

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, requiring public entities to disclose information about their reportable segments’ significant expenses and other segment items on an interim and annual basis. Public entities with a single reportable segment are required to apply the disclosure requirements in ASU 2023-07, as well as all existing segment disclosures and reconciliation requirements in ASC Topic 280 on an interim and annual basis. The Company adopted ASU 2023-07 during the year ended December 31, 2024. See Note 15 *Segment and Geographic Information* in the accompanying notes to the condensed consolidated interim financial statements for further detail.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* (“ASU 2023-09”) that addresses requests for improved income tax disclosures from investors that use the financial statements to make capital allocation decisions. Public entities must adopt the new guidance for fiscal years beginning after December 15, 2024. The amendments in ASU 2023-09 should be applied on a prospective basis. Retrospective application and early adoption is permitted. The Company adopted ASU 2023-09 on January 1, 2025, which did not have a material impact on its consolidated financial statement disclosures.

In March 2024, the FASB issued ASU 2024-02 which removes references to the Board’s concepts statements from the FASB Accounting Standards Codification. The ASU is part of the Board’s standing project to make “Codification updates for technical corrections such as conforming amendments, clarifications to guidance, simplifications to wording or the structure of guidance, and other minor improvements.” The amendments in this Update are effective for public business entities for fiscal years beginning after December 15, 2024. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2025. The Company adopted ASU 2024-02 on January 1, 2025, which did not have a material impact on its consolidated financial statements and related disclosures.

Note 3. Prepaids and Other Current Assets

Prepaids and other current assets consisted of the following:

<i>(in thousands)</i>	March 31, 2025	December 31, 2024
Prepaid launch costs, current	\$ 1,451	\$ —
Prepaid insurance and other assets	1,580	1,667
Total	<u>\$ 3,031</u>	<u>\$ 1,667</u>

As of March 31, 2025 and 2024, the non-current portion of prepaid launch costs recorded in other non-current assets was approximately \$1.6 million and \$2.6 million, respectively.

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 4. Property, Machinery and Equipment

Property, machinery and equipment, net consisted of the following:

<i>(in thousands)</i>	March 31, 2025	December 31, 2024
Computer equipment	\$ 10	\$ 10
Leasehold improvements	2,391	2,391
Machinery and equipment	2,839	2,839
Property, machinery and equipment, gross	5,240	5,240
Less: accumulated depreciation	(3,369)	(3,058)
Property, machinery and equipment, net	<u>\$ 1,871</u>	<u>\$ 2,182</u>

Depreciation expense related to property, machinery and equipment was \$0.3 million and \$0.2 million for the three months ended March 31, 2025 and 2024, respectively. Depreciation expense is recorded within operating expenses.

Note 5. Intangible Assets

Intangible assets, net consisted of the following as of March 31, 2025:

<i>(in thousands)</i>	Gross Value	Accumulated Amortization	Net Value	Weighted Average Remaining Amortization Period (In Years)
Patents/Intellectual Property	\$ 463	\$ (223)	\$ 240	5.0
Total	<u>\$ 463</u>	<u>\$ (223)</u>	<u>\$ 240</u>	

Intangible assets, net consisted of the following as of December 31, 2024:

<i>(in thousands)</i>	Gross Value	Accumulated Amortization	Net Value	Weighted Average Remaining Amortization Period (In Years)
Patents/Intellectual Property	\$ 463	\$ (210)	\$ 253	5.3
Total	<u>\$ 463</u>	<u>\$ (210)</u>	<u>\$ 253</u>	

Amortization expense related to intangible assets was \$0.01 million and \$0.01 million for the three months ended March 31, 2025 and 2024, respectively.

As of March 31, 2025, the future estimated amortization expense related to intangible assets is as follows:

<i>(in thousands)</i>	
Remainder of 2025	\$ 39
2026	52
2027	52
2028	44
2029	28
Thereafter	25
Total	<u>\$ 240</u>

Note 6. Leases

The Company leases office space under a non-cancellable operating lease. In January 2021, the Company commenced a lease in San Jose, California. The lease had an original expiration date in February 1, 2028.

Due to an event of default under the lease occurring in October 2024, and the likelihood of the landlord executing its right to early terminate the lease as a result, the Company determined this represented a remeasurement event and

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 6. Leases (cont.)

remeasured the lease as of December 31, 2024. On February 26, 2025, the landlord executed its option to terminate the lease early on March 31, 2026.

The components of operating lease expense were as follows:

<i>(in thousands)</i>	Three Months Ended March 31,	
	2025	2024
Operating lease cost	\$ 275	\$ 368
Variable lease expense	158	150
Short-term lease expense	6	18
Total lease expense	\$ 439	\$ 536

Variable lease expense consists of the Company's proportionate share of operating expenses, property taxes, and insurance.

As of March 31, 2025, the weighted-average remaining lease term was 1.0 year and the weighted-average discount rate was 149.0%.

As of March 31, 2025, the maturities of the Company's operating lease liabilities were as follows:

<i>(in thousands)</i>	
Remainder of 2025	\$ 1,220
2026	419
Total lease payments	1,639
Less: Imputed interest	(812)
Present value of lease liabilities	\$ 827

Note 7. Accrued Liabilities

Accrued expenses consisted of the following:

<i>(in thousands)</i>	March 31, 2025	December 31, 2024
Legal and other professional services	\$ 1,423	\$ 1,906
Compensation expense	289	84
Research and development projects	23	75
Other accrued liabilities	1,152	941
Total	\$ 2,887	\$ 3,006

Note 8. Loan Payable

December Loan

On December 13, 2024, the Company and J.J. Astor & Co. entered into a loan agreement (the "December Loan") pursuant to which the Company borrowed \$2.0 million and paid debt issuance costs of \$0.3 million. The December Loan had a maturity date of September 19, 2025, and was payable in 40 weekly installments of \$68 thousand. The December Loan could be prepaid at any time on or before January 13, 2025, for \$2.4 million and at any time thereafter through the maturity date for \$2.7 million.

Amounts borrowed under the December Loan are secured by a lien on substantially all of the assets of the Company. Upon event of default, amounts owing under the December Loan are convertible into shares of Class A common stock at a conversion price of \$5.92 per share prior to May 5, 2025, and thereafter the conversion price will be reduced to 80% of the average of the four lowest volume weighted average closing prices of the Class A common stock during the 20 trading days immediately prior to conversion.

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 8. Loan Payable (cont.)

In addition, in connection with the December Loan, the Company agreed to issue J.J. Astor & Co. warrants to purchase up to 28,572 shares of Class A common stock with an exercise price of \$5.92 per share (the “J.J. Astor Warrants”). The J.J. Astor Warrants had a relative value of \$0.1 million which was as accounted for as an additional debt issuance cost for the December Loan. The warrants are fully vested, and expire five years from the date of issuance. The Company determined the fair value of the warrants by using a Black-Scholes option pricing model, with the following assumptions: expected term of 5.01 years, stock price of \$5.92, exercise price of \$5.92, volatility of 100.00%, risk-free rate of 4.25%, and no forfeiture rate.

On December 18, 2024, the Company prepaid \$2.4 million in order to extinguish the December Loan. The Company recognized a \$0.8 million loss on extinguishment in the condensed consolidated statements of operations related to the December Loan.

In connection with the December Loan, the Company agreed to issue J.J. Astor & Co. a second warrant that is exercisable and issuable upon certain customary events of default to purchase up to 285,715 shares of Class A common stock with an exercise price per share equal to the closing price of the Class A common stock as traded in the applicable trading market on the date of the event of default, subject to adjustment (the “Default Warrants”). The Default Warrants were an embedded derivative that required bifurcation and recognition as a derivative liability (the “Default Warrant Derivative”). The Default Warrant Derivative instrument is recorded at fair value and marked-to-market each reporting period with changes in fair value being reflected in earnings. As of the issuance date, and immediately prior to extinguishment of the December Loan on December 18, 2024, the Default Warrant Derivative was valued at zero.

Convertible Promissory Notes

On July 12, 2024, the Company and Space Infrastructure Ventures (“SIV”) entered into a secured convertible promissory note (the “July Convertible Note”) pursuant to which the Company borrowed \$2.3 million as of September 26, 2024. The July Convertible Note bears an annual interest rate of 15%. Principal on the July Convertible Note is to be re-paid in four equal payments on a quarterly basis, commencing on December 1, 2024, and maturing on September 1, 2025, at which time all accrued interest is due.

Amounts borrowed under the July Convertible Note are secured by a lien on substantially all of the assets of the Company. In lieu of cash payments of accrued interest, SIV, in its sole discretion, may elect to receive shares of Class A common stock at a conversion price of \$7.41 per share. On the maturity date, subject to the satisfaction of applicable legal and regulatory conditions, all outstanding obligations under the July Convertible Note automatically convert into Class A common stock at the conversion price.

The July Convertible Note requires SIV’s consent to take certain actions, such as increasing compensation, purchasing assets, extending financing, making capital expenditures, repaying debts outside the ordinary course of business or investing in any entity or enterprise.

The July Convertible Note can be prepaid in full at any time, subject to a prepayment penalty fee of 10%. The July Convertible Note will accelerate and become immediately due upon the occurrence of certain customary events of default, including failure to pay amounts owing when due and/or certain events involving a discontinuation of our business or certain types of proceedings involving insolvency, bankruptcy, receivership and the like, or a change of control of Momentus. Contingent interest related to these events of default was an embedded derivative that required bifurcation and recognition as a derivative liability (“Default Interest Derivative”). The Default Interest Derivative instrument is recorded at fair value and marked-to-market each reporting period with changes in fair value being reflected in earnings. As of the issuance date, December 31, 2024, and March 31, 2025, the Default Interest Derivative was valued at zero.

On October 24, 2024, the Company and SIV entered into a secured convertible promissory note (the “October Convertible Note”) pursuant to which the Company borrowed \$3.0 million in two tranches, consisting of (i) an initial loan in the principal amount of \$2.0 million, and (ii) up to an additional \$1.0 million in principal amount which could be borrowed from December 2, 2024 through February 14, 2025. Borrowings under the October Convertible Note bear interest at 15% per annum. The October Convertible Note has a maturity date of October 24,

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Note 8. Loan Payable (cont.)

2025, at which time all principal and accrued interest is due. The Company paid debt issuance costs of \$0.1 million in relation to borrowing \$2.0 million under the first tranche of the October Convertible Note.

As a third-party debt issuance cost related to the October Convertible Note, the Company agreed to issue an investor warrants to purchase up to 357,143 shares of Class A common stock with an exercise price of \$8.05 per share (the "Investor Warrants"). The Investor Warrants had a fair value of \$2.0 million which was as accounted for as debt issuance costs allocated between two tranches of the October Convertible Note; \$1.3 million was allocated to the first tranche and \$0.7 million was allocated to the second tranche. The investor may not exercise the Investor Warrants prior to April 24, 2025, and the Investor Warrants will expire April 24, 2030. The Company determined the fair value of the warrants by using a Black-Scholes option pricing model, with the following assumptions: expected term of 5.50 years, stock price of \$7.41, exercise price of \$8.05, volatility of 97.50%, risk-free rate of 4.05%, and no forfeiture rate.

Amounts borrowed under the October Convertible Note are secured by a lien on substantially all of the assets of the Company. At any time after the date that is six months after the original issuance date of the October Convertible Note, SIV, in its sole discretion, may convert some or all of the outstanding obligations under the October Convertible Note into shares of Class A common stock at a conversion price of \$7.41 per share.

In addition, in connection with the first tranche of the October Convertible Note, the Company agreed to issue SIV warrants to purchase up to 269,950 shares of Class A common stock with an exercise price of \$7.41 per share (the "October SIV Warrants"). The October SIV Warrants had a relative value of \$0.8 million which was as accounted for as an additional debt issuance cost for the October Convertible Note. SIV may not exercise the October SIV Warrants prior to April 24, 2025, and the October SIV Warrants will expire April 24, 2030. The Company determined the fair value of the warrants by using a Black-Scholes option pricing model, with the following assumptions: expected term of 5.44 years, stock price of \$8.82, exercise price of \$7.41, volatility of 97.50%, risk-free rate of 4.33%, and no forfeiture rate.

Neither the October Convertible Note nor the October SIV Warrants can be converted or exercised if it would cause the aggregate number of shares of Class A common stock beneficially owned by SIV to exceed 9.99% of the number of shares of Class A common stock outstanding immediately after giving effect to the conversion or exercise, as applicable. Conversion of the October Convertible Note and exercise of the October SIV Warrants is also subject to compliance with applicable Nasdaq rules, and if shareholder approval is required the Company will use commercially reasonable efforts to obtain such approval.

The October Convertible Note requires SIV's consent to take certain actions, such as purchasing assets outside the ordinary course of business, extending financing, making capital expenditures in excess of \$0.1 million, repaying debts outside the ordinary course of business or investing in any entity or enterprise.

The October Convertible Note can be prepaid in full at any time, subject to a prepayment fee of 10%. The October Convertible Note will accelerate and become immediately due upon the occurrence of certain customary events of default, including failure to pay amounts owing when due and/or certain events involving a discontinuation of our business or certain types of proceedings involving insolvency, bankruptcy, receivership and the like, or a change of control of the Company. Contingent interest related to these events of default was an embedded derivative that required bifurcation and recognition as a derivative liability ("Default Interest Derivative"). The Default Interest Derivative instrument is recorded at fair value and marked-to-market each reporting period with changes in fair value being reflected in earnings. As of the issuance date, December 31, 2024, and March 31, 2025, the Default Interest Derivative was valued at zero.

In November 2024, the Company amended the July Convertible Note and the October Convertible Note (the "November Amendment"). The November Amendment, among other things, accelerated the borrowing date for the second tranche of the October Convertible Note, for which the Company immediately borrowed the \$1.0 million available under the second tranche, and provided that owed under both the July Convertible Note and the October Convertible Note may be converted to Class A common stock at any time. The November Amendment was accounted for as an extinguishment of both the July Convertible Note and the October Convertible Note. The Company recognized a \$3.2 million loss on extinguishment in the condensed consolidated statements of operations related to the November Amendment, resulting from the difference between the carrying value and reacquisition price of the July Convertible Note and the first tranche of the October Convertible Note. The Company recognized an aggregate debt premium of \$1.2 million related to the July Convertible Note and the first tranche of the October

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Note 8. Loan Payable (cont.)

Convertible Note as a result. Furthermore, the Company recognized an additional \$0.3 million loss on extinguishment in the condensed consolidated statements of operations for a debt premium resulting from the difference between the proceeds received and fair value of the second tranche of the October Convertible Note.

In addition, in connection with the November Amendment, the Company agreed to issue SIV warrants to purchase up to 193,273 shares of Class A common stock with an exercise price of \$7.41 per share (the "December SIV Warrants"). The December SIV Warrants had a relative value of \$0.5 million which was accounted for as an additional debt issuance cost for the second tranche of the October Convertible Note. SIV may not exercise the December SIV Warrants prior to April 24, 2025, and the December SIV Warrants will expire April 24, 2030. The Company determined the fair value of the warrants by using a Black-Scholes option pricing model, with the following assumptions: expected term of 5.38 years, stock price of \$7.84, exercise price of \$7.41, volatility of 97.50%, risk-free rate of 4.08%, and no forfeiture rate.

The Company capitalized cash debt issuance costs of \$0.1 million in relation to the November Amendment. The debt issuance costs, including \$0.7 million allocated from the Investor Warrants and \$0.5 million related to the December SIV Warrants, and \$0.3 million debt premium for the second tranche of the October Convertible Note are being amortized over the term of the October Convertible Note using an effective interest rate of 348%. The debt premium of \$0.7 million related to the first tranche of the October Convertible Note is being amortized over the term of the October Convertible Note using an effective interest rate of (18)%.

On February 7, 2025, in Company converted \$0.2 million of principal and \$0.1 million of accrued interest, including unamortized premium of \$0.05 million, of the October Convertible Note into 40,000 shares of Class A common stock at a conversion price of \$7.41 per share. The conversion was accounted for under ASC 470-20, with no gain or loss recognized.

On March 3, 2025, the Board of Directors of the Company approved a reduction in the conversion price for the July Convertible Note from \$7.41 per share to \$2.12 per share during the period beginning on March 3, 2025 and continuing until there are no further obligations outstanding under the July Convertible Note. The reduction in the conversion price for the July Convertible Note was accounted for as an extinguishment. The Company recognized a \$0.1 million gain on extinguishment in the condensed consolidated statements of operations related to this extinguishment, resulting from the difference between the carrying value and reacquisition price of the July Convertible Note. The Company recognized a debt premium of \$0.2 million related to the July Convertible Note, which is being amortized over the term of the July Convertible Note using an effective interest rate of (25)%.

Furthermore, on March 3, 2025, in Company converted \$0.3 million of principal and \$0.03 million of accrued interest of the July Convertible Note into 150,000 shares of Class A common stock at a conversion price of \$2.12 per share. The conversion was accounted for under ASC 470-20, with no gain or loss recognized.

As of March 31, 2025, the July Convertible Note has a carrying amount of \$1.3 million, consisting of principal of \$1.2 million and unamortized premium of \$0.1 million, and the October Convertible Note has a carrying value of \$2.4 million, consisting of principal of \$2.8 million and net unamortized discount of \$0.4 million. The total loan payable consisted of convertible promissory note principal of \$4.0 million and accrued interest of \$0.1 million. The convertible notes have future scheduled maturities of \$4.0 million for 2025.

Term Loan

On February 22, 2021, the Company entered into a Term Loan and Security Agreement (the "Term Loan") with Western Technology Investment which provided the Company with up to \$40.0 million in borrowing capacity at an annual interest rate of 12.0%. The Company borrowed \$25.0 million of the Term Loan at inception of the agreement on March 1, 2021. The remaining \$15.0 million of borrowing capacity is no longer available as the Company did not achieve certain milestones by the June 30, 2021 deadline. The repayment terms of the Term Loan provide for interest-only payments from March 1, 2021 through February 28, 2022.

Under the original terms, the principal amount was due and payable on March 1, 2022. However, during January 2022 the Company exercised its option to pay back the principal amount of the Term Loan over two years beginning on March 1, 2022 and ending on February 28, 2024.

The Company allocated the proceeds from the Term Loan agreement to the note and warrants issued in conjunction with the Term Loan comprising the financing agreement based on the relative fair value of the individual securities

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Note 8. Loan Payable (cont.)

on the February 22, 2021 closing date of the agreements. The discount attributable to the note, an aggregate of \$15.8 million, primarily related to the value of the warrant liability with immaterial issuance costs, is amortized using the effective interest method over the term of the note, originally maturing on March 1, 2022, but now being repaid over two years, recorded as interest expense. Because the discount on the note exceeds 62.6% of its initial face value, and because the discount is amortized over the period from issuance to maturity, the calculated effective interest rate up until January 2022 was 126.0%.

As a result of the exercised extended repayment schedule, the unamortized discount and issuance costs were recast over the updated term of the loan and resulted in a recalculated effective interest rate of 28.2%. Interest expense amortization related to the Term Loan was zero and \$0.05 million for the three months ended March 31, 2025 and 2024, respectively.

In January 2024, the Company repaid the remaining principal balance of the Term Loan.

Note 9. Stockholders' Equity (Deficit)***Common Stock and Preferred Stock***

Effective December 12, 2024, the Company's stockholders approved a 1-for-14 reverse stock split of the Company's Class A common stock. As a result of the reverse stock split, every 14 shares of Class A common stock issued and outstanding on December 12, 2024, were automatically combined into one share of Class A common stock. Any fractional shares resulting from the reverse stock split were rounded up to the next nearest whole share of Class A common stock.

In addition to the reverse stock split implemented in December 2024, the Company previously effected a 1-for-50 reverse stock split of the Company's Class A common stock on August 22, 2023, whereby every 50 shares of Class A common stock issued and outstanding on August 22, 2023, were automatically combined into one share of Class A common stock. Any fractional shares resulting from the reverse stock split were rounded up to the next nearest whole share of Class A common stock.

To effectuate the December 2024 1-for-14 reverse stock split, the Company filed a certificate of amendment to the Second Amended and Restated Certificate of Incorporation. As a result of the reverse stock split, there was no change to par value and the total number of authorized shares of Class A common stock.

Pursuant to the terms of the Second Amended and Restated Certificate of Incorporation, as amended, the Company is authorized and has available a total of 270,000,000 shares of stock, consisting of (i) 250,000,000 shares of Class A common stock, par value \$0.00001 per share, (ii) — shares of Class B common stock, par value \$0.00001 per share, and (iii) 20,000,000 shares of preferred stock, par value \$0.00001 per share.

Each share of preferred stock is convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into ten (10) shares of Class A common stock.

Also on the effective date of the reverse stock split, all options, warrants and other convertible securities of the Company outstanding immediately prior to the reverse stock split were adjusted by dividing the number of shares of Class A common stock into which the options, warrants and other convertible securities are exercisable or convertible by 14 and multiplying the exercise or conversion price thereof by 14, all in accordance with the terms of the plans, agreements or arrangements governing such options, warrants and other convertible securities and subject to rounding to the nearest whole share. Such proportional adjustments were also made to the number of shares and restricted stock units issued and issuable under the Company's equity compensation plan.

The Company has retroactively adjusted all periods presented for the effects of the December 2024 1-for-14 reverse stock split.

March 2025 Warrant Inducement Agreement

On March 20, 2025, the Company entered into a warrant inducement agreement with an investor who was holding the Modified Warrants (see discussion of the February 2025 Offering below). Pursuant to the warrant inducement agreement, on March 21, 2025, the investor agreed to exercise for cash 1,071,429 of the Modified Warrants (the

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Note 9. Stockholders' Equity (Deficit) (cont.)

“Induced Warrants”). The investor paid gross proceeds of \$2.1 million, before deducting offering fees and other expenses of \$0.2 million payable by the Company, representing the exercise price of \$1.93 per share for the 1,071,429 shares of Class A common stock issuable upon the exercise of the Induced Warrants. Prior to entering into the warrant inducement agreement, the Induced Warrants would have been immediately exercisable at an exercise price of \$3.80 per share. Net proceeds of \$1.9 million from the exercise of the Induced Warrants was recorded to additional paid-in capital.

The Company agreed to issue new warrants to purchase up to 2,142,858 shares of Class A common stock, with an exercise price of \$2.00 (the “March 2025 Warrants”), in consideration of the investor’s agreement to exercise the Induced Warrants. The Company agreed in the to file a registration statement on Form S-1 within 30 days of March 20, 2025, providing for the resale of the shares issuable by the March 2025 Warrants. The March 2025 Warrants will be exercisable immediately after issuance and will expire five years from the date of issuance. The March 2025 Warrants meet the requirements for equity classification.

The Company may not effect the exercise of certain March 2025 Warrants, and the investor will not be entitled to exercise any portion of any such March 2025 Warrant, which, upon giving effect to such exercise, would cause the aggregate number of shares of Class A common stock beneficially owned by the Holder of such March 2025 Warrant (together with its affiliates) to exceed 4.99% of the number of shares of Class A common stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of such March 2025 Warrant.

On March 24, 2025, only 331,000 shares of Class A common stock were delivered to the investor due to beneficial ownership limitations on the exercise of the Induced Warrants. An additional 115,429 shares were subsequently delivered to the investor during April 2025. The remaining 625,000 shares have not yet been delivered to the investor, in accordance with the beneficial ownership limitations in the respective warrant agreements.

February 2025 Public Offering

On February 11, 2025, the Company consummated a “best efforts” public offering (the “February 2025 Offering”) of an aggregate of (i) 300,000 shares of Class A common stock at a purchase price of \$3.925 per share, (ii) prefunded warrants (the “February 2025 Pre-Funded Warrants”) to purchase 973,886 shares of Class A common stock, and (iii) warrants to purchase 1,273,886 shares of Class A common stock (the “February 2025 Warrants”).

The purchase price of each February 2025 Pre-Funded Warrant was equal to the price per share of Class A common stock being sold in the February 2025 Offering minus \$0.00001. The February 2025 Pre-Funded Warrants have an exercise price of \$0.00001 per share and are exercisable any time after the issuance, and will not expire until exercised. The February 2025 Warrants have an exercise price per share of Class A common stock equal to \$3.80 per share and will expire five years from the date of issuance. The February 2025 Offering closed on February 11, 2025.

The Company received aggregate gross proceeds from the February 2025 Offering of approximately \$5.0 million, before deducting estimated issuance costs of \$0.6 million. Net proceeds of \$4.4 million from the February 2025 Offering was recorded to additional paid-in-capital. Both the February 2025 Pre-Funded Warrants and the February 2025 Warrants meet the requirements for equity classification.

In connection with the February 2025 Offering, the Company entered into a securities purchase agreement with a single institutional investor, pursuant to which the Company agreed not to effect or enter into an agreement to effect any issuance by the Company or any of its subsidiaries of shares of common stock or common stock equivalents for a period of thirty (30) days and will not effect or enter into an agreement to effect any issuance by the Company or any of its subsidiaries of shares of common stock or common stock equivalents (or a combination of units thereof) involving a variable rate transaction for a period of six (6) months after the February 11, 2025, subject to certain exceptions.

Also in connection with the February 2025 Offering, the Company agreed to amend the September 2024 Class A Warrants, September 2024 Class B Warrants (see discussion of the September 2024 Offering below), December Warrants (see discussion of the December 2024 Offering below), and Investor Warrants (collectively, the “Modified Warrants”) to purchase up to an aggregate of 714,286, 357,143, 800,000, and 357,143 shares of Class A common stock, respectively. Prior to amendment, the September 2024 Class A Warrants, September 2024 Class B Warrants,

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Note 9. Stockholders' Equity (Deficit) (cont.)

and Inventor Warrants had an exercise price of \$8.05 per share and the December Warrants had an exercise price of \$6.08 per share. The September 2024 Class A Warrants, September 2024 Class B Warrants, December Warrants, and Investor Warrants had termination dates of March 17, 2030, March 17, 2026, December 18, 2029, and April 24, 2030, respectively. Upon amendment, each of the Modified Warrants will have a reduced exercise price of \$3.80 per share and a termination date of February 11, 2030.

Additionally, in connection with the February 2025 Offering, the Company entered into a Placement Agency Agreement on February 11, 2025, with the agency which assisted with the transaction. The Company paid a cash placement agent commission equal to 7.0% of gross proceeds from the February 2025 Offering and issued warrants (the "February 2025 Placement Agent Warrants") to purchase 63,694 shares of Class A common stock at an exercise price of \$4.3175, exercisable immediately upon issuance. The February 2025 Placement Agent Warrants will expire five years from the date of issuance.

December 2024 Securities Purchase Agreement

On December 17, 2024, the Company entered into a Securities Purchase Agreement with an investor, pursuant to which the Company issued and sold to the investor in a registered direct offering (the "December 2024 Offering") (i) 230,000 shares of Class A common stock at a purchase price of \$6.20 per share, (ii) pre-funded warrants (the "December Pre-Funded Warrants") to purchase 570,000 shares of Class A common stock, and (iii) warrants to purchase 800,000 shares of Class A common stock (the "December Warrants").

The purchase price of each December Pre-Funded Warrant was equal to the price per share of Class A common stock being sold in the December 2024 Offering minus \$0.00001. The December Pre-Funded Warrants have an exercise price of \$0.00001 per share and are exercisable any time after the issuance, and will not expire until exercised. The December Warrants have an exercise price per share of Class A common stock equal to \$6.08 per share and will expire five years from the date of issuance. The December 2024 Offering closed on December 18, 2024.

The Company received aggregate gross proceeds from the December 2024 Offering of approximately \$5.0 million, before deducting estimated issuance costs of \$0.5 million. Net proceeds of \$4.4 million from the December 2024 Offering was recorded to additional paid-in-capital. Both the December Pre-Funded Warrants and the December Warrants meet the requirements for equity classification.

In connection with the December 2024 Offering, the Company entered into a Placement Agency Agreement on December 17, 2024, with the agency which assisted with the transaction. The Company paid a cash placement agent commission equal to 7.0% of gross proceeds from the December 2024 Offering and issued warrants (the "December Placement Agent Warrants") to purchase 40,000 shares of Class A common stock at an exercise price of \$6.82, exercisable immediately upon issuance. The December Placement Agent Warrants will expire 5 years from the date of issuance. The \$0.3 million fair value of the December Placement Agent Warrants was accounted for as an additional equity issuance cost for the December 2024 Offering, which was recorded to additional paid-in-capital.

In December 2024, the Company issued 367,000 shares of Class A common stock as a result of the exercise of the some of the December Pre-Funded Warrants.

September 2024 Securities Purchase Agreement

On September 15, 2024, the Company entered into a Securities Purchase Agreement with an investor, pursuant to which the Company issued and sold to an investor in a private placement transaction (the "September 2024 Offering"), (i) pre-funded warrants (the "September 2024 Pre-Funded Warrants") to purchase 357,143 shares of the Company's Class A common stock at a purchase price of \$7.70 per share, (ii) Class A warrants to purchase 714,286 shares of Class A common stock (the "September 2024 Class A Warrants"), and (iii) Class B warrants to purchase 357,143 shares of Class A common stock (the "September 2024 Class B Warrants" and, collectively with the September 2024 Class A Warrants, the "September 2024 Warrants").

The September 2024 Pre-Funded Warrants have an exercise price of \$0.00001 per share and are exercisable any time after issuance, and will not expire until exercised. The September 2024 Warrants have an exercise price per share of Class A common stock equal to \$8.05 per share. The September 2024 Class A Warrants will expire on March 17, 2030, and the September 2024 Class B Warrants will expire on March 17, 2026. The exercise price and the number of shares of Class A common stock issuable upon exercise of the September 2024 Warrants is subject to

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Note 9. Stockholders' Equity (Deficit) (cont.)

appropriate adjustments in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting the Class A common stock. The investor may not exercise the September 2024 Warrants until 6 months after the original issuance date of the September 2024 Warrants. The September 2024 Offering closed on September 17, 2024.

The Company received aggregate gross proceeds from the September 2024 Offering of approximately \$2.8 million, before deducting estimated placement agent commissions and expenses of \$0.3 million. Net proceeds of \$2.4 million from the September 2024 Offering was recorded to additional paid-in-capital. Both the September 2024 Pre-Funded Warrants and the September 2024 Warrants meet the requirements for equity classification.

In connection with the September 2024 Offering, the Company entered into a Placement Agency Agreement on September 15, 2024, with the agency which assisted with the transaction. The Company paid a cash placement agent commission equal to 7.0% of gross proceeds from the September 2024 Offering and issued warrants (the "September 2024 Placement Agent Warrants") to purchase 17,857 shares of Class A common stock and 17,858 shares of Class B common stock at an exercise price of \$8.8550, exercisable commencing on or after March 14, 2025. One half of the September 2024 Placement Agent Warrants have a term of 18 months from the date of issuance and the other half have a term of five years from the date of issuance. The \$0.1 million fair value of the September 2024 Placement Agent Warrants was accounted for as an additional equity issuance cost for the September 2024 Offering, which was recorded to additional paid-in-capital.

During the three months ended September 30, 2024, the Company issued 357,143 shares of Class A common stock as a result of the exercise of the September 2024 Pre-Funded Warrants.

Cashless Exercise of Warrants

In August 2024, the Company issued 637,238 shares of Class A common stock in connection with the cashless exercise of certain outstanding warrants (see discussion of each type of warrants below).

March 2024 Securities Purchase Agreement

On March 4, 2024, the Company entered into a Securities Purchase Agreement, with an investor, pursuant to which the Company issued and sold to the investor in a registered direct offering (the "March Offering"), (i) an aggregate of 94,286 shares of the Company's Class A common stock at a purchase price of \$12.11 per share, (ii) pre-funded warrants (the "March Pre-Funded Warrants") to purchase 236,020 shares of the Company's Class A common stock, and (iii) warrants to purchase 330,306 shares of Class A common stock (the "March Warrants").

The purchase price of each March Pre-Funded Warrant was equal to the price per share of Class A common stock being sold in the March Offering minus \$0.00001. The March Pre-Funded Warrants have an exercise price of \$0.00001 per share and are exercisable any time after the issuance, and will not expire until exercised. The March Warrants have an exercise price per share of Class A common stock equal to \$10.36 per share and will expire five years from the date of issuance. The March Offering closed on March 7, 2024.

The Company received aggregate gross proceeds from the March Offering of approximately \$4.0 million, before deducting estimated issuance costs of \$0.5 million. Net proceeds of \$3.5 million from the March Offering was recorded to additional paid-in-capital. Both the March Pre-Funded Warrants and the March Warrants meet the requirements for equity classification.

In connection with the March Offering, the Company also agreed to amend the January Warrants to purchase up to an aggregate of 263,358 shares of Class A common stock at an exercise price of \$13.44 per share (the "January Modified Warrants"). Prior to amendment, the January Modified Warrants had a termination date of January 17,

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Note 9. Stockholders' Equity (Deficit) (cont.)

2029. Upon shareholder approval of the amendment, the January Modified Warrants had a reduced exercise price of \$10.36 per share and a termination date of June 28, 2029.

Subsequent to the March Offering, during the year ended December 31, 2024, the Company issued 236,020 shares of Class A common stock as a result of all of the March Pre-Funded Warrants being exercised and the Company received an immaterial amount of cash proceeds.

January 2024 Securities Purchase Agreement

On January 12, 2024, the Company entered into a Securities Purchase Agreement, with an investor, pursuant to which the Company issued and sold to the investor in a registered direct offering (the "January Offering"), (i) an aggregate of 64,286 shares of the Company's Class A common stock at a purchase price of \$15.19 per share, (ii) pre-funded warrants (the "January Pre-Funded Warrants") to purchase 199,072 shares of the Company's Class A common stock, and (iii) warrants to purchase 263,358 shares of Class A common stock (the "January Warrants").

The purchase price of each January Pre-Funded Warrant was equal to the price per share of Class A common stock being sold in the January Offering minus \$0.00001. The January Pre-Funded Warrants have an exercise price of \$0.00001 per share and are exercisable any time after the issuance, and will not expire until exercised. The January Warrants have an exercise price per share of Class A common stock equal to \$13.44 per share and will expire five years from the date of issuance. The January Offering closed on January 17, 2024.

The Company received aggregate gross proceeds from the January Offering of approximately \$4.0 million, before deducting estimated issuance costs of \$0.4 million. Net proceeds of \$3.6 million from the January Offering was recorded to additional paid-in-capital. Both the January Pre-Funded Warrants and the January Warrants meet the requirements for equity classification.

In connection with the January Offering, the Company also agreed, subject to certain conditions and procedures, to amend each of the warrants issued in November 2023 to purchase up to an aggregate of 414,896 shares of Class A common stock at an exercise price of \$54.04 per share (the "November Modified Warrants"). Prior to amendment, the November Modified Warrants had a termination date of November 9, 2028. The November Modified Warrants were amended on May 9, 2024, to have a reduced exercise price of \$7.62 per share and a termination date of May 9, 2029.

Subsequent to the January Offering, during the year ended December 31, 2024, the Company issued 199,072 shares of Class A common stock as a result of all of the January Pre-Funded Warrants being exercised and the Company received an immaterial amount of cash proceeds.

Public and Private Warrants

As of March 31, 2025 and 2024, the Company had Public and Private Warrants outstanding to purchase 12,322 shares and 16,104 shares of Class A common stock, respectively, related to the Business Combination. The warrants entitle the registered holder to purchase stock at a price of \$8,050 per share, subject to adjustment, at any time commencing on August 12, 2021. The Public and Private Warrants expire on the fifth anniversary of the Business Combination, or earlier upon redemption or liquidation.

The Private Warrants assumed in connection with the Business Combination are accounted for as a derivative liability and a decrease of the estimated fair value of the warrants of \$0.6 million for the year ended December 31, 2023, was recorded in other income (expense) within the condensed consolidated statements of operations. The Public Warrants and the legacy outstanding Private Warrants were recorded as equity within the condensed consolidated statements of stockholders' equity.

Contingent Sponsor Earnout Shares

As a result of the Business Combination, the Company modified the terms of 2,054 shares of Class A common stock held by SRAC's sponsor (the "Sponsor Earnout Shares"), such that all such shares will be forfeited if the share price of Class A common stock does not reach a volume-weighted average closing sale price of \$8,750, two thirds of such shares will be forfeited if the share price of Class A common stock does not reach a volume-weighted average closing sale price of \$10,500, and one third of such shares will be forfeited if the share price of Class A common stock does not reach a volume-weighted average closing sale price of \$12,250, in each case, prior to the fifth anniversary of the Business Combination. Certain events which change the number of outstanding shares of Class A

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 9. Stockholders' Equity (Deficit) (cont.)

common stock, such as a split, combination, or recapitalization, among other potential events, will equitably adjust the target vesting prices above. The Sponsor Earnout Shares may not be transferred without the Company's consent until the shares vest.

The Sponsor Earnout Shares are recorded within equity. Due to the contingently forfeitable nature of the shares, the Sponsor Earnout Shares are excluded from basic EPS calculations but are considered potentially dilutive shares for the purposes of diluted EPS (refer to Note 11).

Note 10. Stock-based Compensation***Legacy Stock Plans***

In May 2018, the Board of Directors of Momentus Inc. approved the 2018 Stock Plan (the "Initial Plan") that allowed for granting of incentive and non-qualified stock options and restricted stock awards to employees, directors, and consultants. The Initial Plan was terminated in November 2018. Awards outstanding under the Initial Plan continue to be governed by the terms of the Initial Plan.

In February and March 2020, the Board of Directors of Momentus Inc. approved the Amended and Restated 2018 Stock Plan (the "2018 Plan"). No additional grants have been made since 2020 and no new grants will be made from the 2018 Plan, however, the options issued and outstanding under the plan continue to be governed by the terms of the 2018 Plan. Forfeitures from the legacy plans become available under the 2021 Equity Incentive Plan, described below.

2021 Equity Incentive Plan

In 2021, the Company adopted the 2021 Equity Incentive Plan (the "2021 Plan"), under which 8,547 shares of Class A common stock were initially reserved for issuance. The 2021 Plan allows for the issuance of incentive stock options, non-qualified stock options ("NSOs"), restricted stock awards ("RSAs"), stock appreciation rights ("SARs"), restricted stock units ("RSUs"), and performance awards. The Board of Directors determines the period over which grants become exercisable. The 2021 Plan became effective immediately following the Closing. The 2021 Plan has an evergreen provision which allows for shares available for issuance under the plan to be increased on the first day of each fiscal year beginning with the 2022 fiscal year and ending on (and including) the first day of the 2031 fiscal year, in each case, in an amount equal to (i) three percent (3.0%) of the outstanding shares on the last day of the immediately preceding fiscal year or (ii) such number of Shares determined by the Board of Directors. As of March 31, 2025, there were 24,459 shares remaining available for grant. Grant activity under the 2021 Plan is described below.

2021 Employee Stock Purchase Plan

In connection with the Closing, the Company adopted the Employee Stock Purchase Plan (the "2021 ESPP Plan"), under which 2,280 shares of Class A common stock were initially reserved for issuance. The Plan provides a means by which eligible employees of the Company may be given an opportunity to purchase shares of Class A common stock at a discount as permitted under the Internal Revenue Code of 1986, as amended. The 2021 ESPP Plan has an evergreen provision which allows for shares available for issuance under the plan to be increased on the first day of each fiscal year beginning with the 2022 fiscal year and ending on (and including) the first day of the 2031 fiscal year, in each case, in an amount equal to (i) half a percent (0.5%) of the outstanding shares on the last day of the calendar month prior to the date of such automatic increase or (ii) 2,280 shares. Participation in the 2021 ESPP Plan has been suspended by the Board of Directors. The 2021 ESPP Plan became effective immediately following the Closing. The Company has an outstanding liability pertaining to the ESPP of \$4 thousand as of March 31, 2025, included in accrued expenses, for employee contributions to the 2021 ESPP Plan, which will be refunded to participants due to the suspension of the plan. As of March 31, 2025, there were 5,960 shares remaining available for issuance.

2022 Inducement Equity Plan

In February 2022, the Company adopted the 2022 Inducement Equity Plan (the "2022 Plan"), under which 5,715 shares of Class A common stock were initially reserved for issuance. The 2022 Plan allows for the issuance of NSOs, RSAs, SARs, RSUs, and stock bonus awards, subject to certain eligibility requirements. The Board of

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 10. Stock-based Compensation (cont.)

Directors determines the period over which grants become exercisable and grants generally vest over a four-year period.

On March 22, 2023, the Company adopted the first amendment to the 2022 Plan to increase the number of shares of Class A common stock available for issuance under the 2022 Plan from 5,715 shares of Class A common stock to 10,000 shares of Class A common stock. All other terms of the 2022 Plan remained the same.

On May 8, 2023, the Company adopted the second amendment to the 2022 Plan to increase the number of shares of Class A common stock available for issuance under the 2022 Plan from 10,000 shares of Class A common stock to 11,429 shares of Class A common stock. All other terms of the 2022 Plan remained the same.

As of March 31, 2025, only RSU grants have been made under the 2022 Plan and there were 8,355 shares remaining available for issuance. Grant activity under the 2022 Plan is described below.

Options Activity

The following table sets forth the summary of options activity, under the 2018 Plan and the 2021 Plans, for the three months ended March 31, 2025:

<i>(in thousands, except share-based data)</i>	Total Options	Weighted- Average Exercise Price Per Share	Weighted- Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value
Outstanding as of December 31, 2024	1,386	\$ 1,139.61		
Forfeitures	(1)	1,778.00		
Outstanding as of March 31, 2025	<u>1,385</u>	\$ 1,138.23	6.1	\$ —
Exercisable as of March 31, 2025	<u>1,385</u>	\$ 1,138.23	6.1	\$ —
Vested and expected to vest as of March 31, 2025	<u>1,385</u>	\$ 1,138.23	6.1	\$ —

Restricted Stock Unit and Restricted Stock Award Activity

The following table sets forth the summary of RSU and RSA activity, under the Initial Plan, the 2018 Plan, the 2021 Plan, and the 2022 Plan, for the three months ended March 31, 2025. RSAs were an immaterial portion of activity for the period:

	Shares	Weighted Average Grant Date Fair Value (i.e. Share Price)
Outstanding as of December 31, 2024	5,924	\$ 1,388.75
Vested	(2,075)	1,005.80
Forfeited	(746)	1,491.70
Outstanding as of March 31, 2025	<u>3,103</u>	<u>\$ 1,620.55</u>

As of March 31, 2025, there was a total of \$2.1 million in unrecognized compensation cost related to unvested RSUs, which is expected to be recognized over a weighted-average period of 0.8 years. Outstanding unvested and expected to vest RSUs had an intrinsic value of \$0.01 million.

Stock-based Compensation

The following table sets forth the stock-based compensation under the Initial Plan, the 2018 Plan, the 2021 Plan, and the 2022 Plan by expense type:

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 10. Stock-based Compensation (cont.)

<i>(in thousands)</i>	Three Months Ended March 31,	
	2025	2024
Research and development expenses	\$ 212	\$ (73)
Selling, general and administrative expenses	845	1,516
Total	\$ 1,057	\$ 1,443

The following table sets forth the stock-based compensation under the Initial Plan, the 2018 Plan, the 2021 Plan, and the 2022 Plan by award type:

<i>(in thousands)</i>	Three Months Ended March 31,	
	2025	2024
Options	\$ 42	\$ 76
RSUs & RSAs	1,015	1,367
Total	\$ 1,057	\$ 1,443

Note 11. Earnings Per Share
Net Loss Per Share

Net loss per share is provided in accordance with ASC Sub-Topic 260-10, *Earnings Per Share*. Basic earnings per share is computed by dividing net loss for the period by the weighted-average number of common shares outstanding during the period. Diluted earnings per share gives effect to all dilutive potential common shares outstanding during the period. It is computed by dividing undistributed earnings allocated to common stockholders for the period by the weighted average number of common shares outstanding during the period, plus the dilutive effect of outstanding preferred shares, options and unvested stock units, and warrants outstanding pursuant to the treasury stock method.

As the Company incurred a net loss for the three months ended March 31, 2025 and 2024, the inclusion of certain options, unvested stock units, warrants, and contingent Sponsor Earnout Shares in the calculation of diluted earnings per share would be anti-dilutive and, accordingly, were excluded from the diluted loss per share calculation.

The following table summarizes potential common shares that were excluded as their effect is anti-dilutive:

	Three Months Ended March 31,	
	2025	2024
Options and unvested stock units outstanding	4,488	19,753
Warrants outstanding	4,076,371	1,036,983
Convertible promissory notes	1,082,990	—
Contingent Sponsor Earnout Shares	2,054	2,054
Total	5,165,903	1,058,790

Note 12. Commitments and Contingencies
Purchase Obligations

Momentus enters into purchase obligations in the normal course of business. These obligations include purchase orders and agreements to purchase goods or services that are enforceable, legally binding, and have significant terms and minimum purchases stipulated. As of March 31, 2025, the Company's future unconditional purchase obligations are as follows:

MOMENTUS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 12. Commitments and Contingencies (cont.)

(in thousands)

Remainder of 2025	\$	210
Total	\$	210

Legal Proceedings

Securities Class Actions

On July 15, 2021, a purported stockholder of SRAC filed a putative class action complaint against SRAC, SRC-NI Holdings, LLC (“Sponsor”), Brian Kabot (SRAC CEO), James Norris (SRAC CFO), Momentus, and the Company’s co-founder and former CEO, Mikhail Kokorich, in the United States District Court for the Central District of California, in a case captioned *Jensen v. Stable Road Acquisition Corp., et al.*, No. 2:21-cv-05744 (the “*Jensen* class action”). The complaint alleges that the defendants omitted certain material information in their public statements and disclosures regarding the Business Combination, in violation of the securities laws, and seeks damages on behalf of a putative class of stockholders who purchased SRAC stock between October 7, 2020 and July 13, 2021. Subsequent complaints captioned *Hall v. Stable Road Acquisition Corp., et al.*, No. 2:21-cv-05943 and *Depoy v. Stable Road Acquisition Corp., et al.*, No. 2:21-cv-06287 were consolidated in the first filed matter (collectively, referred to as the “Securities Class Actions”). An amended complaint was filed on November 12, 2021. The Company disputes the allegations in the Securities Class Actions.

On February 10, 2023, the lead plaintiff in the Securities Class Actions and the Company reached an agreement in principle to settle the Securities Class Actions. Under the terms of the agreement in principle, the lead plaintiff, on behalf of a class of all persons that purchased or otherwise acquired Company stock between October 7, 2020 and July 13, 2021, inclusive, would release the Company from all claims asserted or that could have been asserted in the Securities Class Actions and dismiss such claims with prejudice, in exchange for payment of \$8.5 million by the Company (at least \$4.0 million of which was funded by insurance proceeds).

On April 10, 2023, the parties filed a Notice of Settlement with the Court, and on August 18, 2023, the parties executed a Settlement Agreement. On August 30, 2023 the lead plaintiff filed a Motion for Preliminary Approval of Class Action Settlement, and the Court entered an Order Preliminarily Approving Settlement and Providing for Notice on September 21, 2023. Pursuant to that Order, on October 5, 2023, the Company paid \$1.0 million into the settlement escrow account. On November 16, 2023, following the Court’s order granting lead plaintiff’s motion to enforce the settlement agreement and despite the Company’s attempts to negotiate an extension of time to satisfy its payment obligations, the Company paid an additional \$3.5 million into the settlement escrow account. Insurance carriers made additional payments totaling \$4.0 million into the settlement escrow account.

On April 23, 2024, the Court entered an order and judgment finally approving the settlement of the Securities Class Actions. A group of plaintiffs asserting the Delaware Class Actions (see below) objected to the scope of the release in the settlement, and the Court overruled the objection. Those objectors may or may not appeal the Court’s decision to overrule their objections and approve the settlement. The Company does not know the timing of when such an appeal, if filed, would be heard. If the objectors do not appeal the approval of the settlement, or if their appeal is ultimately rejected by the Court of Appeal, then the settlement will resolve all claims in the Securities Class Actions against the Company (except as to any shareholders that may elect to opt-out of the class). The Company and the other defendants have denied and continue to deny each and all of the claims alleged in the Securities Class Actions, and the proposed settlement contains no admission of liability, wrongdoing or responsibility by any of the defendants. In the event that a court, on appeal or otherwise, overturns the approval of the settlement, the Company will continue to vigorously defend against the claims asserted in the Securities Class Actions.

As a result of the agreement to settle the Securities Class Action, the Company recorded a litigation settlement contingency of \$8.5 million. The Company additionally recorded an insurance receivable of \$4.0 million for the insurance proceeds expected from its insurers related to the settlement. The net amount of \$4.5 million was recognized in litigation settlement, net during the year ended December 31, 2022. As of December 31, 2024, the contingent liability in relation to Securities Class Action has been paid in full.

CFIUS Review

In February 2021, the Company and Mikhail Kokorich submitted a joint notice to the Committee on Foreign Investment in the United States (“CFIUS”) for review of the historical acquisition of interests in the Company by

MOMENTUS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 12. Commitments and Contingencies (cont.)

Mr. Kokorich, his wife, and entities that they control in response to concerns of the DoD regarding the Company's foreign ownership and control. On June 8, 2021, the DoD and the U.S. Department of the Treasury, on behalf of CFIUS, Mr. Kokorich, on behalf of himself and Nortrone Finance S.A. (an entity controlled by Mr. Kokorich), Lev Khasis and Olga Khasis, each in their respective individual capacities and on behalf of Brainyspace LLC (an entity controlled by Olga Khasis) entered into the NSA.

In accordance with the NSA and pursuant to stock repurchase agreements entered into with the Company, effective as of June 8, 2021, each of Mr. Kokorich, Nortrone Finance S.A., and Brainyspace LLC (collectively "the Co-Founders") agreed to sell 100% of their respective equity interests in the Company on June 30, 2021. The Company paid an aggregate of \$40 million to the Co-Founders following the Business Combination, and an additional payment of an aggregate of \$10 million was payable within 10 business days after cumulative business combination or capital raising transactions (whether in the form of debt or equity) resulted in cash proceeds to the Company of no less than \$250 million.

On February 27, 2023 the Company raised aggregate gross proceeds of \$10.0 million through the sale of securities (see Note 9 for additional information), which together with the Business Combination and other capital raising activities triggered the \$10.0 million liability to the Co-Founders in accordance with the terms of the stock repurchase agreements. The amount had previously been recorded as an estimated liability with a corresponding offset to additional paid-in capital within the condensed consolidated statements of stockholders' equity as of December 31, 2022. CFIUS terminated the NSA in January 2024 at the request of the Company, and the Company is no longer subject to the provisions of the NSA.

The Company incurred legal expenses related to these matters of approximately \$0.1 million for the three months ended March 31, 2024.

Shareholder Section 220 Litigation

On June 16, 2022, Plaintiff and the Company's shareholder James Burk filed a verified complaint against the Company in the Delaware Court of Chancery, Case No. 2022-0519, to inspect the books and records of the Company pursuant to Section 220 of the Delaware General Corporation Law. Plaintiff seeks production of books and records relating to the management of the Company and its disclosures to potential investors in connection with the Business Combination. On March 14, 2023, the Court granted the parties stipulation of dismissal with prejudice, and the matter was closed. The Company from time to time responds to books and records requests properly submitted pursuant to applicable Delaware law.

Shareholder Derivative Litigation

On June 20, 2022, a shareholder derivative action was filed by Brian Lindsey, on behalf of the Company, in the U.S. District Court for the Central District of California, Case No. 2:22-cv-04212, against the Company (as a nominal defendant), SRAC, Brian Kabot, Juan Manuel Quiroga, James Norris, James Hofmockel, Mikhail Kokorich, Dawn Harms, Fred Kennedy, Chris Hadfield, Mitchel B. Kugler, Victorino Mercado, Kimberly A. Reed, Linda J. Reiners, and John C. Rood. This derivative action alleges the same core allegations as stated in the securities class action litigation. Defendants dispute the allegations as stated in this derivative action. On September 27, 2022, Plaintiff filed his Notice of Voluntary Dismissal without Prejudice seeking to dismiss the case. Because Plaintiff's dismissal of this derivative action was voluntary and without prejudice, this plaintiff and/or other shareholders may seek to re-file the claims asserted in this matter at a later date. As noted below, Brian Lindsey re-filed a shareholder derivative action in Delaware Chancery Court on June 30, 2023.

On January 25, 2023, a shareholder derivative action was filed by Melissa Hanna, on behalf of the Company, in the U.S. District Court for the Northern District of California, Case No. 5:23-cv-00374, against the Company (as a nominal defendant), SRAC, Brian Kabot, Juan Manuel Quiroga, James Norris, James Hofmockel, Mikhail Kokorich, Dawn Harms, Fred Kennedy, Chris Hadfield, Mitchel B. Kugler, Victorino Mercado, Kimberly A. Reed, Linda J. Reiners, and John C. Rood (the "Derivative Action II"). The Derivative Action II alleges the same core allegations as stated in the Securities Class Actions, and also claims that the Company ignored and/or refused a prior demand made by Ms. Hanna on the Company's Board of Directors. The Company intends to vigorously defend the litigation.

MOMENTUS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 12. Commitments and Contingencies (cont.)

On April 25, 2023, a shareholder derivative action was filed by Justin Rivlin, purportedly on behalf of the Company, in the U.S. District Court for the District of California, Case No. 2:23-cv-03120, against the Company (as a nominal defendant), Brian Kabot, James Norris, Marc Lehmann, James Hofmockel, and Ann Kono. The *Rivlin* derivative action alleges the same core allegations as stated in the Securities Class Actions. The Company has filed a motion to dismiss the complaint on the grounds that the claims are time-barred and that the plaintiff was not excused from making a demand on the Company before filing the lawsuit. The Company intends to vigorously defend the litigation. On August 4, 2023, the plaintiff in the *Rivlin* action responded to the Company's motion to dismiss by filing an amended complaint adding new claims and new defendants, including existing Board members Chris Hadfield, Mitchel B. Kugler, Kimberly A. Reed, Linda J. Reiners, and John C. Rood.

On June 30, 2023, a shareholder derivative action was filed by Brian Lindsey, purportedly on behalf of the Company in the Court of Chancery for the State of Delaware (Case No. 2023-0674), against the Company (as a nominal defendant), Juan Manuel Quiroga, James Norris, James Hofmockel, Stable Road Acquisition Corp., SRC-NI Holdings, LLC, Mikhail Kokorich, Brian Kabot, Dawn Harms, Fred Kennedy, Chris Hadfield, Mitchel B. Kugler, Victorino Mercado, Kimberly A. Reed, Linda J. Reiners, and John C. Rood. The *Lindsey* derivative action alleges the same core allegations as stated in the Securities Class Actions. The Company intends to vigorously defend the litigation.

On August 26, 2024, an unopposed motion for the preliminary approval of settlement was filed after the Company reached an agreement in principle for a proposed settlement of certain shareholder derivative litigation. The proposed settlement, as set forth more fully in the Stipulation and Agreement of Settlement filed with the court, requires the Company to adopt certain corporate governance reforms. The reforms must be maintained for a minimum period of four years.

On September 16, 2024, the U.S. District Court for the Northern District of California issued an order primarily approving the settlement and providing for notice of the settlement to stockholders of the Company in the matters captioned *Hanna v. Kabot, et al.*, Case No. 5:23-cv-00374 (N.D. Cal.); *Rivlen v. Kabot, et al.*, Case No. 2:23-cv-03120 (C.D. Cal.); *Lindsey v. Quiroga, et al.*, Case No. 20230674 (Del. Ch.); and the litigation demand made by Momentus stockholder, Kamal Qureshi (collectively, the "Derivative Matters"). The proposed settlement calls for the Company to adopt certain corporate governance reforms and pay lead plaintiffs' attorney's fees, litigation expenses, and lead plaintiff service awards.

The order set a final approval hearing for November 21, 2024 and the U.S. District Court for the North District of California approved the settlement agreement, including the dismissal with prejudice of all claims against the defendants, via Order dated January 10, 2025. The matter was fully covered under the Company's insurance policy, and all associated legal fees and settlement costs were paid directly by the insurer. As a result, the Company did not incur any expenses related to legal fees or settlement costs in connection with this matter.

SAFE Note Litigation

On July 20, 2022, The Larian Living Trust ("TLLT") filed an action against the Company in New Castle County Superior Court, Delaware, in the Complex Commercial Litigation Division, Case No. N22C-07-133 EMD CCLD. TLLT pleads claims for fraudulent inducement and breach of contract arising from two investment contracts pursuant to which TLLT alleges it invested \$4.0 million in the Company. TLLT alleges that a "liquidity event" occurred when the Company closed the Business Combination, such that it was entitled to the greater of its \$4.0 million investment or its "Conversion Amount" of the Company's shares, which was a total of 1,036 shares of the Company's stock. TLLT further alleges that the Company refused to provide it the conversion amount of shares until April 2022, at which point the value of its shares had dropped significantly from their peak value in August of 2021, in excess of \$7.6 million. TLLT seeks damages in excess of \$7.6 million, in addition to interests and its attorney's fees and costs. On March 16, 2023, the Company's motion to dismiss TLLT's claims was denied and the parties will move forward with discovery. On July 13, 2023, the Company filed a motion for partial summary judgment. The hearing on the Company's motion for partial summary judgment was set for November 8, 2023, TLLT filed an Answering Brief on September 15, 2023, and the Company filed a Reply Brief on October 16, 2023. On January 31, 2024, the Superior Court denied the Company's motion for partial summary judgment. The Company disputes the allegations in the complaint and intends to vigorously defend the litigation. The Company and TLLT have held settlement discussions, but an agreement in principle has not been finalized.

MOMENTUS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 12. Commitments and Contingencies (cont.)

Founder Litigation

On June 8, 2021, former co-founders and shareholders of the Company, Mikhail Kokorich and Lev Khasis signed the NSA alongside stock repurchase agreements, whereby they agreed to divest their interests in the Company in exchange for a cash payments and other considerations. As part of the NSA and stock repurchase agreements, Messrs. Kokorich and Khasis agreed to a broad waiver and release of all claims (broadly defined) against the Company. The Company has maintained that this release is effective as to various advancement and indemnification claims either individual may have against the Company.

Both Messrs. Kokorich and Khasis have, through counsel, disagreed with the Company's position. For example, Mr. Kokorich is named as a defendant in the securities class action pending against the Company and other defendants, although he has not been served nor appeared in those matters. In addition, Mr. Kokorich is the sole defendant in a civil litigation action filed against him by the Securities and Exchange Commission, which remains pending in the U.S. District Court for the District of Columbia, Case No. 1:21-cv-01869. Mr. Kokorich has demanded indemnification and advancement from the Company for his fees and costs incurred in these actions, which claims are disputed by the Company.

The Company continues to maintain that Mr. Kokorich's release in the NSA and stock repurchase agreements is effective as to his claims for advancement and indemnification in these litigation matters. On August 16, 2022, Mr. Kokorich filed a verified complaint against the Company in the Delaware Court of Chancery (Case No. 2022-0722) seeking indemnification and advancement from the Company. Following the Company filing a motion to dismiss this action, on November 14, 2022, Mr. Kokorich filed an amended complaint. Additional motions to dismiss and replies were filed and considered at a hearing on February 2, 2023. The Delaware Court of Chancery granted the Company's motion to dismiss the Kokorich indemnification claim action on May 15, 2023. On June 13, 2023, Mr. Kokorich filed a notice of appeal. On July 28, 2023, Mr. Kokorich filed Appellant's Brief. The Company filed Appellee's Answering Brief on August 28, 2023, and Mr. Kokorich filed a Reply Brief on September 15, 2023. The oral argument on Mr. Kokorich's appeal was scheduled for November 15, 2023. On November 30, 2023, the Delaware Supreme Court affirmed the judgement of the Delaware Court of Chancery.

On March 24, 2023, Mr. Khasis filed a verified complaint against the Company in the Delaware Court of Chancery (Case No. 2023-0361) seeking indemnification and advancement of expenses from the Company. On April 17, 2023, the Company filed a motion to dismiss. On May 16, 2023, Mr. Khasis filed an amended complaint. On May 23, 2023, Momentus filed a motion to dismiss the amended complaint. Separately, Mr. Khasis has requested an expedited trial in his claim for advancement of fees. On June 23, 2023, the Court of Chancery ordered that Mr. Khasis indemnification litigation will not be stayed pending the appeal of the Kokorich claim. Moreover, the Court of Chancery further ordered the parties to prepare a scheduling order to the Court which includes all relevant deadlines to argue the Company's motion to dismiss and Mr. Khasis' expedited motion for advancement concurrently.

The parties have discussed potential settlement terms. While these discussions have been ongoing, Mr. Khasis has stayed discovery in his indemnification and advancement case. Mr. Khasis may decide to restart discovery and, more broadly, his indemnification and advancement litigation against Momentus. Also, other similar or related litigation may be filed against Momentus. In response to the Court's request for a status update, the Plaintiff moved to voluntarily dismiss its complaint without prejudice, which Momentus did not oppose. On November 26, 2024, the Court granted plaintiff's motion.

Delaware Class Actions

On November 10, 2022, purported stockholders filed a putative class action complaint against Brian Kabot, James Hofmockel, Ann Kono, Marc Lehmann, James Norris, Juan Manuel Quiroga, SRC-NI Holdings, LLC, Edward K. Freedman, Mikhail Kokorich, Dawn Harms, Fred Kennedy, and John C. Rood in the Court of Chancery of the State of Delaware, in a case captioned *Shirley, et al. v. Kabot et al.*, 2022-1023-PAF (the "Shirley Action"). The complaint alleges that the defendants made certain material misrepresentations, and omitted certain material information, in their public statements and disclosures regarding the Proposed Transaction, in violation of the securities laws, and seeks damages on behalf of a putative class of stockholders who purchased SRAC stock on or before August 9, 2021.

MOMENTUS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 12. Commitments and Contingencies (cont.)

On March 16, 2023, purported stockholders of the Company filed a putative class action complaint against certain current and former directors and officers of the Company in the Delaware Court of Chancery, in a case captioned *Lora v. Kabot, et al.*, Case No. 2023-0322 (the “*Lora Action*”). Like the *Shirley* complaint, the complaint alleges that the defendants made certain material misrepresentations, and omitted certain material information, in their public statements and disclosures regarding the Business Combination in violation of the securities laws, and seeks damages on behalf of a putative class of stockholders who purchased SRAC stock on or before August 9, 2021.

On March 17, 2023, purported stockholders of the Company filed a putative class action complaint against certain current and former directors and officers of the Company in the Delaware Court of Chancery, in a case captioned *Burk v. Kabot, et al.*, Case No. 2023-0334 (the “*Burk Action*”). Like the *Lora* and *Shirley* complaints, the *Burk* complaint alleges that the defendants made certain material misrepresentations, and omitted certain material information, in their public statements and disclosures regarding the Business Combination in violation of the securities laws, and seeks damages on behalf of a putative class of stockholders who purchased SRAC stock on or before August 9, 2021.

On May 26, 2023, plaintiffs filed a stipulation and proposed order for consolidation and appointment of co-lead plaintiffs and co-lead plaintiffs’ counsel designating the complaint filed in the *Lora Action* as the operative complaint. On June 30, 2023, the defendants each filed a motion to dismiss the complaint. On October 26, 2023, plaintiffs filed their answering briefs in opposition to the motions to dismiss, and the defendants’ reply briefs are due to be filed on or before December 14, 2023, and a hearing on the motions to dismiss was held for February 1, 2024.

On May 29, 2024, the court issued its orders on the motions to dismiss: (1) granting the motions to dismiss with respect to Defendants Fred Kennedy and Dawn Harms and dismissing the claims against them with prejudice, and (2) with respect to the SRAC Defendants, granting the motion to dismiss with prejudice. However, the court noted that Defendants Brian Kabot, James Hofmockel, and James Norris did not move to dismiss the portion of Count II relating to alleged misrepresentations concerning the value of SRAC shares issued in the merger and Defendant Brian Kabot did not move to dismiss the portion of Count III relating to the same. As such, the claims as to the SRAC were dismissed with prejudice, except for these remaining claims.

The *Shirley Action*, the *Lora Action*, and the *Burk Action* have been consolidated under the caption, *In re Momentus, Inc. Stockholders Litigation*, C.A. No. 2022-1023-PAF (Del Ch. Nov. 10, 2022). These putative class actions do not name the Company as a defendant. Regardless, the SRAC directors and officers, together with current and former directors and officers of the Company, have demanded indemnification and advancement from the Company, under the terms of the merger agreement and the exhibits thereto, the Delaware corporate code, the Company’s bylaws, and their individual indemnification agreements. The Company may be liable for the fees and costs incurred by the defendants and has an obligation to advance such fees during the pendency of the litigation. The Company understands that the defendants dispute the allegations in the complaint and intend to vigorously defend against any such litigation.

Threatened Claims

On October 23, 2023, Stephen J. Purcell, on behalf of the law firm Purcell & Lefkowitz LLP, threatened to file a legal proceeding to receive attorney’s fees in the amount of \$80,000 related to a stockholder litigation demand letter submitted to Momentus, dated July 20, 2021 on behalf of Joel Zalvin, a purported stockholder of Momentus. The stockholder litigation demand letter asserted that the vote to increase the number of shares of Class A common stock of Momentus at the special meeting of stockholders on August 11, 2021 was conducted in violation of Delaware law. On March 14, 2023, the Delaware Court of Chancery granted the Company’s request pursuant to 8 Del. C. § 205, or Section 205 of the Delaware General Corporation Law (the “*Petition*”) in order to validate and declare effective the Second Amended and Restated Certificate of Incorporation of the Company and validate and declare effective the shares of the Company’s Class A common stock issued in reliance on such provisions of the Second Amended and Restated Certificate of Incorporation of the Company as of the date of the original issuance of such shares. Further on March 14, 2023, the Court of Chancery entered an order under 8 Del. C. § 205 (i) declaring the Second Amended and Restated Certificate of Incorporation of the Company, including the filing and effectiveness thereof, as validated and effective retroactive to the date of its filing with the Office of the Secretary of State of the State of Delaware on August 12, 2021, and (ii) ordering that the Company’s Class A common stock (and the issuance of the Class A common stock) described in the *Petition* and any other securities issued in reliance of the validity of the Second Amended and Restated Certificate of Incorporation of the Company are validated and

MOMENTUS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****Note 12. Commitments and Contingencies (cont.)**

declared effective, each as of the original issuance dates. Momentus did not take action in response to the July 20, 2021 demand letter, but rather filed the Petition over one year later, following a decision by the Delaware Chancery Court that created uncertainty as to the validity of the Company's Second Amended and Restated Certificate of Incorporation. Accordingly, Momentus believes that the threatened claim is without merit and intends to vigorously defend any such claim if brought.

Prior to the close of the Business Combination, Alex Ciccotelli, represented by Rigrudsky Law, sent SRAC a disclosure demand letter dated November 9, 2020, and Jeffrey Justice II, represented by Grabar Law Office, sent SRAC a disclosure demand letter dated August 3, 2021. Mr. Ciccotelli then filed a civil action against SRAC. After receiving various shareholder disclosure demands, SRAC voluntarily issued certain pre-closing supplemental disclosures, without admission, as stated in its August 5, 2021 Form 8-K filing. The Ciccotelli action was thereafter dismissed as moot. On March 20, 2023, Rigrudsky Law threatened to file a fee petition seeking an award of fees and expenses if the Company does not agree to pay a mootness fee, and more recently, in October 2023, reiterated the demand on behalf of Messrs. Ciccotelli and Justice for payment of mootness fees. The Company maintains that, while certain amendments were made by SRAC to pre-closing disclosures, none of the disclosures made was material and the Company disputes that the claims for fees have merit.

Indemnification Claims

On July 31, 2024, certain former employees of the Company obtained a legal judgment in the amount of \$0.5 million inclusive of interest and expenses related to claims for the advancement and reimbursement of certain legal expenses of the former employees. The Company paid the former employees \$0.5 million in September 2024.

Vendor Dispute and Threatened Litigation

A vendor to the Company has demanded payment of outstanding invoices in the amount of approximately \$0.4 million. In March 2025, the Company made a settlement proposal to the vendor. In April 2025, the Vendor rejected the Company's proposed terms and threatened legal action unless the claimed amount is paid in full. The parties continue to discuss settlement options. The outstanding amount is included in the Company's accounts payable balance as of March 31, 2025.

Other Litigation and Related Matters

These and other litigation matters may be time-consuming, divert management's attention and resources, cause the Company to incur significant defense and settlement costs or liability, even if we believe the claims asserted against us are without merit. We intend to vigorously defend against all such claims. Because of the potential risks, expenses and uncertainties of litigation, as well as claims for indemnity from various of the parties concerned, we may from time to time settle disputes, even where we believe that we have meritorious claims or defenses. Because litigation is inherently unpredictable, further compounded by various claims for indemnity which may or may not be fully insured, we cannot assure that the results of these actions, either individually or in the aggregate, will not have a material adverse effect on our consolidated operating results and financial condition.

From time to time, the Company may be a party to litigation and subject to claims incident to the ordinary course of business or in connection with the matters discussed above. Although the results of litigation and claims cannot be predicted with certainty, the Company currently believes that the final outcome of these matters will not have a material adverse effect on its business. Regardless of the outcome, litigation can have an adverse impact on the Company because of judgment, defense and settlement costs, diversion of management resources and other factors. At each reporting period, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under ASC Sub-Topic 450-20. Legal fees are expensed as incurred.

Note 13. Income Taxes

The Company's effective tax rate for the three months ended March 31, 2025 and 2024, respectively, was zero percent. The effective tax rate may vary significantly from period to period and can be influenced by many factors. These factors include, but are not limited to, changes to the statutory rates in the jurisdictions where the Company has operations and changes in the valuation of deferred tax assets and liabilities. The difference between the effective tax rate and the federal statutory rate of 21% primarily relates to certain nondeductible items, state and local income taxes, the absence of current income tax, and a full valuation allowance for deferred tax assets.

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Note 14. Related Party Transactions

Related Party Promissory Notes

On June 21, 2024, the Company issued six promissory notes for an aggregate amount of \$0.5 million to participating directors and an officer of the Company. The proceeds from the notes were used to pay for employee retention payments, working capital, and general corporate expenses. Each note issued bore an annual interest rate of 5.12% equal to the minimum applicable federal rate published by the Internal Revenue Service for June 2024. Each note held a maturity date of September 30, 2024 and was secured by the Company's assets. Principal and interest payments were due by the maturity date and the notes would have become immediately due upon the occurrence of certain customary event of default, including failure to pay amounts owing when due and/or certain events involving a discontinuation of our business or certain types of proceedings involving insolvency, bankruptcy, receivership and the like. On September 12, 2024, the six promissory notes were repaid in full to the participating directors and officer of the Company.

Note 15. Segment Information

The Company operates as one operating segment. The Company's chief operating decision maker ("CODM") is its chief executive officer, who reviews financial information presented on a consolidated basis. The CODM uses consolidated net loss and net cash used in operations to assess financial performance and allocate resources. These financial metrics are used by the CODM to make key operating decisions, such as the allocation of budget between research and development and selling, general and administrative expenses and determination of cash from financing activities required.

The following table presents selected financial information with respect to the Company's single operating segment:

<i>(in thousands)</i>	Three Months Ended March 31,	
	2025	2024
Revenues	\$ 322	\$ 513
Gross Profit	322	513
Operating Expenses:		
Research and development expenses	1,915	2,676
Selling, general and administrative expenses	4,592	6,164
Total Operating expenses	6,507	8,840
Loss from operations	(6,185)	(8,327)
Other income (expense), net:		
Interest income	4	18
Interest expense	156	(57)
Gain on debt extinguishment	58	—
Other income (expense)	(205)	53
Total other income (expense)	13	14
Net Loss	\$ (6,172)	\$ (8,313)

See the condensed consolidated interim financial statements for other financial information regarding the Company's operating segment. The Company's long-lived tangible assets, as well as the Company's operating right-of-use assets recognized on the condensed consolidated balance sheets are located in the United States.

Note 16. Supplemental Disclosures for Condensed Consolidated Statements of Cash Flows

Supplemental disclosures for the accompanying condensed consolidated statements of cash flows consist of the following:

MOMENTUS INC.
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<i>(in thousands)</i>	Three Months Ended March 31,	
	2025	2024
Supplemental disclosure of non-cash investing and financing activities		
Purchases of intangible assets in accounts payable and accrued expenses at period end	\$ —	\$ 1
Issuance of common stock upon partial conversion of convertible note	\$ 664	\$ —
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 32	\$ 12

Note 17. Subsequent Events

Master Services Agreement with Velo3D, Inc.

On April 14, 2025, the Company entered into a master services agreement (the “Master Services Agreement”) with Velo3D, Inc. (“VLD”), a provider of additive manufacturing solutions, also referred to as 3D printing, pursuant to which VLD will provide services to design and produce components and systems that will be utilized by the Company or its customers in its spacecraft, systems, and components. In exchange for the services, the Company issued an aggregate of 477,455 shares of Class A common stock and 673,408 shares of non-voting Series A Convertible Preferred Stock, par value 0.00001 per share.

Convertible Promissory Note

On May 13, 2025, the Company entered into an unsecured convertible promissory note (the “May 2025 Convertible Note”) with A.G.P./Alliance Global Partners (“AGP”) for a principal amount of \$1.2 million. The May 2025 Convertible Note bears interest at 4.5% per annum and matures on November 13, 2026, unless earlier converted or prepaid. AGP may elect to convert all or any portion of the outstanding principal and accrued interest into shares of the Company’s Class A common stock at a conversion price of \$1.67 per share, subject to adjustment for stock splits, dividends, or similar events. At maturity, all outstanding principal and accrued interest are payable in cash or, at AGP’s option, in shares of Class A common stock at the conversion price, provided such shares are covered by an effective registration statement and issued without restrictive legends. The Company may prepay the May 2025 Convertible Note in whole or in part at any time without penalty. The May 2025 Convertible Note is subject to a conversion limitation of 19.99% of the Company’s outstanding common stock as of May 13, 2025, unless stockholder approval is obtained per Nasdaq rules. The Company is obligated to file a resale registration statement by June 11, 2025, to register the shares issuable upon conversion.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provides information which our management believes is relevant to an assessment and understanding of our results of operations and financial condition. This discussion and analysis should be read together with our audited and unaudited financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q (this "Form 10-Q") and our Annual Report on Form 10-K filed with the SEC on April 1, 2025, as amended on April 9, 2025. This discussion and analysis should also be read together with our financial information for the period ended as of March 31, 2025. In addition to historical financial information, this discussion and analysis contains forward-looking statements that reflect our plans, estimates, and beliefs that involve risks, uncertainties and assumptions. As a result of many factors, such as those set forth under the "Risk Factors" under Part II, Item 1A: "Risk Factors," in this Form 10-Q and under Part I, Item 1A in our Annual Report on Form 10-K filed with the SEC on April 1, 2025, as amended on April 9, 2025, and "Cautionary Statement Regarding Forward-Looking Statements" elsewhere in this Form 10-Q, our actual results may differ materially from those anticipated in these forward-looking statements.

Certain figures, such as interest rates and other percentages, included in this section have been rounded for ease of presentation. Percentage figures included in this section have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, percentage amounts in this section may vary slightly from those obtained by performing the same calculations using the figures in our financial statements or in the associated text. Certain other amounts that appear in this section may similarly vary slightly due to rounding.

Overview

Momentum offers or plans to offer satellites, satellite buses, satellite technologies including solar arrays, and transportation and infrastructure services to help enable the commercialization of space for commercial companies and to support the missions of U.S. and friendly governments missions. Satellite operators are our target commercial customers. Momentum is also seeking business in support of U.S. Government missions for Departments and Agencies like NASA and the Department of Defense.

Products and services that we plan to provide include provision of satellites, satellite buses, satellite technologies including solar arrays, integration of payload instruments, "last mile" satellite transportation, payload-hosting, on-orbit satellite refueling, on-orbit inspection, on-orbit satellite maintenance, de-orbiting, debris removal, and other satellite-to-satellite service offerings.

Our transportation service offering focuses on delivering our customers' satellites to precision orbits of their choosing. To accomplish this, we partner with leading launch service providers, such as SpaceX to "ride share" our customers' satellites from Earth to space on a midsized or large rocket. Customer satellites can also be carried aboard small launch vehicles for dedicated missions. Our OSVs would then provide "last mile" transportation services from the rocket's drop-off orbit to a custom orbit of the satellite operator's choosing. We believe this "hub-and-spoke" model has the potential to expand our customers' deployment options relative to what they would be able to achieve with ride share launch alone, while reducing their costs relative to what they could achieve with a dedicated small launch vehicle. Over time, we plan to begin introducing additional services beyond transportation and hosted payloads.

Since Momentum's founding in 2017, we have been working to develop, test and enhance our vehicles and supporting technologies, particularly our water plasma propulsion technology.

Our services are made possible by the space industry's rapid technological developments over the past two decades, driven predominantly by significant decreases in launch costs, as well as the advent of smaller, lower-cost satellites. The convergence of these trends has resulted in substantial growth in the commercial space market, rooted in higher accessibility for companies entering the new space economy that aim to offer communication, Earth observation and data collection services, and other satellite services.

We anticipate potential considerable growth over the coming years in the space transportation segment as companies continue to seek versatile and low-cost ways to deliver single satellites to specific orbits or deploy their satellite constellations. We anticipate that the need for small satellite transportation to low-Earth orbit will continue to drive overall demand growth for space transportation services in the short-term as technology advancements continue to make space more accessible to new market entrants, although new applications beyond low-Earth orbit are also emerging. We also believe that over the next decade, new space-based businesses may emerge, for example the generation of solar energy in space, space manufacturing or space data processing. The advent of these new business models could substantially increase demand for space transportation and other space infrastructure services.

Beyond transportation, we anticipate that growth of the satellite constellations market may drive demand for our satellites, satellites buses, and technologies like solar arrays, hosted payload, on-orbit satellite refueling, on-orbit inspection, on-orbit satellite maintenance, de-orbiting, debris removal, and other satellite-to-satellite service offerings, if we are successful in executing on our business plan, including fully developing and validating our technology in space. Satellite constellations have relatively low lifespans and, in our view, will require maintenance, de-orbiting, and other general servicing with higher frequency.

Momentum has developed the M-1000 satellite bus that the Company is offering to both commercial and U.S. government customers. The market for satellite buses in this class is substantial and growing. The M-1000 satellite bus is based on the Vigoride OSV and has substantial commonality.

Momentum has launched four missions to date, deployed 17 customer satellites, and provided hosted payload services. Three of these missions involved operation of the Vigoride OSV in orbit. During these three Vigoride missions, the system and technology were tested repeatedly. Improvements based on lessons learned during these missions were rapidly incorporated. As a result of these three missions, the Vigoride OSV has been successfully demonstrated in space and accumulated significant flight heritage.

Components of Results of Operations

Service Revenue

We enter into contracts for ‘last-mile’ satellite and cargo delivery, payload hosting and in-orbit servicing options with customers that are primarily in the aerospace industry. The Company recognizes revenue (along with any other fees that have been paid) upon the earlier of the satisfaction of our performance obligation or when the customer cancels the contract. The Company also enters into contracts to perform analysis and provide engineering services to U.S. Government organizations.

In general, our customers have the right to cancel their contracts with the understanding that they will forgo 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.

During the three months ended March 31, 2025, the Company recognized \$0.3 million of revenue, primarily from the completion of performance obligations on engineering services performed for U.S. government and engineering project services.

As of March 31, 2025 we have signed contracts with customers and have collected approximately \$3.0 million in customer deposits, \$0.2 million of which are recorded as non-current contract liabilities in our condensed consolidated balance sheets.

The Company estimates variable consideration at the most likely amount, which is included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur. While the Company’s standard contracts do not contain refund or recourse provisions that enable its customers to recover any non-refundable fees that have been paid, the Company may issue full or partial refunds to customers on a case-by-case basis as necessary to preserve and foster future business relationships and customer goodwill. Contracts to provide engineering services to U.S. Government organizations generally have milestone payments subject to the variable consideration constraint. When a milestone is achieved, the Company updates its estimate of the transaction price to include the milestone payment and records a cumulative catch-up in revenue.

Cost of Revenue

Cost of revenue consists primarily of expenses associated with third-party launch costs and direct headcount cost related to the engineering project. The costs associated with orbital service vehicles are deferred to prepaid cost of revenues and amortized to cost of revenues upon release of payload. The current design and technology allow for a single use of the orbital service vehicle.

Research and Development

Research and development expenditures consist primarily of the cost of the following activities for developing existing and future technologies for our satellites, satellite technologies, and our Orbital Service Vehicles. Research and development activities include basic research, applied research, design, development, and related test program activities. Costs incurred for developing our technologies primarily include equipment and labor hours (both internal and subcontractors). The Company also records launch costs related to the testing of its Vigoride vehicles as research and development costs.

As of March 31, 2025, we have expensed all research and development costs associated with developing and building our vehicles.

Selling, General and Administrative

Selling, general and administrative expenses consist of human capital related expenses for employees involved in general corporate functions, including executive management and administration, accounting, finance, tax, legal, information technology, security, sales, marketing, and human resources; depreciation expense and rent relating to facilities, and equipment; professional fees; and other general corporate costs. Headcount-related expenses primarily include salaries, bonuses, equity compensation expense and benefits.

We also incur additional expenses as a result of operating as a public company, including expenses necessary to comply with the rules and regulations applicable to companies listed on a national securities exchange and related to compliance and reporting obligations pursuant to the rules and regulations of the SEC.

Change in Fair Value of Warrant Liability

Changes in the fair value of warrants consists of changes in the estimated fair value of our warrant liability.

Realized loss on disposal of assets

Realized loss on disposal of assets consists of disposals of machinery and equipment with carrying values in excess of proceeds received, if any.

Interest Income

Interest income consists of interest earned by the Company on investment holdings in interest bearing bank accounts.

Interest Expense

Interest expense includes interest incurred by the Company related to our loan payables as well as the amortization of warrant discount and debt issuance costs.

Gain (Loss) on Debt Extinguishment

Gains or losses on extinguishment of debt are recognized for unamortized debt premiums, discounts and issuance costs as well as any fees paid to the lender relation to the extinguishment.

Other Income (Expense)

Other income (expense) primarily relates to non-recurring fees incurred in conjunction with the Term Loan financing, SEC settlement cost, and other immaterial items.

Income Tax Provision

We are subject to income taxes in the United States. Our income tax provision consists of an estimate of federal and state income taxes based on enacted federal and state tax rates, as adjusted for allowable credits, deductions, uncertain tax positions, changes in the valuation of our deferred tax assets and liabilities, and changes in tax laws.

The effective tax rate may vary significantly from period to period and can be influenced by many factors. These factors include, but are not limited to, changes to the statutory rates in the jurisdictions where the Company has operations and changes in the valuation of deferred tax assets and liabilities. The difference between the effective tax rate and the federal statutory rate of 21% primarily relates to certain nondeductible items, state and local income taxes and a full valuation allowance for deferred tax assets.

Results of Operations

The following tables set forth our results of operations for the periods presented. The period-to-period comparisons of financial results are not necessarily indicative of future results.

Comparison of Financial Results for the Three Months Ended March 31, 2025 and 2024

<i>(in thousands)</i>	Three Months Ended March 31,		\$ Change	% Change
	2025	2024		
Service revenue	\$ 322	\$ 513	\$ (191)	(37 %)
Gross profit	322	513	(191)	(37 %)
Operating expenses:				
Research and development expenses	1,915	2,676	(761)	(28 %)
Selling, general and administrative expenses	4,592	6,164	(1,572)	(26 %)
Total operating expenses	6,507	8,840	(2,333)	(26 %)
Loss from operations	(6,185)	(8,327)	2,142	(26 %)
Other income (expense), net:				
Interest income	4	18	(14)	(78 %)
Interest expense	156	(57)	213	(374 %)
Gain on debt extinguishment	58	—	58	100 %
Other income (expense)	(205)	53	(258)	(487 %)
Total other income, net	13	14	(1)	(7 %)
Net loss	\$ (6,172)	\$ (8,313)	\$ 2,141	(26 %)

Service revenue

Revenue recognized during the three months ended March 31, 2025, was primarily driven by engineering services performed for the Space Development Agency agreement, resulting in \$0.2 million of revenue recognition. The remaining \$0.1 million of revenue recognized was due to customer deposit forfeiture upon contract expiration.

Revenue recognized during the three months ended March 31, 2024, was primarily driven by engineering services performed for the Space Development Agency agreement, resulting in \$0.5 million of revenue recognition. The remaining \$0.04 million of revenue recognized was due to customer deposit forfeiture upon contract expiration.

Research and development expenses

Research and development expenses decreased from \$2.7 million in the three months ended March 31, 2024 to \$1.9 million in the three months ended March 31, 2025. The decrease was mostly headcount driven whereas cash payroll related cost went down by a \$0.8 million, partially offset by an increase of \$0.3 million in non-cash stock based compensation. Subcontractor costs decreased by \$0.2 million.

Selling, general and administrative expenses

Selling, general and administrative expenses decreased from \$6.2 million in the three months ended March 31, 2024 to \$4.6 million in the three months ended March 31, 2025. Payroll costs decreased by \$1.1 million inclusive of a decrease of \$0.7 million in non-cash stock based compensation. Legal services expenses decreased by \$0.9 million and other miscellaneous fees, such as insurance and overhead, decreased by \$0.6 million. These decreases were offset by an increase in consulting and professional services of \$1.1 million.

Interest income

Interest income decreased from \$0.02 million for the three months ended March 31, 2024 to \$4 thousand for the three months ended March 31, 2025 as the Company invested in less money market funds given liquidity constraints.

Interest expense

Interest expense decreased from \$0.1 million of cash and debt discount amortization interest for the three months ended March 31, 2024 to \$0.2 million interest reduction for the three months ended March 31, 2025 primarily due to amortization of the debt premium on the July Convertible Note and the October Convertible Note, partially offset by cash interest accrual. See Note 8 for additional information.

Gain on Debt Extinguishment

The gain on extinguishment of debt recognized for the three months ended March 31, 2025, was due to the amendment of the convertible promissory notes between the Company and Space Infrastructure Ventures. See Note 8 for additional information.

Other income (expense)

Other income (expense) decreased from \$0.1 million of other income during the three months ended March 31, 2024 to \$0.2 million of other expense during the three months ended March 31, 2025, primarily due to resolution of a prior obligation of the Company during the three months ended March 31, 2025.

Liquidity and Capital Resources**Going Concern**

The Company's ability to continue as a going concern is dependent on the Company's ability to successfully raise capital to fund its business operations and execute on its business plan. To date, the Company has not generated sufficient revenues to provide cash flows that enable the Company to finance its operations internally and the Company's financial position and operating results raise substantial doubt about the Company's ability to continue as a going concern. This is reflected by the Company's incurred net losses of \$6.2 million for the three months ended March 31, 2025 and an accumulated deficit of \$414.2 million as of March 31, 2025. Additionally, the Company used net cash of \$4.2 million to fund its operating activities for the three months ended March 31, 2025, and had cash and cash equivalents of \$3.4 million as of March 31, 2025.

In connection with the preparation of the condensed consolidated interim financial statements for the three months ended March 31, 2025, management conducted an evaluation and concluded that there were conditions and events, considered in the aggregate, which raised substantial doubt as to the Company's ability to continue as a going concern within twelve months after the date of the issuance of such financial statements. The Company believes that its current level of cash and cash equivalents are not sufficient to fund commercial scale production and sale of its services and products. These conditions raise substantial doubt regarding its ability to continue as a going concern for a period of at least one year from the date of issuance of these condensed consolidated interim financial statements. In order to proceed with the Company's business plan and operating strategy, the Company will need to raise substantial additional capital to fund its operations. Until such time, if ever, the Company can generate revenues sufficient to achieve profitability, the Company expects to finance its operations through equity or debt financings, which may not be available to the Company on the timing needed or on terms that the Company deems to be favorable. In an effort to alleviate these conditions, the Company continues to seek and evaluate opportunities to access additional capital through all available means.

As a result of these uncertainties, and notwithstanding management's plans and efforts to date, there is substantial doubt about the Company's ability to continue as a going concern. If the Company is unable to raise substantial additional capital in the near term, the Company's operations and business plan will need to be scaled back or halted altogether. Additionally, if the Company is able to raise additional capital but that capital is insufficient to provide a bridge to full commercial production at a profit, the Company's operations could be severely curtailed or cease entirely and the Company may not realize any significant value from its assets.

The accompanying condensed consolidated interim financial statements have been prepared on a going concern basis of accounting. The accompanying condensed consolidated interim financial statements do not reflect any adjustments that might result if the Company is unable to continue as a going concern.

Cash Flows

<i>(in thousands)</i>	Three Months Ended March 31,	
	2025	2024
Net cash (used in) provided by:		
Operating activities	\$ (4,175)	\$ (5,253)
Investing activities	—	(39)
Financing activities	6,001	4,849
Net change in cash, cash equivalents, and restricted cash	\$ 1,826	\$ (443)

Operating Activities

Net cash used in operating activities for the three months ended March 31, 2025 was \$4.2 million, driven primarily by headcount costs, research and development activities, legal expenses, and professional fees, as well as net cash changes in operating assets and liabilities.

Headcount related payroll costs, excluding stock-based compensation of \$1.1 million, were \$1.6 million. Professional fees of \$2.1 million included \$0.4 million in legal fees discussed in Note 12. Office overheads and other general corporate expenses were \$1.2 million, which includes insurance costs of \$0.3 million. Research and Development activity expenses, including materials, components, and subcontractor costs were \$0.3 million. These cash outflows were partially offset by gross profit of \$0.3 million primarily related to the fulfillment of performance obligations during the three months ended March 31, 2025. Additionally, the Company had a change in operating assets and liabilities of \$0.9 million during the three months ended March 31, 2025.

Net cash used in operating activities for the three months ended March 31, 2024 was \$5.3 million, driven primarily by headcount costs, research and development activities, legal expenses, and professional fees, as well as net cash changes in operating assets and liabilities. Headcount related payroll costs, excluding stock-based compensation of \$1.4 million, were \$2.9 million. Professional fees of \$1.9 million included \$1.4 million in legal fees. Office overheads and other general corporate expenses were \$1.7 million, which includes insurance costs of \$0.5 million. Research and Development activity expenses, including materials, components, and subcontractor costs were \$0.5 million. These cash outflows were partially offset by gross profit of \$0.5 million primarily related to the fulfillment of performance obligations for Vigoride 5 and Vigoride 6 customers during the three months ended March 31, 2024. Additionally, the Company had a change in operating assets and liabilities of \$1.1 million during the three months ended March 31, 2024.

Investing Activities

Net cash used in investing activities was zero and \$0.04 million for the three months ended March 31, 2025 and 2024, respectively, which consisted of purchases of machinery and equipment and intangible assets and proceeds received on the sale of machinery and equipment.

Financing Activities

Net cash provided by financing activities was \$6.0 million for the three months ended March 31, 2025, primarily due to gross proceeds of approximately \$5.0 million received from the February Offering, \$2.1 million received from the March 2025 Warrant Inducement Agreement, partially offset by principal repayments of \$0.3 million of the Convertible Notes and \$0.8 million in issuance costs related to common stock, related warrants, and warrant inducement.

Net cash provided by financing activities was \$4.8 million for the three months ended March 31, 2024, primarily due to gross proceeds of approximately \$8.0 million received from the January Offering and March Offering, partially offset by principal repayments of \$2.3 million under the Term Loan and \$0.8 million in issuance costs related to common stock and related warrants.

Funding Requirements

We expect our cash consumption to continue in connection with our ongoing activities.

Specifically, our operating expenses will continue as we:

- continue to refine and operate our corporate infrastructure, people, processes and systems;
- pursue sales and marketing activities for our product and services;
- pursue further research and development related to developing our satellites and satellite technology
- seek regulatory approvals for operation of our satellites and vehicles;
- actively manage our workforce, including right sizing in personnel;
- maintain, expand and protect our intellectual property portfolio;
- comply with public company reporting requirements; and
- defend against litigation.

Changing circumstances may cause us to expend capital significantly faster than we currently anticipate, or we may need to spend more money than currently expected because of circumstances beyond our control. We may be required to seek additional equity or debt financing. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us, or at all. If we are unable to raise additional capital when desired, our business, results of operations, and financial condition would be adversely affected.

Some of these risks and uncertainties are described in more detail under Part I, Item 1A: “*Risk Factors*,” in our December 31, 2024 Form 10-K under the heading “*Risk Factors — We may not currently or in the future be able to continue as a going concern.*”

Commitments and Contingencies

We are a party to operating leases primarily for facilities (e.g., office buildings, warehouses and spaceport) under non-cancellable operating leases. We lease office space under a non-cancellable operating lease which expires March 2026. Refer to Note 6.

We enter into purchase obligations in the normal course of business. These obligations include purchase orders and agreements to purchase goods or services that are enforceable, legally binding, and have significant terms and minimum purchases stipulated. Refer to Note 12.

In addition, we enter into agreements in the normal course of business with vendors for research and development services and outsourced services, which are generally cancellable upon written notice.

Off-Balance Sheet Arrangements

We do not engage in any off-balance sheet activities or have any arrangements or relationships with unconsolidated entities, such as variable interest, special purpose, and structured finance entities.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated interim financial statements, which have been prepared in accordance with GAAP. The preparation of our condensed consolidated interim financial statements and related disclosures requires us to make estimates, assumptions and judgments as of the balance sheet date that affect the reported amounts of assets, liabilities, revenues, costs and expenses and related disclosures. Our actual results may differ from these estimates under different assumptions and conditions. In addition to our critical accounting policies below, see Note 2 in the notes to our condensed consolidated interim financial statements included elsewhere in this Form 10-Q.

Revenue Recognition

The Company enters into short-term contracts for ‘last-mile’ satellite and cargo delivery (transportation services), payload hosting and in-orbit servicing options with customers that are primarily in the aerospace industry. For its transportation service arrangements, the Company has a single performance obligation of delivering the customers’ payload to its designated orbit and recognizes revenue (along with any other fees that have been paid) at a point in time, upon satisfaction of this performance obligation. Additionally, for its in-orbit service arrangements, the Company provides a multitude of services consistently throughout the mission to its customers and has services available on a ‘stand ready’ basis until the mission reaches its conclusion. The Company recognizes revenue for these in-orbit services ratably over time on a straight-line basis. The Company enters into contracts to perform services for U.S. Government customers. The Company recognizes revenue for these services in accordance with the terms of these contracts.

We account for customer contracts in accordance with ASC Topic 606, *Revenue from Contracts with Customers*, which includes the following five-step model:

- Identification of the contract, or contracts, with a customer.
- Identification of the performance obligations in the contract.
- Determination of the transaction price.
- Allocation of the transaction price to the performance obligations in the contract.
- Recognition of revenue when, or as, the Company satisfies a performance obligation.

The Company estimates variable consideration at the most likely amount, which is included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur. While the Company's standard contracts do not contain refund or recourse provisions that enable its customers to recover any non-refundable fees that have been paid, the Company may issue full or partial refunds, or concessions on future services to customers on a case-by-case basis as necessary to preserve and foster future business relationships and customer goodwill.

The Company's satellite and cargo delivery services (transportation services) are considered a single performance obligation, to transport the customers' payload to a specified orbit in space. We recognize revenue for these services at a point in time, when control is transferred, which is considered to be upon the release of the customers' payload into its specified orbit. We will calculate the weight distribution of each transfer vehicle at the customer level, and we will estimate the delivery date for each customer's payload based on the relative weight of payloads released to determine the point in time to recognize revenue for each payload release.

The Company's in-orbit services consist of a collection of interdependent and integrated services which are not considered distinct from one another and may vary depending on the specific needs of the Customer and mission. Revenue for these in-orbit services is recognized ratably over time on a straight line basis.

The Company's engineering project services to U.S. Government organizations generally have specific payment attached to each milestone. When a milestone is achieved, the Company submits services performed for approval. Once approval is received, the Company invoices and collects on the milestone completed.

In periods in which we recognize revenue, we will disclose the amounts of revenue recognized that was included as a contract liability balance at the beginning of the reporting period in accordance with ASC 606-10-50-8(b).

Loss Contingencies

We are subject to the possibility of various loss contingencies arising in the ordinary course of business, including product-related and other litigation. We consider the likelihood of loss or impairment of an asset or the incurrence of a liability, as well as our ability to reasonably estimate the amount of loss in determining loss contingencies. An estimated loss contingency is accrued when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. We regularly evaluate current information available to us to determine whether such accruals should be adjusted and whether new accruals are required. Refer to Note 12.

Deferred Fulfillment and Prepaid Launch Costs

We prepay for certain launch costs to third-party providers that will carry the orbital service vehicle to orbit. Prepaid costs allocated to the delivery of a customer's payload are classified as deferred fulfillment costs. Prepaid costs allocated to our payload are classified as prepaid launch costs. These costs are then recognized as cost of revenues upon release of the customer's payload and our payload, respectively.

Contract Liabilities

Customer deposits collected prior to the release of the customer's payload into its specified orbit are recorded as current and non-current contract liabilities in our condensed consolidated balance sheets as the amounts received represent a prepayment for the satisfaction of a future performance obligation that has not yet commenced. Some customer deposits are non-refundable. Each non-refundable deposit is determined to be a contract liability upon cash collection. Prior to making this determination, we ensure that a valid contract is in place that meets the definition of the existence of a contract in accordance with ASC 606-10-25-1 and 2.

Stock-based Compensation

We have various stock incentive plans under which incentive and non-qualified stock options and restricted stock awards are granted to employees, directors, and consultants. All stock-based payments to employees, including grants of employee stock options are recognized in the condensed consolidated interim financial statements based on their respective grant date fair values.

We recognize stock-based compensation expense using a fair value-based method for costs related to all stock-based payments. We estimate the fair value of stock-based payments on the date of grant using the Black-Scholes-Merton option pricing model. The model requires management to make a number of assumptions, including expected volatility of our stock, expected life of the option, risk-free interest rate, and expected dividends. The fair value of the stock is expensed over the related service period which is typically the vesting period. The stock-based

compensation expense that is reported in our condensed consolidated interim financial statements is based on awards that are expected to vest. We account for forfeitures as they occur.

Estimating the fair value of equity awards as of the grant date using valuation models, such as the Black-Scholes-Merton option pricing model, is affected by assumptions regarding a number of variables as disclosed above, and any changes in the assumptions can materially affect the fair value and ultimately how much stock-based compensation expense is recognized. These inputs are subjective and generally require significant analysis and judgment to develop.

Income Taxes

We account for income taxes in accordance with authoritative guidance, which requires the use of the asset and liability method. Under this method, deferred income tax assets and liabilities are determined based upon the difference between the financial statement carrying amounts and the tax basis of assets and liabilities and are measured using the enacted tax rate expected to apply to taxable income in the years in which the differences are expected to be reversed.

Significant judgment is required in determining any valuation allowance recorded against deferred tax assets. In assessing the need for a valuation allowance, management considers all available evidence, including past operating results, estimates of future taxable income, and the feasibility of tax planning strategies.

In the event that management changes its determination as to the amount of deferred tax assets that can be realized, we will adjust our valuation allowance with a corresponding impact to the provision for income taxes in the period in which such determination is made.

ASC Topic 740-10 requires companies to determine whether it is “more likely than not” that a tax position will be sustained upon examination by the appropriate taxing authorities before any tax benefit can be recorded in the condensed consolidated interim financial statements. It also provides guidance on the recognition, measurement, classification and interest and penalties related to uncertain tax positions. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount that is initially recognized.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB or other standard-setting bodies that are adopted by us as of the specified effective date. Unless otherwise discussed, we believe that the impact of recently issued standards that are not yet effective will not have a material impact on our financial position or results of operations upon adoption.

Please refer to Note 2 in the notes to our condensed consolidated interim financial statements included elsewhere in this Form 10-Q for a description of recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted, the timing of their adoptions and our assessment, to the extent we have made one, of their potential impact on our consolidated financial condition and results of operations.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to a variety of market and other risks, including the effects of changes in interest rates, and inflation, as well as risks to the availability of funding sources, hazard events, and specific asset risks.

Interest Rate Risk

The market risk inherent in our financial instruments and our financial position represents the potential loss arising from adverse changes in interest rates. As of March 31, 2025, we had cash and cash equivalents of \$3.4 million, which were primarily invested in highly liquid investments purchased with a remaining maturity of three months or less. However, due to the short-term maturities and the low-risk profile of our investments, an immediate 10% change in interest rates would not have a material effect on the fair value of our cash and cash equivalents.

Foreign Currency Risk

There were no material foreign currency transactions for the three months ended March 31, 2025 and 2024. Currently, a significant portion of our cash receipts and expenses are generated in U.S. dollars.

ITEM 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures (“Disclosure Controls”) as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act that are designed to provide reasonable assurance that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to management, including the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), as appropriate to allow timely decisions regarding required disclosure.

In designing and evaluating the Disclosure Controls, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and management was required to apply judgement in evaluating its controls and procedures. All internal control systems, no matter how well designed, have inherent limitations, including the possibility of human error and the circumvention of overriding controls.

In connection with the preparation of this report, our management, under the supervision and with the participation of our CEO and CFO, conducted an evaluation of the effectiveness of the design and operation of our Disclosure Controls as of March 31, 2025. Based on this evaluation, the CEO and CFO concluded that the Company’s Disclosure Controls were not effective as of March 31, 2025, due to the material weakness in internal control over financial reporting described below.

Our management, including our CEO and CFO, has concluded that, notwithstanding the identified material weakness in our internal control over financial reporting, the condensed consolidated interim financial statements included in this Quarterly Report on Form 10-Q fairly present, in all material respects, our financial condition, results of operations and cash flows for the periods presented in conformity with GAAP.

Previously Identified Material Weakness

During the preparation of the Company’s financial statements for the year ended December 31, 2024, management identified a material weakness related to misclassification errors in our accounting for certain matters including the following:

- misclassifying \$0.2 million of other income activity as revenue, where a transaction outside the scope of ASC Topic 606 was incorrectly presented in revenue rather than other income;
- misclassifying \$0.1 million in legal expenses that were costs associated with an offering of common stock and warrants as legal costs instead of recording them as a reduction to additional paid-in capital in accordance with applicable guidance;
- a misclassifying \$1.7 million related to the Company’s prepaid research and development expense balance. Based on the nature of the underlying items, which included both deposits for undelivered goods and components received intended for use in commercial launch services, the balance did not meet the criteria for prepaid research and development expense under ASC 730. The Company has subsequently recorded and reclassified the balance from current assets to other non-current assets, ensuring proper classification in accordance with U.S. GAAP; and
- misclassifying \$0.3 million of accounts payable as accrued liabilities.

There were no material misstatements as a result of this material weakness; however, it could have resulted in a material misstatement to the annual or interim consolidated financial statements that would not have been prevented or detected on a timely basis.

Management’s Plan to Remediate the Material Weakness

Management will implement remediation steps to address the material weakness and to improve our internal control environment. Company Management will prepare a plan with specific steps and milestones. This plan will be briefed to the Disclosure Committee and Audit Committee, and then to the full Board of Directors. The Company will engage with outside consultants to review the revised control processes and procedures and assist with implementation as necessary. The Company’s progress in implementation will be reviewed regularly by management, and the Disclosure and Audit Committees of the Board of Directors.

No assurance can be made that our remediation efforts will be completed in a timely manner or that the updated controls and procedures associated with such efforts will be deemed adequate after being subjected to testing. If not remediated, this material weakness could result in material misstatements to our annual or interim consolidated financial statements that may not be prevented or detected on a timely basis or result in a delayed filing of required periodic reports. If we are unable to assert that our internal control over financial reporting is effective, investors

may lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock could be adversely affected, and we could become subject to litigation or investigations by Nasdaq, the SEC, or other regulatory authorities, which could require additional financial and management resources.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the fiscal quarter ended March 31, 2025 which were identified in connection with management's evaluation required by paragraph (d) of Rules 13a-15 and 15d-15 under the Exchange Act that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. Other Information

ITEM 1. Legal Proceedings

See the disclosures under the caption “*Legal Proceedings*” in Note 12 in the notes to our condensed consolidated interim financial statements included elsewhere in this Form 10-Q for disclosures related to our legal proceedings, which disclosures are incorporated herein by reference.

ITEM 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in “*Risk Factors*” in our most recent Annual Report on Form 10-K filed by the Company on April 1, 2025, as amended on April 9, 2025, which could materially affect our business, financial condition or future results. The risks described below and in our Annual Report on Form 10-K filed by the Company on April 1, 2025, as amended on April 9, 2025, are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem immaterial also may materially adversely affect our business, financial condition, operating results and/or cash flows.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosures

None.

ITEM 5. Other Information

Convertible Promissory Note

On May 13, 2025, the Company issued to A.G.P./Alliance Global Partners (the “Holder”) a convertible promissory note (the “Convertible Note”) in the principal amount of \$1,200,000 to evidence the Holder’s currently owed deferred commission. Unless earlier converted as specified in the Convertible Note, the principal amount plus all accrued but unpaid interest is due on November 13, 2026 (the “Maturity Date”). The Convertible Note accrues interest at 4.5% per annum.

At any time prior to the full payment of the Convertible Note the Holder, in its sole discretion, may elect to have all or any portion of the outstanding principal amount and all interest accrued converted into shares of the Company’s common stock, par value \$0.0001 per share (the “Common Stock”), at a fixed price of \$1.67, subject to adjustment as provided therein and to take into account any future share splits or reverse splits. In addition, a conversion of the Convertible Note that would cause the aggregate number of shares issued under the Convertible Note to exceed the Conversion Limit (as such term is defined in the Convertible Note) may not occur prior to receipt of stockholder approval to provide for such conversion of the Convertible Note, and the subsequent issuance of Common Stock, pursuant to the stockholder approval rules and regulations of the Nasdaq Stock Market. Further, following the Holder’s ability to convert the Convertible Note, if at all, the Holder will not be entitled to receive the Company’s Common Stock upon conversion, if such conversion would result in the Holder owning greater than 9.99% of the Company’s then currently outstanding Common Stock. The Holder is also entitled to resale registration rights as identified in the Convertible Note.

The Company may prepay the Convertible Note in whole or in part. The Convertible Note contains customary default provisions for a transaction of this nature. In the event of certain Events of Default (as defined in the Convertible Note), all outstanding principal and accrued interest under the Convertible Note will become, or may become at the Holder’s election, immediately due and payable to the Holder.

The Company issued the Convertible Note pursuant to the exemption from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), available under Section 4(a)(2). The shares of Common Stock that may be issued upon conversion of the Convertible Note, in amount of up to 718,563 shares, if such amount is not previously paid prior to maturity and the Holder elects to convert the Convertible Note, have not been registered under the Securities Act and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws.

Debt Settlements

Between April 21, 2025 and May 12, 2025, the Company issued 164,393 shares of its Class A common stock (the “Common Stock”) to four vendors to settle outstanding debts of \$292,942.42.

Shares of the Company’s Common Stock issued in the transactions described herein are exempt from registration under the Securities Act in reliance on Section 4(a)(2) of the Securities Act. Each of the vendors is an “accredited investor” as defined in Regulation D or “sophisticated investor” and was acquiring the shares for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof. Accordingly, the shares of the Company’s Common Stock were not registered under the Securities Act and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws.

ITEM 6. Exhibits

Exhibit Number	Description of Exhibit
3.1	Second Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on August 22, 2023).
3.2	Certificate of Amendment to Second Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on August 22, 2023).
3.3	Second Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Momentus Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on December 10, 2024).
3.4	Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on August 18, 2021).
3.5	First Amendment to the Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on July 25, 2023).
3.6	Certificate of Designations, dated April 14, 2025 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on April 14, 2025).
4.1	Form of Common Warrant (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on February 13, 2025).
4.2	Form of Pre-Funded Warrant (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on February 13, 2025).
4.3	Amendment to Common Stock Purchase Warrants (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on February 13, 2025).
4.4	Form of Placement Agent Warrant (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on February 13, 2025).
4.5	Form of Inducement Warrant (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on March 21, 2025).
10.1	Form of Securities Purchase Agreement (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 13, 2025).
10.2	Form of Warrant Inducement Agreement, by and between Momentus Inc. and the Holder identified on the signature page thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 21, 2025).
10.3*	Convertible Promissory Note dated May 13, 2025 by and between Momentus Inc. and A.G.P./Alliance Global Partners.
31.1*	Certification Pursuant to Rules 13a-14(a) and 15d-14(a) Under The Securities Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification Pursuant to Rules 13a-14(a) and 15d-14(a) Under The Securities Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
104*	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

Management contract or compensatory plan or arrangement

* Filed herewith

** Furnished herewith

† Certain of the exhibits and schedules to this Exhibit List have been omitted in accordance with Regulation S-K Item 601(a)(5). The Registrant agrees to furnish a copy of all omitted exhibits and schedules to the SEC upon its request.

SIGNATURES

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

MOMENTUS INC.

Date: May 15, 2025

By: /s/ John Rood
Name: John Rood
Title: Chief Executive Officer
(Principal Executive Officer)

Date: May 15, 2025

By: /s/ Lon Ensler
Name: Lon Ensler
Title: Interim Chief Financial Officer
(Principal Financial and Accounting Officer)

THIS NOTE AND THE SECURITIES ISSUABLE UPON THE CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

MOMENTUS INC.

CONVERTIBLE PROMISSORY NOTE

Dated: May 13, 2025 (the “*Issuance Date*”)

FOR VALUE RECEIVED, Momentus Inc., a Delaware company (the “*Company*”), promises to pay to A.G.P./Alliance Global Partners (“*Holder*”), or its registered assigns, in lawful money of the United States of America (i) the sum of \$1,200,000 (the “*Principal Amount*”); and (ii) interest accrued on the unpaid Principal Amount in accordance with Section 2. All Note Obligations (as defined below) under this convertible promissory note (the “*Note*”) shall be due and payable (a) on the Maturity Date (as defined below) of this Note; or (b) when, upon or after the occurrence and during the continuance of an Event of Default (as defined below), such amounts are declared due and payable by Holder or made automatically due and payable in accordance with the terms hereof. The Company and Holder may be individually referred to herein as a “*Party*” or collectively as the “*Parties*”.

1. Definitions.

(a) **Preamble and Recitals:** The terms defined above are incorporated herein.

(b) For purposes of this Note, the following terms shall have the following meanings (with terms defined in the singular having comparable meanings when used in the plural and vice versa).

- i. “*Affiliate*” means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 405 under the Securities Act.
- ii. “*Approval*” shall have the meaning set forth in Section 8(i).
- iii. “*Business Day*” means any day other than Saturday, Sunday or a day on which banking institutions in the State of New York are permitted or obligated by applicable law to remain closed.
- iv. “*Common Stock*” means the shares of the Company’s common stock, par value \$0.0001 per share.
- v. “*Conversion Amount*” shall have the meaning set forth in Section 8(b).
- vi. “*Conversion Date*” shall have the meaning set forth in Section 8(c).
- vii. “*Conversion Notice*” shall have the meaning set forth in Section 8(c).
- viii. “*Conversion Price*” means, as of any Conversion Date (as defined herein) or other date of determination, \$1.67 per share, which shall be equal to the closing price of the

Common Stock on May 9, 2025. The Conversion Price shall be adjusted for stock dividends, stock splits, stock combinations and other similar transactions.

- ix. “**Conversion Shares**” shall have the meaning set forth in Section 8(a).
- x. [RESERVED]
- xi. “**Event of Default**” shall have the meaning set forth in Section 5.
- xii. “**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended.
- xiii. “**Holder Group**” shall have the meaning set forth in Section 7(b).
- xiv. “**Indebtedness**” of any Person means, without duplication (i) all indebtedness for borrowed money, (ii) all obligations issued, undertaken or assumed as the deferred purchase price of property or services, including (without limitation) “finance leases” in accordance with GAAP (other than trade payables entered into in the ordinary course of business consistent with past practice), (iii) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (iv) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of property, assets or businesses, (v) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (vi) all monetary obligations under any leasing or similar arrangement which, in connection with GAAP, is classified as a finance lease, (vii) all indebtedness referred to in clauses (i) through (vi) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any mortgage, deed of trust, lien, pledge, charge, security interest or other encumbrance of any nature whatsoever in or upon any property or assets (including accounts and contract rights) with respect to any asset or property owned by any Person, even though the Person which owns such assets or property has not assumed or become liable for the payment of such indebtedness, and (vii) all Note Obligations in respect of indebtedness or obligations of others of the kinds referred to in clauses (i) through (vii) above.
- xv. “**Lien**” means any mortgage, deed of trust, pledge, hypothecation, assignment for security, security interest, encumbrance, levy, lien or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, against any property, any conditional sale or other title retention agreement, and any lease in the nature of a security interest; provided, that for the avoidance of doubt, licenses, strain escrows and similar provisions in collaboration agreements or research and development agreements that do not create or purport to create a security interest, encumbrance, levy, lien or charge of any kind shall not be deemed to be Liens for purposes of this Note.
- xvi. “**Maturity Date**” means 18 months from the Issuance Date.
- xvii. “**Maximum Percentage**” shall have the meaning set forth in Section 7(b).
- xviii. “**Note Obligations**” means, as of the date of measurement, the Company’s obligation to pay the aggregate sum of (i) the outstanding unpaid Principal Amount of this Note;

- (ii) all accrued and unpaid interest thereon calculated in accordance with Section 2; and (iii) any other amounts payable hereunder with respect to this Note.
- xix. “**Permitted Indebtedness**” means (i) Indebtedness evidenced by this Note, (ii) trade payables incurred in the ordinary course of business and consistent with past practice, and (iii) unsecured Indebtedness incurred by the Company that is made expressly subordinate in right of payment to the Indebtedness evidenced by this Note, as reflected in a written agreement acceptable to the Holder and approved by the Holder in writing.
- xx. “**Permitted Liens**” means (i) any Lien for taxes not yet due or delinquent or being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with GAAP, (ii) any statutory Lien arising in the ordinary course of business by operation of law with respect to a liability that is not yet due or delinquent, (iii) any Lien created by operation of law, arising in the ordinary course of business with respect to a liability that is not yet due or delinquent or that are being contested in good faith by appropriate proceedings, (iv) Liens (A) upon or in any equipment acquired or held by the Company to secure the purchase price of such equipment or Indebtedness incurred solely for the purpose of financing the acquisition or lease of such equipment, or (B) existing on such equipment at the time of its acquisition, provided that the Lien is confined solely to the property so acquired and improvements thereon, and the proceeds of such equipment, (v) Liens incurred in connection with the extension, renewal or refinancing of the Indebtedness secured by Liens of the type described in clause (iv) above, provided that any extension, renewal or replacement Lien shall be limited to the property encumbered by the existing Lien and the principal amount of the Indebtedness being extended, renewed or refinanced does not increase, (vi) leases or subleases and licenses and sublicenses granted to others in the ordinary course of the Company’s business, not interfering in any material respect with the business of the Company taken as a whole, (vii) Liens in favor of customs and revenue authorities arising as a matter of law to secure payments of custom duties in connection with the importation of goods, and (viii) Liens arising from judgments, decrees or attachments in circumstances not constituting an Event of Default under Section 5.
- xxi. “**Person**” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.
- xxii. “**Principal Market**” means the Nasdaq Capital Market, or such other principal exchange as the Company’s shares of Common Stock may trade.
- xxiii. “**Registration Statement**” means the Resale Registration Statement.
- xxiv. “**Reserved Shares**” shall have the meaning set forth in Section 8(f).
- xxv. “**Rule 144**” means Rule 144 under the Securities Act.
- xxvi. “**Rule 424**” shall have the meaning set forth in Section 10.7.
- xxvii. “**SEC**” means the U.S. Securities and Exchange Commission.
- xxviii. “**Securities**” means this Note and, as applicable, the shares of Common Stock issuable upon conversion of the Note.

xxix. “*Securities Act*” means the U.S. Securities Act of 1933, as amended.

xxx. “*Trading Day*” means a day on which the Principal Market is open for trading.

2. Interest. Interest on the outstanding portion of the Principal Amount shall accrue at a rate equal to 4.5% per annum.

3. Payment. Unless otherwise earlier converted pursuant to Section 8, the Principal Amount plus all accrued but unpaid interest shall be due and payable to Holder on the Maturity Date in cash or, at the option of the Holder in shares of Common Stock (issued at the Conversion Price) that are covered by an effective Registration Statement and have been issued to the Holder with no restrictive legend.

4. Prepayment. Upon notice to Holder, the Company may prepay this Note in whole or in part, *provided*, that any such prepayment will be applied first to the payment of costs and expenses due under this Note, second to interest accrued on this Note and third, if the amount of prepayment exceeds the amount of all such costs, expenses and accrued interest, to the payment of the Principal Amount of this Note.

5. Events of Default. Upon written notice of such event from the Holder to the Company and a five (5) Business Day opportunity to cure, except with respect to clause 5(e) below which shall require no notice by the Holder or opportunity to cure, the occurrence of any of the following shall constitute an “*Event of Default*” under this Note:

- (a) *Failure to Pay*. the Company failing to pay when due any principal or interest payment on the due date hereunder or any other amount payable hereunder when due, whether at maturity or otherwise;
- (b) *Resale Registration Statement*. except as otherwise permitted in this Note, the Company failing to timely file, obtain and maintain the continuous effectiveness of the Resale Registration Statement(s) upon the terms prescribed pursuant to the registration rights described below;
- (c) [RESERVED];
- (d) [RESERVED];
- (e) *Voluntary Bankruptcy or Insolvency Proceedings*. the Company (i) applying for or consenting to the appointment of a receiver, trustee, liquidator or custodian of itself or of all or a substantial part of its property; (ii) admitting in writing its inability, to pay its debts generally as they mature; (iii) making a general assignment for the benefit of its or any of its creditors; (iv) being dissolved or liquidated; or (v) commencing a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or consenting to any such relief or to the appointment of or taking possession of its property by any official in an involuntary case or other proceeding commenced against it;
- (f) *Involuntary Bankruptcy or Insolvency Proceedings*. proceedings for the appointment of a receiver, trustee, liquidator or custodian of the Company or of all or a substantial part of the property thereof, or an involuntary case or other proceedings seeking liquidation, reorganization or other relief with respect to the Company or the debts

thereof under any bankruptcy, insolvency or other similar law now or hereafter in effect being commenced and an order for relief being entered or such proceeding not being dismissed or discharged within 60 days of commencement;

- (g) [RESERVED];
- (h) *Repudiation of Note.* the Company providing at any time notice to the Holder, including by way of public announcement, of the Company's intention to not honor any provision of this Note (including requests for conversions of this Note in accordance with the terms hereof);
- (i) *Corporate Authorization.* the Company or any subsidiary thereof, by any act or failure to act, expressly indicating its consent to, approval of or acquiescence in any of the actions described in any of the clauses above or taking any corporate or other action to authorize or otherwise for the purpose of effecting any such action;
- (j) [RESERVED];
- (k) [RESERVED]; or
- (l) *Breach of Representations or Covenants or Agreements.* the Company having breached any representation or warranty contained in this Note or failing to perform or observe any other material term, covenant or agreement contained herein or in any other document or agreement entered into between the Company and the Holder.

6. Rights of Holder upon Default. Upon the occurrence or existence of any Event of Default (other than an Event of Default described in Sections 5(e) or 5(f)) and at any time thereafter during the continuance of such Event of Default, all outstanding Note Obligations payable by the Company hereunder shall become immediately due and payable upon election of the Holder without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived. Upon the occurrence or existence of any Event of Default described in Sections 5(e) and 5(f), immediately and without notice, all outstanding Note Obligations payable by the Company hereunder shall automatically become immediately due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived. In addition to the foregoing remedies, upon the occurrence or existence of any Event of Default, Holder may exercise any other right power or remedy granted to it by this Note or otherwise permitted to it by applicable law, either by suit in equity or by action at law, or both.

7. Ownership Cap.

- (a) *Ownership Cap.* Notwithstanding anything to the contrary contained herein, the Holder shall not be entitled to receive shares of Common Stock upon conversion of this Note to the extent (but only to the extent) that such exercise or receipt would cause the Holder Group (as defined below) to become, directly or indirectly, a "beneficial owner" (within the meaning of Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder) of a number of a number of shares of Common Stock which exceeds the Maximum Percentage (as defined below) of the shares of Common Stock that are outstanding at such time. Any purported delivery of shares of Common Stock in connection with the conversion of this Note prior to the termination of this restriction in accordance herewith shall be void and have no effect to the extent (but only to the extent) that such delivery would result in the Holder Group becoming the beneficial owner of more than the Maximum Percentage of shares of Common

Stock that are outstanding at such time. If any delivery of Common Stock owed to the Holder following conversion of this Note is not made, in whole or in part, as a result of this limitation, the Company's obligation to make such delivery shall not be extinguished and the Company shall deliver shares of Common Stock as promptly as practicable after the Holder gives notice to the Company that such delivery would not result in such limitation being triggered or upon termination of the restriction in accordance with the terms hereof. To the extent limitations contained in this Section 7(b) apply, the determination of whether the principal amount of this Note is convertible and of which portion of the principal amount of this Note is convertible shall be the sole responsibility and in the sole determination of the Holder, and the submission of a notice of conversion shall be deemed to constitute the Holder's determination that the issuance of the full number of Conversion Shares requested in the notice of conversion is permitted hereunder, and the Company shall be entitled to rely on the representations and other information set forth in any Conversion Notice and shall not have any obligation to verify or confirm the accuracy of such determination. For purposes of this Section 7(b), (i) the term "**Maximum Percentage**" shall mean 4.99%; *provided*, that if at any time after the date hereof the Holder Group beneficially owns in excess of 4.99% of the outstanding shares of Common Stock, then the Maximum Percentage shall automatically increase to 9.99% for so long as the Holder Group owns in excess of 4.99% of the outstanding shares of Common Stock (and shall, for the avoidance of doubt, automatically decrease to 4.99% upon the Holder Group ceasing to own in excess of 4.99% of the outstanding shares of Common Stock); and (ii) the term "**Holder Group**" shall mean the Holder plus any other Person with which the Holder is considered to be part of a group under Section 13 of the Exchange Act or with which the Holder otherwise files reports under Section 13 and/or Section 16 of the Exchange Act. In determining the number of shares of Common Stock outstanding at any point in time, the Holder may rely on the number of outstanding shares of Common Stock as reflected in (x) the Company's most recent annual or quarterly reports filed with the SEC, as the case may be, (y) a more recent public announcement by the Company or (z) a more recent notice by the Company or its transfer agent to the Holder setting forth the number of shares of Common Stock then outstanding. For any reason at any time, upon written or oral request of the Holder, the Company shall, within one (1) Business Day of such request, confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. Upon delivery of a written notice to the Company, the Holder may from time to time increase or decrease the Maximum Percentage to any other percentage not in excess of 9.99% as specified in such notice; provided that (i) any such increase in the Maximum Percentage will not be effective until the 61st day after such notice is delivered to the Company and (ii) any such increase or decrease will apply only to the Holder. For purposes of clarity, the shares of Common Stock issuable pursuant to the terms of this Note in excess of the Maximum Percentage shall not be deemed to be beneficially owned by the Holder for any purpose including for purposes of Section 13(d) or Rule 16a-1(a)(1) of the Exchange Act. No prior inability to convert this Note or receive shares pursuant to this Note pursuant to this paragraph shall have any effect on the applicability of the provisions of this paragraph with respect to any subsequent determination of convertibility. The provisions of this Section 7(b) shall be construed, corrected and implemented in a manner so as to effectuate the intended beneficial ownership limitation herein contained.

8. Conversion.

- (a) *Conversion Shares.* This Note shall be convertible into validly issued, fully paid and non-assessable shares (the "**Conversion Shares**") of Common Stock on the terms and conditions set forth in this Section 8.

- (b) *Conversion Right.* Prior to the payment of the Note Obligations in full, Holder, in its sole discretion and upon written notice to the Company, may elect to have all or any portion of the outstanding Principal Amount and all interest accrued with respect to such outstanding portion of the Principal Amount through the date that the Holder notifies in writing the Company of its intent to convert pursuant to this Section 8 (such Principal Amount and accrued interest, the “*Conversion Amount*”) converted into that number of shares of Common Stock equal to the quotient of (a) the Conversion Amount divided by (b) the Conversion Price. Notwithstanding the foregoing, upon written notice by Holder of the intent to convert, the Company may instead elect to pay all of the Conversion Amount in cash. The Company shall pay any and all transfer, stamp, issuance and similar taxes, costs and expenses (including, without limitation, fees and expenses of the transfer agent) that may be payable with respect to the issuance and delivery of Common Stock upon conversion of any Conversion Amount.
- (c) *Notice of Conversion.* To convert any Conversion Amount into Conversion Shares on any date (a “*Conversion Date*”), the Holder shall deliver to the Company (whether via facsimile, electronic mail or otherwise), for receipt on or prior to 11:59 p.m., New York time, on such date, a copy of an executed notice of conversion (the “*Conversion Notice*”) specifying the Conversion Amount, the Conversion Price, and the number of Conversion Shares.
- (d) *Voluntary Adjustment of Conversion Price.* Subject to the rules and regulations of the Principal Market, the Company may at any time during the term of this Note, with the prior written consent of the Holder, reduce the then current Conversion Price of the Note to any amount and for any period of time deemed appropriate by the board of directors of the Company.
- (e) *Surrender of Note.* Promptly after a conversion of all amounts due under this Note pursuant to this Section 8, but in no event more than five (5) Business Days thereafter, Holder shall deliver the original of this Note (or a notice to the effect that the original Note has been lost, stolen or destroyed and an agreement acceptable to the Company whereby the Holder agrees to indemnify the Company from any loss incurred by it in connection with this Note arising out of any claims that the Original Note was not lost, stolen or destroyed).
- (f) *Reservation of Common Stock.* The Company has not reserved for issuance from its duly authorized capital stock the maximum number of shares of Common Stock issuable upon conversion of this Note, and such shares have been approved by Nasdaq for listing, subject only to notice of issuance. The Company covenants that all of the shares of Common Stock that shall be so issued shall be at the time of such conversion and issuance, duly authorized, validly issued, fully paid, and non-assessable by the Company, not subject to any preemptive rights, and free from any taxes, liens, and charges with respect to the issue thereof. The Company shall take all such action as may be necessary to ensure that all such shares of Common Stock may be so issued without violation of any applicable law or regulation. To the extent the shares of Common Stock issuable upon conversion of this Note are either (i) transferable without limitation under Rule 144 or (ii) there is a then-effective registration statement with respect to the resale of such shares, the shares of Common Stock issuable upon conversion of this Note shall not bear any restrictive legends. On and after the date of this Note, the Company shall timely report all necessary public information required by Rule 144(c)(2) for Holder to resell the shares of Common Stock issued to Holder under this Note in reliance upon the public information requirements set forth in Rule 144(c)(2). The Company shall instruct the transfer agent to place the Conversion

Shares on reserve for eventual conversion of this Note (the “**Reserved Shares**”). The Reserved Shares shall remain in the created reserve with the transfer agent until Holder provides written instructions to the transfer agent that the Reserved Shares, or any part of the Reserved Shares, shall be taken out of the reserve or until the transfer agent receives an opinion from the Company’s counsel or from acceptable counsel to the transfer agent.

- (g) *Fractional Securities.* No fractional shares of Common Stock shall be issued upon conversion of this Note. In lieu of the Company issuing any fractional shares of Common Stock to Holder upon the conversion of this Note, the Company shall round up to the nearest whole share.
- (h) *Issuance Taxes.* The issuance of shares of Common Stock upon conversion of all or any portion of the outstanding Note Obligations in accordance with this Section 8 shall be made without charge to Holder for any issuance tax in respect thereof.
- (i) *Conversion Limitation.* In order to comply with the rules of the Nasdaq Stock Market relating to stockholder approval of a transaction by an issuer other than in a public offering, the Notes are only convertible into the number of shares of Common Stock that, in the aggregate, would result in the issuance of not more than 19.99% of the shares of Common Stock outstanding as of the Issue Date (the “**Conversion Limit**”). Notwithstanding any other provision contained in this Note, a conversion of this Note that would cause the aggregate number of shares issued under this Note to exceed the Conversion Limit may not occur prior to receipt of stockholder approval to provide for such conversion of this Note, and the subsequent issuance of Common Stock, pursuant to the stockholder approval rules and regulations of the Nasdaq Stock Market (the “**Approval**”). In the event that the Conversion Limit limits the number of shares into which this Note is convertible, the Company shall hold an annual or special meeting of stockholders on or prior to the date that is 60 days following written notice from the Holder to the Company requesting the Company seek to obtain the Approval, with the recommendation of the Company’s board of directors that such proposals are approved, and the Company shall solicit proxies from its stockholders in connection therewith in the same manner as all other management proposals in such proxy statement and all management-appointed proxyholders shall vote their proxies in favor of such proposals. If the Company does not obtain Approval at the first such meeting, the Company shall call a meeting every 90 days thereafter to seek the Approval until the date on which Approval is obtained.

9. Representations and Warranties. The Company hereby represents and warrants as of the date of this Note, as follows:

9.1 Existence. The Company is a company organized, validly existing and in good standing.

9.2 Power and Authority. The Company has the power and authority, and the legal right, to execute and deliver this Note and to perform its obligations hereunder.

9.3 Authorization; Execution; and Delivery. The execution and delivery of this Note by the Company and the performance of its obligations hereunder and thereunder have been duly authorized by all necessary corporate action in accordance with all applicable laws. The Company has duly executed and delivered this Note.

9.4 Enforceability. The Note is a valid, legal, and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

9.5 No Approvals. Other than the Approval, no consent or authorization of, filing with, notice to or other act by, or in respect of, any governmental authority or any other person is required in order for the Company to execute, deliver, or perform any of its obligations under this Note.

9.6 No Violations. The execution and delivery of this Note and the consummation by the Company of the transactions contemplated hereby and thereby do not and will not (a) violate any provision of the Company's organizational documents; (b) violate any law or order applicable to the Company or by which any of its properties or assets may be bound; or (c) constitute a default under any material agreement or contract by which the Company may be bound.

10. Registration.

(a) The Company shall:

10.1 file one or more registration statements with the SEC to register the resale of all Securities issuable upon conversion of the Note (the "**Registrable Shares**") on Form S-3 (or Form S-1 if Form S-3 is not available) under the Securities Act, providing for shelf registration of such Registrable Shares under SEC Rule 415, no later than June 11, 2025, representing 60 days following the closing of the Master Services Agreement transaction with Velo3D (each such registration statement, including any preliminary prospectus, final prospectus, exhibit or amendment included in or relating to such registration statement being the "**Resale Registration Statement**");

10.2 use its reasonable efforts to cause the Resale Registration Statement to be declared effective as soon as practicable and in any event by the earlier of (i) 30 days after the filing thereof (or, in the event the staff of the SEC reviews and has written comments to such Resale Registration Statement, 75 days of the filing thereof) and (ii) the date that is six months after the Issuance Date, such efforts to include, without limiting the generality of the foregoing, preparing and filing with the SEC any financial statements or other information that is required to be filed prior to the effectiveness of such Resale Registration Statement;

10.3 keep the Resale Registration Statement continuously effective and available for use by the Holder (subject to Section 12) for a period of three years, including promptly preparing and filing with the SEC such amendments and supplements to the Resale Registration Statement and the prospectus used in connection therewith as may be necessary to keep such Resale Registration Statement continuously effective and free from any material misstatement or omission to state a material fact therein;

10.4 furnish to the Holder such number of copies of prospectuses in conformity with the requirements of the Securities Act and such other documents as the Holder may reasonably request, in order to facilitate the public sale or other disposition of all or any of the Registrable Shares by the Holder;

10.5 file such documents as may be required for normal securities law clearance for the resale of the Registrable Shares in such states of the United States as may be reasonably requested by the Holder and use its commercially reasonable efforts to maintain such blue sky qualifications during the period required to maintain effectiveness of each such Resale Registration Statement;

10.6 upon notification by the SEC that a Resale Registration Statement will not be reviewed or is not subject to further review by the SEC, within one Trading Day following the date of such notification, request acceleration of such Resale Registration Statement (with the requested effectiveness date to be not more than two Trading Days later);

10.7 upon notification by the SEC that a Resale Registration Statement has been declared effective by the SEC, file the final prospectus under Rule 424 of the Securities Act ("**Rule 424**") within the applicable time period prescribed by Rule 424;

10.8 advise the Holder promptly (and in any event within two Trading Days thereof):

- (a) of the effectiveness of a Resale Registration Statement or any post-effective amendments thereto;
- (b) of any request by the SEC for amendments to a Resale Registration Statement or amendments to the prospectus or for additional information relating thereto;
- (c) of the issuance by the SEC of any stop order suspending the effectiveness of a Resale Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Registrable Shares for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes; and;
- (d) of the existence of any fact and the happening of any event that makes any statement of a material fact made in a Resale Registration Statement, the prospectus and amendment or supplement thereto, or any document incorporated by reference therein, untrue, or that requires the making of any additions to or changes in a Resale Registration Statement or the prospectus in order to make the statements therein not misleading; and

10.9 cause all Registrable Shares to be listed on each securities exchange, if any, on which equity securities by the Company are then listed.

- (b) *Underwriter Status.* The Company shall not identify the Holder as a statutory underwriter in any Registration Statement unless requested by the SEC. In the event that the Holder is identified as a statutory underwriter, the Company will afford the Holder the ability to conduct standard due diligence of the Company, and its subsidiaries, including a review of documents, meetings with management and the delivery of a customary comfort letter from the auditors of the Company.

11. [RESERVED]

12. Registration Rights Indemnification. The Company agrees to indemnify and hold harmless the Holder and its respective affiliates, partners, members, officers, directors, agents and representatives, and each person, if any, who controls the Holder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, to the fullest extent permitted by applicable law, from and against any losses, claims, damages or liabilities (collectively, "**Losses**") to which they may become subject (under the Securities Act or otherwise) insofar as such Losses (or actions or proceedings in respect thereof) arise

out of, or are based upon, any untrue statement or alleged untrue statement of a material fact contained in a Resale Registration Statement or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or arise out of any failure by the Company to fulfill any undertaking included in a Resale Registration Statement, and the Company will, as incurred, reimburse the Purchaser Parties for any legal or other expenses reasonably incurred in investigating, defending or preparing to defend any such action, proceeding or claim; *provided, however*, that the Company shall not be liable in any such case to the extent that such Loss arises out of, or is based upon an untrue statement or omission or alleged untrue statement or omission made in a Resale Registration Statement in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Holder specifically for use in preparation of a Resale Registration Statement; *provided further, however*, that the Company shall not be liable to the Holder to the extent that any such Loss is caused by an untrue statement or omission or alleged untrue statement or omission made in any preliminary prospectus if either (i) (A) the Holder failed to send or deliver a copy of the final prospectus with or prior to, or the Holder failed to confirm that a final prospectus was deemed to be delivered prior to (in accordance with Rule 172 of the Securities Act), the delivery of written confirmation of the sale by the Holder to the person asserting the claim from which such Loss resulted and (B) the final prospectus corrected such untrue statement or omission, or (ii) (X) such untrue statement or omission is corrected in an amendment or supplement to the prospectus and (Y) having previously been furnished by or on behalf of the Company with copies of the prospectus as so amended or supplemented or notified by the Company that such amended or supplemented prospectus has been filed with the SEC, in accordance with Rule 172 of the Securities Act, the Holder thereafter fails to deliver such prospectus as so amended or supplemented, with or prior to or the Holder fails to confirm that the prospectus as so amended or supplemented was deemed to be delivered prior to (in accordance with Rule 172 of the Securities Act), the delivery of written confirmation of the sale by the Holder to the person asserting the claim from which such Loss resulted.

13. Prospectus Suspension. The Holder acknowledges that there may be times when the Company must suspend the use of the prospectus forming a part of the Resale Registration Statement until such time as an amendment to the Resale Registration Statement has been filed by the Company and declared effective by the SEC, or until such time as the Company has filed an appropriate report with the SEC pursuant to the Exchange Act. The Holder hereby covenants that it will not sell any Registrable Securities pursuant to said prospectus during the period commencing at the time at which the Company gives the Holder written notice of the suspension of the use of said prospectus and ending at the time the Company gives the Holder notice that the Holder may thereafter effect sales pursuant to said prospectus; *provided*, (i) that such suspension periods shall in no event exceed in aggregate, more than 60 calendar days in any 12 (twelve) month period, and (ii) the Company's board of directors has reasonably determined that, in order for such Resale Registration Statement not to contain a material misstatement or omission, an amendment thereto would be needed to include information that would at that time not otherwise be required in a current, quarterly or annual report under the Exchange Act.

14. Legend Removal. The Holder will promptly deliver customary representations and other documentation reasonably acceptable to the Company, its counsel and/or its transfer agent in connection with the Resale Registration Statement. If requested by the Holder, the Company shall remove or instruct its transfer agent to remove any restrictive legend with respect to transfers under the Securities Act from any and all shares of Common Stock, Securities, Registrable Shares and this Note then held by the Holder if (1) the Resale Registration Statement is and continues to be, effective under the Securities Act, or (2) such shares of Common Stock, Securities, Registrable Shares and Note are sold or transferred pursuant to Rule 144 (subject to all applicable requirements of Rule 144 being met); *provided*, that the Holder shall have timely provided customary representations and other documentation reasonably acceptable to the Company, its counsel and/or its transfer agent in connection therewith. Any reasonable and documented fees (with respect to the transfer agent, Company's counsel or otherwise) associated with the issuance of any legal opinion required by the Company's transfer agent or the removal of such legend

shall be borne by the Company. If a legend is no longer required pursuant to the foregoing, the Company will, no later than two Business Days following the delivery by the Holder to the Company or the transfer agent of customary representations and other documentation reasonably acceptable to the Company, its counsel and/or its transfer agent, remove the restrictive legend related to the book entry account holding the shares of Common Stock, Securities, Registrable Shares or Note, make a new, unlegended book entry for the shares of Common Stock, Securities, Registrable Shares or Note, and, if so requested by the Holder, transferring the shares to the account of the Holder through the system of the Depositary Trust Corporation using the Direct Registration System (DRS).

15. Assignment. The Company may not assign or transfer this Note or any of the rights, interests or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of the Holder. The Holder may not assign or transfer this Note or any of the rights, interests or obligations hereunder, whether by operation of law or otherwise, without the Company's prior written consent, unless such transfer complies with applicable securities laws. Any purported attempt by a Party to assign this Note or any of the rights, interests or obligations hereunder in violation of this Section 15 shall be null and void.

16. Unsecured Obligation. This Note is an unsecured obligation of the Company.

17. Notices. All notices, requests, demands, consents, instructions or other communications required or permitted hereunder shall be in writing and emailed, mailed or delivered to each party as follows:

(i) if to the Company, at the following address or email address (or at such other address or email address as the Company shall have furnished to Holder in writing):

MOMENTUS INC.

Attention: Lon Ensler

Address: 3901 N. First Street

San Jose, CA 95134

Email: lon.ensler_ext@momentusspace.com and jon.layman@momentus.space

with a copy (which will not constitute notice) to:

BRADLEY ARANT BOULT CUMMINGS LLP

Attention: Stephen C. Hinton

Address: 1221 Broadway, Ste 2400

Nashville, TN 37203

Email: shinton@bradley.com

(ii) if to Holder, at the following address or email address (or at such other address or email address as Holder shall have furnished to the Company in writing):

A.G.P./Alliance Global Partners

Attention: Thomas J. Higgins

590 Madison Avenue, 28th Floor

New York, NY 10022

Email: thiggins@allianceg.com

with a copy (which will not constitute notice) to:

BLANK ROME LLC

Attention: Leslie Marlow

Address: 1271 Avenue of the Americas
New York, NY 10020
Email: leslie.marlow@blankrome.com

All such notices and communications will be deemed effectively given the earlier of (i) when received; (ii) when delivered personally; (iii) when emailed (with receipt of appropriate confirmation); (iv) one Business Day after being deposited with an overnight courier service of recognized standing; or (v) four days after being deposited in the U.S. mail, first class with postage prepaid.

18. Miscellaneous.

- (a) *Survival.* The representations, warranties, covenants and agreements made herein shall survive the execution and delivery of this Note.
- (b) *Severability.* If any provision of this Note shall be judicially determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- (c) *Waivers.* The Company hereby waives notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor and all other notices or demands relative to this instrument.
- (d) *Costs.* Each of the Parties hereto shall pay its own fees, costs and expenses (including the fees of any attorneys, accountants or others engaged by such Party) in connection with this Note and the transactions contemplated hereby whether or not the transactions contemplated hereby are consummated; provided that the Company shall be responsible for all fees and expenses associated with the registration rights contained herein, including the preparation and the filing of the Resale Registration Statement(s). If the Company shall default on the payment of any of the Note Obligations, the Company shall reimburse Holder on demand for its reasonable, documented out-of-pocket costs of collection, including reasonable attorney's fees and disbursements.
- (e) *No Drafting Presumption.* The language used in this Note shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.
- (f) *Reservation of Rights.* No failure on the part of Holder to exercise, and no delay in exercising, any right, power, privilege or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof by Holder preclude any other or further exercise thereof or the exercise of any other right, power, privilege or remedy of Holder.
- (g) **CHOICE OF LAW. THIS NOTE AND ALL ACTIONS, CAUSES OF ACTION OR CLAIMS OF ANY KIND (WHETHER AT LAW, IN EQUITY, IN CONTRACT, IN TORT OR OTHERWISE) THAT MAY BE BASED UPON, ARISE OUT OF OR RELATE TO THIS NOTE, OR THE NEGOTIATION, EXECUTION OR PERFORMANCE OF THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING WITHOUT LIMITATION NEW YORK LAWS RELATING TO APPLICABLE STATUTES OF LIMITATION AND BURDENS OF PROOF, AVAILABLE REMEDIES AND APPLICABLE EVIDENTIARY PRIVILEGES.**

- (h) *Specific Performance.* The Holder, in addition to being entitled to exercise all rights provided herein or granted by law, will be entitled to specific performance of its rights under this Note. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Note and hereby agrees to waive the defense in any action for specific performance that a remedy at law would be adequate. The parties agree that irreparable damage would occur in the event that any of the provisions of this Note were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions (without the proof of actual damages) to prevent breaches of this Note and to enforce specifically the terms and provisions of this Note and that no party shall oppose the granting of such relief, this being in addition to any other remedy to which they are entitled at law or in equity. Each party also agrees that it shall waive any requirement for the security or posting of any bond in connection with any such equitable relief.
- (i) *Exclusive Jurisdiction.* The courts sitting in the State of New York, in the County of New York shall have exclusive jurisdiction in relation to all matters which may arise out of or in connection with this Note.
- (j) *Amendments and Waivers.* Any term of this Note may be amended, modified or waived upon the written consent of the Company and the Holder. No such waiver or consent in any one instance shall be construed to be a continuing waiver or a waiver in any other instance unless it expressly so provides.
- (k) *Counterparts.* This Note be manually or electronically executed in one or more counterparts (delivery of which may occur via facsimile or electronic transmission, including as an attachment to an electronic mail message in “pdf” or similar format), each of which shall be deemed an original, but all of which shall together constitute one and the same instrument. The words “execution,” “signed,” “signature,” and words of like import in this Note shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act or any other similar state laws based on the Uniform Electronic Transactions Act.

[Signature Page Follows.]

IN WITNESS WHEREOF, the undersigned have executed this Note as of the date of Issuance.

DATE: May 13, 2025 MOMENTUS INC.

By: /s/ Lon Ensler
Name: Lon Ensler
Title: Interim Chief Financial Officer

A.G.P./ALLIANCE GLOBAL PARTNERS

By: /s/ Thomas J. Higgins
Name: Thomas J. Higgins
Title: Managing Director

[Signature Page to AGP Convertible Note]

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) OR 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, John Rood, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of Momentus Inc.;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 15, 2025

By: /s/ John C. Rood
Name: John C. Rood
Title: Chief Executive Office

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) OR 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Lon Ensler, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of Momentus Inc.;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 15, 2025

By: /s/ Lon Ensler
Name: Lon Ensler
Interim Chief Financial
Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Momentus Inc., a Delaware corporation (the "Company"), on Form 10-Q for the quarter ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), I, John Rood, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (i) the Form 10-Q fully complies with the requirements of section 13(a) or section 15(d) of the Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 15, 2025

By: /s/ John C. Rood
Name: John C. Rood
Title: Chief Executive Officer

This certification shall not be deemed "filed" for purposes of Section 18 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 the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Momentus Inc., a Delaware corporation (the "Company"), on Form 10-Q for the quarter ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), I, Lon Ensler, Interim Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (i) the Form 10-Q fully complies with the requirements of section 13(a) or section 15(d) of the Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Lon Ensler
Name: Lon Ensler
Interim Chief Financial
Title: Officer

Dated: May 15, 2025

This certification shall not be deemed "filed" for purposes of Section 18 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 the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.