

Rocket Lab Corp · NASD: RKL

B

Just the Start to a Space Race and Private Firms are the Key to Winning

RATING	TARGET PRICE	CMP	MARKET CAP
BUY	\$ 110	\$ 70	\$ 43.08 Bn
	▲ 57% upside	As of 22 Sept 2026	

COMPANY OVERVIEW

Rocket Lab was founded in June 2006 in Auckland, New Zealand by Peter Beck, an engineer with no university degree who had completed a toolmaking apprenticeship at appliance manufacturer Fisher & Paykel in 1993 and later worked at a New Zealand government research institute on advanced composites and superconductors. Rocket Lab is a leading space company that provides launch services, spacecraft, payloads, and satellite components serving commercial, government, and national security markets. Rocket Lab’s Electron rocket is the world’s most frequently launched orbital small rocket; its HASTE rocket provides hypersonic test launch capability for the U.S. government and allied nations; and its Neutron launch vehicle in development will unlock medium launch for constellation deployment, national security and exploration missions. Rocket Lab’s spacecraft and satellite components have enabled more than 1,700 missions spanning commercial, defense and national security missions including GPS, constellations, and exploration missions to the Moon, Mars, and Venus. .

KEY CATALYSTS

- 01

Neutron, the only Credible Alternative to Falcon 9

Rocket Lab currently under its Launch Services offers two rockets, that are Electron and Haste. Later this year, RKL’s third rocket type ‘Neutron’ is expected to take it’s first flight later this year after it failed a test early this year which got it delayed. This type will be a Medium Lift Rocket with a reusable stage 1 and will be capable of carrying a load of 1500kgs to Mars/Venus . This might be a heavily demanded rocket for defense missions as is capable of deploying constellations of satellites and as the US Government accelerates its Space Force, Neutron can become a game changer for both the Government and Rocket Lab
- 02

The Iridium Acquisition

Rocket Lab up until the Iridium acquisition, built systems that will go into spacecrafts and launched rockets. The Iridium acquisition will now allow RKL to become a communications provider to millions of users worldwide making RKL a vertically integrated space company. Till now Rocket Lab was dependent on external users to use it’s launch services as Starlink and Amazon were not available for RKL but now RKL will also launch rockets for internal use as Iridium’s satellites require periodic replacements. Rocket Lab will also be in a better position to negotiate defence contracts as it gets an edge being a vertically integrated space company
- 03

Strengthening the Vertical Integration Story

Rocket Lab won a \$397 million Space Force contract in August 2026 to develop, launch, and operate advanced Flatellite satellites for real time airborne threat tracking. The deal makes RKL a full mission owner rather than just a supplier, flying the satellites on its own Neutron rocket with an option for more Flatellites built into the contract. It’s a strong proof point for the vertical integration story, though execution is tied to Neutron’s still pending first flight.

INVESTMENT THESIS

Rocket Lab Corp will soon be launching its most capable rocket yet “Neutron” which would be a direct and most credible competitor to SpaceX’s Falcon 9 and if successful it can be the most material catalyst as this can potentially bring in in significantly large revenues for RKL. Apart from this our view on the space economy is optimistic and we expect good growth in the sector as countries will race for national security related satellites while firms will race for potential space data centres and commercial satellites. The Iridium Acquisition if successful will also have a significant impact on RKL as it will also bring an internal usage of rocket launches, reducing dependency

FINANCIALS SUMMARY

Revenue (FY25)	\$ 601.8 Mn
Revenue (FY26E)	\$ 996.2 Mn
Gross Profit Margin	34.11%
EPS (FY25)	\$ (0.37)
EPS (FY26E)	\$ (0.28)
P/S	56.01×
Beta	2.95
ROE	(7.92)%
Debt/Equity	0.04×

ANALYSTS

Ruhaan Bajaj

[LinkedIn](#)

Vansh Mittal

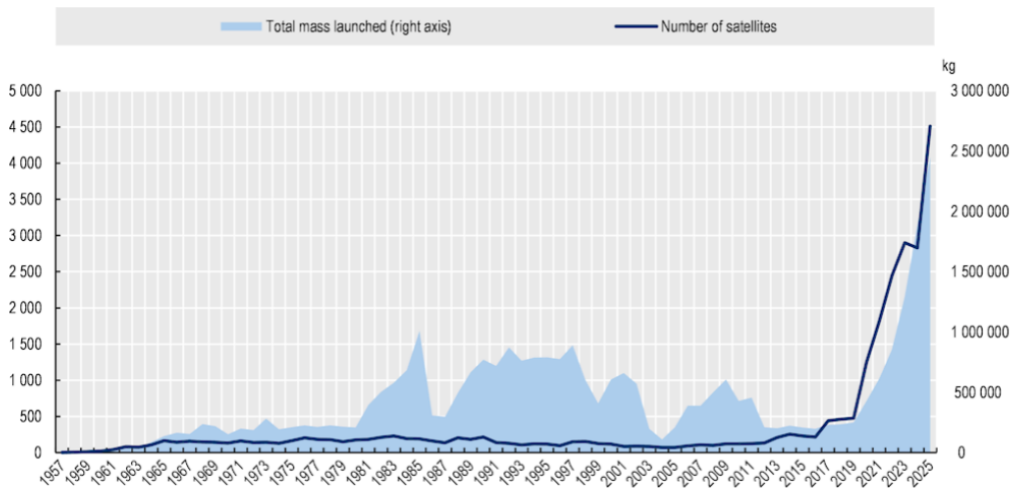
[LinkedIn](#)



GLOBAL SPACE SECTOR

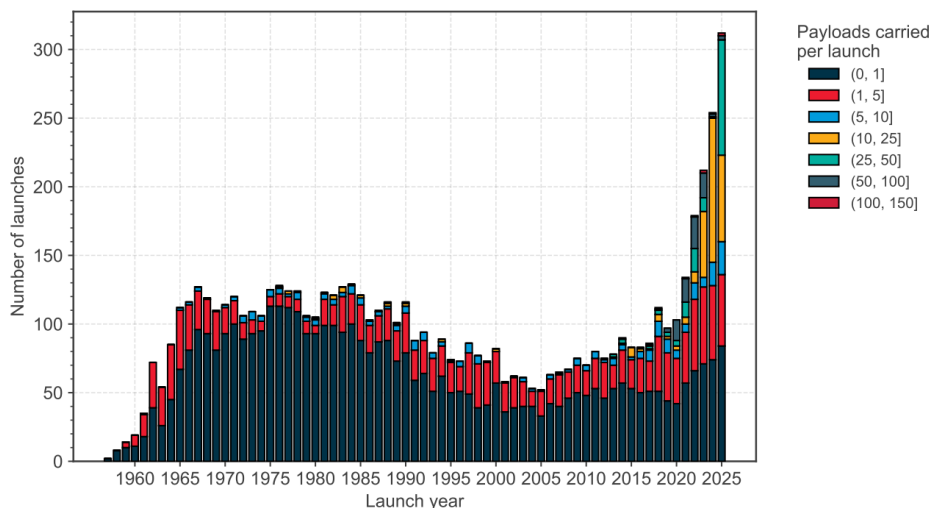
The global space economy, valued at approximately 624 Billion USD in 2025 is estimated to reach levels of 1.01 Trillion USD by 2034 growing at a CAGR of 5.5% supported by rapid innovation and assertive government policies. The space sector has seen an aggressive rise in the scale of launch activity since 2019 as shown in Exhibit 1, both in terms of total number of annual launches and objects launched. This rise has been fueled by the active participation of private players in the space sector with rapid technological advancements in rocket tech and reusable rockets contributing to declining costs per launch making it affordable to put satellites in space as compared to earlier where only government organizations were responsible for the major chunk of launches making private satellites hard to get into space.

EXHIBIT 1: Aggressive Rise in Number of Objects Launched into Space



The involvement of private sector has increased the cadence of launches annually and have enabled more launches with rockets capable of carrying 10-25 payloads per launch, these rockets are generally reusable and thus have been a major contributor to the annual launches shooting up as shown in Exhibit 2, compared to earlier years where most launches either carried single digit payloads or more than a 100 which were either specialized rockets for a specific mission or extremely large rockets which couldn't be launched as frequently.

EXHIBIT 2: Rise in Annual Number of Launches and Payloads Carried

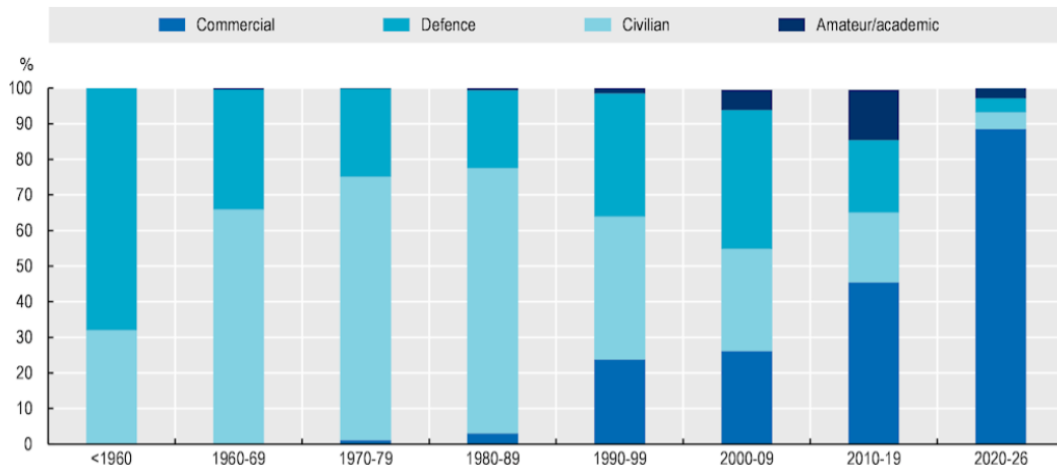




Now the higher number of satellites launched into space annually has been mainly driven by the Commercial Satellites

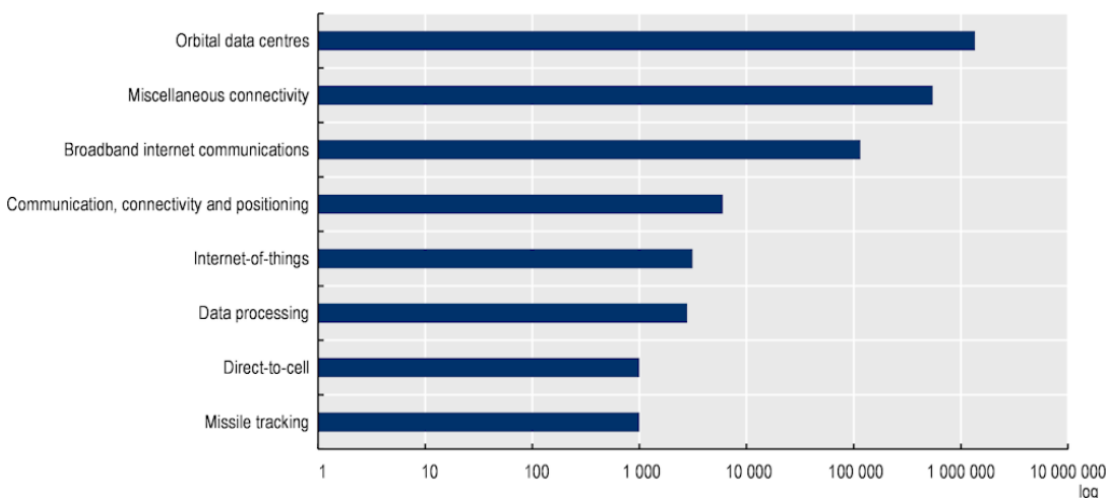
Satellites are split across Communication, Earth Observation & Weather Satellites, Navigation Satellites, Astronomical Satellites and Military & Reconnaissance Satellites, but commercial satellites have seen robust growth as percentage of total launches over the decades and constituted to more than 85% of total launches for the years 2020-2026 (up until 9th May) as presented in Exhibit 3. The surge in the rise in commercial activities have been fueled as more and more companies aim to setup satellite constellations amid technological advancements in rocket tech lowering launch costs. The active participation of the private sector has now enabled more companies to have their satellites in space as launches have now become frequent. Talking about the other types, defense and civilian satellites have reduced as a percentage of total launches while academic launches have increased their presence as space research becomes a topic the world has been increasing focus on

EXHIBIT 3: Rapid Increase in Commercial Satellites as % of Total Satellites



What all was discussed above is just the beginning of what is about to come. We believe that the rest of the decade and the the next decade will see an even higher number of space activity happening as the already announced launches of planned mega constellations comprising over 2 million satellites over the next ten years take place. There have already been attempt to launch data center satellites and actual larger scale deployment of Data Center Satellite may become a thing as compute demand rises and it becomes practical to deploy data center satellites as costs lower even further with the reusable rocket technology advancing further.

EXHIBIT 4: More than 2 Million Satellites to be Launched to Space over the Next Decade



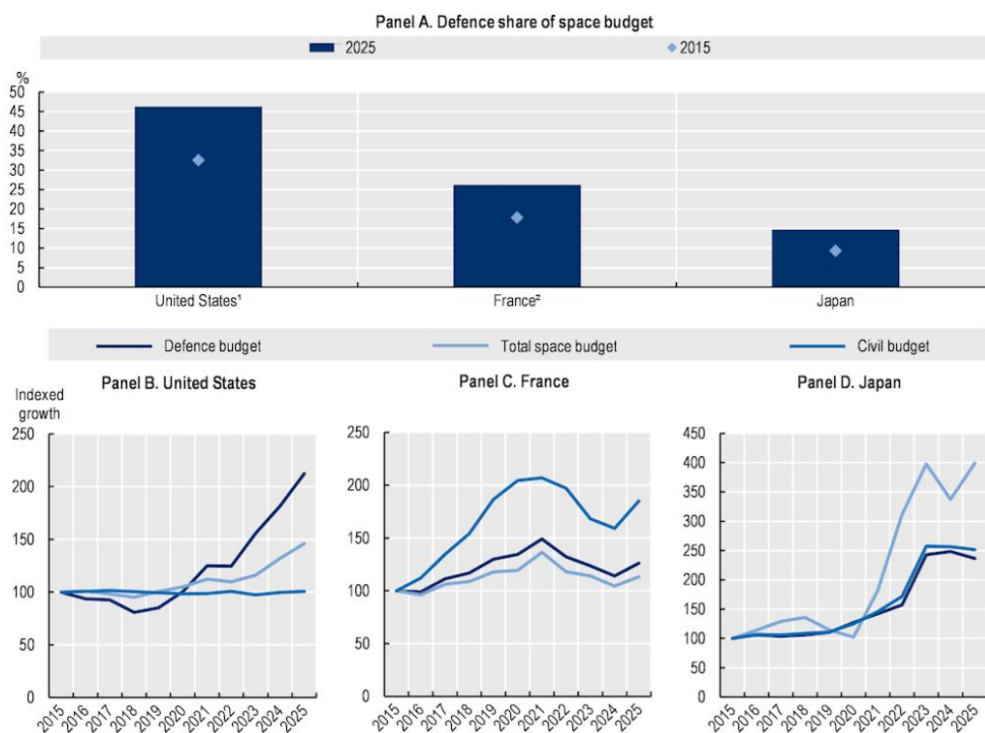


Apart from Data Center, Communication and Military Applications too might play a major role going forward as companies race towards faster communication services and even to more remote regions on earth with companies like Starlink racing to launch constellations in space, while when it comes to military applications, countries are now starting to take further more interest in space as a defense frontier. Satellites capable of shooting down missiles will soon be in abundance in the space, the “US Space Force” too recently confirmed that it now has weapons in the space orbiting the Earth for the first time, this received reactions from other global powers and is very likely to start an arms race in space and having the highest launch capacity will be a key to winning.

Space powers across the globe have increased the Defense Portion as a percentage of Space Budget led by the United States as shown in Exhibit 4 and this percentage is likely to grow more as Space Weapons become common thing

EXHIBIT 5: Defense Portions of Space Budgets & Changes in Budgets

Measured as share of the total budget (panel A) and indexed growth in real terms (Panels B-D, 2015=100)





UNITED STATES SPACE SECTOR

In 2023, private industries in the United States space economy generated an estimated USD 192.4 billion in gross output and USD 106.9 billion in value added. The space economy as a whole accounted for USD 142.5 billion in value added, equivalent to 0.5% of US GDP. The United States space economy is currently estimated to be approximately 154 Billion USD as of 2025 and is expected to expand to 335 Billion USD by 2034 at a CAGR of 9%.

Over the years, the US Space economy has seen rising budgets in the space sector intended towards military use while civilian budget trend has been flattish. As discussed previously, military applications will see even greater budgets as we move forwards with the space arms race and the US is expected to be the one leading it with a robust government and private presence in the space sector with organizations like SpaceX, Rocket Lab, United Launch Alliance, Northrop Grumman and many more.

EXHIBIT 6: Civilian And Military Portion of the US Space Budget over the Years

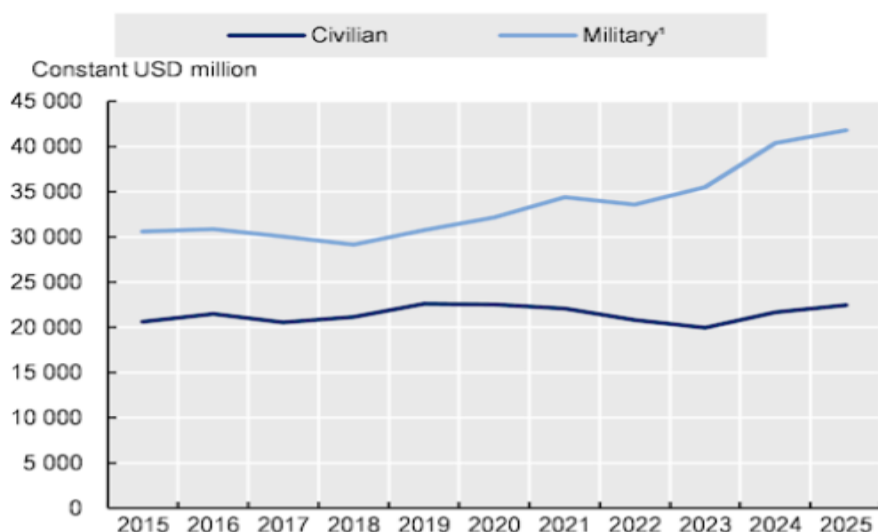
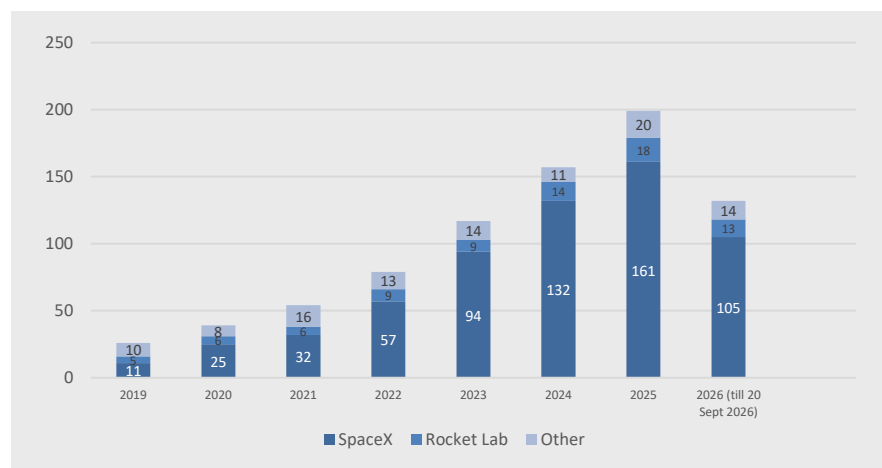


EXHIBIT 7: Private Licensed Launch of SPCX, RKLB and Other US Space Firms (FAA Data)



Calendar Year	2019	2020	2021	2022	2023	2024	2025	2026 (till 20 Sept 2026)
SpaceX	11	25	32	57	94	132	161	105
Rocket Lab	5	6	6	9	9	14	18	13
Other	10	8	16	13	14	11	20	14
Total Licensed Launches	26	39	54	79	117	157	199	132

As presented in Exhibit 7, private space launches have been going up year after year with great strength at a CAGR of more than 30% and two companies have always had the lead in the recent years, SpaceX and Rocket Lab. The US Space Economy can be dominated by private space firms and we believe that SpaceX and Rocket Lab will continue to maintain their lead in the coming years while firms like Blue Origin, Stratolaunch and other will try to keep up with them. Higher number of annual launches is very likely to bring in government contracts as the United States gears up for the US Space Force and will further strengthen Rocket Labs' position in the space market.

EXHIBIT 8: Major Cost Components of CBO's Notional NMDS

System components	Quantity	Cost (billions of 2026 dollars)		
		Acquisition	Average annual O&S	20-year total
Interceptor layers				
Space-based interceptor constellation	1	723 ^a	1.0	743
Upper wide-area surface site	3 ^b	30 ^c	0.8 ^c	46 ^c
Lower wide-area surface site	4	16	0.7	29
Regional sector	35	93	4.7	187
Other components and activities				
Self-defense for four existing NMD sites	4	2	0.1	4
Space satellite constellation for tracking targets	1	69	1.0	90
Miscellaneous RDT&E (system integration, incremental improvements, new technologies)	n.a.	92	n.a.	92
Total cost for notional NMD system	n.a.	1,025	8.3	1,191

Data source: Congressional Budget Office. See www.cbo.gov/publication/62379#data.

NMD = national missile defense; O&S = operation and support; RDT&E = research, development, test, and evaluation; n.a. = not applicable.

a. Acquisition costs would be spread over 20 years because space-based interceptors have a 5-year life in orbit.

b. Consists of two new sites and the existing site at Fort Greely, Alaska.

c. Includes only the costs associated with the two new upper wide-area surface layer sites.

The US also plans for a National Missile Defense System (NMDS) or as called 'Golden Dome' to protect the region from missile threats and being capable of shooting some missiles from the space

The space layer of the NMDS will be 7800 satellite constellation capable of engaging 10 Inter-Continental Ballistic Missiles nearly simultaneously with Space Based Interceptors (SBI). This would be a USD 723 Billion acquisition with USD 1 Billion Operation and Supports Costs for 20 years as SBIs have a 5-year life in orbit as presented in Exhibit 8 The 7800 Satellites will be launched to Low Earth Orbit and would cost approximately USD 22 Million per SBI Satellite. The total is based on a launch cost of \$ 500 per kilogram to launch the satellites into orbit which is lower than what costs are today but is estimated to be achievable as technology advances. Currently no rocket offers cost below \$500 per Kilogram, while the SpaceX Starship has an aim of bringing costs below \$500 per Kilogram, it is yet to be achieved and is currently experimental.

The Golden Dome would require close to 30,000 satellites launched into space over 20 years to keep 7800 satellites in orbit during all times. This is due to the atmospheric drag at the altitudes the SBIs will operate causes their orbits to decay over time and thus the 5-year replacement

Though all of this is contingent on the Congress passing another package to fund the above expenditure.

ROCKET LAB CORP

Rocket Lab is an American aerospace and space technology company headquartered in Long Beach, California, though it started out in New Zealand and still operates a major launch site there. The company was founded in 2006 by Peter Beck, who remains CEO today, and it went public on the Nasdaq in 2021 under the ticker RKL.B. What makes Rocket Lab interesting is that it does not just build rockets, it has grown into one of the few genuinely vertically integrated space companies in the world, meaning it designs, manufactures, and often operates almost every piece of hardware that a satellite mission needs, from the rocket that carries it up to the satellite itself and the components inside it.

Rocket Lab runs two main lines of business that feed into each other. The first is Launch Services, where the company builds and flies its own rockets, Electron for small satellites, HASTE for suborbital defense testing, and the upcoming Neutron for larger payloads and constellations. Electron has become the most frequently launched small orbital rocket in the world, and it gives Rocket Lab a foot in the door with a huge range of customers, from small commercial satellite operators to NASA and the US Space Force. The second and now larger line of business is Space Systems, where Rocket Lab actually manufactures the hardware that goes into orbit. This includes satellite platforms like Photon and the newer Flatellite design, along with individual components such as solar panels, radios, reaction wheels, and separation systems, all of which are sold to customers whether or not those payloads ever fly on a Rocket Lab rocket.

The logic behind the business is fairly simple even though the execution is not. Launch gets customers in the door because everyone building a satellite eventually needs a ride to orbit, and once Rocket Lab has that relationship, it can also sell the customer the satellite hardware itself, sometimes even the entire spacecraft. This is a very different model from a pure launch company like the early SpaceX or a pure satellite manufacturer, and it means Rocket Lab is not just betting on one part of the space economy, it is trying to own several layers of it at once. That strategy has been paying off recently, with Space Systems now making up more than eighty percent of quarterly revenue, and it is also why the company has been acquiring smaller specialist firms in areas like optical communications and satellite robotics, each one filling a gap in the vertically integrated pitch it is making to both commercial and government customers.

EXHIBIT 9: Rocket Lab Rocket Comparison

Spec	Electron	HASTE	Neutron
Status	Operational	Operational	First flight late 2026
Height	18 m	~18 m	43 m
Diameter	1.2 m	1.2 m	7 m
Payload to LEO	300 kg	Up to 700 kg (suborbital)	13,000–15,000 kg
Reusability	Expendable	Expendable	Partially reusable
Engines	9 × Rutherford	9 × Rutherford	9 × Archimedes
Propellant	RP-1 / LOX	RP-1 / LOX	LOX / Methane
Cost per launch	~\$7.5M	Not disclosed	~\$50M
Primary use	Small satellites	Hypersonic defense testing	Constellations, national security, deep space



OUR INVESTMENT THESIS

We have simple thesis with Rocket Lab Corp, this is a “Growing Slice Within a Growing Pie”. We are positive on what the space sector holds for the future and how Rocket Lab is capable of capitalizing on it.

Rocket Lab currently brings in revenues less than a billion USD while it has the USA’s second highest private rocket launches annually just after SpaceX and as the space economy starts to pickup pace Rocket Lab can derive a lot of benefit out of it.

A big chunk of our thesis also rests upon future events playing out according to our theory which poses a significant risk if things go sideways. The future events that are going to be discussed ahead are major events which can drive the stock up significantly in the few years ahead, thus we are willing to be early with a certain amount of risk in order to capture as much upside as possible.

Those three main factors are:-

- **Rocket Lab’s Third Rocket Neutron Takes its First Flight**

Rocket Lab will be launching its most capable rocket till now, Neutron, later this year and it can play a decisive role in strengthening Rocket Lab's position even further. Neutron will go head-to-head with the SpaceX Falcon 9 and will be the only credible alternative to Falcon 9 in the medium-lift class, and government customers always value not being fully dependent on a single launch provider. For years, any customer needing this scale of launch capacity, especially government and defense customers, has had essentially one option, and Neutron is positioned to be the first real second choice in that exact weight class.

Apart from this, Rocket Lab's Electron is currently capable of carrying along 300 kilograms of payload to LEO. Neutron, if successful, will be carrying 13,000 kilograms of payload to LEO, enabling Rocket Lab to undertake large scale or national security missions like satellite constellations, further increasing the potential revenue it can generate. Neutron won't cannibalize Electron but opens up a whole new pool, since constellation scale deployments, deep space missions, and the largest defense payloads simply need more lift than Electron can offer, and that demand has gone entirely to Falcon 9 or other medium lift providers by default until now. Management has also said it does not plan to discount early Neutron launches, betting that being the only credible non-SpaceX option in this class lets Rocket Lab hold price even before flying a single mission, which itself signals how much latent demand exists for a genuine alternative. The one real caveat is that Neutron hasn't flown yet and its debut has already slipped once, so this decisive role stays a thesis until the rocket proves it can fly reliably and ramp cadence the way Electron eventually did.

- **Rocket Lab’s Successful Acquisition of Iridium**

Currently, Rocket Lab builds rockets and satellite components but has never owned a live, operating network. Iridium changes that, it brings over 2.5 million subscribers across government, defence, aviation, and maritime customers, along with licensed L-band spectrum, a genuinely scarce asset that is hard to replicate. This gives Rocket Lab a captive demand engine for its own rockets, since Iridium's satellites will need periodic replacement, and Rocket Lab will now be both the manufacturer and the launch provider for that replenishment cycle. It also solves a real structural problem, two of the largest theoretical launch customers, SpaceX and Amazon, are vertically integrated and effectively unavailable to Rocket Lab, so Iridium creates its own guaranteed volume instead of depending entirely on outside customers. On top of this, Iridium's subscription-based revenue is recurring, unlike Rocket Lab's lumpy launch and program revenue, making the combined entity significantly more predictable and accretive to cash flow. The deal isn't closed yet, it's targeted for mid-2027 and still needs regulatory and shareholder approval, but if it goes through, it completes Rocket Lab's full stack, from launch to manufacturing to actually operating a space-based network.



- **Flatellite / SB-AMTI Contract**

Rocket Lab up until now has mostly played a supporting role in defense programs, but the SB-AMTI contract changes that by making it a full end to end provider on a Space Force mission. In August 2026, Rocket Lab was awarded a \$397 million contract by the United States Space Force under the Space Based Airborne Moving Target Indicator program to develop, launch, and operate multiple advanced Flatellites, a next generation flat satellite design built for large constellations with sensors and high bandwidth communication links meant to track airborne threats in real time. This makes RCLB not just a satellite builder or a launch provider but the party responsible for the entire mission, since the Flatellites will fly on Rocket Lab's own Neutron rocket and be operated from its own facilities, with data going straight to the Space Force. An option for additional Flatellites is already built into the total contract value, so this isn't necessarily a one-time deal and could scale further as the SB-AMTI architecture gets built out. This kind of award is exactly the proof point Rocket Lab needs for its vertical integration pitch, since the company is now trusted to build, launch, and operate a national security asset rather than just supply pieces of one. The one thing to watch here is that these Flatellites are set to launch on Neutron, which still hasn't flown, so this catalyst is somewhat tied to Neutron's own timeline rather than being fully independent of it.

The above catalysts are mostly material for the next few years, but our view at ThesisPoint Research is far longer than that. We see Rocket Lab Corp becoming an important pillar in the US Space Industry and be a lot larger than it is today as a firm. Further coverage will be done on Rocket Lab as time progresses and if any changes take place in the fundamentals we will adjust our positions accordingly



ANALYST DISCLOSURES AND DISCLAIMER

This report has been prepared by ThesisPoint Research for informational and educational purposes only. Nothing in this document constitutes investment advice, a recommendation, or a solicitation to buy or sell any security. Any views expressed are the personal opinions of the author as of the date of publication and are subject to change without notice.

No registration. ThesisPoint Research is not a registered investment adviser, broker dealer, or research analyst with the Securities and Exchange Board of India, the Securities and Exchange Commission, or any other regulatory authority. This report should not be construed as research produced by a licensed or registered entity, and readers should not rely on it as a substitute for advice from a qualified, licensed financial professional.

No guarantee of accuracy. Information in this report has been obtained from sources believed to be reliable, including company filings, investor presentations, earnings calls, and public news reporting. No representation or warranty, express or implied, is made as to the accuracy, completeness, or timeliness of this information. Figures, estimates, and forecasts are subject to revision and may differ materially from actual results.

Forward looking statements. This report contains estimates, projections, and forward looking statements, including revenue forecasts, valuation targets, and scenario analysis. These are based on assumptions that may not materialize, and actual outcomes may differ significantly. Past performance is not indicative of future results.

No compensation from covered companies. ThesisPoint Research has not received, and does not expect to receive, any compensation from Rocket Lab Corporation or any company mentioned in this report in connection with its preparation or publication.

Risk warning. Investing in equity securities carries risk, including the potential loss of principal. Small cap and early stage growth companies, including those in the space and defense sector, are subject to heightened volatility, execution risk, and uncertainty around unproven technology and regulatory approval. Readers should conduct their own due diligence and consult a qualified financial advisor before making any investment decision.

Third party data and trademarks. All company names, logos, and trademarks referenced in this report are the property of their respective owners. Data sourced from SEC filings, company investor relations materials, and third party news outlets is cited where used and remains the property of the original source.

Copyright. This report is the property of ThesisPoint Research and is intended for the recipient's personal use. It may not be reproduced, redistributed, or published in whole or in part without prior written consent.