

**ABOVE: SPACE DEVELOPMENT CORPORATION  
AND SUBSIDIARY**

**(A DELAWARE CORPORATION)**

**Consolidated Financial Statements**

**For the Fiscal Years Ended June 30, 2024 and 2023**

<b>FINANCIAL STATEMENTS .....</b>	<b>3</b>
Independent Auditor’s Report.....	3
Consolidated Balance Sheets .....	4
Consolidated Statements of Operations .....	5
Consolidated Statements of Changes in Stockholders’ Equity .....	6
Consolidated Statements of Cash Flows.....	7
Notes to Financial Statements.....	8
Supplemental Information .....	14
Consolidating Balance Sheet as of June 20, 2024.....	14
Consolidating Statement of Operations for the year ended June 30, 2024 .....	15
Consolidating Balance Sheet as of June 30, 2023.....	16
Consolidating Statement of Operations for the year ended June 30, 2023 .....	17

**ABOVE: SPACE DEVELOPMENT CORPORATION AND SUBSIDIARY  
FINANCIAL STATEMENTS**

**Independent Auditor's Report**

SM CPAS, P.C.

10 NEW KING STREET, SUITE 118, WHITE PLAINS, NY 10604  
914-397-1850 \ FAX 914-397-1854

To the Board of Directors and Management of  
Above: Space Development Corporation and Subsidiary

**Opinion**

We have audited the financial statements of Above: Space Development Corporation and Subsidiary, which comprise the consolidated balance sheet as of June 30, 2024 and 2023 and the related consolidated statements of operations, changes in shareholders' equity, and cash flows for the fiscal years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Above: Space Development Corporation and Subsidiary as of June 30, 2024 and 2023, and the results of its operations and its cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter Regarding Going Concern**

The accompanying consolidated financial statements have been prepared assuming that the company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has incurred losses from inception and has not yet commenced its principal operations and has indicated that substantial doubt exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 2. The consolidated financial statement does not include any adjustments that might result from the outcome of this uncertainty. Our conclusion is not modified with respect to this matter.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Above: Space Development Corporation and Subsidiary and have fulfilled our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. In preparing the financial statements, management is responsible for assessing Above: Space Development Corporation and Subsidiary's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements. As part of an audit in accordance with GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies and material weaknesses in internal control that we identified during our audit.



SMCPAS, PC  
White Plains, New York  
October 23, 2024

**ABOVE: SPACE DEVELOPMENT CORPORATION AND SUBSIDIARY**  
**Consolidated Balance Sheets**

	<b>At June 30, 2024</b>	<b>At June 30, 2023</b>
	<i>audited</i>	<i>audited</i>
<b>Assets</b>		
Current assets		
Cash and cash equivalents.....	\$ 180,216	\$ 687,662
Accounts receivable.....	2,000	-
Prepaid expenses and other.....	21,684	37,194
Total current assets.....	203,900	724,856
Fixed assets, net.....	67,856	-
<b>Total assets</b> .....	<b>\$ 271,756</b>	<b>\$ 724,856</b>
<b>Current liabilities</b>		
Accounts payable and accrued expenses.....	\$ 174,258	\$ 59,163
Due to related party.....	-	-
Total current liabilities.....	174,258	59,163
<b>Long term liabilities</b>		
Employee benefits liability.....	67,333	63,089
Total long term liabilities.....	67,333	63,089
<b>Total liabilities</b> .....	241,591	122,252
<b>Stockholders' equity</b>		
Preferred Stock		
At June 30, 2024 and 2023		
75,000,000 shares authorized, undesignated par value, no shares issued and outstanding.....		
	-	-
Common Stock		
At June 30, 2024 and 2023		
175,000,000 shares authorized, par value of \$0.001 per share, 81,983,660 and 81,775,063 shares issued and outstanding, respectively.....		
	20,352	19,981
Additional paid-in capital.....	3,053,645	2,803,964
Retained earnings (deficit).....	(3,043,832)	(2,221,341)
<b>Total stockholders' equity</b> .....	30,165	602,604
<b>Total liabilities and equity</b> .....	<b>\$ 271,756</b>	<b>\$ 724,856</b>

*See independent auditor's report and notes to the financial statements*

**ABOVE: SPACE DEVELOPMENT CORPORATION AND SUBSIDIARY**  
**Consolidated Statements of Operations**

	<b>Year ended June 30, 2024</b>	<b>Year ended June 30, 2023</b>
	<i>audited</i>	<i>audited</i>
<b>Revenue</b> .....	\$ 824,822	\$ 996,031
Cost of goods sold.....	30,910	2,701
<b>Gross profit</b> .....	<u>793,912</u>	<u>993,330</u>
<b>Operating expenses</b>		
Employee wages and related costs.....	672,569	620,464
Marketing events.....	99,221	50,147
Engineering and development.....	12,544	69,858
Professional fees and consulting.....	615,802	271,052
Rent and overhead expense.....	123,765	87,050
Reimbursable expenses.....	20,421	25,621
Bank charges.....	3,825	440
Insurance expense.....	21,353	33,031
Travel expense.....	29,357	25,850
Office expense.....	19,587	14,939
Total.....	<u>1,618,444</u>	<u>1,198,452</u>
<b>Operating loss</b> .....	(824,532)	(205,122)
<b>Other income and expense</b>		
Other income.....	(8,050)	(3,819)
Grants and donations.....	1,000	1,500
Interest expense.....	5,009	7,478
Other (income) expense, net.....	<u>(2,041)</u>	<u>5,159</u>
<b>Net loss</b> .....	<u>\$ (822,491)</u>	<u>\$ (210,281)</u>

*See independent auditor's report and notes to the financial statements*

**ABOVE: SPACE DEVELOPMENT CORPORATION AND SUBSIDIARY**  
**Consolidated Statements of Changes in Stockholders' Equity**

	<u>Common Stock</u>		<u>Additional paid-in capital</u>	<u>Accumulated deficit</u>	<u>Total stockholders' equity</u>
	<u>Shares</u>	<u>Amount</u>			
Issuances of shares:					
In connection with Orbital Assembly Corporation merger.....	29,877,986	11,244	2,468,942	(2,011,060)	469,126
Pursuant to stock grants.....	51,748,352	8,588	43,012	-	51,600
In connection with Reg CF offerings.....	148,725	149	292,009	-	292,158
Net loss.....	-	-	-	(210,281)	(210,281)
Balances at					
June 30, 2023 (audited).....	<u>81,775,063</u>	<u>\$ 19,981</u>	<u>\$ 2,803,963</u>	<u>\$ (2,221,341)</u>	<u>\$ 602,603</u>
Issuance of shares in connection with Reg CF offerings.....	208,597	370	249,682	-	250,052
Net loss.....	-	-	-	(822,491)	(822,491)
Balances at					
June 30, 2024 (audited).....	<u>81,983,660</u>	<u>\$ 20,351</u>	<u>\$ 3,053,645</u>	<u>\$ (3,043,831)</u>	<u>\$ 30,165</u>

*See independent auditor's report and notes to the financial statements*

**ABOVE: SPACE DEVELOPMENT CORPORATION AND SUBSIDIARY**  
**Consolidated Statements of Cash Flows**

	<b>Year ended June 30, 2024</b>	<b>Year ended June 30, 2023</b>
	<i>audited</i>	<i>audited</i>
<b>Cash flows from operating activities</b>		
Net loss.....	\$ (822,491)	\$ (210,281)
Changes in assets and liabilities:		
Accounts receivable.....	(2,000)	-
Prepaid expenses and other.....	15,510	(20,229)
Accounts payable and accrued expenses.....	115,094	26,668
Employee benefits liability.....	4,244	58,226
Cash provided by (used for) operating activities.....	<u>(689,643)</u>	<u>(145,616)</u>
<b>Cash flows from investing activities</b>		
Fixed assets.....	(67,856)	-
Cash provided by (used for) investing activities.....	<u>(67,856)</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Shareholder contributions.....	250,053	343,758
Cash provided by (used for) financing activities.....	<u>250,053</u>	<u>343,758</u>
<b>Net cash flow</b> .....	<u><u>\$ (507,446)</u></u>	<u><u>\$ 198,142</u></u>
<b>Cash</b>		
Beginning of period.....	\$ 687,662	\$ 489,520
Net cash flow.....	(507,446)	198,142
End of period.....	<u><u>\$ 180,216</u></u>	<u><u>\$ 687,662</u></u>
<b>Supplemental Disclosures</b>		
Cash paid for interest expense.....	<u><u>\$ 5,009</u></u>	<u><u>\$ 7,478</u></u>
Cash paid for income taxes.....	<u><u>\$ 530</u></u>	<u><u>\$ 1,073</u></u>

*See independent auditor's report and notes to the financial statements*

**ABOVE: SPACE DEVELOPMENT CORPORATION AND SUBSIDIARY**  
**Notes to Financial Statements**  
**For the fiscal years ended June 30, 2024 and 2023**

**Note 1. Nature of Business & Significant Accounting Policies**

***Nature of Business***

As of the date of these financial statements Above: Space Development Corporation (“the Company”) is a corporation formed on June 16, 2022 under the laws of the State of Delaware, and is headquartered in Huntsville, Alabama. The Company specializes in turn-key construction services in low-earth and cislunar orbit. Additionally, the Company provides construction support services, space operation consulting services, and tools to other private space companies and government space agencies.

The Company has a wholly owned subsidiary, Above: Orbital Inc., which was formed on June 16, 2022.

***Basis of Presentation***

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). In the opinion of management, all adjustments considered necessary for a fair presentation have been included. All such adjustments are normal and recurring in nature. The Company’s fiscal year-end is June 30. Financial statements from its subsidiary, Above: Orbital Inc., are consolidated with the parent company.

***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Revenue Recognition***

During the year ended June 30, 2023, the Company adopted Accounting Standards Update (ASU) 2014-01, “Revenue from Contracts with Customers” which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers (ASC Topic 606) and supersedes most current revenue recognition guidance (ASC Topic 605). ASC Topic 606 outlines the following five- step process for revenue recognition:

- Identification of the contract 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; and
- Recognition of revenue when, or as, the Company satisfies the performance obligations.

The Company primarily records revenue from its long-term construction projects and service contracts over time as various performance obligations are fulfilled. As of the date of these financial statements, the Company has generated or recognized about \$1.8 million in revenue and has executed multiple revenue-producing contracts with US Department of Defense



customers. The Company has several contracts either signed or under negotiation, representing anticipated revenue of over \$1.5 million in the coming fiscal year.

### ***Fair Value of Financial Instruments***

Financial Accounting Standards Board (“FASB”) guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

- Level 1:* Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.
- Level 2:* Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).
- Level 3:* Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

The carrying amounts reported in the balance sheets approximate their fair value.

### ***Cash & Cash Equivalents***

The Company considers all highly liquid investments with an original maturity of 90 days or less to be cash equivalents. As of June 30, 2024 and 2023, the Company had no items, other than bank deposits, that would be considered cash equivalents. The Company maintains its cash in bank deposit accounts that may, at times, exceed federal insured limits.

### ***Accounts Receivable & Allowance for Uncollectible Accounts***

The Company recognizes an allowance for losses on accounts receivable deemed to be uncollectible. The allowance is based on an analysis of historical bad debt experience as well as an assessment of specific identifiable customer accounts considered at risk or uncollectible. The Company also considers any changes to the financial condition of its customers and any other external market factors that could impact the collectability of the receivables in the determination of the allowance for uncollectible accounts. Based on management’s assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and credit to the allowance.

At June 30, 2024 and 2023, the Company had \$2,000 and \$0, respectively, in outstanding accounts receivable. The Company does not believe any allowance for uncollectible accounts is necessary at this time.

### ***Inventory***

Inventory is stated at the lower of cost or net realizable value and is accounted for using the first-in-first-out method ("FIFO"). The Company analyzes inventory per any potential obsolescence, and records impairment and obsolescence reserve against inventory as deemed necessary.

As of June 30, 2024 and 2023, the Company had no on-hand inventory.

### ***Property & Equipment***

Property and equipment are stated at cost. Depreciation is calculated on the basis of estimated useful lives of the various assets using straight line depreciation methods.

Depreciation expense for the fiscal years ended June 30, 2024 and 2023 was \$2,687 and \$0, respectively.

### ***Advertising Costs***

The Company's advertising costs are expensed as incurred.

During the years ended June 30, 2024 and 2023, the Company recognized \$26,165 and \$11,340, respectively, in advertising costs.

### ***Research & Development Costs***

Research and development costs, including research material and administrative costs are expensed as incurred. Salaries for full-time employees related to research and development activities are not itemized.

Development costs for the years ended June 30, 2024 and 2023 were \$2,544 and \$69,858, respectively.

### ***Shipping & Handling Costs***

Shipping and handling costs are expensed as incurred.

### ***Legal Costs***

Legal costs are expensed as incurred and include but are not exclusive to the work of attorneys to assist in preparation and review of documents related to capital raises, customer service contracts, claims against vendors or suppliers, protection of intellectual property, and preparation of responses to government agencies.

Legal costs for the years ended June 30, 2024 and 2023 were \$615,802 and \$271,052, respectively.

### ***Income Taxes***

The Company assesses its income tax positions and records tax benefits for all years subject to examination based upon its evaluation of the facts, circumstances, and information available at the reporting date. In accordance with ASC 740-10, for those tax positions where there is a greater than 50% likelihood that a tax benefit will be sustained, our policy is to

record the largest amount of tax benefit that is more likely than not to be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where there is less than 50% likelihood that a tax benefit will be sustained, no tax benefit will be recognized in the financial statements.

The Company has determined that there are no material uncertain tax positions. The Company accounts for income taxes based on the provisions promulgated by both the Internal Revenue Service ("IRS"), which has a statute of limitation of three years from the due date of the return, and the States of Alabama and Delaware which have similar statutes. As such, all tax years are open since the Company's inception.

### ***Recent Accounting Pronouncements***

The Financial Accounting Standards Board periodically issues updated guidance or new accounting standards updates that impact financial reporting requirements. Other than various technical corrections issued recently, the Company is not aware of any recently issued accounting pronouncements that are expected to have a significant and material impact on the Company's financial statements.

### **Note 2. Going Concern & Uncertainties**

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the recoverability of assets and the satisfaction of liabilities in the normal course of business.

The Company incurred net losses during the years ended June 30, 2024 and 2023 of \$822,491 and \$210,281, respectively, and recently commenced revenue-generating operations, which, among other factors, introduces risk related to the Company's ability to continue as a going concern.

The ability of the Company to continue as a going concern is dependent upon management's plans to raise additional capital from the issuance of debt or sale of equity, its ability to increase the number of profitable contracts for its flagship products and services, and its ability to generate positive operating cash flow.

During fiscal 2023, the Company sold 51,748,352 shares pursuant to grants, raising \$51,600, and sold 68,308 and 80,417 shares pursuant to offerings under Regulation CF ("Reg CF"), raising \$143,447 and \$180,938, respectively, less offering costs of \$37,227 for a net from offerings of \$292,158. During fiscal 2024, the Company closed the last offering opened in fiscal 2023, and initiated another offering under Reg CF, which included warrants for previous investors. As of June 30, 2024, these raises had generated \$157,322, \$78,780, and \$37,949 in commitments.

Overall, during fiscal 2023, after accounting for fees and direct expenses, the Company raised a total of \$343,759 from sales and issuances of 51,897,077 shares, resulting in total shares outstanding as of June 30, 2023, of 81,775,063.

During fiscal 2024, after accounting for fees and direct expenses, the Company raised a total of \$250,052 from sales and issuance of 208,597 shares, resulting in total shares outstanding as of June 30, 2024, of 81,983,660.

The Company intends to conduct additional offerings under Regulation D and Reg CF. The Company is also pursuing grant opportunities through various U.S. Government agencies, as well as Government-backed loan guarantees and private debt financing.

The accompanying financial statements do not include any adjustments that might be required should the Company be unable to continue as a going concern.

### **Note 3. Commitments & Contingencies**

From time to time, during the normal course of business, the Company may be subject to various claims or lawsuits from customers, vendors, or competitors. The Company is not currently involved with and has no current knowledge of any pending or threatened litigation against the Company.

The Company is currently under investigation by the SEC for potential violations of federal securities laws in connection with its prior offerings under Regulation CF. The investigation, initiated in January 2024, is focused on the accuracy of disclosures and compliance with filing requirements. No formal charges have been brought, and the Company has not received a Wells Notice as of the date of these financial statements. The investigation does not mean that the SEC has concluded that the Company or a representative of the Company has violated the law. Also, the investigation does not mean that the SEC has a negative opinion of any person, entity, or security.

If the SEC determines that violations occurred, the Company could be subject to fines, penalties, or requirements to offer rescission rights to prior investors, which could materially impact its financial position. Additionally, a finding of wrongdoing could result in "bad actor" disqualification under various securities exemptions, which would restrict the Company's ability to raise capital through exempt offerings in the future.

Under GAAP, contingent liabilities are recorded if the contingency is "likely" to occur and the amount of the liability can be "reasonably estimated". At this time, due to the uncertainties surrounding the investigation neither of these conditions are met, and consequently, no liability has been recorded. Management is actively cooperating with the SEC and will update this disclosure as new information becomes available.

### **Note 4. SAFE Agreements**

As of June 30, 2024 and 2023, the Company had no SAFE agreements outstanding.

### **Note 5. Shareholders' Equity**

Above: Space Development Corporation has 175,000,000 shares of common stock authorized, par value \$0.001, and 75,000,000 of preferred stock authorized.

During the period from its inception on June 16, 2022 to June 30, 2024, the Company issued an aggregate of 81,983,660 common shares and no preferred shares. In addition, the Company has granted warrants to purchase 129,878 common shares. Equity was distributed to officers, employees, contractors, advisors, and to third parties through Reg CF rounds, and option, warrant, stock grants. The Company has reserved the remaining authorized but unissued shares for issuance or sale to other third parties.

As of June 30, 2024, there were a total of 81,983,660 shares issued and outstanding and based on a current offering price of \$2.30, the Company's market capitalization was approximately \$188.6 million.

A 409A valuation was performed by Carta Inc. with an effective date of January 13, 2023, estimating Fair Market Value of the Company's equity at \$2.10 per share. After the valuation, the Company won two contract awards from the U.S. Department of Defense totaling over \$1.77 million and the Board of Directors authorized the sale of equity at \$2.25, and then \$2.30 per share.

**Note 6. Subsequent Events**

The Company has evaluated subsequent events through October 23, 2024, the date these financial statements were available to be issued; there are no subsequent events that have occurred.

## Supplemental Information

### ABOVE: SPACE DEVELOPMENT CORPORATION AND SUBSIDIARY Consolidating Balance Sheet as of June 20, 2024

	As of June 30, 2024			
	Above: Space Development Corporation	Above: Orbital Inc	Eliminations	Above: Space Development Corporation Consolidated
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	\$ 56,022	\$ 124,194	\$ -	\$ 180,216
Accounts receivable.....	-	2,000	-	2,000
Prepaid expenses & other.....	-	21,684	-	21,684
Fixed assets, net.....	-	67,856	-	67,856
Investment in Above: Orbital.....	2,964,563	-	(2,964,563)	-
Due from Above: Orbital.....	-	-	-	-
<b>Total assets</b> .....	<u>\$ 3,020,585</u>	<u>\$ 215,734</u>	<u>\$ (2,964,563)</u>	<u>\$ 271,756</u>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable and accrued expenses.....	\$ -	\$ 174,258	\$ -	\$ 174,258
Due to Above: Space Development Corporation.....	-	365,360	(365,360)	-
Total current liabilities.....	-	539,618	(365,360)	174,258
<b>Long term liabilities</b>				
Employee benefits liability.....	-	67,333	-	67,333
Total long term liabilities.....	-	67,333	-	67,333
Total liabilities.....	-	606,951	(365,360)	241,591
<b>Stockholders' equity</b>				
Common Stock.....	20,351	1	-	20,352
Additional paid-in capital.....	3,175,183	2,477,665	(2,599,203)	3,053,645
Retained earnings (deficit).....	(174,949)	(2,868,883)	-	(3,043,832)
Total equity.....	<u>3,020,585</u>	<u>(391,217)</u>	<u>(2,599,203)</u>	<u>30,165</u>
Total liabilities and equity.....	<u>\$ 3,020,585</u>	<u>\$ 215,734</u>	<u>\$ (2,964,563)</u>	<u>\$ 271,756</u>

**ABOVE: SPACE DEVELOPMENT CORPORATION AND SUBSIDIARY**  
**Consolidating Statement of Operations for the year ended June 30, 2024**

For year ended June 30, 2024

	Above: Space Development Corporation	Above: Orbital Inc	Eliminations	Above: Space Development Corporation Consolidated
<b>Revenue</b> .....	\$ -	\$ 824,822	\$ -	\$ 824,822
Cost of goods sold.....	-	30,910	-	30,910
<b>Gross profit</b> .....	-	793,912	-	793,912
<b>Operating expenses</b>				
Employee wages and related costs.....	-	672,569	-	672,569
Marketing events.....	-	99,221	-	99,221
Engineering and development.....	-	12,544	-	12,544
Professional fees and consulting.....	128,053	487,749	-	615,802
Rent and overhead expense.....	450	123,315	-	123,765
Reimbursable expenses.....	-	20,421	-	20,421
Bank charges.....	-	3,825	-	3,825
Insurance expense.....	2,044	19,309	-	21,353
Travel expense.....	-	29,357	-	29,357
Office expense.....	-	19,587	-	19,587
Total operating expenses.....	130,547	1,487,897	-	1,618,444
<b>Operating loss</b> .....	(130,547)	(693,985)	-	(824,532)
<b>Other income and expense</b>				
Other income.....	(350)	(7,700)	-	(8,050)
Grants and donations.....	-	1,000	-	1,000
Interest expense.....	-	5,009	-	5,009
Other (income) expense, net.....	(350)	(1,691)	-	(2,041)
<b>Net loss</b> .....	<u>\$ (130,197)</u>	<u>\$ (692,294)</u>	<u>\$ -</u>	<u>\$ (822,491)</u>

**ABOVE: SPACE DEVELOPMENT CORPORATION AND SUBSIDIARY**  
**Consolidating Balance Sheet as of June 30, 2023**

As of June 30, 2023

	Above: Space Development Corporation	Above: Orbital Inc	Eliminations	Above: Space Development Corporation Consolidated
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	\$ 168,578	\$ 519,083	\$ -	\$ 687,661
Accounts receivable.....	-	-	-	-
Prepaid expenses & other.....	-	23,822	-	23,822
Fixed assets, net.....	-	-	-	-
Investment in Above: Orbital.....	2,732,152	-	(2,718,780)	13,372
Due from Above: Orbital.....	-	-	-	-
<b>Total assets.....</b>	<b>\$ 2,900,730</b>	<b>\$ 542,905</b>	<b>\$ (2,718,780)</b>	<b>\$ 724,855</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable and accrued expenses.....	\$ -	\$ 59,163	\$ -	\$ 59,163
Due to Above: Space Development Corporation.....	-	119,577	(119,577)	-
Total current liabilities.....	-	178,740	(119,577)	59,163
<b>Long term liabilities</b>				
Employee benefits liability.....	-	63,089	-	63,089
Total long term liabilities.....	-	63,089	-	63,089
Total liabilities.....	-	241,829	(119,577)	122,252
<b>Stockholders' equity</b>				
Common Stock.....	19,980	1	-	19,981
Additional paid-in capital.....	2,925,502	(121,539)	-	2,803,963
Retained earnings (deficit).....	(44,752)	422,614	(2,599,203)	(2,221,341)
Total equity.....	2,900,730	301,076	(2,599,203)	602,603
Total liabilities and equity.....	<b>\$ 2,900,730</b>	<b>\$ 542,905</b>	<b>\$ (2,718,780)</b>	<b>\$ 724,855</b>



**ABOVE: SPACE DEVELOPMENT CORPORATION AND SUBSIDIARY**  
**Consolidating Statement of Operations for the year ended June 30, 2023**

For year ended June 30, 2023

	Above: Space Development Corporation	Above: Orbital Inc	Eliminations	Above: Space Development Corporation Consolidated
<b>Revenue</b> .....	\$ -	\$ 996,031	\$ -	\$ 996,031
Cost of goods sold.....	-	2,701	-	2,701
<b>Gross profit</b> .....	-	993,330	-	993,330
<b>Operating expenses</b>				
Employee wages and related costs.....	-	620,464	-	620,464
Marketing events.....	-	50,147	-	50,147
Engineering and development.....	-	69,858	-	69,858
Professional fees and consulting.....	28,532	242,521	-	271,053
Rent and overhead expense.....	29	87,020	-	87,049
Reimbursable expenses.....	-	25,621	-	25,621
Bank charges.....	45	395	-	440
Insurance expense.....	15,380	17,651	-	33,031
Travel expense.....	-	25,850	-	25,850
Office expense.....	779	14,160	-	14,939
Total operating expenses.....	44,765	1,153,687	-	1,198,452
<b>Operating loss</b> .....	(44,765)	(160,357)	-	(205,122)
<b>Other income and expense</b>				
Other income.....	(14)	(3,805)	-	(3,819)
Grants and donations.....	-	1,500	-	1,500
Interest expense.....	-	7,478	-	7,478
Other (income) expense, net.....	(14)	5,173	-	5,159
<b>Net loss</b> .....	\$ (44,751)	\$ (165,530)	\$ -	\$ (210,281)