

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K  
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 16, 2021

**Ondas Holdings Inc.**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction  
of incorporation)

**001-39761**

(Commission File Number)

**47-2615102**

(IRS Employer  
Identification No.)

**61 Old South Road, #495, Nantucket, MA**

(Address of principal executive offices)

**02554**

(Zip Code)

**(888) 350-9994**

Registrant's telephone number, including area code:

**N/A**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class                        | Trading Symbol | Name of each exchange on which registered |
|--|----------------|---|
| Common Stock, \$0.0001 par value per share | ONDS           | The Nasdaq Stock Market LLC               |

Indicate by check mark whether the registrant is an emerging growth company as defined in in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by checkmark 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.

**Item 2.02 Results of Operations and Financial Condition.**

On August 16, 2021, Ondas Holdings Inc. (the "Company") issued a press release announcing its financial results for the second quarter of 2021. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K. A slide presentation, which includes supplemental information relating to the Company's financial results for the second quarter of 2021, is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

The information in Item 2.02 of this Current Report on Form 8-K (including Exhibit 99.1 and Exhibit 99.2) is furnished and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section. The information in Item 2.02 of this Current Report on Form 8-K (including Exhibit 99.1 and Exhibit 99.2) shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, whether made before or after the date of this Current Report, regardless of any general incorporation language in the filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

| Exhibit Number | Description   |
|----------------|---|
| 99.1           | <a href="#">Press Release, dated August 16, 2021.</a> |
| 99.2           | <a href="#">Presentation, dated August 16, 2021.</a>  |

**SIGNATURES**

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

Date: August 16, 2021

ONDAS HOLDINGS INC.

By: /s/ Eric A. Brock  
Eric A. Brock  
Chief Executive Officer

## Ondas Holdings Reports Second Quarter 2021 Financial Results

*Executed transformative acquisition of American Robotics*

*Completed \$51.5 million public offering*

*Continued progress in Rail markets supported by expanded Siemens' activity*

Nantucket, MA – August 16, 2021 - Ondas Holdings Inc. (NASDAQ: ONDS), a leading provider of private wireless data and drone solutions through its wholly owned subsidiaries, Ondas Networks Inc. (“Ondas Networks”) and American Robotics, Inc. (“American Robotics” or “AR”), today announced financial and operating results for the second quarter of 2021. Management is hosting an earnings conference call and audio webcast to discuss results today, August 16, 2021, at 8:30 a.m. ET.

During the second quarter of 2021, Ondas Holdings continued to make significant business development progress at its subsidiary, Ondas Networks, which included the evolution of multiple network opportunities with the Class 1 rails and its strategic relationships with Siemens and AURA. Ondas Holdings also announced in May it had entered into a definitive agreement to acquire American Robotics, a leading developer of highly automated commercial drone systems, thereby creating a leading MC-IoT data and drone solutions platform company servicing commercial and government markets. The acquisition of American Robotics closed on August 5<sup>th</sup>. In addition, the Company completed a \$51.5 million equity raise in June providing significant growth capital to support its business expansion plans.

“During the second quarter, Ondas continued to position itself for success in the MC-IoT markets we are targeting,” said Eric Brock, Ondas’ Chairman and CEO. “We continued to advance our business activity with the Rails, Siemens and AURA bringing those projects closer to completion and volume production. We announced and have now completed the strategic acquisition of American Robotics, opening a brand new, substantial worldwide TAM. And we strengthened our balance sheet by raising \$51.5 million in a public equity offering and extinguishing 95% of our debt.”

### Recent Highlights

- Entered into a definitive agreement to acquire American Robotics, a leading developer of highly automated commercial drone systems and the first company approved by the FAA to operate its drones beyond-visual-line-of-sight (“BVLOS”) without a human operator on-site. The acquisition was completed on August 5<sup>th</sup> with overwhelming support from our shareholders with approximately 99.7 percent of the votes cast supporting the acquisition.
- Strengthened our balance sheet by raising \$51.5 million through a public equity offering and retiring 95% of the Company’s debt.
- Revenues increased by 51% for the six months ended June 30, 2021, as compared to the six months ended June 30, 2020.
- Advanced multiple joint product development programs along with Siemens Mobility in preparation for volume production with the rails both domestically and internationally.
- Substantially completed the next phase of the joint-development program with AURA, a privately held company deploying a nationwide network for the command and control of commercial drones.

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### Second Quarter and First Half 2021 Financial Highlights

Revenues decreased by 25% to approximately \$0.9 million for the three months ended June 30, 2021, as compared to approximately \$1.2 million for the three months ended June 30, 2020. The decrease in revenue was primarily a result of lower product sales which were offset by the increase in development revenue in the three months ended June 30, 2021, as compared to the three months ended June 30, 2020, during which the Company fulfilled a large network product order. Gross profit decreased by 50% to \$307,000 for the three months ended June 30, 2021, as compared to \$615,000 for the three months ended June 30, 2020, as a result of lower revenue and higher cost of goods sold related to development agreements. Gross profit on a percentage basis was approximately 35% for the three months ended June 30, 2021, compared to 53% for the three months ended June 30, 2020. The lower gross profit percentage was driven by the change in mix between development revenue at a lower margin than product revenues.

Operating expenses were relatively flat at \$3.4 million for the three months ended June 30, 2021, as compared to three months ended June 30, 2020. Stock based compensation decreased by approximately \$0.8 million in the three months ended June 30, 2021, which was offset by a total increase of approximately \$0.8 million for professional fees related to American Robotics acquisition and facilities related expenses for the three months ended June 30, 2021.

The Company realized an operating loss of approximately \$3.1 million for the three months ended June 30, 2021, as compared to \$2.8 million for the three months ended June 30, 2020. The difference was driven primarily by lower revenues and lower gross profit during the period. Net loss was approximately \$2.8 million for the three months ended June 2021, as compared to a net loss of \$3.2 million in the three months ended June 30, 2020. Net loss was lower primarily due to loan forgiveness of approximately \$0.7 million and a decrease in interest expense of approximately \$0.1 million as compared to the three months ended June 30, 2020.

Revenues grew by 50% to approximately \$2.1 million for the six months ended June 30, 2021, compared to approximately \$1.4 million for the six months ended June 30, 2020. Revenue growth was primarily due to larger development projects with Siemens and AURA during the first half of 2021. Gross profit increased by 45% to \$0.9 million as a result of higher revenue for the six months ended June 30, 2021, as compared to \$0.6 for the six months ended June 30, 2020. Gross profit on a percentage basis, was approximately the same at 45% for the six months ended June 30, 2021, as compared to 47% for the six months ended June 30, 2020.

Operating expenses increased approximately 21% to \$6.9 million for the six months ended June 30, 2021, as compared to \$5.7 million for the six months ended June 30, 2020. This increase was driven primarily by professional fees associated with the acquisition of American Robotics.

The Company realized an operating loss of approximately \$6.0 million for the six months ended June 30, 2021, as compared to a similar loss for the six months ended June 30, 2020. Increased operating expenses from the American Robotics acquisition was the primary driver despite the growth in revenues and gross profits. Net loss was approximately \$6.0 million for the six months ended June 2021 with a similar net loss for the six months ended June 30, 2020.

The Company held cash and cash equivalents of approximately \$58.5 million as of June 30, 2021, as compared to approximately \$26.1 million as of December 31, 2020.

### Outlook

Ongoing investments in market expansion and deeper penetration of select verticals are expected to continue supporting customer activity as Ondas advances its long-term strategy to drive commercial penetration of its proprietary technology across multiple markets. The Company continues to work closely with Class 1 Rails and its strategic rail partner Siemens to advance the adoption of Ondas’ FullMAX platform in the 900 MHz network, greenfield spectrum. We expect to receive a purchase order from the Class 1

Rails related to the MC-IoT Rail lab in the fourth quarter of 2021, an important step on the roadmap to commercial adoption. We also expect to receive additional joint-product development projects with Siemens with increased activity related to international markets.

Our commercialization efforts with AURA continue to progress. We expect to complete the current project focused on optimizing our FullMAX network equipment for testing and demonstration network purposes in the third quarter of 2021. In addition to the ongoing network development work, we expect initial equipment orders from AURA for testing and network expansion during the second half of 2021.

We expect American Robotics to expand commercial deployments of the Scout System™ and have begun to build inventory for customer demand. Scout™ deployments will focus on a select group of blue-chip customers in the mining, agriculture, oil & gas and utilities sectors over the second half. In parallel, American Robotics will invest in field service operations to create capacity to handle expanded drone fleet deployments with existing customers and to support new customer activity as the year progresses.

For Ondas Networks, we expect bookings and revenue growth to fluctuate from quarter-to-quarter given the timing of development activity in front of the targeted commercial rollout for the Rail 900 MHz network, the multiple development projects underway with Siemens and project related bookings related to AURA's network development. Furthermore, American Robotics recently commenced the process of scaling its support organization for its customer engagements. As such, we will not provide financial guidance for the third quarter of 2021.

#### Earnings Conference Call & Audio Webcast Details

An earnings conference call is scheduled for today, August 16, 2021, at 8:30 a.m. ET. Investors may access a live webcast of the earnings conference call via the "News / Events" page of the Company's Investor Relations website at <https://ir.ondas.com>. Following the presentation, a replay of the webcast will be available for 30 days in the same location of the Company's website.

|  |                   |
|--|-------------------|
| Live Listen Only Webcast                       | Webcast Here      |
| Participant Dial In (toll free)                | 1-866-777-2509    |
| Participant Dial In (International)            | 1-412-317-5413    |
| Participant Call Pre-Registration (encouraged) | Pre-Register Here |

#### About Ondas Holdings Inc.

Ondas Holdings Inc. ("Ondas") is a leading provider of private wireless data and drone solutions through its wholly owned subsidiaries Ondas Networks Inc. ("Ondas Networks") and American Robotics, Inc. ("American Robotics" or "AR"). Ondas Networks is a developer of proprietary, software-based wireless broadband technology for large established and emerging industrial markets. Ondas Networks' standards-based (802.16s), multi-patented, software-defined radio FullMAX platform enables Mission-Critical IoT (MC-IoT) applications by overcoming the bandwidth limitations of today's legacy private licensed wireless networks. Ondas Networks' customer end markets include railroads, utilities, oil and gas, transportation, aviation (including drone operators) and government entities whose demands span a wide range of mission critical applications. American Robotics designs, develops, and markets industrial drone solutions for rugged, real-world environments. AR's Scout System™ is a highly automated, AI-powered drone system capable of continuous, remote operation and is marketed as a "drone-in-a-box" turnkey data solution service under a Robot-as-a-Service (RAAS) business model. The Scout System™ is the first drone system approved by the FAA for automated operation beyond-visual-line-of-sight (BVLOS) without a human operator on-site. Ondas Networks and American Robotics together provide users in rail, agriculture, utilities and critical infrastructure markets with improved connectivity and data collection capabilities.

For additional information on Ondas Networks and Ondas Holdings, visit [www.ondas.com](http://www.ondas.com) or follow Ondas Networks on Twitter and LinkedIn. For additional information on American Robotics, visit [www.american-robotics.com](http://www.american-robotics.com) or follow American Robotics on Twitter and LinkedIn.

Information on our websites and social media platforms is not incorporated by reference in this release or in any of our filings with the U.S. Securities and Exchange Commission.

#### Forward Looking Statements

Statements made in this release that are not statements of historical or current facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. We caution readers that forward-looking statements are predictions based on our current expectations about future events. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions that are difficult to predict. Our actual results, performance, or achievements could differ materially from those expressed or implied by the forward-looking statements as a result of a number of factors, including the risks discussed under the heading "Risk Factors" discussed under the caption "Item 1A. Risk Factors" in Part I of our most recent Annual Report on Form 10-K or any updates discussed under the caption "Item 1A. Risk Factors" in Part II of our Quarterly Reports on Form 10-Q and in our other filings with the SEC. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise that occur after that date, except as required by law.

#### ONDAS HOLDINGS INC. CONDENSED CONSOLIDATED BALANCE SHEETS

|                             | June 30,<br>2021  | December 31,<br>2020 |
|-----------------------------|-------------------|----------------------|
|                             | (Unaudited)       |                      |
| ASSETS                      |                   |                      |
| Current Assets:             |                   |                      |
| Cash and cash equivalents   | \$ 58,550,105     | \$ 26,060,733        |
| Accounts receivable, net    | 726,338           | 47,645               |
| Inventory, net              | 1,146,718         | 1,152,105            |
| Note receivable             | 2,000,000         | -                    |
| Other current assets        | 1,064,958         | 629,030              |
| Total current assets        | <u>63,488,119</u> | <u>27,889,513</u>    |
| Property and equipment, net | <u>185,241</u>    | <u>163,084</u>       |

|                                     |               |               |
|-------------------------------------|---------------|---------------|
| Other Assets:                       |               |               |
| Intangible assets, net              | 292,716       | 379,530       |
| Lease deposits                      | 118,577       | 28,577        |
| Operating lease right of use assets | 833,852       | 51,065        |
| Total other assets                  | 1,245,145     | 459,172       |
| Total assets                        | \$ 64,918,505 | \$ 28,511,769 |

#### LIABILITIES AND STOCKHOLDERS' DEFICIT

|   |               |               |
|---|---------------|---------------|
| Current Liabilities:  |               |               |
| Accounts payable  | \$ 1,871,858  | \$ 2,368,203  |
| Operating lease liabilities   | 476,487       | 56,168        |
| Accrued expenses and other current liabilities  | 2,073,735     | 2,832,780     |
| Secured promissory note, net of debt discount of \$0 and \$120,711, respectively  | -             | 7,003,568     |
| Deferred revenue  | 24,692        | 165,035       |
| Notes payable   | -             | 59,550        |
| Total current liabilities   | 4,446,772     | 12,485,304    |
| Long-Term Liabilities:  |               |               |
| Notes payable   | 300,000       | 906,541       |
| Accrued interest  | 36,972        | 36,329        |
| Operating lease liabilities, net of current   | 357,365       | -             |
| Total long-term liabilities   | 694,337       | 942,870       |
| Total liabilities   | 5,141,109     | 13,428,174    |
| Commitments and Contingencies   |               |               |
| Stockholders' Equity  |               |               |
| Preferred stock - par value \$0.0001; 5,000,000 and 10,000,000 shares authorized; at June 30, 2021 and December 31, 2020, respectively, and none issued or outstanding at June 30, 2021 and December 31, 2020, respectively | -             | -             |
| Preferred stock, Series A - par value \$0.0001; 5,000,000 shares authorized; none issued or outstanding at June 30, 2021 and December 31, 2020, respectively  | -             | -             |
| Common stock - par value \$0.0001; 116,666,667 shares authorized; 34,038,707 and 26,540,769 issued and outstanding at June 30, 2021 and December 31, 2020, respectively   | 3,404         | 2,654         |
| Additional paid in capital  | 130,983,424   | 80,330,488    |
| Accumulated deficit   | (71,209,432)  | (65,249,547)  |
| Total stockholders' equity  | 59,777,396    | 15,083,595    |
| Total liabilities and stockholders' equity  | \$ 64,918,505 | \$ 28,511,769 |

#### ONDAS HOLDINGS INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

|  | Three Months Ended |              | Six Months Ended |              |
|--|--------------------|--------------|------------------|--------------|
|  | June 30,           |              | June 30,         |              |
|  | 2021               | 2020         | 2021             | 2020         |
| Revenues, net                          | \$ 887,432         | \$ 1,155,374 | \$ 2,052,196     | \$ 1,355,572 |
| Cost of goods sold                     | 580,675            | 540,585      | 1,136,025        | 721,677      |
| Gross profit                           | 306,757            | 614,789      | 916,171          | 633,895      |
| Operating expenses:                    |                    |              |                  |              |
| General and administration             | 2,495,271          | 2,490,257    | 4,904,124        | 3,398,844    |
| Sales and marketing                    | 196,149            | 132,370      | 383,521          | 681,388      |
| Research and development               | 753,642            | 757,916      | 1,648,219        | 1,650,845    |
| Total operating expenses               | 3,445,062          | 3,380,543    | 6,935,864        | 5,731,077    |
| Operating loss                         | (3,138,305)        | (2,765,754)  | (6,019,693)      | (5,097,182)  |
| Other income (expense)                 |                    |              |                  |              |
| Other income (expense), net            | 652,957            | -            | 618,781          | 9,013        |
| Interest income                        | 7,594              | 66           | 7,626            | 158          |
| Interest expense                       | (344,012)          | (454,853)    | (566,600)        | (939,815)    |
| Total other income (expense)           | 316,539            | (454,787)    | 59,807           | (930,644)    |
| Loss before provision for income taxes | (2,821,766)        | (3,220,541)  | (5,959,886)      | (6,027,826)  |
| Provision for income taxes             | -                  | -            | -                | -            |
| Net loss                               | (2,821,766)        | (3,220,541)  | (5,959,886)      | (6,027,826)  |
| Net loss per share - basic and diluted | \$ (0.10)          | \$ (0.16)    | \$ (0.21)        | \$ (0.30)    |

|   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|
| Weighted average number of common shares outstanding, basic and diluted | <u>28,890,547</u> | <u>19,802,921</u> | <u>28,083,888</u> | <u>19,802,921</u> |
|---|-------------------|-------------------|-------------------|-------------------|

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**ONDAS HOLDINGS INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

|   | <b>Six Months Ended</b> |                    |
|---|-------------------------|--------------------|
|   | <b>June 30,</b>         |                    |
|   | <b>2021</b>             | <b>2020</b>        |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                       |                         |                    |
| Net loss  | \$ (5,959,886)          | \$ (6,027,826)     |
| Adjustments to reconcile net loss to net cash flows used in operating activities: |                         |                    |
| Depreciation  | 50,272                  | 49,473             |
| Amortization of deferred financing costs  | 120,712                 | 295,159            |
| PPP Loan forgiveness  | (666,091)               | -                  |
| Amortization of intangible assets   | 19,617                  | 6,464              |
| Amortization of right of use asset  | 154,457                 | 134,768            |
| Loss on Intellectual Property   | 70,895                  | -                  |
| Stock-based compensation  | 1,650,119               | 1,906,679          |
| Changes in operating assets and liabilities:                                      |                         |                    |
| Accounts receivable   | (678,694)               | (312,769)          |
| Inventory   | 5,387                   | (102,821)          |
| Other current assets  | (435,929)               | (126,276)          |
| Accounts payable  | (496,344)               | 1,041,105          |
| Deferred revenue  | (140,343)               | -                  |
| Operating lease liability   | (159,560)               | (234,400)          |
| Accrued expenses and other current liabilities                                    | (623,300)               | 604,579            |
| Net cash flows used in operating activities                                       | <u>(7,088,688)</u>      | <u>(2,765,865)</u> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                       |                         |                    |
| Patent costs  | (3,698)                 | (24,499)           |
| Purchase of equipment   | (72,429)                | (6,898)            |
| Proceeds from sub-lease deposit   | -                       | 19,332             |
| Security deposit  | (90,000)                | 2,775              |
| Cash paid for note receivable   | (2,000,000)             | -                  |
| Net cash flows used in investing activities                                       | <u>(2,166,127)</u>      | <u>(9,290)</u>     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                       |                         |                    |
| Proceeds from paycheck protection program loan                                    | -                       | 666,091            |
| Proceeds from exercise of warrants  | 1,344,882               | -                  |
| Proceeds from 2021 Public Offering, net of costs                                  | 47,523,583              | -                  |
| Payments on loan payable  | (7,124,278)             | -                  |
| Net cash flows provided by financing activities                                   | <u>41,744,187</u>       | <u>666,091</u>     |
| Increase (decrease) in cash and cash equivalents                                  | 32,489,372              | (2,109,064)        |
| Cash and cash equivalent, beginning of period                                     | 26,060,733              | 2,153,028          |
| Cash and cash equivalents, end of period  | <u>\$ 58,550,105</u>    | <u>\$ 43,964</u>   |
| <b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</b>                         |                         |                    |
| Cash paid for interest  | \$ 1,038,532            | \$ 4,928           |
| Cash paid for income taxes  | \$ -                    | \$ -               |
| <b>SUPPLEMENTAL SCHEDULE OF NON-CASH FINANCING ACTIVITIES:</b>                    |                         |                    |
| Forgiveness of accrued officers salary  | <u>\$ 135,103</u>       | <u>\$ 150,002</u>  |

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Investor Relations for Ondas Holdings Inc.  
Michael Bowen, ICR  
ondasir@icrinc.com

Media Contacts for Ondas Holdings Inc. and Ondas Networks Inc.  
Stewart Kantor, President and CFO  
Ondas Holdings Inc.  
888.350.9994 Ext. 1009  
ir@ondas.com

Media Contacts for American Robotics, Inc.  
Chelsea Higgins  
BIGfish Communications  
americanrobotics@bigfishpr.com  
617.713.3800

Source: Ondas Holdings Inc.

# ONDAS

NETWORKS

 AMERICAN ROBOTICS

ENABLING MISSION-CRITICAL IOT

 ONDAS  
Holdings Inc.

## Q2 2021 Earnings Call



### Disclaimer

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This presentation may contain "forward-looking statements" as that term is defined under the Private Securities Litigation Reform Act of 1995 (PSLRA), which statements may be identified by words such as "expects," "projects," "will," "may," "anticipates," "believes," "should," "intends," "estimates," and other words of similar meaning. Ondas Holdings Inc. ("Ondas" or the "Company") cautions readers that forward-looking statements are predictions based on its current expectations about future events. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions that are difficult to predict. The Company's actual results, performance, or achievements could differ materially from those expressed or implied by the forward-looking statements as a result of a number of factors, including, the risks discussed under the heading "Risk Factors" in the Company's most recent Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC"), in the Company's Quarterly Reports on Form 10-Q filed with the SEC, and in the Company's other filings with the SEC. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise that occur after that date, except as required by law.



## Management Team

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**Eric Brock**  
Chairman & CEO



**Stewart Kantor**  
President & CFO



**Reese Mozer**  
CEO  
American Robotics



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## Introduction | Key Highlights

### Made broad progress in strengthening the growth outlook for Ondas

- Announced definitive agreement to acquire American Robotics on May 17th
  - Transformative acquisition closed on August 5<sup>th</sup>
  - Received overwhelming shareholder support (99.7% of vote)
- Executed \$51.5 million public offering to help fund ambitious growth plan
- Made significant progress with key business priorities
  - Moved closer to FullMAX adoption with Class 1 Rails
  - Expanded strategic partnership with Siemens
  - Advanced network commercialization activity with AURA

## Q2 2021 Earnings Call | Agenda

Q2 Review | Key Highlights

Q2 Review | Financial Results

2H 2021 & Beyond | Outlook

Investor Q&A

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## Q2 Review | Financial Results

| SELECT P&L DATA<br>(Unaudited) | Three Months Ended June 30, |              |
|--------------------------------|-----------------------------|--------------|
|                                | 2021                        | 2020         |
| Revenues, net                  | \$ 887,432                  | \$ 1,155,374 |
| Cost of goods sold             | 580,675                     | 540,585      |
| Gross profit                   | 306,757                     | 614,789      |
| Operating expenses:            |                             |              |
| General and administration     | 2,495,271                   | 2,490,257    |
| Sales and marketing            | 196,149                     | 132,370      |
| Research and development       | 753,642                     | 757,916      |
| Total operating expenses       | 3,445,062                   | 3,380,543    |
| Operating loss                 | (3,138,305)                 | (2,765,754)  |
| <b>SUPPLEMENTAL INFO:</b>      |                             |              |
| Stock-based Compensation       | 301,657                     | 1,870,960    |

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## Q2 Review | Financial Results

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| <b>SELECT P&amp;L DATA</b><br>(Unaudited) | <b>First Half</b> |              |
|---|-------------------|--------------|
|   | <b>2021</b>       | <b>2020</b>  |
| Revenues, net                             | \$ 2,052,196      | \$ 1,355,572 |
| Cost of goods sold                        | 1,136,025         | 721,677      |
| Gross profit                              | 916,171           | 633,895      |
| Operating expenses:                       |                   |              |
| General and administration                | 4,904,124         | 3,398,844    |
| Sales and marketing                       | 383,521           | 681,388      |
| Research and development                  | 1,648,219         | 1,650,845    |
| Total operating expenses                  | 6,935,864         | 5,731,077    |
| Operating loss                            | (6,019,693)       | (5,097,182)  |
| <b>SUPPLEMENTAL INFO:</b>                 |                   |              |
| Stock-based Compensation                  | 1,650,119         | 1,906,679    |

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## Q2 Review | Financial Results





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| <b>SELECT CASH FLOW DATA</b><br>(Unaudited) | <b>First Half</b> |                |
|---|-------------------|----------------|
|   | <b>2021</b>       | <b>2020</b>    |
| Net cash used in operating activities       | \$ (7,088,688)    | \$ (2,765,865) |
| Net cash used in investing activities       | (2,166,127)       | (9,290)        |
| Net cash provided by financing activities   | 41,744,187        | 666,091        |
| Increase (Decrease) in cash                 | 32,489,372        | (2,109,064)    |
| Cash and cash equivalents, beginning        | 26,060,733        | 2,153,028      |
| Cash and cash equivalents, end              | \$ 58,550,105     | \$ 43,964      |





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## Q2 2021 | Key Events

|   |                          |   |
|---|--------------------------|---|
|  | <b>American Robotics</b> | Launched Scout System™ expansion plan; Closed acquisition on August 5 <sup>th</sup> |
|  | <b>Rails</b>             | Notified of MC-IoT Rail Lab award (PO pending)                                      |
|  | <b>Siemens</b>           | Advancing product development with Siemens; Rail marketing                          |
|  | <b>Aura</b>              | Transitional C2 network equipment development nearly complete                       |

## 2H 2021 | Outlook

|   |                          |   |
|---|--------------------------|---|
|  | <b>American Robotics</b> | Accelerate Scout™ deployments; build Team to support scaled operations                      |
|  | <b>Rails</b>             | Target commercial deployments for 900 MHz   |
|  | <b>Siemens</b>           | Target commercial orders for ATCS 900 MHz; Execute on multiple product development programs |
|  | <b>Aura</b>              | Support transitional C2 network; FAA commercialization                                      |

# American Robotics | Highlights

## Leadership



**Reese Mozer**  
 Founder & CEO  
 M.S., Carnegie Mellon



**Dr. Vijay Somandepalli**  
 Founder & CTO  
 Ph.D., Stanford

## Acquisition closed August 5th

**The only company approved by FAA to operate fully-automated drone without humans on-site**

- Fully automated, end-to-end industrial-grade drone system
- Exclusive set of FAA approvals to operate autonomously without humans on-site
- High margin, recurring revenue Robot-as-a-Service (RAAS) business model with \$100B+ TAM<sup>(1)</sup>
- Unique, full stack IP portfolio critical to real-world autonomy
- Deep customer pipeline in industrial and agricultural markets



(1) PWC, 2016

# AR AMERICAN ROBOTICS



- Launched growth plan in May 2020 after receiving initial cash infusion from Ondas
- Strong customer pipeline; pent up demand
- Announced two purchase orders with strategically important customers
- Hiring plan in motion; build team and scale infrastructure to support fleet-level deployments



## Q2 Review | Key Highlights

### Made broad progress in strengthening the growth outlook for Ondas



**Balance Sheet** | \$51.5 million public offering



**Acquisition** | Announced strategic acquisition in May; closed August 5<sup>th</sup>



**Rails** | Notified of MC-IoT Rail Lab award (PO pending); platform adoption moving closer



**Siemens** | Advancing product development with Siemens; Rail marketing



**AURA** | Transitional C2 network equipment development nearly complete

# Q&A

**ONDAS**  
N E T W O R K S

**AR** AMERICAN ROBOTICS  
AMERICAN ROBOTICS

ENABLING MISSION-CRITICAL IOT

**ONDAS**  
Holdings Inc.

**Q2 2021 Earnings Call**