

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

FORM 8-K/A
(Amendment No. 1)
CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 17, 2025

Ondas 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.)

222 Lakeview Avenue, Suite 800, West Palm Beach, Florida 33401
(Address of principal executive offices) (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, par value \$0.0001	ONDS	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined 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 check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Explanatory Note

As previously disclosed, on November 17, 2025 (the “Closing Date”), Ondas Inc. (the “Company”) completed the previously announced acquisition of Sentry CS Ltd, a company organized under the laws of the State of Israel (“Sentry”), pursuant to the Share Purchase Agreement, dated as of November 3, 2025 (the “Agreement”), by and among the Company, Sentry, Sentry’s shareholders (the “Sentry Shareholders”), and Sagitta Holdco SARL, a private limited liability company organized under the laws of the Grand Duchy of Luxembourg, having its registered office at 15, Boulevard F.W. Raiffeisen, L-2411 Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B268651, solely in its capacity as the representative, agent and attorney-in-fact of the Indemnifying Parties (as defined in the Agreement) (the “Shareholders’ Agent,” together with the Sentry Shareholders, the “Sellers”). In accordance with the terms of the Agreement, the Company acquired 100% of the issued and outstanding share capital of Sentry, for an aggregate purchase price of \$224.6 million, including \$134.1 million in cash and shares of the Company’s common stock valued at \$90.6 million (the “Shares”), par value \$0.0001 per share.

Also on November 17, 2025, the Company entered into a Registration Rights Agreement, dated November 17, 2025, by and among the Company and the Sellers (the “Registration Rights Agreement”). Pursuant to the Registration Rights Agreement, the Company agreed to file with the Securities and Exchange Commission (the “SEC”) prospectus supplements pursuant to Rule 424(b)(7) promulgated under the Securities Act of 1933, as amended (the “Securities Act”), providing for the resale by the Sellers of such issued Shares, as applicable, subject to the trading limitations as described in the Registration Rights Agreement.

The foregoing description of the Agreement and Registration Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Agreement and Registration Rights Agreement, which are attached hereto as Exhibit 2.1 and Exhibit 10.1, respectively, and incorporated herein by reference.

The Company is filing this amendment to the Current Report on Form 8-K, as filed with the Securities and Exchange Commission on November 17, 2025 (the “Original 8-K”), to amend and supplement the Original 8-K (“Amendment No. 1”) to include financial statements of Sentry, a foreign business, and pro forma financial information as required by Item 9.01(a) and 9.01(b) of Form 8-K. This Amendment No. 1 should be read together with the Original 8-K.

Item 9.01 Financial Statements and Exhibits

(a) Financial statements of businesses acquired

The financial statements of the business acquired required by Item 9.01(a) of Form 8-K are filed herewith as Exhibits 99.1, and 99.2 and are incorporated herein by reference.

(b) Pro forma financial information

The pro forma financial information required by Item 9.01(b) of Form 8-K is filed herewith as Exhibit 99.5 and is incorporated herein by reference.

(d) Exhibits

Exhibit No.	Description
2.1*	Share Purchase Agreement, by and among the Company, Sentry CS Ltd, shareholders listed on Exhibit B thereto, and Sagitta Holdco SARM, solely in its capacity as the representative, agent and attorney-in-fact of the Indemnifying Parties (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 17, 2025).
10.1*	Registration Rights Agreement, dated November 17, 2025, by and among the Company and the Sellers (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 17, 2025).
23.1	Consent of Brightman Almagor Zohar & Co.
99.1	The audited Consolidated Financial Statements of Sentry CS Ltd, as of December 31, 2024.
99.2	The Unaudited Condensed Consolidated Financial Statements of Sentry CS Ltd, as of September 30, 2025.
99.3	The unaudited Condensed Consolidated financial statements of Ondas Inc. for the nine months ended September 30, 2025 (incorporated by reference to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 13, 2025).
99.4	The audited financial statements of Ondas Inc. as of and for the fiscal year ended December 31, 2024, and the related notes (incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 as filed with the Securities and Exchange Commission on March 12, 2025).
99.5	The unaudited pro forma condensed combined financial statements (and related notes) of Ondas Inc.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Schedules and Exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally to the Securities and Exchange Commission a copy of any omitted schedule upon request.

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: January 27, 2026

ONDAS INC.

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

Consent of Independent Auditors

We consent to the incorporation by reference in Registration Statements (Nos. 333-290121, 333-290087, 333-286642, 333-266011, 333-260450, 333-235373, 333-276853, and 333-276852) on Form S-3, the Registration Statement (No. 333-267565) on Form S-4, and the Registration Statements (No. 333-237485, 333-260845, 333-269418, 333-276854, 333-283574, 333-287570, and 333-291731) on Form S-8 of Ondas Inc. of our report dated January 8, 2026, relating to the consolidated financial statements of Sentry CS Ltd. as of and for the year ended December 31, 2024 included in this Current Report on Form 8-K/A of Ondas Inc.

/s/ Brightman Almagor Zohar & Co.

Brightman Almagor Zohar & Co

Certified Public Accountants

A Firm in the Deloitte Global Network

Tel Aviv, Israel

January 27, 2026

SENTRY CS LTD.

CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

SENTRY CS LTD.

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AS OF DECEMBER 31, 2023

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**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
SENTRY CS LTD.**

Opinion

We have audited the consolidated financial statements of Sentry CS Ltd. and its subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2024, and the related consolidated statements of operations, changes in shareholders' deficiency and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 required to be independent of the Company and to meet 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.

Responsibilities of Management 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, and for 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 required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are 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. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Brightman Almagor Zohar & Co.
Certified Public Accountants
A Firm in the Deloitte Global Network

January 8, 2026
Tel Aviv, Israel

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Beit Shemesh, 9906201

SENTRY CS LTD.
CONSOLIDATED BALANCE SHEET
(US Dollars in thousands)

	Note	As of December 31, 2024
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash and cash equivalents		2,266
Restricted Cash		137
Trade accounts receivables		591
Inventories		885
Other current assets	3	1,850
Total current assets		5,729
<u>NON-CURRENT ASSETS</u>		
Property, plant and equipment, net	4	1,000
Right of use asset	13	2,550
Software, net	5	71
Total non-current assets		3,621
Total assets		9,350
<u>LIABILITIES AND SHAREHOLDERS' DEFICIENCY</u>		
<u>CURRENT LIABILITIES</u>		
Short-Term Loans	8	7,093
Trade accounts payable		542
Short-Term lease liabilities	13	612
Short-Term deferred revenues		1,624
Other current liabilities	6	2,248
Total current liabilities		12,119
Long-Term deferred revenues		453
Long-Term lease liabilities	13	1,984
Total long-term liabilities		2,437
<u>COMMITMENTS AND CONTINGENT LIABILITIES</u>	9	
<u>SHAREHOLDERS' DEFICIENCY</u>	7	
Ordinary shares		10
Ordinary shares A		10
Series B Preferred Shares		3
Series C Preferred Shares		3
Additional paid-in capital		44,670
Accumulated deficit		(49,902)
Total shareholders' deficiency		(5,206)
Total liabilities and shareholders' deficiency		9,350

January 8, 2026

Date of approval

Tal Cohen,
Director

The accompanying notes are an integral part of the consolidated financial statements.

SENTRY CS LTD.
CONSOLIDATED STATEMENT OF OPERATIONS
(US Dollars in thousands)

	<u>Note</u>	<u>Year ended December 31, 2024</u>
Sales		11,348
Cost of sales		3,191
Gross profit		8,157
Research and development expenses	10	11,363
Sales and marketing expenses	11	6,410
General and administrative expenses	12	3,706
Operating loss		13,322
Financial expenses, net		192
Net loss		13,514

The accompanying notes are an integral part of the consolidated financial statements.

SENTRY CS LTD.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIENCY
(US Dollars in thousands, except share data)

	Ordinary Shares		Series A Preferred Shares		Series B Preferred Shares		Series C Preferred Shares		Additional Paid-in Capital	Accumulated deficit	Total
	Number	Amount	Number	Amount	Number	Amount	Number	Amount			
Balance as of January 1, 2024	3,607,313	10	3,600,000	10	1,066,299	3	-	-	36,095	(36,388)	(270)
Conversion of short-term loans to preferred shares	-	-	-	-	-	-	967,142	3	5,892	-	5,895
Share based compensation	-	-	-	-	-	-	-	-	1,398	-	1,398
Exercise of options	9,500	(*)	-	-	-	-	-	-	(*)	-	(*)
Shareholder contribution	-	-	-	-	-	-	-	-	1,285	-	1,285
Net loss	-	-	-	-	-	-	-	-	-	(13,514)	(13,514)
Balance as of December 31, 2024	3,616,813	10	3,600,000	10	1,066,299	3	967,142	3	44,670	(49,902)	(5,206)

(*) Represent a number smaller than \$1.

The accompanying notes are an integral part of the consolidated financial statements.

SENTRY CS LTD.
CONSOLIDATED STATEMENT OF CASH FLOWS
(US Dollars in thousands)

Year ended
December 31,
2024

CASH FLOWS - OPERATING ACTIVITIES

Net loss	(13,514)
Adjustments to reconcile net loss to net cash in operating activities:	
Depreciation	154
Share based compensation	1,398
Leases non-cash expenses	46
Increase in trade accounts receivables	(51)
Decrease (increase) in inventories	907
Increase in other current assets	(1,363)
Increase (decrease) in trade accounts payable	280
Increase in deferred revenue	2,077
Increase in other current liabilities	242
Net cash used in operating activities	<u>(9,824)</u>

CASH FLOWS - INVESTING ACTIVITIES

Restricted deposit	-
Additions to property, equipment and software	(733)
Net cash used in investing activities	<u>(733)</u>

CASH FLOWS - FINANCING ACTIVITIES

Shareholder contribution	1,285
Receipt of short-term loans from related party	7,713
Net cash provided by financing activities	<u>8,998</u>
Increase (decrease) in cash, cash equivalents and restricted cash	(1,559)
Cash and cash equivalents and restricted cash beginning of year	<u>3,962</u>
Cash and cash equivalents and restricted cash end of year	<u><u>2,403</u></u>

NON-CASH ACTIVITIES

Conversion of short-term loans to Preferred Shares and APIC	5,895
Obtaining a right-of-use asset in exchange for a lease liability	2,596
	<u>8,491</u>

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 1 - GENERAL

A. Description of Business and Formation of the Company:

1. SENTRY CS LTD (hereinafter - "the Company") was incorporated in Israel on July 28, 2016 and began operations during September 2016.

During December 2017, the Company established a wholly owned US subsidiary (Sentrycs Inc.).

During July 2024, the Company established a wholly owned subsidiary in Netherlands (Sentrycs CS B.V.).

2. The Company addresses the issue of the unmonitored or malicious use of commercial drones near or above secure areas and protects these areas from various threats such as public disorder, smuggling and rights violations of airspaces.
3. On January 25, 2022 the District Court in Tel Aviv ("the court") appointed Adv. Uri Gaon as the interim trustee of the company. On February 28, 2022, the Court ordered the initiation of proceedings for the Company and appointed Adv. Uri Gaon as the permanent trustee of the Company. On September 21, 2022, the court approved the sale agreement that was reached between the trustee and the buyer, Sagitta Holdco SARL B268651 (hereinafter - "the Buyer"), for the purchase of the Company. In accordance with the court's approval, the trustee signed the sale agreement on November 13, 2022. On December 4, 2022, the court ordered the allocation of 3,600,000 shares of the Company to the ownership of the Buyer and the cancellation of the remaining shares of the Company (of their various types). Accordingly, on January 18, 2023, the shares were allocated as mentioned.
4. On November 3, 2025, the Company entered into a share purchase agreement with Ondas Holdings Inc. ("Ondas") pursuant to which Ondas agreed to acquire 100% of the issued and outstanding share capital of the Company. The transaction was consummated on November 17, 2025, and Ondas became the sole shareholder of the Company. The transaction represents a change in control and did not result in any proceeds being received by the Company. Accordingly, no adjustments have been made to these financial statements as of December 31, 2024 in respect of this transaction.

B. Risk factors:

The Company has a limited operating history and faces several risks, among them: the effects of technological changes, competition, and the development of new products. Additionally, other risk factors exist such as the nature of the Company's distribution channels, the ability to manage growth, the loss of key personnel, and the effect of planned expansion of operations on the future results of the Company. The consolidated financial statements of the Company reflect a net loss in the amount of \$13,514 and negative cash flows from operating activities in the amount of \$9,824 for the year ended December 31, 2024. In addition, the Company anticipates that it may continue to incur significant operating costs and losses in connection with the development of its products and with increased business development efforts. The Company has not yet generated sufficient revenues from its operations to fund its full activities and therefore it depends on outside financing and continuation support of its shareholder.

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 1 - GENERAL (cont.)

C. Definitions:

The Company	-	Sentry CS Ltd.
CPI	-	The Israeli Consumer Price Index
NIS	-	The New Israeli Shekel
\$, US\$, USD or dollar	-	The US dollar

D. Iron-Swords War:

On October 7, 2023, the State of Israel suffered a surprise attack, which led to the declaration of the 'Iron Swords' War (the "War"). The War is on-going as of the issuance date of these consolidated financial statements. As of the issuance date of these consolidated financial statements, the Company didn't identify significant impact of the War on its operations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP").

A. Basis Of Presentation

The consolidated financial statements have been prepared in U.S. dollars, in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany transactions have been eliminated in consolidation.

B. Use Of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires our management to make estimates and assumptions, which may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

C. Functional Currency, Exchange Rates and Linkage Basis

- (1) The functional currency of the Company is the US dollar, as the US dollar is the primary currency of the economic environment in which the Company has operated and expects to continue to operate in the foreseeable future.
- (2) Assets and liabilities denominated in foreign currency or linked thereto, have been included in the consolidated financial statements based on the representative exchange rates in effect as of the balance sheet date.
- (3) Assets and liabilities that are linked to the CPI are included at the relevant index in respect of each asset or liability.
- (4) Exchange rate and linkage differences are charged to the consolidated statement of operations as incurred.

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(5) Data in respect of the NIS/USD exchange rate and the CPI:

As of:	CPI	NIS/USD
December 31, 2024	115.0	3.647
	%	%
<u>Increase during:</u>		
Year ended December 31, 2024	3.2	0.5

C. Cash and Cash Equivalents

Cash equivalents are short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less, at the date acquired.

D. Allowances for Doubtful Accounts

The allowance for doubtful accounts is determined specifically for debts that in the opinion of the Company's management are doubtful of collection.

E. Short-term Bank Deposits

Bank deposits with maturities of more than three months but less than one year are included in short-term deposits. The deposits are presented at their cost, including accrued interest.

F. Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets at the following annual rates:

	%
R&D equipment	15-33
Furniture and office equipment	7
Computers	33

The Company's property and equipment and certain identifiable intangible assets are reviewed for impairment in accordance with ASC 360, "Property, Plant, and Equipment", whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. No impairment losses were recorded.

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

H. Revenue Recognition

The Company adopted ASC 606, “Revenue from Contracts with Customers” (“ASC 606”), on January 1, 2019 using the full retrospective method, which restate the prior reporting period presented.

Under ASC 606, an entity recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration that the entity expects to receive in exchange for those goods or services. To determine revenue recognition for contracts that are within the scope of ASC 606, the following five steps are taken:

1) Identify the contract(s) with a customer

A contract with a customer exists when (i) an entity enter into an enforceable contract with the customer that defines each party’s rights regarding the goods or services to be transferred and identifies the payment terms related to these goods or services, (ii) the contract has commercial substance, and (iii) determine that collection of substantially all consideration for goods or services that are transferred is probable based on the customer’s intent and ability to pay the promised consideration.

2) Identify the performance obligations in the contract

Performance obligations promised in a contract are identified based on the goods or services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the goods or services either on its own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the goods or services is separately identifiable from other promises in the contract. If these criteria are not met the promised goods or services are accounted for as a combined performance obligation.

3) Determine the transaction price

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring goods or services to the customer. The timing of transfer of goods and services to the customer is compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company do not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. To the extent the transaction price includes variable consideration, the Company estimates the amount of variable consideration that should be included in the transaction price utilizing either the expected value method or the most likely amount method depending on the nature of the variable consideration. Variable consideration is included in the transaction price, if it assessed that a significant future reversal of cumulative revenue under the contract will not occur.

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

4) Allocate the transaction price to the performance obligations in the contract

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. However, if a series of distinct goods or services that are substantially the same qualifies as a single performance obligation in a contract with variable consideration, an entity has to determine if the variable consideration is attributable to the entire contract or to a specific part of the contract. The Company allocate the variable amount to one or more distinct performance obligations but not all or to one or more distinct services that forms a part of a single performance obligation, when the payment terms of the variable amount relate solely to the efforts to satisfy that distinct performance obligation and it results in an allocation that is consistent with the overall allocation objective of ASC 606. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price basis unless the transaction price is variable and meets the criteria to be allocated entirely to a performance obligation or to a distinct good or service that forms part of a single performance obligation. Standalone selling price (“SSP”) is determined based on the price at which the performance obligation is sold separately. If the SSP is not observable through past transactions, the Company estimate the SSP taking into account available information such as market conditions, competitive positioning, internal costs, profit objectives, and internally approved pricing guidelines related to the performance obligation.

5) Recognize revenue when (or as) the entity satisfies a performance obligation

The Company satisfy performance obligations either over time or at a point in time depending on the nature of the underlying promise. Revenue is recognized at the time the related performance obligation is satisfied by transferring a promised good or service to a customer. In the case of contracts that include customer acceptance criteria, revenue is not recognized until the Company can objectively conclude that the product or service meets the agreed-upon specifications in the contract. Service revenues recognize ratably over the contractual term.

I. Research and Development Costs

Research and development costs are charged to the consolidated statements of operations as incurred. ASC 985-20, “Software- Costs of Software to Be Sold, Leased, or Marketed”, requires capitalization of certain software development costs subsequent to the establishment of technological feasibility.

Based on the Company’s product development process, technological feasibility is established upon completion of a working model. Costs incurred by the Company between completion of the working models and the point at which the products are ready for general release, have been insignificant. Therefore, all research and development costs are expensed as incurred.

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

J. Income Taxes

The Company accounts for income taxes in accordance with ASC No. 740, "Income Taxes". This codification prescribes the use of the asset and liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and for carry-forward tax losses. Deferred taxes are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to their estimated realizable value if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

K. Share-Based Compensation

The Company accounts for share-based compensation in accordance with ASC 718, "Compensation - Stock Compensation" ("ASC No. 718"). ASC No. 718 requires companies to estimate the fair value of equity-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as an expense over the requisite service periods in the Company's consolidated statements of operations.

The Company recognizes compensation expenses for the value of its awards granted based on the straight line method over the requisite service period of each of the awards, net of estimated forfeitures. ASC No. 718 requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

The Company selected the Black-Scholes option-pricing model as the most appropriate fair value method for its option awards. The option-pricing model requires a number of assumptions, of which the most significant are the expected share price, volatility and the expected option term.

The fair value of ordinary share underlying the options has historically been determined by management and the board of directors. Because there has been no public market for the Company's ordinary shares, the board of directors has determined fair value of an ordinary share at the time of grant of the option by considering a number of objective and subjective factors including financing investment rounds, operating and financial performance, the lack of liquidity of share capital and general and industry specific economic outlook, amongst other factors. The fair value of the underlying ordinary shares will be determined by the board of directors until such time as the Company's ordinary shares are listed on an established stock exchange. The Company's board of directors determined the fair value of ordinary shares based on valuations performed.

The Company applies ASC No. 718 and ASC No. 505-50 "Equity Based Payments to Non-Employees" ("ASC No. 505-50") with respect to options and warrants issued to non-employees consultants. ASC No. 718 requires the use of option valuation models to measure the fair value of the options and warrants at the date of grant.

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

J. Leases ASC - 842

The Company accounts for lease in accordance with ASC 842, “Leases” (“ASC No. 842”). The Company adopted ASC 842 effective January 1, 2022, using the modified retrospective method, whereby a cumulative effect adjustment was made as of the date of initial application. The Company also applied the package of practical expedients to leases that commenced before the effective date whereby the Company elected to not reassess the following: (i) whether any expired or existing contracts contain leases, (ii) the classification of the lease and (iii) initial direct costs for any existing leases.

For contracts entered on or after the effective date, at the inception of a contract the Company assesses whether the contract is, or contains, a lease. The Company’s assessment is based on:

- (1) whether the contract involves the use of a distinct identified asset.
- (2) whether we obtain the right to substantially all the economic benefit from the use of the asset throughout the period.
- (3) whether it has the right to direct the use of the asset.

Operating ROU assets represent the right to use the leased asset for the lease term and operating lease liabilities are recognized based on the present value of minimum lease payments over the lease term at commencement date. As most leases do not provide an implicit rate, the Company uses an incremental borrowing rate based on the information available at the lease commencement date to determine the present value of future payments. The lease term includes all periods covered by renewal and termination options where the Company is reasonably certain to exercise the renewal options or not to exercise the termination options. Operating lease expense is recognized on a straight-line basis over the lease term and is included in operating expenses in the consolidated statements of operations.

Variable lease payment amounts that cannot be determined at the commencement of the lease, such as increases in lease payments based on changes in index rates or usage, are not included in the ROU assets or lease liabilities. These are expensed as incurred and recorded as variable lease expense. The Company has material non-functional currency leases. Lease liabilities in respect of leases denominated in a foreign currency are remeasured using the exchange rate at each reporting date. Lease assets are measured at historical rates, which are not affected by subsequent changes in the exchange rates.

NOTE 3 - OTHER CURRENT ASSETS

	As of December 31, 2024
Prepaid expenses	216
Short term deposit	6
Advances to vendors	1,524
Others	104
	<u>1,850</u>

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT, NET

	As of December 31, 2024
<u>Cost</u>	
R&D equipment	926
Furniture and office equipment	136
Computers	214
Leasehold improvements	111
	1,387
<u>Accumulated Depreciation</u>	
R&D equipment	238
Furniture and office equipment	19
Computers	127
Leasehold improvements	3
	387
Net book value	1,000

NOTE 5 - SOFTWARE, NET

	As of December 31, 2024
Cost	199
Accumulated Depreciation	128
Software, net	71

NOTE 6 - OTHER CURRENT LIABILITIES

	As of December 31, 2024
Payroll and social benefits	2013
Accrued expenses and other	235
	2,248

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 7 - SHAREHOLDERS' EQUITY

A. Composition:

	Compensation as of December 31, 2024	
	Authorized	Issued and Outstanding
Ordinary shares of NIS 0.01 par value	93,933,501	3,616,813
Ordinary shares A of NIS 0.01 par value	200	-
Series A Preferred Shares of NIS 0.01 par value	5,000,000	3,600,000
Series B Preferred Shares of NIS 0.01 par value	1,066,299	1,066,299
Series C Preferred Shares of NIS 0.01 par value	967,142	967,142

B. Stock Option Plan:

In March 2023, the Company's Board of Directors approved a Stock Option Plan (the "Plan"). Under the Plan, options may be granted to employees, directors, consultants, and other service providers of the Company. 2,800,000 Ordinary shares Each option granted under the Plan is exercisable until 10 years from the date of grant.

A summary of the activity in options in 2024 is as follows:

	Year ended December 31, 2024	
	Number of options	Weighted average exercise price
Outstanding at beginning of year	2,051,750	\$ 0.0
Granted	142,000	\$ 0.0
Exercised	842,938	\$ 0.0
Forfeited	12,187	\$ 0.0
Outstanding at end of year	1,338,625	\$ 0.0
Exercisable at end of year	304,244	\$ 0.0

NOTE 8 - RELATED PARTIES

Balances with related parties:

	Year ended December 31, 2024
Shor-term Loans to Pay	7,093

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 9 - COMMITMENTS AND CONTINGENT LIABILITIES

A. Employee retirement obligations, net

All of the employees of the Company have signed Section 14 of the Severance Pay Law and, accordingly, the obligations in their respect are fully covered by payments to a severance fund and insurance companies under managerial insurance policies. In respect of employees that have not signed Section 14, the Company makes a provision for severance pay in accordance with the Severance Pay Law.

B. Guarantees

As of December 31, 2024, the Company has a bank guarantee, in the amounts of \$105,193, in accordance with a lease agreement for an operating lease to secure its lease commitment.

NOTE 10 - RESEARCH AND DEVELOPMENT EXPENSES

	Year ended December 31, 2024
Salaries and related	9,402
Vehicle and travels	55
Travels abroad	36
Consultation	1,051
Subcontractors	138
Computing	201
Others	480
	11,363

NOTE 11 - SALES AND MARKETING EXPENSES

	Year ended December 31, 2024
Salaries and related	3,390
Travels abroad	1,036
Consultation	879
Subcontractors	67
Computing	154
Others	881
	6,410

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 12 - GENERAL AND ADMINISTRATIVE EXPENSES

	Year ended December 31, 2024
Salaries and related	1,858
Rent and maintenance	944
Consultation	306
Computing	167
Others	431
	3,706

NOTE 13 - LEASES

Undiscounted maturities of operating lease payments as of December 31, 2024, are summarized as follows:

Year	December 31, 2024
2025	612
2026	627
Thereafter	1,357
Total future lease payments	2,596
	December 31, 2024
Operating lease weighted average remaining lease term (in years)	4
Operating lease weighted average discount rate	0.619%

NOTE 14 - TAXES ON INCOME

A. Corporate Taxation

The Company is subject to Israeli corporate tax rate of 23% for the years ended December 31, 2024 and 2023.

The US subsidiary is subject to Federal corporate tax rate of 21% for the year ended December 31, 2024.

B. Net loss carryforward:

As of December 31, 2024, the Company has an accumulated tax loss carryforward of approximately \$31.6 thousands in Israel, which may be carried forward and offset against taxable income in the future for an indefinite period.

C. Tax assessments

The Company received final tax assessments in Israel through the year ended December 31, 2017.

SENTRY CS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 14 - TAXES ON INCOME (Cont.)

D. Deferred income taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

As of December 31, 2024, the Company has provided valuation allowances of \$7.3 thousand in respect of deferred tax assets resulting from tax loss carryforward and other temporary differences. Management currently believes that because the Company has a history of losses, it is more likely than not that the deferred tax regarding the loss carryforward and other temporary differences will not be realized in the foreseeable future.

NOTE 15 - SUBSEQUENT EVENT

- A. In March 2025, the Company entered into a share agreement with its shareholder according to which the shareholder converted a loan in the amount of \$9,351 to 1,533,924 Preferred D shares.
- B. See note 1.A.4

SENTRY CS LTD.

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2025

SENTRY CS LTD.
UNAUDITED CONCOLIDATED CONDENSED BALANCE SHEET
(US Dollars in thousands)

	<u>As of</u> <u>September 30,</u> <u>2025</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 1,594
Trade account receivables	3,598
Inventories	1,504
Other current assets	1,364
Total current assets	8,060
Property, plant and equipment, net	1,638
Right of use asset	2,010
Software, net	60
Total assets	\$ 11,768
Liabilities and shareholders' deficiency	
Current liabilities	
Note payable, related party	\$ 4,045
Trade accounts payable	1,210
Lease liabilities	611
Deferred revenues	3,176
Other current liabilities	3,021
Total current liabilities	12,063
Lease liability	1,645
Deferred revenues	154
Total liabilities	13,863
Commitments and contingent liabilities	
Shareholders' equity	
Ordinary shares	10
Ordinary shares A	10
Series B Preferred Shares	3
Series C Preferred Shares	3
Series D Preferred Shares	5
Additional paid-in capital	54,148
Accumulated deficit	(56,273)
Total shareholders' deficiency	(2,094)
Total liabilities and shareholders' deficiency	\$ 11,768

The accompanying notes are an integral part of the consolidated condensed financial statements.

SENTRY CS LTD.
UNAUDITED CONCOLIDATED CONDENSED STATEMENT OF OPERATIONS
(US Dollars in thousands)

	Nine months ended September 30, 2025
Sales	\$ 16,309
Cost of sales	3,870
Gross profit	<u>12,439</u>
Operating expenses	
Research and development expenses	10,269
Sales and marketing expenses	5,671
General and administrative expenses	2,638
Total operating expenses	<u>18,578</u>
Operating loss	6,139
Financial expenses, net	232
Net loss	<u>\$ 6,371</u>

The accompanying notes are an integral part of the consolidated condensed financial statements.

SENTRY CS LTD.
UNAUDITED CONCOLIDATED CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICENCY
(US Dollars in thousands)

	<u>Ordinary shares</u>		<u>Series A</u>		<u>Series B</u>		<u>Series C</u>		<u>Series D</u>		<u>Additional paid-in capital</u>	<u>Accumulated deficit</u>	<u>Total</u>
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>			
Balance, December 31, 2024	3,616,813	10	3,600,000	10	1,066,299	3	967,142	3	–	–	44,670	(49,902)	(5,206)
Conversion of short-term loans to shares	–	–	–	–	–	–	–	–	1,533,924	5	9,347	–	9,352
Share based compensation	–	–	–	–	–	–	–	–	–	–	131	–	131
Exercise of options	60,125	(*)	–	–	–	–	–	–	–	–	–	–	–
Shareholder contribution	–	–	–	–	–	–	–	–	–	–	–	–	–
Net loss	–	–	–	–	–	–	–	–	–	–	–	–	(6,371)
Balance, September 30, 2025	<u>3,676,938</u>	<u>10</u>	<u>3,600,000</u>	<u>10</u>	<u>1,066,299</u>	<u>3</u>	<u>967,142</u>	<u>3</u>	<u>1,533,924</u>	<u>5</u>	<u>54,148</u>	<u>(56,273)</u>	<u>(2,094)</u>

(*) Represent a number smaller than \$1.

The accompanying notes are an integral part of the consolidated condensed financial statements.

SENTRY CS LTD.
UNAUDITED CONCOLIDATED CONDENSED STATEMENT OF CASH FLOWS
(US Dollars in thousands)

	Nine months ended September 30, 2025
Cash flows from operating activities	
Net loss	\$ (6,371)
Adjustments to reconcile net loss to net cash in operating activities	
Noncash items	
Depreciation	227
Share based compensation	131
Leases non-cash expenses	201
Increase in trade accounts receivables	(3,007)
Increase in inventories	(619)
Decrease in other current assets	486
Increase in trade accounts payable	668
Increase in deferred revenue	1,253
Increase in other current liabilities	773
Net cash used in operating activities	<u>(6,258)</u>
Cash flows from investing activities	
Additions to property, equipment and software	(855)
Net cash used in investing activities	<u>(855)</u>
Cash flows from financial activities	
Short-term loans from related party	6,304
Net cash provided by financing activities	<u>6,304</u>
Decrease in cash, cash equivalents and restricted cash	(809)
Cash and cash equivalents beginning of period	2,403
Cash and cash equivalents end of period	<u>\$ 1,594</u>
Non-cash activities	
Conversion of short-term loans to APIC	\$ 9,352

The accompanying notes are an integral part of the consolidated condensed financial statements.

SENTRY CS LTD.
NOTES TO THE UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(US Dollars in thousands)

Note 1 – General

- A. SENTRY CS LTD (hereinafter - “the Company”) was incorporated in Israel on July 28, 2016 and began operations during September 2016. During December 2017, the Company established a wholly owned US subsidiary (Sentrycs Inc.). During July 2024, the Company established a wholly owned subsidiary in Netherlands (Sentrycs CS B.V.).

The Company addresses the issue of the unmonitored or malicious use of commercial drones near or above secure areas and protects these areas from various threats such as public disorder, smuggling and rights violations of airspaces.

- B. These condensed interim consolidated financial statements have been prepared as of September 30, 2025 and for the nine month period then ended. These condensed interim consolidated financial statements should be read in conjunction with the Company’s most recent annual financial statements and accompanying notes.
- C. As of September 30, 2025 the Company incurred accumulated losses of \$56,273 and has negative operating cash flow of \$6,258 for the nine-month period ended then. As of September 30, 2025 the Company has \$1,594 in cash and cash equivalent and additional financing is essential in order to carry out its objective operation.

The Company has a limited operating history and faces several risks, among them: the effects of technological changes, competition, and the development of new products. Additionally, other risk factors exist such as the nature of the Company’s distribution channels, the ability to manage growth, the loss of key personnel, and the effect of planned expansion of operations on the future results of the Company. The Company has not yet generated sufficient revenues from its operations to fund its full activities and therefore it depends on outside financing and continuation support of its shareholder.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been applied in the preparation of the condensed consolidated interim financial statements are identical to those that were applied in preparation of the Company’s most recent annual financial statements.

NOTE 3 – ADDITIONAL INFORMATION

In March 2025, the Company entered into a share agreement with its shareholder according to which the shareholder converted a loan in the amount of \$9,351 to 1,533,924 Preferred D shares.

On November 3, 2025, the Company entered into a share purchase agreement with Ondas Holdings Inc. (“Ondas”) pursuant to which Ondas agreed to acquire 100% of the issued and outstanding share capital of the Company. The transaction was consummated on November 17, 2025, and Ondas became the sole shareholder of the Company. The transaction represents a change in control and did not result in any proceeds being received by the Company. Accordingly, no adjustments have been made to these financial statements as of December 31, 2024 in respect of this transaction.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

On November 3, 2025, Ondas Inc. (“Ondas” or “the Company”) and Sentry CS Ltd. (“Sentry”), a company organized under the laws of the State of Israel, entered into a Share Purchase Agreement (the “Agreement”), by and between the Company, Sentry, Sentry’s shareholders listed on Exhibit B thereto (the “Sentry Shareholders”), and Sagitta Holdco SARL, a private limited liability company organized under the laws of the Grand Duchy of Luxembourg, having its registered office at 15, Boulevard F.W. Raiffeisen, L-2411 Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B268651, solely in its capacity as the representative, agent and attorney-in-fact of the Indemnifying Parties (as defined in the Agreement) (the “Shareholders’ Agent,” together with the Sentry Shareholders, the “Sellers”).

On November 17, 2025 (the “Closing Date”), the Company completed the acquisition of Sentry, by and among the Company, Sentry, Sentry’s Shareholders, and Sagitta Holdco SARL, solely in its capacity as the Shareholders’ Agent, together with the Sellers. Pursuant to the Agreement, the Company acquired 100% of the issued and outstanding share capital of Sentry, for an aggregate purchase price of \$224.6 million consisting of cash and shares of the Company’s common stock (the “Common Stock”), par value \$0.0001 per share (“the Acquisition”).

Sentry is a global leader in Cyber-over-RF (“CoRF”) Counter-UAS technology, delivering safe, precise, and regulation-compliant drone detection and mitigation solutions to defense, homeland security, and critical-infrastructure customers worldwide. Headquartered in Israel with operations across 25 countries, Sentry proprietary CoRF technology operates at the communication-protocol layer, enabling authorities and military forces to identify, locate, and take control of unauthorized drones within seconds-without jamming, spoofing, or collateral interference. Sentry’s software-defined, modular platform supports fixed, mobile, and tactical configurations, providing scalable protection for airports, borders, bases, and sensitive facilities. Recognized for its ease of deployment, interoperability, and combat-proven performance, Sentry continues to set the standard for next-generation Counter-UAS solutions in both defense and civilian environments.

The unaudited pro forma condensed combined balance sheet as of September 30, 2025, gives effect to the Acquisition as if the transactions had been completed on September 30, 2025, and combines the unaudited condensed consolidated balance sheet of the Company as of September 30, 2025, with Sentry’s unaudited condensed consolidated balance sheet as of September 30, 2025.

The unaudited pro forma combined Statement of Operations for the year ended December 31, 2024, and unaudited pro forma combined condensed Statement of Operations for the nine-month period ended September 30, 2025, gives effect to the transactions as if they occurred on January 1, 2024, the first day of the Company’s fiscal year 2024, and combines the historical results of the Company and Sentry. The unaudited pro forma combined Statement of Operations for the fiscal year ended December 31, 2024, combines the audited consolidated Statement of Operations of the Company for the fiscal year ended December 31, 2024, and Sentry’s audited consolidated Statement of Operations for the fiscal year ended December 31, 2024. The unaudited pro forma condensed combined Statement of Operations for the nine-month period ended September 30, 2025, combines the unaudited consolidated condensed combined Statement of Operations of the Company for the nine-month period ended September 30, 2025, with Sentry’s unaudited condensed consolidated Statement of Operations for the nine-month period ended September 30, 2025.

The historical financial statements of the Company and Sentry have been adjusted in the accompanying unaudited pro forma condensed combined financial information to give effect to pro forma events that are transaction accounting adjustments which are necessary to account for the Acquisition in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”). The unaudited pro forma adjustments are based upon available information and certain assumptions that our management believes are reasonable.

The unaudited pro forma condensed combined financial information and related notes are derived from, and should be read in conjunction with, the following historical financial statements and the accompanying notes, which are contained in, or incorporated by reference into, as applicable, this filing:

- The accompanying notes to the unaudited pro forma condensed combined financial information;
- The audited financial statements of Ondas Inc. as of and for the fiscal year ended December 31, 2024, and the related notes, included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed with the Securities and Exchange Commission ("SEC") on March 12, 2025 (the "2024 Annual Report on Form 10-K");
- The unaudited financial statements of Ondas Inc. as of and for the nine months ended September 30, 2025, and the related notes, included in the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2025, as filed with the SEC on November 13, 2025;
- The audited financial statements of Sentry as of and for the fiscal year ended December 31, 2024, and related notes, included as Exhibit 99.1 to this Current Report on Form 8-K/A.
- The unaudited financial statements of Sentry as of and for the nine months ended September 30, 2025, and the related notes, included as Exhibit 99.2 to this Current Report on Form 8-K/A.

Description of the Acquisition

Pursuant to the Agreement, the Company acquired 100% of the issued and outstanding share capital of Sentry, for an aggregate purchase price of \$224.6 million, consisting of \$134.1 million in cash and shares of Common Stock valued at \$90.6 million. This aggregate purchase price reflects the working capital adjustments made at closing pursuant to the Agreement. The Company paid \$149.6 million on the Closing Date, consisting of \$120.2 million in cash and 4,096,700 shares of Common Stock valued at \$29.4 million. The Company paid \$25 million at the Second Payment Date (as defined in the Agreement), consisting of \$4.6 million in cash, and 1,671,899 shares of Common Stock valued at \$20.4 million pursuant to the Agreement. The Company paid \$25 million at the Third Payment Date (as defined in the Agreement), consisting of \$4.6 million in cash, and 1,622,607 shares of Common Stock valued at \$20.4 million. The Company expects to make payments totaling \$25 million at the Fourth Payment Date (as defined in the Agreement), consisting of \$4.6 million in cash, and shares of Common Stock valued at \$20.4 million, pursuant to the Agreement.

The Sellers shall be subject to daily trading volume limitations, whereby all such Sellers may not sell, in the aggregate, any Common Stock issued to such Sellers pursuant to the Agreement on any trading market in any single trading day to the extent such sales would exceed ten percent (10%) of the average daily trading volume of such stock as reported on the principal trading market on which the Common Stock is listed, calculated based on the ten (10) consecutive trading days immediately preceding the relevant date of determination.

Accounting for the Acquisition

The Acquisition is accounted for as a business combination using the acquisition method with Ondas Inc. as the accounting acquirer in accordance with Accounting Standards Codification (ASC) Topic 805, *Business Combinations*. Under this method of accounting, the estimated U.S. GAAP purchase price will be allocated to Sentry assets acquired and liabilities assumed based upon their estimated fair values at the date of completion of the Acquisition. The process of valuing the net assets of Sentry immediately before the Acquisition, as well as evaluating accounting policies for conformity, is preliminary. Any differences between the estimated fair value of the consideration transferred and the estimated fair value of the assets acquired, and liabilities assumed will be recorded as goodwill. Accordingly, the aggregate acquisition consideration allocation and related adjustments reflected in this unaudited pro forma condensed combined financial information are preliminary and subject to revision based on a final determination of fair value. Refer to Note 1, *Basis of presentation*, for more information.

The following unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X. All financial data included in the unaudited pro forma condensed combined financial information is presented in USD thousands, unless noted otherwise, and has been prepared based on U.S. GAAP and the Company's accounting policies. The unaudited pro forma condensed combined financial information presented is for informational purposes only and is not necessarily indicative of the financial position or results of operations that would have been realized if the Acquisition had been completed on the dates set forth above, nor is it intended to be indicative of the future results or financial position of the combined company.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET

As of September 30, 2025

(amounts in thousands)

	<u>Ondas Inc. historical</u>	<u>Sentry CS Ltd. historical</u>	<u>Transaction accounting adjustments</u>	<u>Notes</u>	<u>Pro forma combined</u>
Assets					
Current assets:					
Cash and cash equivalents	\$ 432,817	\$ 1,594	(120,195)	4(a)	\$ 314,216
Restricted cash	577	—	—		577
Certificates of deposit	918	—	—		918
Investments in marketable equity securities	17,893	—	—		17,893
Accounts receivable, net	5,223	3,598	—		8,821
Inventory, net	12,523	1,504	—		14,027
Other current assets	8,926	1,364	—		10,290
Total current assets	<u>478,877</u>	<u>8,060</u>	<u>(120,195)</u>		<u>366,742</u>
Property, plant and equipment, net	2,595	1,638	—		4,233
Goodwill, net	34,774	—	142,902	4(b)	177,676
Intangible assets, net	28,120	—	84,460	4(c)	112,580
Software, net	—	60	(60)	5(a)	—
Long-term equity investments	587	—	—		587
Deposits and other assets	663	—	—		663
Operating lease right of use assets	4,535	2,010	—		6,545
Total assets	<u>\$ 550,151</u>	<u>\$ 11,768</u>	<u>\$ 107,107</u>		<u>\$ 669,026</u>
Liabilities and stockholders' equity					
Current liabilities:					
Accounts payable	8,377	1,210	—		9,587
Operating lease liabilities	1,635	611	—		2,246
Accrued expenses and other current liabilities	7,369	3,021	450	4(d)	10,840
Notes payable, net of unamortized debt discount and issuance costs of \$0, related party	1,500	—	—		1,500
Convertible notes payable, net of unamortized debt discount and issuance cost of \$55 thousand, related party	5,415	—	—		5,415
Convertible notes payable, net of unamortized debt discount and issuance cost of \$121 thousand	4,109	—	—		4,109
Sentry note payable, related party	—	4,045	(4,045)	4(h)	—
Deferred revenue	2,098	3,176	—		5,274
Government grant liability	805	—	—		805
Accrued purchase consideration	—	—	75,000	4(a)	75,000
Total current liabilities	<u>31,308</u>	<u>12,063</u>	<u>71,405</u>		<u>114,776</u>
Notes payable	300	—	—		300
Convertible notes payable, net of current, net of unamortized debt discount and issuance cost	—	—	—		—
Accrued interest	23	—	—		23
Government grant liability, net of current	2,166	—	—		2,166
Long-term deferred revenues	—	154	—		154
Operating lease liabilities, net of current	5,012	1,645	—		6,657
Deferred tax liability	867	—	4,644		5,511
Other liabilities	100	—	—		100
Total liabilities	<u>\$ 39,776</u>	<u>\$ 13,862</u>	<u>\$ 76,049</u>		<u>\$ 129,687</u>
Commitments and Contingencies	—	—	—		—
Temporary Equity					
Redeemable noncontrolling interest	23,151	—	—		23,151
Stockholders' Equity					
Preferred stock - par value \$0.0001	—	—	—		—
Preferred stock, Series A - par value \$0.0001	—	—	—		—
Common Stock - par value \$0.0001	33	—	—		33
Ordinary shares	—	11	(11)	4(e)	—
Ordinary shares A	—	10	(10)	4(e)	—
Series B Preferred Shares	—	3	(3)	4(e)	—
Series C Preferred Shares	—	3	(3)	4(e)	—
Series D Preferred Shares	—	5	(5)	4(e)	—
Additional paid in capital	754,767	54,148	(24,734)	4(e)	784,181
Accumulated deficit	(268,722)	(56,274)	55,824	4(e)	(269,172)
Total pro forma stockholders' equity before non-controlling interest	486,078	(2,094)	31,058		515,042
Non-controlling interest	<u>1,146</u>	<u>—</u>	<u>—</u>		<u>1,146</u>
Total pro forma stockholders' equity	<u>487,224</u>	<u>(2,094)</u>	<u>31,058</u>		<u>516,188</u>
Total liabilities, temporary equity and stockholders' equity	<u>\$ 550,151</u>	<u>\$ 11,768</u>	<u>\$ 107,107</u>		<u>\$ 669,026</u>

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
For the nine months ended September 30, 2025
(amounts in thousands except per share data)

	Ondas Inc. historical	Sentry CS Ltd. historical	Transaction accounting adjustments	Notes	Pro forma combined
Revenues, net	\$ 20,620	\$ 16,309	—		\$ 36,929
Cost of goods sold	13,195	3,870	—		17,065
Gross profit (loss)	<u>7,425</u>	<u>12,439</u>	<u>—</u>		<u>19,864</u>
Operating expenses:					
General and administration	22,583	2,638	7,660	4(f)	32,881
Sales and marketing	7,696	5,671	—		13,367
Research and development	12,209	10,269	—		22,478
Total operating expenses	<u>42,488</u>	<u>18,578</u>	<u>7,660</u>		<u>68,726</u>
Operating loss	<u>(35,063)</u>	<u>(6,139)</u>	<u>(7,660)</u>		<u>(48,862)</u>
Other income (expense), net					
Other income (expense), net	13	—	—		13
Change in fair value of government grant liability	(355)	—	—		(355)
Interest and dividend income	2,443	—	—		2,443
Unrealized gain on investments	6,893	—	—		6,893
Interest expense	(5,873)	—	(185)	5(b)	(6,058)
Foreign exchange gain (loss), net	(119)	—	(47)	5(b)	(166)
Finance expense, net	—	(232)	232	5(b)	—
Total other income (expense), net	<u>3,002</u>	<u>(232)</u>	<u>—</u>		<u>2,770</u>
Loss before income taxes	(32,061)	(6,371)	(7,660)		(46,092)
Provision for income taxes	307	—	—		307
Net loss	<u>(32,368)</u>	<u>(6,371)</u>	<u>(7,660)</u>		<u>(46,399)</u>
Less: Preferred dividends attributable to noncontrolling interest	1,170				1,170
Less: Deemed dividends attributable to accretion of redemption value	2,620				2,620
Less: Net loss attributable to noncontrolling interest	(13)				(13)
Net loss attributable to common stockholders	<u>\$ (36,145)</u>				<u>\$ (50,176)</u>
Net loss per share - basic and diluted	<u>\$ (0.21)</u>			4(g)	<u>\$ (0.28)</u>
Weighted average number of common shares outstanding, basic and diluted	<u>172,423</u>			4(g)	<u>176,520</u>

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS

For the year ended December 31, 2024

(amounts in thousands except per share data)

	Ondas Inc. historical	Sentry CS Ltd. historical	Transaction accounting adjustments	Notes	Pro forma combined
Revenues, net	\$ 7,193	\$ 11,348	–		\$ 18,541
Cost of goods sold	6,848	3,191	–		10,039
Gross profit	<u>345</u>	<u>8,157</u>	<u>–</u>		<u>8,502</u>
Operating expenses:					
General and administration	17,142	3,706	10,214	4(f)	31,062
Sales and marketing	5,336	6,410	–		11,746
Research and development	12,476	11,363	–		23,839
Total operating expenses	<u>34,954</u>	<u>21,479</u>	<u>10,214</u>		<u>67,647</u>
Operating loss	<u>(34,609)</u>	<u>(13,322)</u>	<u>(10,214)</u>		<u>(58,145)</u>
Other income (expense), net					
Other income (expense), net	(20)	–	–		(20)
Change in fair value of government grant liability	95	–	–		95
Interest income	235	–	–		235
Interest expense	(3,621)	–	(99)	5(b)	(3,720)
Foreign exchange loss, net	(88)	–	(93)	5(b)	(181)
Finance expense, net	–	(192)	192	5(b)	–
Total other income (expense), net	<u>(3,399)</u>	<u>(192)</u>	<u>–</u>		<u>(3,591)</u>
Loss before income taxes	(38,008)	(13,514)	(10,214)		(61,736)
Provision for income taxes	–	–	–		–
Net loss	<u>(38,008)</u>	<u>(13,514)</u>	<u>(10,214)</u>		<u>(62,736)</u>
Less: Preferred dividends attributable to noncontrolling interest	1,504				1,504
Less: Deemed dividends attributable to accretion of redemption value	2,908				2,908
Net loss attributable to common stockholders	\$ (42,420)				\$ (66,148)
Net loss per share – basic and diluted	\$ (0.61)			4(g)	\$ (0.90)
Weighted average number of common shares outstanding, basic and diluted	<u>69,917</u>			4(g)	<u>74,014</u>

**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED
FINANCIAL INFORMATION**

Note 1 — Basis of presentation

The unaudited pro forma condensed combined financial information and related notes are prepared in accordance with Article 11 of Regulation S-X. The audited and unaudited interim historical consolidated financial statements have been adjusted in the pro forma condensed combined financial statements to give effect to pro forma events that are (1) directly attributable to the business combination, (2) factually supportable and (3) with respect to the pro forma condensed combined statements of operations, expected to have a continuing impact on the combined results following the business combination.

The Company's and Sentry's historical financial statements were prepared in accordance with U.S. GAAP and presented in U.S. dollars. As discussed in Note 2, *Summary of significant accounting policies*, certain reclassifications were made to align the Company's and Sentry's financial statement presentation. The Company is currently in the process of evaluating Sentry's accounting policies. As a result of that review, additional differences could be identified between the accounting policies of the two companies. With the information currently available, the Company has determined that no significant adjustments are necessary to conform Sentry's financial statements to the accounting policies used by the Company.

The business combination was accounted for under the acquisition method of accounting in accordance with ASC Topic 805, *Business Combinations*. As the acquirer for accounting purposes, the Company has estimated the acquisition date fair value of Sentry's assets acquired and liabilities assumed, while transaction costs associated with the acquisition are expensed as incurred. The excess purchase price consideration over the estimated fair value of assets acquired and liabilities assumed is allocated to goodwill.

The allocation of the estimated purchase price used in the unaudited pro forma financial statements is based upon a preliminary valuation. The final estimate of the fair values of the assets and liabilities will be determined with the assistance of a third-party valuation firm. The Company's preliminary estimates and assumptions are subject to material change upon the finalization of internal studies and third-party valuations of assets, intangible assets, including goodwill, and certain liabilities.

The unaudited pro forma condensed combined financial statements are provided for informational purposes only and are not necessarily indicative of what the combined company's financial position and results of operations would have actually been had the transactions been completed on the dates used to prepare these pro forma financial statements. The adjustments to fair value and the other estimates reflected in the accompanying unaudited pro forma condensed combined financial statements may be materially different from those reflected in the combined company's consolidated financial statements subsequent to the transactions. In addition, the unaudited pro forma condensed combined financial statements do not purport to project the future financial position or results of operations of the combined companies. These unaudited pro forma condensed combined financial statements do not give effect to any anticipated synergies, operating efficiencies, or cost savings that may be associated with the transactions. No autonomous entity or management's adjustments are presented. These financial statements also do not include any integration costs the companies may incur related to the transactions as part of combining the operations of the companies.

Note 2 — Summary of significant accounting policies

The unaudited pro forma condensed combined financial statements have been prepared in a manner consistent with the accounting policies adopted by the Company. The accounting policies followed for financial reporting on a pro forma basis are the same as those disclosed in the 2024 Annual Report on Form 10-K, and for Sentry, the accounting policies followed for financial reporting on a pro forma basis are the same as those disclosed in the audited financial statements included in this Current Report on Form 8-K/A. The unaudited pro forma condensed combined financial statements do not assume any differences in accounting policies between the Company and Sentry. The Company is reviewing the accounting policies of Sentry to ensure conformity of such accounting policies to those of the Company and, as a result of that review, the Company may identify differences among the accounting policies of the two companies, which, when confirmed, could have a material impact on the consolidated financial statements. However, at this time, the Company is not aware of any difference that would have a material impact on the unaudited pro forma condensed combined financial statements.

Note 3 — Preliminary purchase price allocation

Acquisition consideration

The following table summarizes the components of the consideration (in thousands):

Cash consideration	\$	134,052
Equity portion of purchase price		90,556
Total purchase price consideration	\$	<u>224,608</u>

As discussed above, cash consideration and equity consideration will be issued in four payments up to 120 days after closing. The value of the aggregate cash consideration will total \$134 million, and the aggregate value of the equity consideration will total \$90.6 million for all four payments. The shares issued will vary depending on the closing price of the Common Stock on the day prior to the payment date pursuant to the Agreement.

Preliminary Acquisition Consideration Allocation

The following table summarizes the preliminary acquisition consideration allocation (in thousands):

Assets:		
Cash and cash equivalents	\$	1,684
Accounts receivable		2,403
Inventory		2,005
Other current assets		816
Property, plant and equipment		1,780
Right of use asset		1,980
Software, net		54
Intangible assets, net ⁽ⁱ⁾		84,400
Goodwill		142,902
Liabilities:		
Accounts payable		283
Deferred revenues		3,850
Lease liabilities		2,257
Deferred tax liability		4,644
Other liabilities		2,382
Estimated preliminary aggregate acquisition consideration	\$	<u>224,608</u>

(i) Preliminary identifiable intangible assets in the unaudited pro forma condensed combined financial information consists of the following:

(dollar values in thousands)	Preliminary fair value	Estimated Useful Life
Trade names	\$ 3,700	7–10 years
Customer relationships	5,800	5–7 years
Developed technology	74,900	7–10 years
Intangible assets acquired	<u>\$ 84,400</u>	

This preliminary purchase price allocation has been used to prepare pro forma adjustments in the pro forma balance sheet and statement of operations. The final purchase price allocation will be determined when the Company has completed the detailed valuations and necessary calculations. The final allocation could differ materially from the preliminary allocation used in the pro forma adjustments. The final allocation may include (1) changes in fair values of property, plant and equipment, (2) changes in allocations to intangible assets such as trade names and technology, as well as goodwill and (3) other changes to assets and liabilities.

Sentry's historical balance sheet as of September 30, 2025 differed from the preliminary acquisition date fair values primarily due to normal course working-capital activity occurring between September 30, 2025 and the Closing Date, working-capital and other adjustments required under the Share Purchase Agreement, and fair-value measurement adjustments recorded under ASC 805.

Note 4 — Pro forma transaction accounting adjustments

The pro forma transaction accounting adjustments are based on our preliminary estimates and assumptions that are subject to change. The following transaction accounting adjustments have been reflected in the unaudited pro forma condensed combined financial information:

- (a) This adjustment reflects the purchase consideration of \$120.2 million in cash consideration paid at closing, \$29.4 million in equity consideration paid at closing, and future payments pursuant to the Agreement of \$75 million, classified as accrued purchase consideration on the pro forma condensed consolidated balance sheet, to be paid at the Second Payment Date, Third Payment Date and Fourth Payment Date. The \$75 million accrued consideration payable will be settled in cash and the issuance of the Company's stock. The Company retains the right to settle part or all of the accrued purchase price in cash.
- (b) Reflects adjustment to record goodwill resulting from the acquisition of \$142.9 million.
- (c) Reflects the adjustment of historical intangible assets acquired by the Company to their estimated fair values of \$84.4 million. As part of the preliminary valuation analysis, the Company identified intangible assets, including developed technology, trade names and customer relationships. The fair value of developed technology and trade names was determined using the income approach, which requires assumptions related to the forecast of expected future cash flows. The fair value of customer relationships was determined using the cost approach, which requires assumptions related to the costs incurred to gain new customers and the duration of time required to recreate the existing customer base. The fair value assigned to intangible assets has been estimated based on third-party preliminary valuation studies utilizing a benchmarking analysis to similar transactions in the industry supported by an assessment of management's forecast used to price the deal.

This adjustment also reflects a reclassification adjustment of \$60 thousand for amounts classified as software on the Sentry balance sheet to intangible assets as further discussed in note 5(a).

- (d) Represents the accrual of transaction costs expected to be incurred by the Company subsequent to September 30, 2025. There are no transaction costs included in the historical income statement of the Company for nine-month period ended September 30, 2025 or year ended December 31, 2024. Transaction costs reflected in the pro forma statements are non-recurring and directly attributable to the Acquisition. These costs will not affect the Company's income statement beyond 12 months after the acquisition date.
- (e) Reflects the adjustments to Stockholders' equity:

(Amounts in thousands)	Ordinary shares	Ordinary shares A	Series B Preferred Shares	Series C Preferred Shares	Series D Preferred Shares	Additional paid in capital	Accumulated deficit
Elimination of Sentry's historical equity	(11)	(10)	(3)	(3)	(5)	(54,148)	56,274
Common stock issued to Sentry stockholders at the Closing Date	—	—	—	—	—	29,414	—
Estimated transaction costs	—	—	—	—	—	—	(450)
Net pro forma transaction accounting adjustments to equity	<u>(11)</u>	<u>(10)</u>	<u>(3)</u>	<u>(3)</u>	<u>(5)</u>	<u>(24,734)</u>	<u>55,824</u>

- (f) Represents the amortization of developed technology, trade names and customer relationships for the year ended December 31, 2024 and nine-month period ended September 30, 2025, of \$10.2 million and \$7.7 million, respectively. The Company expects to present amortization related to developed technology in general and administrative expense in the statement of operations because it supports product development and research activities consistent with the Company's policy.

- (g) The pro forma basic and diluted weighted average shares outstanding are a combination of historic weighted average shares of the Common Stock and issuances of shares in connection with the Acquisition. The computation of diluted net loss per share is similar to the computation of basic net loss per share except that the numerator may have to adjust for any dividends and income or loss associated with potentially dilutive securities that are assumed to have resulted in the issuance of shares of Common Stock, and the denominator may have to adjust to include the number of additional shares of Common Stock that would have been outstanding if the dilutive potential shares of Common Stock had been issued during the period to reflect the potential dilution that could occur from shares of Common Stock issuable through stock options, warrants, restricted stock units, or convertible preferred stock. For purposes of determining diluted earnings per common share, the treasury stock method is used for stock options, warrants, and restricted stock units, and the if-converted method is used for convertible preferred stock as prescribed in ASC Topic 260. Because of the net loss for the nine months ended September 30, 2025, and December 31, 2024, the impact of including this in our computation of diluted net loss per share was anti-dilutive.

	For the nine months ended September 30, 2025	For the year ended December 31, 2024
Numerator:		
Pro forma net loss attributable to common stockholders (Amounts in thousands)	\$ (50,176)	\$ (66,148)
Denominator:		
Issuance of shares to Sentry	4,096,700	4,096,700
Historical weighted average Ondas Inc. common stock shares outstanding	172,423,160	69,917,062
Pro forma weighted average Ondas Inc. shares outstanding – basic and dilutive	176,519,860	74,013,762
Pro forma net loss per share – basic and diluted	\$ (0.28)	\$ (0.90)

- (h) Sentry's related party loan totaling \$4.1 million between Sentry and the Sellers have been eliminated in the unaudited pro forma condensed combined balance sheet. Such amounts were settled in connection with the closing of the Acquisition as part of the purchase price. The related party loan does not represent assets or liabilities of the combined company following the Acquisition, and was therefore removed in the pro forma financial information pursuant to ASC 805 and Article 11 of Regulation S-X.

Note 5 — Reclassification adjustments

During the preparation of this unaudited pro forma condensed combined financial information, management performed a preliminary analysis of Sentry's financial information to identify differences in accounting policies and difference in financial statement presentation as compared to those of the Company. With the information currently available, the Company has determined that no significant adjustments are necessary to conform Sentry's financial statements to the accounting policies used by the Company. However, certain reclassification adjustments have been made to conform Sentry's historical financial statement presentation to the Company's financial statement presentation. Following the Acquisition, the combined company will finalize the review of accounting policies and reclassifications, which could be materially different from the amounts set forth in the unaudited pro forma condensed combined financial information presented herein.

- (a) The Company records intangible assets related to software licenses in the intangible assets, net line item in the balance sheet. Therefore, this adjustment conforms the presentation of intangible assets to the Company's presentation. The \$60 thousand reclassification is also included in note 4(c).
- (b) The Company records interest expense and foreign currency remeasurement expense in separate line items. Therefore, this adjustment conforms the presentation of such expenses to the Company's presentation.