

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 15, 2022

AST SpaceMobile, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-39040
(Commission File Number)

84-2027232
(IRS Employer
Identification No.)

Midland Intl. Air & Space Port
2901 Enterprise Lane
Midland, Texas
(Address of Principal Executive Offices)

79706
(Zip Code)

Registrant's Telephone Number, Including Area Code: (432) 276-3966

Not Applicable

(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(s)	Name of each exchange on which registered
Class A common stock, par value \$0.0001 per share	ASTS	The NASDAQ Stock Market LLC
Warrants exercisable for one share of Class A common stock at an exercise price of \$11.50	ASTSW	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. ☐

Item 2.02. Results of Operations and Financial Condition.

On August 15, 2022, AST SpaceMobile, Inc. (“AST SpaceMobile” or the “Company”) issued a press release announcing financial results for the three and six months ended June 30, 2022. A copy of the press release is attached hereto as Exhibit 99.1.

The information included in this Item 2.02 and in Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (“Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 7.01. Regulation FD Disclosure.

AST SpaceMobile is also furnishing a Second Quarter Business Update, dated August 15, 2022 (the “Presentation”), attached as Exhibit 99.2 to this Current Report on Form 8-K, which may be referred to on the Company’s second quarter 2022 conference call to be held on August 15, 2022. The Presentation will also be available on the Company’s website at www.ast-science.com.

The information included in this Item 7.01 and in Exhibit 99.2 shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

Exhibit No.	Description
99.1	Press Release dated August 15, 2022
99.2	Second Quarter 2022 Business Update
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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 thereunto duly authorized.

AST SPACEMOBILE, INC.

Date: August 15, 2022

By: /s/ Sean R. Wallace
Name: Sean R. Wallace
Title: Chief Financial Officer



AST SpaceMobile Provides Second Quarter 2022 Business Update

MIDLAND, TX, August 15, 2022 – AST SpaceMobile, Inc. (“AST SpaceMobile”) (NASDAQ: ASTS), the company building the first and only space-based cellular broadband network accessible directly by standard mobile phones, today is providing its business update for the second quarter ended June 30, 2022.

“We are thrilled to be on-site at Cape Canaveral, FL, taking our BlueWalker 3 test satellite through final preparations and continuation of testing for the upcoming planned launch to low Earth Orbit in early to mid-September,” said Abel Avellan, Chairman and CEO of AST SpaceMobile. “Alongside this milestone, the team is hard at work in preparing our Texas headquarters and extension facility for future production of our initial BlueBird satellites.”

Business Highlights

- Completed final assembly, integration, and ground transportation of the BlueWalker 3 test satellite to Cape Canaveral, FL, with an upcoming planned launch window for early to mid-September ¹
- Once BlueWalker 3 is operational following in-orbit testing and configuration, testing is planned with MNOs and equipment providers on all 6 inhabited continents
- Next five satellites are under initial phase of component construction, with most of the design based on similar technology to BlueWalker 3, including FPGA (Field Programmable Gate Array), reaction wheels and antennas, with launch planned in late 2023
- Commercial agreements in place with suppliers for most components of the next five Block 1 BlueBird satellites and next generation satellites
- Announced a five-year 4G LTE/5G technology agreement with Nokia for the integration of Nokia’s AirScale System, which is planned to be offered as part of SpaceMobile’s MNO infrastructure
- Grew portfolio of patent- and patent-pending claims to more than 2,400 worldwide as of August 15, 2022, compared to more than 2,300 as of May 16, 2022
- Executed a definitive agreement to sell its majority ownership stake in NanoAvionika UAB. The transaction values NanoAvionika UAB at an enterprise valuation of €65 million and is expected to close in the third quarter of 2022, subject to customary closing conditions, including required regulatory review; the Company expects to receive approximately \$27 million in net proceeds at closing

¹ The actual launch date remains subject to change and is contingent on a number of factors including, but not limited to testing, timely readiness of the launch vehicle and other unknowns including, but not limited to, weather conditions or technical problems.

Second Quarter 2022 Financial Highlights

- Ended the second quarter with cash and cash equivalents of \$202.4 million
- Total operating expenses increased by \$2.7 million to \$35.4 million for the second quarter of 2022, as compared to \$32.7 million in the first quarter of 2022, due to a \$1.4 million increase in general and administrative costs, \$0.9 million increase in research and development costs, \$0.3 million increase in engineering services, and \$0.1 million increase in depreciation and amortization
- As of June 30, 2022, the Company incurred \$86.6 million of capitalized costs (including launch cost and non-recurring engineering costs) related to the construction and testing of the BlueWalker 3 test satellite
- As of June 30, 2022, the Company capitalized approximately \$37.7 million in property and equipment primarily related to the Texas facilities, satellite antennas, test equipment, and leasehold improvements

Conference Call Information

AST SpaceMobile will hold a quarterly business update conference call at 5:00 p.m. (Eastern Time) today, August 15, 2022. The call will be accessible via a live webcast on the Events page of AST SpaceMobile's Investor Relations website at <https://investors.ast-science.com/>. An archive of the webcast will be available shortly after the call.

About AST SpaceMobile

AST SpaceMobile is building the first and only global cellular broadband network in space to operate directly with standard, unmodified mobile devices based on our extensive IP and patent portfolio. Our engineers and space scientists are on a mission to eliminate the connectivity gaps faced by today's five billion mobile subscribers and finally bring broadband to the billions who remain unconnected. For more information, follow AST SpaceMobile on YouTube, Twitter, LinkedIn and Facebook. Watch this video for an overview of the SpaceMobile mission.

Forward-Looking Statements

This communication contains “forward-looking statements” that are not historical facts, and involve risks and uncertainties that could cause actual results of AST SpaceMobile to differ materially from those expected and projected. These forward-looking statements can be identified by the use of forward-looking terminology, including the words “believes,” “estimates,” “anticipates,” “expects,” “intends,” “plans,” “may,” “will,” “would,” “potential,” “projects,” “predicts,” “continue,” or “should,” or, in each case, their negative or other variations or comparable terminology.

These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside AST SpaceMobile’s control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (i) expectations regarding AST SpaceMobile’s strategies and future financial performance, including AST’s future business plans or objectives, expected functionality of the SpaceMobile Service, anticipated timing and level of deployment of satellites, anticipated demand and acceptance of mobile satellite services, prospective performance and commercial opportunities and competitors, the timing of obtaining regulatory approvals, ability to finance its research and development activities, commercial partnership acquisition and retention, products and services, pricing, marketing plans, operating expenses, market trends, revenues, liquidity, cash flows and uses of cash, capital expenditures, and AST’s ability to invest in growth initiatives; (ii) the negotiation of definitive agreements with mobile network operators relating to the SpaceMobile service that would supersede preliminary agreements and memoranda of understanding; (iii) the ability of AST SpaceMobile to grow and manage growth profitably and retain its key employees and AST SpaceMobile’s responses to actions of its competitors and its ability to effectively compete; (iv) changes in applicable laws or regulations; (v) the possibility that AST SpaceMobile may be adversely affected by other economic, business, and/or competitive factors; (vi) the outcome of any legal proceedings that may be instituted against AST SpaceMobile; and (vii) other risks and uncertainties indicated in the Company’s filings with the SEC, including those in the Risk Factors section of AST SpaceMobile’s Form 10-K filed with the SEC on March 31, 2022.

AST SpaceMobile cautions that the foregoing list of factors is not exclusive. AST SpaceMobile cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the Risk Factors incorporated by reference into AST SpaceMobile’s Form 10-K filed with the SEC on March 31, 2022. AST SpaceMobile’s securities filings can be accessed on the EDGAR section of the SEC’s website at www.sec.gov. Except as expressly required by applicable securities law, AST SpaceMobile disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

AST SPACEMOBILE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(dollars in thousands, except share data)

	June 30, 2022	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 202,371	\$ 321,787
Restricted cash	-	2,750
Accounts receivable	3,569	2,173
Inventories	3,520	1,412
Prepaid expenses	7,020	2,831
Other current assets	16,446	4,850
Total current assets	232,926	335,803
Property and equipment:		
BlueWalker 3 satellite - construction in progress	86,584	67,615
Property and equipment, net	37,725	28,327
Total property and equipment, net	124,309	95,942
Other non-current assets:		
Operating lease right-of-use assets, net	7,731	7,991
Goodwill	3,355	3,641
Other non-current assets	16,543	559
Total other non-current assets	27,629	12,191
TOTAL ASSETS	\$ 384,864	\$ 443,936
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 5,157	\$ 6,638
Accrued expenses and other current liabilities	8,670	7,469
Deferred revenue	7,490	6,636
Current operating lease liabilities	858	634
Total current liabilities	22,175	21,377
Warrant liabilities	40,495	58,062
Non-current operating lease liabilities	7,040	7,525
Long-term debt	4,880	5,000
Total liabilities	74,590	91,964
Commitments and contingencies (Note 7)		
Stockholders' Equity:		
Class A Common Stock, \$.0001 par value; 800,000,000 shares authorized; 51,945,785 and 51,730,904 shares issued and outstanding as of June 30, 2022 and December 31, 2021, respectively.	5	5
Class B Common Stock, \$.0001 par value; 200,000,000 shares authorized; 51,636,922 shares issued and outstanding as of June 30, 2022 and December 31, 2021, respectively.	5	5
Class C Common Stock, \$.0001 par value; 125,000,000 shares authorized; 78,163,078 shares issued and outstanding as of June 30, 2022 and December 31, 2021, respectively.	8	8
Additional paid-in capital	175,400	171,155
Accumulated other comprehensive loss	(526)	(433)
Accumulated deficit	(84,106)	(70,461)
Noncontrolling interest	219,488	251,693
Total stockholders' equity	310,274	351,972
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 384,864	\$ 443,936

AST SPACEMOBILE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(dollars in thousands, except share and per share data)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
Revenues	\$ 7,264	\$ 2,773	\$ 9,658	\$ 3,735
Cost of sales (exclusive of items shown separately below)	2,202	1,112	4,189	2,019
Gross profit	5,062	1,661	5,469	1,716
Operating expenses:				
Engineering services	11,999	5,784	23,716	10,731
General and administrative costs	13,075	9,157	24,718	14,693
Research and development costs	9,145	9,589	17,426	10,603
Depreciation and amortization	1,185	567	2,285	1,182
Total operating expenses	35,404	25,097	68,145	37,209
Other income (expense):				
Gain (loss) on remeasurement of warrant liabilities	23,049	(41,677)	17,567	(41,677)
Other expense, net	(679)	-	(664)	(28)
Total other income (expense), net	22,370	(41,677)	16,903	(41,705)
Loss before income tax expense	(7,972)	(65,113)	(45,773)	(77,198)
Income tax expense	96	56	198	57
Net loss before allocation to noncontrolling interest	(8,068)	(65,169)	(45,971)	(77,255)
Net loss attributable to noncontrolling interest	(5,144)	(45,191)	(32,326)	(45,697)
Net loss attributable to common stockholders	<u>\$ (2,924)</u>	<u>\$ (19,978)</u>	<u>\$ (13,645)</u>	<u>\$ (31,558)</u>
Net loss per share of common stock attributable to common stockholders ⁽¹⁾				
Basic and diluted	\$ (0.06)	\$ (0.39)	\$ (0.26)	\$ (0.39)
Weighted average shares used in computing net loss per share of common stock ⁽¹⁾				
Basic and diluted	51,868,658	51,729,704	51,814,888	51,729,704

(1) Earnings per share information excludes earnings for the periods prior to the Business Combination, as it resulted in values that would not be meaningful to the users of these condensed consolidated financial statements. Refer to Note 14 in the Notes to the Condensed Consolidated Financial Statements (Unaudited) included in our Form 10-Q for the quarter ended June 30, 2022 for further information.

AST SPACEMOBILE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
(dollars in thousands)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
Net loss before allocation to noncontrolling interest	\$ (8,068)	\$ (65,169)	\$ (45,971)	\$ (77,255)
Other comprehensive loss				
Foreign currency translation adjustments	(166)	(16)	(598)	(281)
Total other comprehensive loss	(166)	(16)	(598)	(281)
Total comprehensive loss before allocation to noncontrolling interest	(8,234)	(65,185)	(46,569)	(77,536)
Comprehensive loss attributable to noncontrolling interest	(5,289)	(45,199)	(32,831)	(45,773)
Comprehensive loss attributable to common stockholders	<u>\$ (2,945)</u>	<u>\$ (19,986)</u>	<u>\$ (13,738)</u>	<u>\$ (31,763)</u>

AST SPACEMOBILE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(dollars in thousands)

	For the Six Months Ended June 30,	
	2022	2021
Cash flows from operating activities:		
Net loss before allocation to noncontrolling interest	\$ (45,971)	\$ (77,255)
Adjustments to reconcile net loss before noncontrolling interest to cash used in operating activities:		
Depreciation and amortization	2,285	1,182
(Gain) loss on remeasurement of warrant liabilities	(17,567)	41,677
Non-cash lease expense	267	371
Stock-based compensation	4,695	598
Issuance of common stock for commitment shares	190	-
Changes in operating assets and liabilities:		
Accounts receivable	(1,613)	748
Prepaid expenses and other current assets	(16,332)	(3,519)
Inventory	(2,313)	(1,163)
Accounts payable and accrued expenses	2,838	112
Operating lease liabilities	(261)	(220)
Deferred revenue	1,393	1,828
Other assets and liabilities	(16,116)	(2,731)
Net cash used in operating activities	(88,505)	(38,372)
Cash flows from investing activities:		
Purchase of property and equipment	(12,197)	(6,998)
BlueWalker 3 satellite - construction in process	(21,403)	(11,600)
Net cash used in investing activities	(33,600)	(18,598)
Cash flows from financing activities:		
Proceeds from business combination	-	456,420
Direct and incremental costs incurred for the Business Combination	-	(39,542)
Proceeds from warrant exercises	33	-
Proceeds from debt	230	-
Net cash provided by financing activities	263	416,878
Effect of exchange rate changes on cash and cash equivalents	(324)	(73)
Net (decrease) increase in cash, cash equivalents and restricted cash	(122,166)	359,835
Cash, cash equivalents and restricted cash, beginning of period	324,537	42,777
Cash, cash equivalents and restricted cash, end of period	<u>\$ 202,371</u>	<u>\$ 402,612</u>
Supplemental disclosure of cash flow information:		
Non-cash transactions:		
Purchases of construction in process in accounts payable	\$ 1,648	\$ 1,813
Purchases of property and equipment in accounts payable	70	517
Right-of-use assets obtained in exchange for operating lease liabilities	272	-

Investor Contact:

Scott Wisniewski

investors@ast-science.com

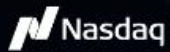
Media Contact:

Brandyn Bissinger

The logo for AST SpaceMobile. 'AST' is in large, bold, white capital letters. 'SpaceMobile' is in a smaller, orange, sans-serif font. The background is a dark space with a bright, curved orange line representing a satellite arc.

AST SpaceMobile

Transforming how
the world connects



NASDAQ: ASTS

Business Update – Second Quarter 2022
August 15, 2022

Forward Looking Statements

The information in this presentation and the oral statements made in connection therewith includes “forward-looking statements” for the purposes of federal securities laws that are not historical facts and involve risks and uncertainties that could cause actual results to differ materially from those expected and projected. All statements, other than statements of historical fact in this presentation and the oral statements made in connection therewith regarding AST SpaceMobile, Inc.’s, collectively with its subsidiaries (“SpaceMobile” or the “Company”), financial position, business strategy and the plans and objectives of management for future operations, are forward-looking statements. Words such as “expect,” “believe,” “anticipate,” “intend,” “estimate,” “seek” and variations and similar words and expressions are intended to identify such forward-looking statements. Such forward-looking statements relate to future events or future performance, but reflect management’s current beliefs, based on information currently available. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward-looking statements. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the Risk Factors contained in AST SpaceMobile’s Annual Report on Form 10-K, filed with the SEC on March 31, 2022. The Company’s securities filings can be accessed on the EDGAR section of the SEC’s website at www.sec.gov. Except as expressly required by applicable securities law, the Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Use of Non-GAAP Financial Measures

Adjusted operating expense is an alternative financial measure used by management to evaluate our operating performance as a supplement to our most directly comparable U.S. GAAP financial measure. We define Adjusted operating expense as Total operating expenses adjusted to exclude amounts of stock-based compensation expense and depreciation and amortization expense. We believe Adjusted operating expenses is a useful measure across time in evaluating the Company’s operating performance as we use Adjusted operating expenses to manage the business, including in preparing our annual operating budget and financial projections. Adjusted operating expense is a non-GAAP financial measure that has no standardized meaning prescribed by U.S. GAAP, and therefore has limits in its usefulness to investors. Because of the non-standardized definition, it may not be comparable to the calculation of similar measures of other companies and are presented solely to provide investors with useful information to more fully understand how management assesses performance. This measure is not, and should not be viewed as, a substitute for its most directly comparable GAAP measure of Total operating expenses.

Industry and Market Data

This presentation includes market data and other statistical information from sources believed to be reliable, including independent industry publications, governmental publications or other published independent sources. Although AST SpaceMobile believes these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness.

Trademarks and Trade Names

AST SpaceMobile owns or has rights to various trademarks, service marks and trade names that they use in connection with the operation of their respective businesses. This presentation also contains trademarks, service marks and trade names of third parties, which are the property of their respective owners. The use or display of third parties’ trademarks, service marks, trade names or products in this presentation is not intended to, and does not imply, a relationship with AST SpaceMobile, or an endorsement or sponsorship by or of AST SpaceMobile. Solely for convenience, the trademarks, service marks and trade names referred to in this presentation may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that AST SpaceMobile will not assert, to the fullest extent under applicable law, their rights or the right of the applicable licensor to these trademarks, service marks and trade names.

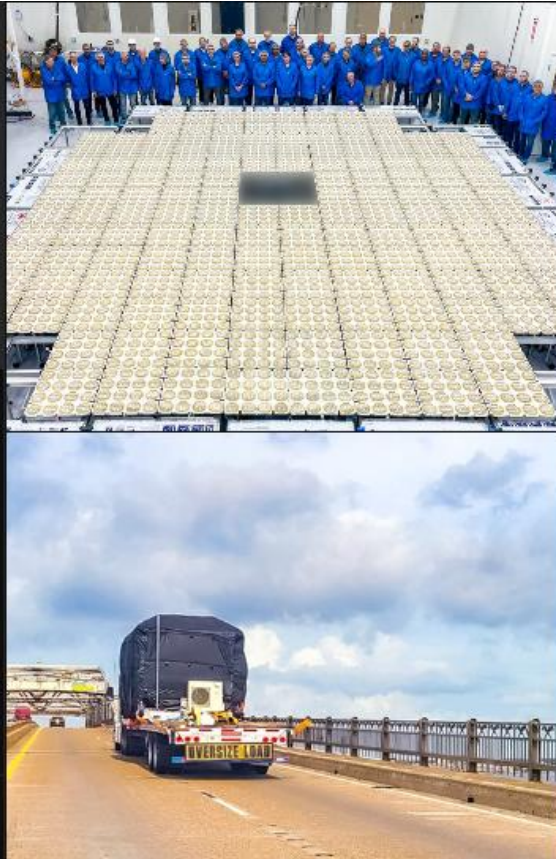
Q2 2022 update

AST SpaceMobile is building the first and only global cellular broadband network in space to operate directly with standard, unmodified mobile devices based on our extensive IP and patent portfolio.

Our engineers and space scientists are on a mission to eliminate the connectivity gaps faced by today's five billion mobile subscribers and finally bring broadband to the billions who remain unconnected.



Technology and industrialization update



- ✓ Fully-assembled BlueWalker 3 (BW3) test satellite delivered to Cape Canaveral, FL
- ✓ Upcoming planned launch, with a launch window for early to mid-September
- ✓ The next five satellites are in initial phase of component construction, with design based on similar technology to BW3, including FPGA, reaction wheels and antennas, with launch planned in late 2023
- ✓ Commercial agreements in place with suppliers for most components of the next five Block 1 BlueBird satellites and next generation satellites
- ✓ Construction of the extension production facility (Site 2) in Texas is on schedule

BlueWalker 3 launch and testing timeline

Path to launch and BW3 in-orbit operations roadmap

BW3 Launch Milestones

July 19

- Transported BW3 to California for testing
- Successfully completed environmental testing

August 9

- Transported BW3 to Cape Canaveral, FL for final preparations and continuation of testing

T: Early to Mid Sep T+2

- Planned launch window on Falcon 9 Launch Vehicle from Cape Canaveral, FL

Months

- Deployed into orbit
- Initial in-orbit testing
- Unfold phased array
- Deploy QV antennas

T+6 Months

- Cellular broadband direct-to-cell phone testing on standard handsets, in cooperation with participating MNOs on six continents
- Testing with our BW3 satellite to be conducted utilizing Nokia and Rakuten commercial MNO infrastructure



Continued business momentum



Added three new operators ¹

new memoranda of understanding signed with additional operators, including Smartfren Telecom (Indonesia)



More than 1.8 billion subscribers ²

represented by mobile network operators with whom we have agreements and understandings



Increase to more than 2,400 patent and patent-pending claims ³

supports strong and expanding competitive advantage



Agreement to sell majority ownership stake in NanoAvionika UAB

at enterprise valuation of €65 million, and the Company expects to receive approximately \$27 million in net proceeds at closing ⁴



4G LTE/5G technology agreement with Nokia

for the integration of Nokia's AirScale System, which is planned to be offered as part of SpaceMobile's MNO infrastructure

Source: GSMA Intelligence (data as of 12/31/2021).

1. Since last business update provided on May 16, 2022.
2. Metric defined as number of subscribers represented by mobile network operators who have agreements and understandings with AST SpaceMobile as of August 15, 2022.
3. As of August 15, 2022, compared to more than 2,300 as of May 16, 2022.
4. Expected to close in the third quarter of 2022, subject to customary closing conditions including any required regulatory reviews. Reflects current estimate of net proceeds. Actual proceeds subject to fluctuation in the EUR / USD currency exchange rate and final closing balance sheet accounts.

Second quarter 2022 financial metrics

1. See the next slide for a reconciliation. Adjusted operating expenses is equal to total operating expense less non-cash operating expense such as depreciation and amortization and stock based-compensation expense. Depreciation and amortization for the three months ended June 30, 2022 and March 31, 2022 was \$1.2 million and \$1.1 million, respectively. Stock-based compensation for the three months ended June 30, 2022 and March 31, 2022 consisted of \$1.0 million and \$1.3 million of engineering services expense and \$1.5 million and \$1.0 million of general and administrative costs, respectively.

2. Cumulative as of date specified. Net of depreciation and amortization.

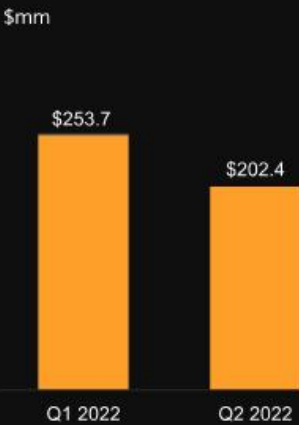
Adj. Operating Expenses ¹



Capital Expenditures ²



Liquidity



Reconciliation to non-GAAP measures – adj. operating expenses

1. Stock-based compensation for the three months ended June 30, 2022, March 31, 2022, and June 30, 2021 consisted of \$1.0 million, \$1.3, and \$0.2 million of engineering services expense and \$1.5 million, \$1.0, and \$0.0 million of general and administrative costs, respectively.

2. Stock-based compensation for the six months ended June 30, 2022 and 2021 consisted of \$2.3 million and \$0.5 million of engineering services expense and \$2.4 million and \$0.1 million of general and administrative costs, respectively.

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ast-science.com

AST SpaceMobile

Adj. operating expenses – 3 months ended

<i>(\$ in thousands)</i>	June 30, '22	Mar 31, '22	June 30, '21
Engineering services	11,999	11,717	5,784
General and administrative costs	13,075	11,643	9,157
Research and development costs	9,145	8,281	9,589
Depreciation and amortization	1,185	1,100	567
Total operating expenses	35,404	32,741	25,097
Less: Depreciation and amortization	(1,185)	(1,100)	(567)
Less: Stock-based Compensation Expense ¹	(2,440)	(2,255)	(242)
Total adj. operating expenses	31,779	29,386	24,288

Adj. operating expenses – 6 months ended

<i>(\$ in thousands)</i>	June 30, '22	June 30, '21
Engineering services	23,716	10,731
General and administrative costs	24,718	14,693
Research and development costs	17,426	10,603
Depreciation and amortization	2,285	1,182
Total operating expenses	68,145	37,209
Less: Depreciation and amortization	(2,285)	(1,182)
Less: Stock-based Compensation Expense ²	(4,695)	(598)
Total adj. operating expenses	61,165	35,429

The logo for AST SpaceMobile is displayed against a dark blue space background with a bright, glowing orange arc representing a satellite's path. The text "AST" is in large, bold, white capital letters, and "SpaceMobile" is in a smaller, orange, sans-serif font.

AST SpaceMobile

The Nasdaq logo, consisting of a stylized "N" icon followed by the word "Nasdaq" in a sans-serif font, with "NASDAQ: ASTS" in a smaller font below it.

Nasdaq
NASDAQ: ASTS