UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): February 15, 2018

AIRGAIN, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	001-37851	95-4523882
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3611 Valley Centre Drive, Suite 150 **San Diego, CA**	**92130**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (760) 579-0200

(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 (*see* General Instruction A.2. below):

☐ 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))

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 February 15, 2018, Airgain, Inc. issued a press release announcing its financial results for the fourth quarter and year ended December 31, 2017. A copy of this press release is attached hereto as Exhibit 99.1.

In accordance with General Instructions B.2 of Form 8-K, the information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, except as expressly set forth by specific reference in such filing to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release, dated February 15, 2018

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.

	AIRGAIN, INC.	
Date: February 15, 2018	By:	/s/ Anil Doradla
	Name:	Anil Doradla
	Title:	Chief Financial Officer and Secretary

Exhibit 99.1

Investor Contact
Matt Glover or Najim Mostamand
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Company Contact
Alexis Waadt, Director of Investor Relations
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Airgain Reports Fourth Quarter and Full Year 2017 Financial Results

San Diego, CA, February 15, 2018 – Airgain, Inc. (NASDAQ: AIRG), a leading provider of advanced antenna technologies used to enable high performance wireless networking, today reported unaudited results for the fourth quarter and full year ended December 31, 2017. Annual revenues for 2017 were $49.5 million, a 14% year over year increase and at the higher end of the company's previously stated guidance.

Fourth Quarter 2017 Financial Highlights

- Sales of $12.8 million
- Gross margin of 46.0%
- GAAP earnings per diluted share of $0.06
- Non-GAAP earnings per diluted share of $0.10
- Adjusted EBITDA of $1.1 million

Fourth Quarter 2017 Financial Results
Sales totaled $12.8 million compared to $12.6 million in the same year-ago period.

Gross profit grew 8% to $5.9 million from $5.5 million in Q4 of last year. Gross margin as a percentage of sales increased to 46.0% in the fourth quarter of 2017, compared to 43.4% in the same year-ago period.

Total operating expenses for the fourth quarter of 2017 grew 25% to $5.4 million from $4.3 million in Q4 of last year. The increase was primarily due to higher personnel expenses to support the company's sales, marketing, and R&D initiatives, and Antenna Plus acquisition-related expenses.

Net income attributable to common stockholders totaled $0.6 million or $0.06 per diluted share (based on 9.7 million shares), compared to net income attributable to common stockholders of $1.1 million or $0.12 per diluted share (based on 8.9 million shares) in the same year-ago period.

Non-GAAP net income attributable to common stockholders totaled $1.0 million or $0.10 per diluted share (based on 9.7 million shares), compared to non-GAAP net income attributable to common stockholders of $1.3 million or $0.15 per diluted share (based on 8.8 million shares) in the same year-ago period (see note regarding "Use of Non-GAAP Financial Measures," below for further discussion of this non-GAAP measure).

Adjusted EBITDA (earnings before interest, taxes, depreciation, amortization, fair market value for adjustments of warrants, acquisition transaction costs and share-based compensation) decreased 25% to $1.1 million from $1.4 million in the same year-ago period (see note regarding "Use of Non-GAAP Financial Measures," below for further discussion of this non-GAAP measure).

Full Year 2017 Financial Highlights

- Sales of $49.5 million
- Gross margin of 47.1%
- GAAP earnings per diluted share of $0.11
- Non-GAAP earnings per diluted share of $0.31
- Adjusted EBITDA of $3.6 million

Full Year 2017 Financial Results

Sales increased 14% to $49.5 million from $43.4 million in the same year-ago period. The increase was primarily driven by a continued increase in product sales, including the revenue contribution from the assets acquired from Antenna Plus.

Gross profit grew 21% to $23.3 million from $19.3 million in the same year-ago period. Gross profit margin as a percentage of sales increased to 47.1% in 2017, compared to 44.4% in the same year-ago period.

Total operating expenses grew 41% to $22.3 million from $15.8 million in 2016. The increase was primarily due to higher personnel expenses to support the company's sales, marketing, and R&D initiatives and Antenna Plus acquisition-related expenses.

Net income attributable to common stockholders totaled $1.1 million or $0.11 per diluted share (based on 10.4 million shares), compared to net income attributable to common stockholders of $2.2 million or $0.40 per diluted share (based on 4.7 million shares) in the same year-ago period.

Non-GAAP net income attributable to common stockholders totaled $3.2 million or $0.31 per diluted share (based on 10.4 million shares), compared to non-GAAP net income attributable to common stockholders of $2.6 million or $0.57 per diluted share (based on 5.6 million shares) in the same year-ago period (see note regarding "Use of Non-GAAP Financial Measures," below for further discussion of this non-GAAP measure).

Adjusted EBITDA (earnings before interest, taxes, depreciation, amortization, fair market value for adjustments of warrants, acquisition transaction costs and share-based compensation) decreased 22% to $3.6 million from $4.7 million in the same year-ago period (see note regarding "Use of Non-GAAP Financial Measures," below for further discussion of this non-GAAP measure).

Management Commentary

"Q4 was another strong quarter for us. We ended 2017 on a high note and established positive momentum entering 2018," said Airgain's President and Chief Executive Officer, Charles Myers. As we expected, our customers have begun to resume their normal deployment patterns, driven by the 802.11ac and DOCSIS 3.1 upgrade cycles. We also began shipping in volume to a new tier 1 multiple-system operator (MSO).

"Given our current pipeline and how we've structured the business for success, we are confident that we'll achieve our 20% revenue target for 2018. Looking ahead, we're focused on investing in the future and scaling our business to the next level. We're going to be investing in our brand, people, marketing, technical know-how and infrastructure to elevate our business to the next stage of growth. Therefore, we expect our operating expenses to grow at similar levels witnessed over the past couple of years, primarily in marketing, research and development, and engineering expenditures, to ensure we are well aligned for success. The market opportunities in wireless connectivity continue to increase, positioning us for another strong year in 2018.

"We recently entered into a partnership with McLaren Technology Group. Through this partnership, we will be exploring the co-creation of wireless connectivity solutions and helping drive technological advancement within the automotive sector. Automotive, in general, is an area of our business that we are targeting in 2018 and beyond.

"2017 has been a vital year in paving our path toward continued growth in the future. The migration from wired to wireless is only accelerating and propelling the need for more complex systems to generate higher throughput, which ultimately bodes well for our business. Our mission is to not just be the antenna systems expert for the connected home or car, but the connected world. By building on our track record, investing for the future, and capitalizing on industry tailwinds, we believe we'll not only reestablish our historical growth, but also help make this mission an eventual reality."

Financial Outlook
For fiscal year 2018, Airgain reaffirms its sales outlook of 20% growth over fiscal year 2017.

Conference Call
Airgain management will hold a conference call today, February 15, 2018 at 4:30 p.m. Eastern Standard Time (1:30 p.m. Pacific Standard Time) to discuss these results and provide an update on business conditions.
Airgain management will host the presentation, followed by a question and answer period.

Date: Thursday, February 15, 2018
Time: 4:30 p.m. Eastern Standard Time (1:30 p.m. Pacific Standard Time)
U.S. dial-in: 1-877-451-6152
International dial-in: 1-201-389-0879

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Liolios Group at 1-949-574-3860.

The conference call will be broadcast live and available for replay in the investor relations section of the company's website.

A replay of the call will be available after 7:30 p.m. Eastern Standard Time on the same day
through March 15, 2018.

U.S. replay dial-in: 1-844-512-2921
International replay dial-in: 1-412-317-6671
Replay ID: 13675533

About Airgain, Inc.
Airgain (Nasdaq: AIRG) is a leading provider of advanced antenna technologies used to enable high performance wireless networking. Combining design-led thinking with testing and development, Airgain works in partnership with the entire ecosystem, including carriers, chipset suppliers, OEMs, and ODMs. Airgain's key markets include home, automotive, Internet of Things

(IoT), and enterprise, and its antenna technologies can be found in set-top boxes, access points, routers, gateways, media adapters, smart TVs, vehicles, and IoT devices. Airgain is headquartered in San Diego, California, and maintains design and test centers in the U.S., UK and China. For more information, visit airgain.com, or follow us on LinkedIn and Twitter.

Airgain and the Airgain logo are registered trademarks of Airgain, Inc.

Forward-Looking Statements
Airgain cautions you that statements in this press release that are not a description of historical facts are forward-looking statements. These statements are based on the company's current beliefs and expectations. These forward-looking statements include statements regarding the investment in our business, our ability to reestablish our historical growth and increase growth in the future, expectations as to market opportunities in wireless connectivity and our ability to position ourselves for growth in 2018, our focus on the automotive sector and our 2018 financial outlook, including a significant increase in operating expenses. The inclusion of forward-looking statements should not be regarded as a representation by Airgain that any of our plans will be achieved. Actual results may differ from those set forth in this press release due to the risk and uncertainties inherent in our business, including, without limitation: adjustments to the unaudited financial results reported for the fourth quarter and year ended December 31, 2017 in connection with the completion of the company's final closing process and procedures, final adjustments, and other developments that may arise during the preparation of our Annual Report on Form 10-K; the market for our antenna products is developing and may not develop as we expect; our operating results may fluctuate significantly, including based on seasonal factors, which makes future operating results difficult to predict and could cause our operating results to fall below expectations or guidance; a slower than anticipated rollout of certain customers' deployments; our products are subject to intense competition, including competition from the customers to whom we sell, and competitive pressures from existing and new companies may harm our business, sales, growth rates and market share; our future success depends on our ability to develop and successfully introduce new and enhanced products for the wireless market that meet the needs of our customers; risks that we may not fully realize the benefits associated with the partnerships we have entered into, or that certain existing partnerships may be terminated by either party; our ability to identify and consummate strategic acquisitions and partnerships, and risks associated with completed acquisitions and partnerships adversely affecting our operating results and financial condition; we sell to customers who are extremely price conscious, and a few customers represent a significant portion of our sales, and if we lose any of these customers, our sales could decrease significantly; we rely on a few contract manufacturers to produce and ship all of our products, a single or limited number of suppliers for some components of our products and channel partners to sell and support our products, and the failure to manage our relationships with these parties successfully could adversely affect our ability to market and sell our products; if we cannot protect our intellectual property rights, our competitive position could be harmed or we could incur significant expenses to enforce our rights; and other risks described in our prior press releases and in our filings with the Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in our Annual Report on Form 10-K and any subsequent filings with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and we undertake no obligation to revise or update this press release to reflect events or circumstances after the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement, which is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Exhibit 99.1

Note Regarding Use of Non-GAAP Financial Measures
To supplement Airgain's condensed financial statements presented in accordance with U.S. generally accepted accounting principles (GAAP), this earnings release and the accompanying tables and the related earnings conference call contain certain non-GAAP financial measures, including adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA), non-GAAP net income attributable to common stockholders (non-GAAP Net income), and non-GAAP earnings per diluted share (non-GAAP EPS). We believe these financial measures provide useful information to investors with which to analyze our operating trends and performance.

In computing Adjusted EBITDA, non-GAAP Net income, and non-GAAP EPS, we also exclude stock-based compensation expense, which represents non-cash charges for the fair value of stock options and other non-cash awards granted to employees, the fair market value adjustments for warrants, and acquisition related expenses, which include due diligence, legal, integration, and regulatory expenses. Because of varying available valuation methodologies, subjective assumptions and the variety of equity instruments that can impact a company's non-cash operating expenses, we believe that providing non-GAAP financial measures that exclude non-cash expense allows for meaningful comparisons between our core business operating results and those of other companies, as well as providing us with an important tool for financial and operational decision making and for evaluating our own core business operating results over different periods of time. In addition, our recent acquisition related activities resulted in operating expenses that would not have otherwise been incurred. Management considers these types of expenses and adjustments, to a great extent, to be unpredictable and dependent on a significant number of factors that are outside of our control and are not necessarily reflective of operational performance during a period. Furthermore, we believe the consideration of measures that exclude such acquisition related expenses can assist in the comparison of operational performance in different periods which may or may not include such expenses.

Our Adjusted EBITDA, non-GAAP Net income, and non-GAAP EPS measures may not provide information that is directly comparable to that provided by other companies in our industry, as other companies in our industry may calculate non-GAAP financial results differently, particularly related to non-recurring, unusual items. Our Adjusted EBITDA, non-GAAP Net income, and non-GAAP EPS are not measurements of financial performance under GAAP, and should not be considered as an alternative to operating or net income or as an indication of operating performance or any other measure of performance derived in accordance with GAAP. We do not consider these non-GAAP measures to be a substitute for, or superior to, the information provided by GAAP financial results. A reconciliation of specific adjustments to GAAP results is provided in the last two tables at the end of this release.

Exhibit 99.1

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Airgain, Inc.
Unaudited Condensed Balance Sheets

		December 31, 2017		December 31, 2016
Assets				
Current assets:				
Cash and cash equivalents	$	15,026,068	$	45,161,403
Short term investments		21,287,064		—
Trade accounts receivable, net		8,418,132		5,154,996
Inventory		741,557		146,815
Prepaid expenses and other current assets		609,786		349,550
Total current assets		46,082,607		50,812,764
Property and equipment, net		1,036,860		807,086
Goodwill		3,700,447		1,249,956
Customer relationships, net		4,075,918		2,822,918
Intangible assets, net		1,052,333		286,719
Other assets		349,743		84,060
Total assets	$	56,297,908	$	56,063,503
Liabilities and stockholders' equity				
Current liabilities:				
Accounts payable	$	3,969,083	$	3,949,005
Accrued bonus		2,224,517		1,748,551
Accrued liabilities		1,121,833		1,072,242
Deferred purchase price		1,000,000		1,000,000
Current portion of long-term notes payable		1,333,333		1,388,563
Current portion of deferred rent obligation under operating lease		81,332		81,332
Total current liabilities		9,730,098		9,239,693
Long-term notes payable		—		1,333,333
Deferred tax liability		7,971		6,166
Deferred rent obligation under operating lease		334,860		451,909
Total liabilities		10,072,929		11,031,101
Stockholders' equity:				
Common shares, par value $0.0001, 200,000,000 shares authorized at December 31, 2017 and December 31, 2016; 9,616,992 and 9,275,062 shares issued at December 31, 2017 and December 31, 2016, respectively; 9,481,992 and 9,275,062 shares outstanding at December 31, 2017 and December 31, 2016, respectively		961		928
Additional paid in capital		89,907,766		88,582,470
Treasury stock, at cost: 135,000 shares and no shares at December 31, 2017 and December 31, 2016, respectively		(1,257,100)		—
Accumulated other comprehensive loss		(16,907)		—
Accumulated deficit		(42,409,741)		(43,550,996)
Total stockholders' equity		46,224,979		45,032,402
Commitments and contingencies				
Total liabilities and stockholders' equity	$	56,297,908	$	56,063,503

Exhibit 99.1

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Airgain, Inc.
Unaudited Condensed Statements of Operations

	For the Three Months Ended December 31,		For the Year Ended December 31,	
	2017	2016	2017	2016
Sales	$ 12,807,175	$ 12,625,965	$ 49,521,171	$ 43,433,867
Cost of goods sold	6,918,844	7,149,564	26,218,965	24,156,792
Gross profit	5,888,331	5,476,401	23,302,206	19,277,075
Operating expenses:				
Research and development	1,808,713	1,525,462	7,319,575	5,622,132
Sales and marketing	1,783,641	1,592,375	7,012,829	5,670,625
General and administrative	1,825,734	1,227,361	8,000,602	4,532,151
Total operating expenses	5,418,088	4,345,198	22,333,006	15,824,908
Income from operations	470,243	1,131,203	969,200	3,452,167
Other expense (income):				
Interest income	(106,596)	(6,068)	(296,451)	(7,803)
Interest expense	18,472	36,866	98,711	178,371
Fair market value adjustment - warrants	—	—	—	(460,289)
Total other expense (income)	(88,124)	30,798	(197,740)	(289,721)
Income before income taxes	558,367	1,100,405	1,166,940	3,741,888
Provision for income taxes	(33,565)	103	25,685	8,181
Net income	591,932	1,100,302	1,141,255	3,733,707
Accretion of dividends on preferred convertible stock	—	—	—	(1,537,021)
Net income attributable to common stockholders	$ 591,932	$ 1,100,302	$ 1,141,255	$ 2,196,686
Net income per share:				
Basic	$ 0.06	$ 0.14	$ 0.12	$ 0.65
Diluted	$ 0.06	$ 0.12	$ 0.11	$ 0.40
Weighted average shares used in calculating income per share:				
Basic	9,513,342	7,911,185	9,485,271	3,373,316
Diluted	9,677,812	8,855,433	10,358,849	4,667,503

Exhibit 99.1

Airgain

Airgain, Inc.
Unaudited Condensed Statements of Cash Flows

	For the Year Ended December 31, 2017	2016
Cash flows from operating activities:		
Net income	$ 1,141,255	$ 3,733,707
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	436,247	495,347
Amortization	581,386	373,350
Fair market value adjustment - warrants	—	(460,289)
Amortization of discounts on investments, net	(91,485)	—
Stock-based compensation	736,066	298,535
Deferred tax liability	1,805	6,166
Changes in operating assets and liabilities:		
Trade accounts receivable	(2,678,746)	(1,422,998)
Inventory	(161,972)	(27,082)
Prepaid expenses and other assets	(525,919)	(120,567)
Accounts payable	(101,801)	1,075,534
Accrued bonus	475,966	413,051
Accrued liabilities	49,591	411,255
Deferred obligation under operating lease	(117,049)	(106,732)
Net cash provided by (used in) operating activities	(254,656)	4,669,277
Cash flows from investing activities:		
Purchases of available-for-sale securities	(21,962,486)	—
Maturities of available-for-sale securities	750,000	—
Cash paid for acquisition	(6,348,730)	—
Purchases of property and equipment	(263,063)	(275,649)
Net cash used in investing activities	(27,824,279)	(275,649)
Cash flows from financing activities:		
Repayment of notes payable	(1,388,563)	(1,624,999)
Proceeds from initial public offering	—	13,600,800
Costs related to initial public offering	781	(2,657,604)
Proceeds from secondary public offering	—	26,797,094
Costs related to secondary public offering	—	(820,832)
Common stock repurchases	(1,257,100)	—
Proceeds from exercise of stock options	588,482	137,403
Net cash provided by (used in) financing activities	(2,056,400)	35,431,862
Net increase (decrease) in cash and cash equivalents	(30,135,335)	39,825,490
Cash and cash equivalents, beginning of period	45,161,403	5,335,913
Cash and cash equivalents, end of period	$ 15,026,068	$ 45,161,403
Supplemental disclosure of cash flow information		
Interest paid	$ 98,711	$ 177,460
Taxes paid	$ 102,819	$ —
Supplemental disclosure of non-cash investing and financing activities:		
Accretion of Series E, F, and G preferred redeemable convertible stock to redemption amount	—	$ 1,356,707
Conversion of warrants	—	$ 249,215
Conversion of preferred stock into common stock	—	$ 50,432,162

Exhibit 99.1

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Unaudited Reconciliation of GAAP to non-GAAP Net Income

	For the Three Months Ended December 31, 2017	For the Three Months Ended December 31, 2016	For the Year Ended December 31, 2017	For the Year Ended December 31, 2016
Reconciliation of GAAP to non-GAAP Net Income				
Net income attributable to common stockholders	$ 591,932	$ 1,100,302	$ 1,141,255	$ 2,196,686
Stock-based compensation expense	272,210	74,496	736,066	298,535
Amortization	185,180	97,346	581,386	373,350
Acquisition expenses	50,000	—	910,833	54,387
Other expense (income)	(88,124)	30,798	(197,740)	(289,721)
Provision for income taxes	(33,565)	103	25,685	8,181
Non-GAAP net income attributable to common stockholders	$ 977,633	$ 1,303,045	$ 3,197,485	$ 2,641,418
Non-GAAP net income per share:				
Basic	$ 0.10	$ 0.17	$ 0.34	$ 0.78
Diluted	$ 0.10	$ 0.15	$ 0.31	$ 0.57
Weighted average shares used in calculating non-GAAP income per share:				
Basic	9,513,342	7,911,185	9,485,271	3,373,316
Diluted	9,677,812	8,841,625	10,358,849	5,616,935

Airgain, Inc.
Unaudited Reconciliation of Net Income to Adjusted EBITDA

	For the Three Months Ended December 31, 2017	For the Three Months Ended December 31, 2016	For the Year Ended December 31, 2017	For the Year Ended December 31, 2016
Reconciliation of Net Income to Adjusted EBITDA				
Net income	$ 591,932	$ 1,100,302	$ 1,141,255	$ 3,733,707
Stock-based compensation expense	272,210	74,496	736,066	298,535
Depreciation and amortization	284,610	235,267	1,017,633	868,697
Acquisition expenses	50,000	—	910,833	54,387
Other expense (income)	(88,124)	30,798	(197,740)	(289,721)
Provision for income taxes	(33,565)	103	25,685	8,181
Adjusted EBITDA	$ 1,077,063	$ 1,440,966	$ 3,633,732	$ 4,673,786