

Risk Factors Comparison 2023-03-15 to 2022-02-25 Form: 10-K

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Our business is subject to numerous risks. The following important factors, among others, could cause our actual results to differ materially from those expressed in forward- looking statements made by us or on our behalf in this Annual Report on Form 10- K and other filings with the ~~Securities and Exchange Commission, or the SEC~~, press releases, communications with investors, and oral statements. Actual future results may differ materially from those anticipated in our forward- looking statements. We undertake no obligation to update any forward- looking statements, whether as a result of new information, future events, or otherwise. Risks Related to ~~that~~. **Risks Related to Our Financial Condition As the majority of the growth in our revenue and income from operations has occurred since 2013, it is difficult to evaluate our future prospects. We were founded in 2003 and booked our first revenue in 2006. The majority of the growth in our revenue and income from operations has occurred since 2013. Given the cyclicity of our end markets, we may sometimes have difficulty evaluating our future prospects or planning for and managing future growth. We have encountered and will continue to encounter risks and difficulties frequently experienced by rapidly growing companies in constantly evolving and highly cyclical industries, including the risks described in this Annual Report on Form 10- K. If we do not address these risks successfully, our business, financial condition, results of operations and prospects could be materially able to extend or** ~~refinance our debt prior to maturity, there can be no assurances regarding the ultimate success or timing of any modification to our Term Loan. If our efforts to refinance the Term Loan are unsuccessful, we may be required to take alternative measures in order to raise sufficient cash to fully repay the outstanding debt balance and raise sufficient capital with which to continue operations, which may include actions such as raising capital via equity transactions, sale of significant assets, and significant cost reduction measures. Any of these measures may have an adverse adversely affected impact on our ability to execute our business plan, take advantage of future opportunities, fund research and development initiatives, or respond to competitive pressures or unanticipated financial requirements. The ultimate success of any such actions in sustaining our ability to continue as a going concern cannot be assured, and no assurance can be given that such financing or asset sales will be available or, if available, that they the market price of our common stock could decline will be on commercially favorable terms. Moreover, a favorable financing may be dilutive to investors.~~ We have outstanding debt that could limit our ability to make expenditures and investments in the conduct of our business and adversely impact our ability to obtain future financing. As of December 31, ~~2022~~ **2021**, we ~~had~~ **have** \$ ~~226.278~~ **0.2** million of outstanding ~~debt borrowings under our Term Loan~~, which matures on December 20, 2023. We may be unable to generate cash sufficient to pay when due the principal of, interest on, or other amounts due in respect of our indebtedness. We may be required to dedicate significant cash flows from operations to make such payments, which could limit our ability to make other expenditures and investments in the conduct of our business. Our indebtedness may also reduce our flexibility in planning for or reacting to changes in our business and market conditions. Our indebtedness also exposes us to interest rate risk, since our debt obligations generally bear interest at variable rates. In addition, we may incur additional indebtedness in the future to meet future financing needs. If we add new debt, the risks described above could increase. Our credit facility contains restrictive and financial covenants that may limit our operating flexibility. Our credit facility contains certain restrictive covenants that either limit our ability to, or require a mandatory prepayment in the event we ~~;~~ incur additional indebtedness and liens, merge with other companies or consummate certain changes of control, acquire other companies, engage in new lines of business, change business locations, make certain investments, make any payments on any subordinated debt, transfer or dispose of assets, amend certain material agreements, and enter into various specified transactions. We, therefore, may not be able to engage in any of the foregoing transactions unless we obtain the consent of our lenders or prepay the outstanding amount under the credit facility. In addition to certain financial reporting requirements, the credit facility also contains a net leverage ratio covenant that may significantly reduce our available borrowings under such facilities. **As of December 31, 2021, we were in compliance with the net leverage ratio covenant. Our obligations under the credit facility are secured by substantially all of our assets, excluding intellectual property and certain investments in foreign subsidiaries.** Furthermore, our future working capital, borrowings or equity financing could be unavailable to repay or refinance the amounts outstanding under the credit facility. In the event of a liquidation, our lenders would be repaid all outstanding principal and interest prior to distribution of assets to unsecured creditors, and the holders of our common stock would receive a portion of any liquidation proceeds only if all of our creditors, including our lenders, were first repaid in full. ~~Risks Related to~~ Our Market Risks Related to Market Dynamics We believe the CSP industry is in the early stages of a major architectural shift toward the virtualization of networks and the use of networks with distributed architectures. If the architectural shift does not occur, if it does not occur at the pace we predict, or if the products and services we have developed are not attractive to our customers after such shift takes place, our ~~revenues~~ **revenue** could decline. We believe the CSP industry is in the early stages of transitioning to the virtualization of networks and the use of networks with distributed architectures. We are developing products and services that we believe will be attractive to our customers and potential customers who make that shift. Our strategy depends in part on our belief that the industry shift to a software- centric cloud- based architecture and increasing densification will continue. In our experience, fundamental changes like this often take time to accelerate, and the adoption rates of our customers may vary. As our customers determine their future network architectures and how to implement them, we may encounter delayed timing of orders, deferred purchasing decisions and reduced expenditures. These longer decision cycles and reduced expenditures may negatively impact our ~~revenues~~ **revenue** or make it difficult for us to accurately predict our ~~revenues~~ **revenue**, either of which could materially adversely affect our business, financial condition,

results of operations and prospects. Moreover, it is possible that our customers may reverse or fail to expand upon current trends toward virtualization and distributed architectures, which could result in significantly reduced demand for the products that we have developed and currently plan to develop. If we do not successfully anticipate technological shifts, market needs and opportunities, and develop new products and product enhancements that meet those technological shifts, needs and opportunities, we may not be able to compete effectively. The CSP market, including fixed **-line broadband** and wireless, is characterized by rapid technological shifts and increasingly complex customer requirements to achieve scalable networks that accommodate rapidly increasing consumer demand for bandwidth. To compete effectively, we must continue to develop new technologies and products that address emerging technological trends and changing customer needs. The process of developing new technology is complex and uncertain, and the development of new offerings requires significant upfront investment that may not result in material improvements to existing products or result in marketable new products or costs savings or revenue for an extended period of time, if at all. We believe that our culture of innovation is a significant factor in our ability to develop new products. If we are not able to attract and retain employees that are able to contribute to our culture of innovation, our ability to identify emerging technological trends and changing customer needs and successfully develop new products to address them could be adversely impacted. The success of new products and enhancements also depends on many other factors, including timely completion and introduction, differentiation from products offered by competitors and previous versions of our own products and, ultimately, market acceptance of these new products and enhancements. In addition, new technologies or standards could render our existing products obsolete or less attractive to customers. If we are unable to successfully introduce new products and enhancements, we would not be able to compete effectively and our business, financial condition, results of operations and prospects could be materially adversely affected. Our success depends in large part on CSPs' continued deployment of, and investment in, ultra- broadband network capabilities and technologies that make use of our solutions. Our solutions are dedicated to enabling cable, wireless and fixed- line **broadband** service providers to deliver voice, video and data services over newer and faster ultra- broadband networks. As a result, our success depends significantly on these service providers' continued deployment of, and investment in, their networks, which depends on a number of factors outside of our control. These factors include capital constraints, the presence of available capacity on legacy networks, perceived subscriber demand for ultra- broadband networks, competitive conditions within the CSP industry and regulatory issues. If CSPs do not continue deploying and investing in their ultra- broadband networks in ways that involve our solutions for these or other reasons, our business, financial condition, results of operations and prospects could be materially adversely affected. Our continued growth depends on the pace and level of investment in 5G and 5G- related technologies. We believe the CSP industry is in the early stages of a major architectural shift toward technologies and products related to 5G that include cloudification, virtualization, micro networks or network slicing, network densification, and 5G New Radio, or 5G NR, among others. We have invested heavily in products and solutions in these areas as we believe that they will represent significant future revenue and profitability for us. As 5G entails a fundamental shift in the way that **wireless and fixed and wireless- line** broadband ~~communications~~ markets are architected, the time required by our customers to evaluate and ultimately adopt 5G may be quite extended. If the adoption of 5G by our customers does not occur at the pace we predict, if our 5G products are not successful, or if our customers fail to make significant investments in 5G, our ~~revenues-~~ **revenue** could decline and our business, financial condition, results of operations, and prospects could be materially adversely impacted. We have invested heavily in developing wireless and fixed- line broadband solutions, and we face risks in seeking to expand our platform into the wireless and fixed- line broadband markets. We have invested heavily in developing wireless and fixed- line **broadband** solutions that are at an early stage of generating revenue. We cannot guarantee that these investments, or any of our other investments in research and development, will ever generate material revenue or become profitable for us, and the failure of these investments to generate positive returns may adversely impact our business, financial condition, results of operations and prospects. The wireless market makes up a substantial portion of our total potential addressable market. In addition, expanding our offerings into the wireless and fixed- line broadband markets presents other significant risks and uncertainties, including potential distraction of management from other business operations that generate more substantial revenue, the dedication of significant research and development, sales and marketing, and other resources to this new business line at the expense of our other business operations, and other risks that we may not have adequately anticipated. Adverse economic conditions or reduced broadband infrastructure spending may adversely affect our business, financial condition, results of operations and prospects. Our business depends on the overall demand for broadband connectivity. Weak domestic or global economic conditions, **including fluctuating interest rates and inflation,** fear or anticipation of such conditions or a reduction in broadband infrastructure spending even if economic conditions improve, could materially adversely affect our business, financial condition, results of operations and prospects in a number of ways, including longer sales cycles, lower prices for our products and services, reduced sales, and lower or no growth. Continued turmoil in the geopolitical environment in many parts of the world may also affect the overall demand for our products and services. Deterioration in global economic or political conditions could materially adversely affect our business, financial condition, results of operations and prospects in the future. A prolonged period of economic uncertainty or a downturn may also significantly affect the availability of capital and the terms and conditions of financing arrangements, including the overall cost of financing as well as the financial health or creditworthiness of our customers. Circumstances may arise in which we need, or desire, to raise additional capital, and such capital may not be available on commercially reasonable terms, or at all. Regulations affecting broadband infrastructure could reduce demand for our products. Laws and regulations governing the Internet and electronic commerce are emerging but remain largely unsettled, even in the areas where there has been some legislative action. Regulations may focus on, among other things, assessing access or settlement charges, or imposing tariffs or regulations based on the characteristics and quality of products, either of which could restrict our business or increase our cost of doing business. Government regulatory policies are likely to continue to have a major impact on the pricing of existing and new network services and, therefore, are expected to affect demand for those services and the communications

products, including our products, supporting those services. Any changes to existing laws or the adoption of new regulations by federal or state regulatory authorities or any legal challenges to existing laws or regulations affecting IP networks could materially adversely affect the market for our products. Moreover, customers may require us, or we may otherwise deem it necessary or advisable, to alter our products to address actual or anticipated changes in the regulatory environment. Our inability to alter our products or address any regulatory changes could have a material adverse effect on our consolidated financial position, results of operations or cash flows. We face intense competition, including from larger, well-established companies, and we may lack sufficient financial or other resources to maintain or improve our competitive position. The market for broadband infrastructure solutions is intensely competitive, and we expect competition to increase in the future from established competitors and new market entrants. This competition could result in increased pricing pressure, reduced profit margins, increased selling, general and administrative expenses, and loss of or stagnant market share, any of which could materially adversely affect our business, financial condition, results of operations and prospects. In the CSP market, we primarily compete with larger and more established companies, such as Adtran, Cisco, CommScope, Ericsson, Huawei, Inseego, Nokia and Samsung, as well as a number of other suppliers of networking equipment and solutions to CSPs, such as Harmonic and Mavenir. Many of our existing and potential competitors enjoy substantial competitive advantages, such as: • greater name recognition and longer operating histories; • larger sales and marketing budgets and resources; • broader distribution and established relationships with customers; • greater access to larger customer bases; • greater customer support resources; • greater manufacturing resources; • the ability to leverage their sales efforts across a broader portfolio of products; • the ability to leverage purchasing power with vendor subcomponents; • the ability to incorporate additional functionality into their existing products; • the ability to bundle offerings with other products and services; • the ability to set more aggressive pricing policies; • lower labor and development costs; • greater resources to fund research and development or otherwise acquire new product offerings; • larger intellectual property portfolios; and • substantially greater financial, technical, research and development or other resources. Our ability to compete will depend upon our ability to provide a comparable or better solution than our competitors at a price that offers superior value. We may be required to make substantial additional investments in research, development, sales and marketing in order to respond to our competition. We also expect increased competition if our market continues to expand. Conditions in our market could change rapidly and significantly as a result of technological advancements or other factors. Current or potential competitors may be acquired by third parties that have greater resources available than we do. Our current or potential competitors might take advantage of the greater resources of the larger organizations resulting from these acquisitions to compete more vigorously or broadly with us. In addition, continued industry consolidation might adversely affect customers' perceptions of the viability of smaller and even medium-sized companies, such as us, and, consequently, customers' willingness to purchase from us. Further, certain large customers may develop broadband infrastructure solutions for internal use and / or to broaden their portfolios of internally developed resources, which could allow these customers to become new competitors in our market. Risks Relating to Sales Timing of large orders and seasonality in our revenue may cause our quarterly revenue and results of operations to fluctuate and possibly decline materially from quarter to quarter. Our customers tend to make large perpetual license purchases from us when initiating or upgrading services based on our solutions, followed by smaller purchases for maintenance and ongoing support. In addition, for our cable products, purchases by existing customers of capacity expansions can also involve large individual orders that may represent a significant portion of our revenue for a fiscal quarter, which may also have a significant impact on our quarterly gross margin due to these capacity expansions generating higher gross margins than our initial hardware-based deployments. As a result of all of these factors, our quarterly revenue and results of operations, including our gross margin, may be significantly impacted by one or a small number of large individual orders. For example, any cancellation of orders or any acceleration or delay in anticipated product purchases or the acceptance of shipped products by a large customer could materially affect our revenue and results of operations in any quarterly period. We may be unable to sustain or increase our revenue from other new or existing customers to offset the discontinuation of purchases by one of our larger customers. As a result, our quarterly revenue and results of operations are difficult to estimate and may fluctuate or decline materially from quarter to quarter. In addition, although this was not the case for the year ended December 31, 2021, historically there have been significant seasonal factors which may cause revenue to be greater for the first and fourth quarters of our fiscal year as compared to the second and third quarters. We believe that this seasonality results from a number of factors, including the procurement, budgeting and deployment cycles of many of our customers. These seasonal variations may cause our quarterly revenue and results of operations to fluctuate or decline materially from quarter to quarter. Our sales to the CSP market are volatile and our sales cycles can be long and unpredictable. As a result, our sales and revenue are difficult to predict and may vary substantially from period to period, which may cause our revenue and results of operations to fluctuate and possibly decline significantly. Our sales to the CSP market have been characterized by large and sporadic purchases and long sales cycles. Sales activity often depends upon the stage of completion of expanding network infrastructures, the availability of funding and the extent to which CSPs are affected by regulatory, economic and business conditions in the countries in which they operate. In addition, the timing of our sales and revenue recognition is difficult to forecast because of the unpredictability of our products' sales cycles. A sales cycle is the period between initial contact with a prospective customer and the sale of our products to that customer. Customer orders often involve the purchase of multiple products. These orders are complex and difficult to obtain because prospective customers generally consider a number of factors over an extended period of time before committing to purchase the products and solutions we sell. Customers, especially in the case of our large customers, often view the purchase of our products as a significant and strategic decision and require considerable time to evaluate, test and qualify our products prior to making a purchase decision and placing an order. The length of time that customers devote to their evaluation, contract negotiation and budgeting processes varies significantly, but can often exceed 24 months. During the sales cycle, we expend significant time and money on sales and marketing activities and make investments in evaluation equipment, all of which are included in our selling, general and administrative expenses and

lower our operating margins, particularly if no sale occurs. Even if a customer decides to purchase our products, there are many factors affecting the timing of our recognition of revenue, which makes our revenue difficult to forecast. For example, the sale of our products may be subject to acceptance testing or there may be unexpected delays in a customer's internal procurement processes, particularly for some of our larger customers, for whom our products represent a very small percentage of their total procurement activity. These factors may result in our inability to recognize revenue for months, or in some rare instances, for years following a sale. In addition, other factors that are specific to particular customers can affect the timing of their purchases and the variability of our revenue recognition, including the strategic importance of a particular project to a customer, budgetary constraints and changes in their personnel. For all of these reasons, it is difficult to predict whether a sale will be completed, the particular period in which a sale will be completed and the period in which revenue from a sale will be recognized. If our sales cycles lengthen, our revenue could be lower than expected, which could have a material adverse effect on our business, financial condition, results of operations and prospects. We are exposed to the credit risk of some of our customers and to credit exposures in the event of turmoil in the credit markets, which could result in material losses. Due to our reliance on significant customers, we are dependent on the continued financial strength of these customers. If one or more of our significant customers experience financial difficulties, it could result in uncollectible accounts receivable and our loss of these customers and anticipated revenue. The majority of our sales are on an open credit basis, with typical payment terms of 90 days or less. We monitor individual customer payment capability in granting such open credit arrangements, seeking to limit such open credit to amounts we believe our customers can pay and maintain reserves we believe are adequate to cover exposure for doubtful accounts. However, there can be no assurance that our open credit customers will pay the amounts they owe to us or that the reserves we maintain will be adequate to cover such credit exposure. Our customers' failure to pay and / or our failure to maintain sufficient reserves could have a material adverse effect on our consolidated financial statements. In addition, in the event that turmoil in the credit markets makes it more difficult for some customers to obtain financing, those customers' ability to pay could be adversely impacted, which in turn could have a material adverse impact on our business and operations. A portion of our sales is also derived through our resellers, which tend to have more limited financial resources than other customers and to present increased credit risk. Our resellers also typically have the ability to terminate their agreements with us for any reason upon advance written notice.

Risks Relating to Concentration of Our Business We expect certain of our customers will continue to represent a substantial portion of our revenue. Historically, certain of our customers have accounted for a significant portion of our revenue. For example, sales to **Bell Canada represented 13 % of our revenue for the year ended December 31, 2022; sales to AT & T represented 22 % and 11 % of our revenue for the years ended December 31, 2021 and 2020, respectively; and sales to National Broadband Network represented 20 % and 12 % of our revenue for the years ended December 31, 2020 and 2019, respectively; and sales to Charter Communications accounted for 14 % of our revenue for the year ended December 31, 2020**. Based on their historical purchasing patterns, we expect that our large customers will continue to account for a substantial portion of our revenue in future periods. However, we are party to ordinary course agreements with most of our customers. These agreements generally do not include binding annual purchasing commitments, and actual purchases can vary significantly from year to year. The fact that a customer represents a significant percentage of revenue in any given year does not guarantee or imply that the same customer will represent a similar or greater percentage of revenue in any future year. Additionally, our customers generally make purchases from us on a purchase- order basis rather than pursuant to long- term contracts, and those that do enter long- term contracts typically have the right to terminate their contracts for convenience. As a result, we generally have no assurances that these large customers will continue to purchase our solutions. We may also see consolidation of our customer base, which could result in loss of customers. In addition, some of our large customers have used, and may in the future use, the sizes and relative importance of their orders to our business to require that we enter into agreements with more customer- favorable terms than we would otherwise agree to and obtain price concessions. The loss of a significant customer, a significant delay or reduction in purchases by large customers or significant price concessions to one or more large customers could have a material adverse effect on our business, financial condition, results of operations and prospects. If we are unable to sell additional products to our existing customers, our revenue will be adversely affected. To increase our revenue, we must sell additional products to our existing customers and add new customers. We expect that a substantial portion of our future sales will be follow- on sales to existing customers. For example, one of our sales strategies is to target sales of capacity expansions and implementation of wireless solutions at our current cable customers because they are familiar with the operational and economic benefits of our solutions. However, our existing customers may choose to use other providers for their infrastructure needs. If we fail to sell additional products to our existing customers, our business, financial condition, results of operations and prospects could be materially adversely affected. We may have difficulty attracting new large customers or acquiring new customers due to the high costs of switching broadband equipment. CSPs typically need to make substantial investments when deploying network infrastructure, which can delay a purchasing decision. Once a CSP has deployed infrastructure for a particular portion of its network, it is often difficult and costly to switch to another vendor's infrastructure. Unless we are able to demonstrate that our products offer significant performance, functionality or cost advantages that outweigh a customer's expense of switching from a competitor's product, it will be difficult for us to generate sales once that competitor's equipment has been deployed. Accordingly, if a customer has already deployed a competitor's product for its broadband infrastructure, it may be difficult for us to sell our products to that customer. If we fail to attract new large customers or acquire new customers, our business, financial condition, results of operations and prospects could be materially adversely affected. Our converged cable access platform, or CCAP, solutions currently represent a significant percentage of our product sales **and there is an expected transition to virtualized CCAP solutions by our cable broadband customers**; our business would be adversely affected in the event we are unable to sell one or more of our CCAP products **due to this expected technology transition, or the move to virtualized CCAP solutions does not offset any declines in our CCAP product offerings**. Historically, we have generated the majority of our revenue from the cable market with our converged cable access platform, or CCAP. ~~In~~ **Since** 2019,

as we became more diversified via expansion of our target markets to include wireless and fixed- line broadband solutions, and following our acquisition of NetComm, the share of wireless and fixed- line **broadband** products in our revenue mix has increased. However, even as our business expands increasingly into wireless and fixed- line broadband solutions, we remain heavily dependent upon the sales of our CCAP solutions. In the event we are unable to market and sell these products or any future product that represents a substantial amount of our revenue, our business, financial condition, **results of operations and prospects could be materially adversely affected.**

Risks Related to Our International Dealings We generate a significant amount of revenue from sales to customers outside of the United States and have increased geographic diversity of our revenues following the acquisition of NetComm; we are therefore subject to a number of risks associated with international sales and operations. We have extensive international operations and generate a significant amount of revenue from sales to customers in Asia- Pacific, Europe and Latin America. Our ability to grow our business and our future success will depend to a significant extent on our ability to continue to expand our operations and customer base worldwide. To this end, in the third quarter of 2019, we completed the acquisition of NetComm, an Australian public company. As a result of our international reach, we must hire and train experienced personnel to staff and manage our foreign operations. To the extent that we experience difficulties in recruiting, training, managing and retaining an international staff, and specifically staff related to sales management and sales personnel, we may experience difficulties in sales productivity in foreign markets. We also enter into strategic relationships with resellers and sales agents in certain international markets where we do not have a local presence. If we are not able to maintain these relationships or to recruit additional companies to enter into reseller and sales agent relationships, our future success in these international markets could be limited. Business practices in the international markets that we serve may differ from those in the United States, and may require us in the future to include terms other than our standard terms in customer contracts. To the extent that we may enter into customer contracts in the future that include non- standard terms related to payment, warranties or performance obligations, our business, financial condition, results of operations and prospects could be materially adversely affected. Our international sales and operations are subject to a number of risks, including the following:

- greater risk of unexpected changes in regulatory practices, tariffs and tax laws and treaties;
- greater difficulty in enforcing contracts and accounts receivable collection and longer collection periods;
- increased expenses incurred in establishing and maintaining our international operations;
- fluctuations in exchange rates between the U. S. dollar and foreign currencies where we do business;
- greater difficulty and costs in recruiting local experienced personnel;
- wage inflation in certain growing economies;
- general economic and political conditions in these foreign markets;
- economic uncertainty around the world as a result of sovereign debt issues;
- communication and integration problems resulting from cultural and geographic dispersion;
- limitations on our ability to access cash resources in our international operations;
- ability to establish necessary business relationships and to comply with local business requirements;
- risks associated with trade restrictions and foreign legal requirements, including the importation, certification and localization of our products required in foreign countries;
- the uncertainty of protection for intellectual property rights in some countries;
- delays resulting from our need to comply with foreign cybersecurity laws;
- greater risk of a failure of our operations and employees to comply with both U. S. and foreign laws and regulations, including antitrust regulations; the U. S. Foreign Corrupt Practices Act of 1977, as amended, or the FCPA; privacy and data protection laws and regulations and any trade regulations ensuring fair trade practices; and
- heightened risk of unfair or corrupt business practices in certain geographies and of improper or fraudulent sales arrangements that may impact financial results and result in restatements of, or irregularities in, financial statements.

These and other factors could harm our ability to gain future international revenue and, consequently, materially adversely affect our business, financial condition, results of operations and prospects. Expanding our existing international operations and entering into additional international markets will require significant management attention and financial commitments. Our failure to successfully manage our international operations and the associated risks effectively could limit our future growth or materially adversely affect our business, financial condition, results of operations and prospects. We have significant operations in China, where many of the risks listed above are particularly acute. Import tariffs and other restrictions imposed by the **United States U. S.** government and related retaliatory action taken by China could significantly increase, among other things, which could cause an increase in the costs of raw materials, manufacturing of our products and costs for goods imported into the **United States U. S.**, all of which could have a material adverse effect on our business and results of operations. Any such trade barriers could reduce customer demand for our products if our customers have to pay increased prices for our products as a result of such policies. In addition, such policies may have a similar impact on other suppliers and certain customers, which could increase the negative impact on our operating results or future cash flows. Although we have not experienced a significant increase in the cost of our operations, if we were to do so, our products could become less competitive than those of our competitors whose imports are not subject to these trade policies. We rely on resellers and sales agents to sell our products into certain international markets, and the loss of such resellers and sales agents could delay or harm our ability to deliver our products to our customers. We rely upon resellers and sales agents to coordinate sales and distribution of our products in certain international markets. We provide our resellers and sales agents with specific training and programs to assist them in selling our products, but these steps may not be effective. In addition, our resellers and sales agents may be unsuccessful in marketing, selling and supporting our products and services. If we are unable to develop and maintain effective sales incentive programs for our resellers and sales agents, we may not be able to incentivize these resellers and sales agents to sell our products to customers. Any of our resellers and sales agents could elect to consolidate or enter into a strategic partnership with one of our competitors, which could reduce or eliminate our future opportunities with that reseller or sales agent. Our agreements with our resellers and sales agents may generally be terminated for any reason by either party with advance notice. We may be unable to retain these resellers and sales agents or secure additional or replacement resellers and sales agents. The replacement of one or more of our significant resellers or sales agents requires extensive training, and any new or expanded relationship with a reseller or sales agent may take several months or more to achieve productivity. Any of these events could materially adversely affect our business, financial condition, results of

operations and prospects. We are subject to governmental export and import controls and similar restrictions that could impair our ability to compete in international markets or subject us to liability if we violate them. Our products may be subject to various export controls and because we incorporate encryption technology into certain of our products, certain of our products may be exported from various countries only with the required export license or through an export license exception. Furthermore, certain export control and economic sanctions laws prohibit the shipment of certain products, technology, software and services to embargoed countries and sanctioned governments, entities, and persons. If we fail to comply with the applicable export control laws, customs regulations, economic sanctions or other applicable laws, we could be subject to monetary damages or the imposition of restrictions which could materially adversely affect our business, financial condition, results of operations and prospects and could also harm our reputation. Further, there could be criminal penalties for knowing or willful violations, including incarceration for culpable employees and managers. Obtaining the necessary export license or other authorization for a particular sale may be time-consuming and may result in the delay or loss of sales opportunities. In addition, various countries regulate the importation of certain encryption technology and products, including through import permit and license requirements, and have enacted laws that could limit our ability to distribute our products or could limit our customers' ability to implement our products in those countries. Any change in export or import regulations, economic sanctions or related legislation, shift in the enforcement or scope of existing regulations, or change in the countries, governments, persons or technologies targeted by such regulations could result in decreased use of our products by, or in our decreased ability to export or sell our products to, existing or potential customers with international operations or create delays in the introduction of our products into international markets. Any decreased use of our products or limitation on our ability to export or sell our products could materially adversely affect our business, financial condition, results of operations and prospects.

Risks Relating to Solutions

Risks Related to Quality Our products are necessary for the operation of our customers' broadband service operations. Product quality problems, warranty claims, services disruptions, or other defects, errors or vulnerabilities in our products or services could harm our reputation and materially adversely affect our business, financial condition, results of operations and prospects. We assist our customers in the operation of their broadband service operations. Failure of our products could result in significant interruptions in our customers' capabilities to maintain their networks and operations. Further, unsatisfactory performance could cause us to lose revenue or market share, increase our service costs, cause us to incur substantial costs in analyzing, correcting or redesigning our products, cause us to lose significant customers, subject us to liability for damages and divert our resources from other tasks, any one of which could materially adversely affect our business, financial condition, results of operations and prospects. In addition, sophisticated hardware and operating system software and applications that we produce or procure from third parties may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation of our products. Such defects could result in warranty claims or claims by customers for losses that they sustain or, in some cases, could allow customers to claim damages. In the past, we have had to replace certain components of products that we had shipped or provide remediation in response to the discovery of defects or bugs from failures in software protocols. Limitation of liability provisions in our standard terms and conditions of sale, and those of our resellers and sales agents, may not be enforceable under some circumstances or may not fully or effectively protect us from end-customer claims and related liabilities and costs. In some cases, including with respect to indemnification obligations under many of our agreements with customers and resellers, our contractual liability may be uncapped. The sale and support of our products also entail the risk of product liability claims. We maintain insurance to protect against certain types of claims associated with the use of our products, but our insurance coverage may not adequately cover any such claims. In addition, even claims that ultimately are unsuccessful could result in expenditures of funds in connection with litigation and divert management's time and other resources. Our ability to sell our products is highly dependent on the quality of our support and services offerings, and our failure to offer high-quality support and services could have a material adverse effect on our business, financial condition, results of operations and prospects. Once our products are deployed within our customers' networks, our customers depend on our support organization to resolve any issues relating to our products. Our provision of high-quality support is critical for the successful marketing and sale of our products. If we do not assist our customers in deploying our products effectively, do not succeed in helping our customers resolve post-deployment issues quickly or do not provide adequate ongoing support, it could adversely affect our ability to sell our products to existing customers and could harm our reputation with potential customers. In addition, our standard sales contracts require us to provide minimum service requirements to our customers on an ongoing basis and our failure to satisfy these requirements could expose us to claims under these contracts. Our failure to maintain high-quality support and services, including compliance with our contractual minimum service obligations, could have a material adverse effect on our business, financial condition, results of operations and prospects.

Risks Related to Research and Development We may not generate positive returns on our research and development investments. Developing our products is expensive, and the investment in product development may involve a long payback cycle or may result in investments in technologies or standards that do not get adopted in the timeframe we anticipate, or at all. For the years ended December 31, **2022**, ~~2021~~, ~~and 2020 and 2019~~, our research and development expenses were **\$ 85.2 million, or approximately 29.7 % of our revenue**, ~~\$ 84.4 million, or approximately 21.0 % of our revenue, and \$ 84.4 million, or approximately 21.5 % of our revenue and \$ 83.3 million, or approximately 29.5 % of our revenue~~, respectively. We expect to continue to invest in software and hardware development in order to expand the capabilities of our **wireless and fixed and wireless-line** broadband infrastructure solutions, introduce new products and features and build upon our technology leadership, and our research and development expenses may continue to increase in absolute dollars and as a percentage of revenue from ~~2021 to 2022~~ **to 2023**. Our investments in research and development may not generate positive returns in a timely fashion or at all. Our products must interoperate with operating systems, software applications and hardware, and comply with industry standards, that are developed by others, and if we are unable to devote the necessary resources for our products to interoperate with such software and hardware and comply with such standards, we may lose or fail to increase market share and

experience a weakening demand for our products. Generally, our products comprise only a part of and must interoperate with our customers' existing infrastructure, specifically their networks, servers, software and operating systems, which may be manufactured by a wide variety of vendors and original equipment manufacturers. Our products must also comply with industry standards, such as Data Over Cable Service Interface Specification, or DOCSIS, 3.0 and 3.1, and standards promulgated by the 3rd Generation Partnership Project, or 3GPP, a standards organization which develops protocols for mobile technology, which are established by third parties, in order to interoperate with such servers, storage, software and other networking equipment such that all systems function efficiently together. We may depend on other vendors to support prevailing industry standards. Also, some industry standards may not be widely adopted or implemented uniformly and competing standards and other approaches may emerge that may be preferred by our customers. In addition, when new or updated versions of these industry standards, software systems or applications are introduced, we must sometimes develop updated versions of our software so that our products will interoperate properly. We may not accomplish these development efforts quickly, cost-effectively or at all. These development efforts require capital investment and the devotion of engineering resources. If we fail to maintain compatibility with these systems and applications, our customers may not be able to adequately utilize our products, and we may lose or fail to increase market share and experience a weakening in demand for our products, among other consequences, which could materially adversely affect our business, financial condition, results of operations and prospects.

Risks Related to Our Operations

Risks Related to Internal Resources

Our operations have experienced rapid growth in recent years, and if we do not appropriately manage any future growth or are unable to improve our systems and processes, our business, financial condition, results of operations and prospects will be adversely affected. We have experienced rapid growth in the scope and complexity of our operations in recent years and are investing in growing our suite of solutions for cable, **wireless and fixed-line broadband and wireless** service providers. This has placed a strain on our management, administrative, operational and financial infrastructure. Our headcount increased from 743 as of December 31, 2018, to 1,004 **043** as of December 31, **2021-2022**, and we anticipate continuing to increase our headcount as needed based on future growth. As we have grown, we have had to manage an increasingly larger and more complex array of internal systems and processes to scale with all aspects of our business, including our software development, contract manufacturing and purchasing, logistics and fulfillment and sales, maintenance and support. Our success will depend in part upon our ability to manage our growth effectively. To do so, we must continue to increase the productivity of our existing employees and continue to hire, train and manage new employees as needed. To manage domestic and international growth of our operations and personnel, we will need to continue to improve our operational, financial and management controls and our reporting processes and procedures and implement more extensive and integrated financial and business information systems. We may not be able to successfully implement these or other improvements to our systems and processes in an efficient or timely manner, and we may discover deficiencies in their capabilities or effectiveness. Our failure to improve our systems and processes, or their failure to operate effectively and in the intended manner, may result in disruption of our current operations and customer relationships, our inability to manage the growth of our business, and our inability to accurately forecast our revenue, expenses and earnings. If we are unable to hire, retain, train and motivate qualified personnel and senior management, ~~including in particular our founders~~, our business, financial condition, results of operations and prospects could be adversely affected. Our future success depends, in part, on our ability to continue to attract and retain highly skilled personnel, particularly software engineering and sales personnel. Competition for highly skilled personnel is often intense, particularly in the greater Boston region where we are headquartered, and we may not be able to attract and retain the highly skilled employees that we need to support our business. Many of the companies with which we compete for experienced personnel have greater resources than we have to provide more attractive compensation packages and other amenities. Research and development personnel are aggressively recruited by startup and growth companies, which are especially active in many of the technical areas and geographic regions in which we conduct product development. In addition, in making employment decisions, particularly in the high-technology industry, job candidates often consider the value of the stock-based compensation they are to receive in connection with their employment. Declines in the market price of our stock could adversely affect our ability to attract, motivate or retain key employees. If we are unable to attract or retain qualified personnel, or if there are delays in hiring required personnel, our business, financial condition, results of operations and prospects could be materially adversely affected. Also, to the extent we hire personnel from competitors, or from certain customers or other third parties whose employees we have agreed not to solicit, we may be subject to allegations that such personnel have been improperly solicited, that such personnel have divulged proprietary or other confidential information, or that former employers own certain inventions or other work product. Such claims could result in litigation. Our future performance also depends on the continued services and continuing contributions of our ~~founders and~~ senior management to execute our business plan and to identify and pursue new opportunities and product innovations. Our employment arrangements with our employees do not require that they continue to work for us for any specified period, and therefore, they could terminate their employment with us at any time. **Further** ~~In particular~~, the loss of ~~Jerry Guo, our President and Chief Executive Officer, and Weidong Chen, our Chief Technology Officer, could have a material adverse impact on our business.~~ ~~Further, the loss of other~~ members of our senior management team, sales and marketing team or engineering team, or any difficulty attracting or retaining other highly qualified personnel in the future, could significantly delay or prevent the achievement of our development and strategic objectives, which could materially adversely affect our business, financial condition, results of operations and prospects. **We** ~~Except with respect to Mr. Guo, we~~ do not maintain "key person" life insurance on our officers, directors or key employees. If we do not effectively expand and train our direct sales force, we may be unable to increase sales to our existing customers or add new customers, and our business will be adversely affected. We depend on our direct sales force to increase sales with existing customers and to obtain new customers. As such, we have invested and will continue to invest substantially in our sales organization. ~~In recent periods, we have been adding personnel to our sales function as we focus on growing our business, entering new markets and increasing our market share.~~ There is significant

competition for sales personnel with the skills and technical knowledge that we require. Our ability to achieve significant revenue growth will depend, in large part, on our success in recruiting, training, retaining and integrating sufficient numbers of sales personnel to support our growth, particularly in international markets. In addition, we have ~~significantly~~ increased the number of personnel in our sales and marketing departments ~~over time in recent periods~~, with headcount growing from 142 as of December 31, 2018, to ~~181~~ **171** as of December 31, ~~2021~~ **2022**. New hires require significant training and may take significant time before they achieve full productivity. Our recent hires and planned hires may not become productive as quickly as we expect, and we may be unable to hire, retain or integrate into our corporate culture sufficient numbers of qualified individuals in the markets where we do business or plan to do business. If we are unable to hire, integrate and train a sufficient number of effective sales personnel, or the sales personnel we hire are not successful in obtaining new customers or increasing sales to our existing customer base, our business, financial condition, results of operations and prospects could be materially adversely affected.

Risks Related to Supply Chain and Inventory Management Because we depend on third- party manufacturers to build our hardware, we are susceptible to manufacturing delays and pricing fluctuations that could prevent us from delivering customer orders on time, if at all, or on a cost- effective basis, which may result in the loss of sales and customers. We depend on third- party contract manufacturers to manufacture our product hardware. A significant portion of our cost of revenue consists of payments to these third- party contract manufacturers. Our reliance on these third- party contract manufacturers reduces our control over the manufacturing process, quality assurance, product costs and product supply and timing, which exposes us to risk. To the extent that our products are manufactured at facilities in foreign countries, we may be subject to additional risks associated with complying with local rules and regulations in those jurisdictions. If we are unable to manage our relationships with our third- party contract manufacturers effectively, or if these third- party manufacturers suffer delays or disruptions for any reason, experience increased manufacturing lead times, capacity constraints or quality control problems in their manufacturing operations or fail to meet our future requirements for timely delivery, our ability to ship products to our customers would be severely impaired, and our business, financial condition, results of operations and prospects could be materially adversely affected. Our contract manufacturers typically fulfill our supply requirements on the basis of individual orders. We do not have long- term contracts with our third- party manufacturers that guarantee capacity, the continuation of particular pricing terms or the extension of credit limits. Accordingly, they are not obligated to continue to fulfill our supply requirements, which could result in supply shortages and increases in the prices for manufacturing services on short notice. We may not be able to develop ~~alternate~~ **alternative** contract manufacturers in a timely manner, or at all. If we add or change contract manufacturers or change any manufacturing plant locations within a contract manufacturer network, we would add additional complexity and risk to our supply chain management. In addition, we may be subject to significant challenges in ensuring that quality, processes and costs, among other issues, are consistent with our expectations and those of our customers. A new contract manufacturer or manufacturing location may not be able to scale its production of our products at the volumes or quality we require. This could also adversely affect our ability to meet our scheduled product deliveries to our customers, which could damage our customer relationships and cause the loss of sales to existing or potential customers, late delivery penalties, delayed revenue or an increase in our costs which could adversely affect our gross margins. This could also result in increased levels of inventory subjecting us to increased excess and obsolete charges that could have a negative impact on our results of operations. Certain of our products are currently manufactured by a single contract manufacturer. While we believe there are other contract manufacturers with appropriate production capabilities, it would require significant time and resources before an alternative vendor could commence production of our products. Thus, should our current vendor experience a disruption in operation or other manufacturing issues, we could experience additional difficulty in filling customer orders for those products. This could materially, adversely impact our business, financial condition, results of operations and prospects. Because some of the key components in our products come from limited sources of supply, we are susceptible to supply shortages or supply changes, which could disrupt or delay our scheduled product deliveries to our customers and may result in the loss of sales and customers. Our products rely on key components that our contract manufacturers purchase on our behalf from a limited number of suppliers, including Altera, Analog Devices, Bell Power, Broadcom, Intel, Marvell, Maxim, Mini- Circuits, Qorvo, Qualcomm, Quectel, TTM Technologies and Xilinx. We do not have guaranteed supply contracts with any of our component suppliers, and our suppliers could delay shipments or cease manufacturing such products or selling them to us at any time. The development of alternate sources for those components is time- consuming, difficult and costly. If we are unable to obtain a sufficient quantity of these components on commercially reasonable terms or in a timely manner, sales of our products could be delayed or halted entirely, or we may be required to redesign our products. For example, as a result of COVID- 19, certain of our components may be in short supply or may be delayed in reaching our contract manufacturers worldwide. These events could result in lost sales and damage to our customer relationships, which would adversely impact our business, financial condition, results of operations and prospects. In the event of a shortage or supply interruption from our component suppliers, we may not be able to develop alternate or secondary sources in a timely manner, on commercially reasonable terms or at all. In addition, certain of our customer contracts require us to notify our customers of any discontinuation of the products that we supply to them and to provide support for discontinued products, and lack of supply from our suppliers could leave us unable to fulfill our customer support obligations. Adverse changes to our relationships with our sole suppliers could result in lost sales and damage to our customer relationships, which would adversely impact our business, financial condition, results of operations and prospects. We base our inventory requirements on our forecasts of future sales. If these forecasts are materially inaccurate, we may procure inventory that we may be unable to use in a timely manner or at all. We and our contract manufacturers procure components and build our products based on our forecasts. These forecasts are based on estimates of future demand for our products, which are in turn based on historical trends and analyses from our sales and marketing organizations, adjusted for overall market conditions. To the extent our forecasts are materially inaccurate or if we otherwise do not need such inventory, we may under- or over- procure inventory, and such inaccuracies in our forecasts could subject us to contractual damages and otherwise materially adversely affect our

business, financial condition, results of operations and prospects. **Risks Related to Our Financial Condition.....** lenders, were **first repaid in full**. Risks Related to Information Technology Systems and Data Protection Breaches of our cybersecurity systems and measures could degrade our ability to conduct our business operations and deliver products and services to our customers, delay our ability to recognize revenue, compromise the integrity of our products, result in significant data losses and the theft of our intellectual property, damage our reputation, expose us to liability to third parties and require us to incur significant additional costs to maintain the security of our networks and data. We are increasingly dependent upon our IT systems to conduct virtually all of our business operations, ranging from our internal operations and product development activities to our marketing and sales efforts and communications with our customers and business partners. Certain persons and entities may attempt to penetrate our network and systems, or of the systems hosting our website, and may otherwise seek to misappropriate our proprietary or confidential information or cause interruptions of our service. Because the techniques used by such persons and entities to access or sabotage networks and systems change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques. We have also outsourced a number of our business functions to third parties, including our manufacturers and logistics providers, and our business operations also depend, in part, on the success of these third parties' own cybersecurity measures. Additionally, we depend upon our employees and independent contractors to appropriately handle confidential data and deploy our IT resources in a safe and secure fashion that does not expose our network systems to security breaches and the loss of data. Accordingly, if any of our cybersecurity systems, processes or policies, or those of any of our manufacturers, logistics providers, customers or independent contractors, fail to protect against unauthorized access, sophisticated hacking or terrorism and the mishandling, misuse, or misappropriation of data by employees, contractors or other persons or entities, our ability to conduct our business effectively could be damaged in a number of ways, including: • sensitive data regarding our business, including intellectual property, personal information and other confidential and proprietary data, could be leaked or stolen; • our electronic communications systems, including email and other methods, could be disrupted, and our ability to conduct our business operations could be seriously damaged until such systems can be restored; • our ability to process customer orders and electronically deliver products and services could be degraded, and our distribution channels could be disrupted, resulting in delays in revenue recognition, damage to our relationships with customers and prospective customers and damage to our reputation; • defects and security vulnerabilities could be introduced into our software, products, network and systems, thereby damaging our reputation and perceived reliability and security of our products and potentially making the systems of our customers vulnerable to data loss and cyber incidents; and • personally identifiable data relating to various parties, including end users, employees and business partners could be compromised. Should any of the above events occur, we could be subject to significant claims for liability from our customers, employees or others and regulatory investigations or actions from governmental agencies. In addition, our ability to protect our intellectual property rights could be compromised and our reputation and competitive position could be significantly harmed. Any regulatory, contractual or other actions, ~~litigations~~ **litigation**, investigations, fines, penalties and liabilities relating to any actual or alleged misuse or misappropriation of personal data or other confidential or proprietary information could be significant in terms of monetary exposure and reputational impact and necessitate changes to our business operations that may be disruptive to us. Additionally, we could incur significant costs in order to upgrade our cybersecurity systems, processes, policies and procedures and remediate damages. Consequently, our financial performance and results of operations could be materially adversely affected. Risks Related to Acquisitions We may invest in or acquire other businesses, which could require significant management attention, disrupt our business, dilute stockholder value and adversely affect our business, financial condition, results of operations and prospects. As part of our growth strategy, we may make investments in or acquire complementary companies, products or technologies. ~~For example, on July 1, 2019, we announced that we closed the acquisition of NetComm in Australia for cash consideration of AUD \$ 162.0 million (USD \$ 112.7 million, based on an exchange rate of USD \$ 0.700 per AUD \$ 1.00 on July 1, 2019).~~ We do not have significant experience in making investments in other companies nor have we made a significant number of acquisitions to date, and as a result, our ability as an organization to evaluate and / or complete investments or acquire and integrate other companies, products or technologies in a successful manner is unproven. We may not be able to find suitable future investment or acquisition candidates, and we may not be able to complete such investments or acquisitions on favorable terms, if at all. Our acquisition of **a target company, including our acquisition of NetComm**, may not achieve the objectives we have outlined for our stockholders or strengthen our competitive position. ~~If Our past acquisitions, such as NetComm, or any investments or acquisitions~~ we complete **in the future additional investments or acquisitions**, we may not ultimately strengthen our competitive position or achieve our goals, and ~~any such~~ **such** investments or acquisitions ~~we complete~~ could be viewed negatively by our customers, investors and securities analysts. In addition, current and future investments and acquisitions may result in unforeseen operating difficulties and expenditures. For example, if we are unsuccessful at integrating any acquisitions or retaining key talent from those acquisitions, or the technologies associated with such acquisitions, into our company, the business, financial condition, results of operations and prospects of the combined company could be materially adversely affected. Any integration process may require significant time and resources, and we may not be able to manage the process successfully. We may not successfully evaluate or utilize the acquired technology or personnel or accurately forecast the financial effects of an acquisition transaction, including accounting charges. We may have to pay cash, incur debt or issue equity securities to pay for any such investment or acquisition, each of which could adversely affect our financial condition or the market price of our common stock. The sale of equity or issuance of convertible debt to finance any such acquisitions could result in dilution to our stockholders. The incurrence of indebtedness would result in increased fixed obligations and could also include covenants or other restrictions that would impede our ability to manage our operations. Moreover, if the investment or acquisition becomes impaired, we may be required to take an impairment charge, which could adversely affect our financial condition or the market price of our common stock. Risks Related to Litigation Litigation could distract management, increase our expenses or subject us to material money damages and other

remedies. We **have been** are subject to multiple putative class action lawsuits alleging federal securities law violations in connection with our initial public offering and our subsequent follow-on offering, and may **in the future** be involved from time to time in various **additional** legal proceedings, including, but not limited to, actions relating to breach of contract or intellectual property infringement that might necessitate changes to our business or operations. Regardless of whether any claims against us have merit, or whether we are ultimately held liable or subject to payment of damages, claims may be expensive to defend and may divert management's time away from our operations. If any legal proceedings were to result in an unfavorable outcome, it could have a material adverse effect on our business, financial position and results of operations. Any adverse publicity resulting from actual or potential litigation may also materially and adversely affect our reputation, which in turn could adversely affect our results.

Risks Related to COVID-19 Pandemic The coronavirus outbreak could **We may continue to experience the negatively -- negative** impact our operations and have an adverse effect on our revenues and /or results of operations. The ongoing COVID-19 pandemic presents various risks to us, not all of which we are able to fully evaluate or even to foresee at the current time, and which could have a material effect upon the estimates and judgments relied upon by management in preparing these consolidated financial statements. While we remain fully operational, during the year ended December 31, 2021, the effects of the ongoing COVID-19 pandemic on **our supply chain, which has had, and may continue to have, an adverse effect on our revenue and results of operations. The effects of the COVID-19 pandemic caused disruptions in our global supply chain had a significant adverse effect on our financial results. In particular, and may continue to do so in certain of our products utilize components, for which there -- the future** has been increased global demand. As a result, throughout **Throughout 2022 and** 2021, and increasingly in the second half of the year, we began to see **experienced shipping bottlenecks and** shortages of supply that resulted in our inability to fulfill certain customer orders within normal lead times. This adversely impacted our revenue and operating results for the **year years** ended December 31, **2022 and** 2021. Additionally, shipping bottlenecks and delays negatively affected our ability to timely fulfill customer orders, thereby delaying our ability to consummate sales and recognize revenue. We have also seen, in some cases, significant increases in shipping costs. While we continue to work with our supply chain, contract manufacturers, logistics partners and customers to minimize the extent of such impacts, we expect the effects of global supply chain issues to continue and cannot predict **if or** when such effects will subside. This may prevent us from being able to fulfill our customers' orders in a timely manner or at all, which could lead to one or more of our customers **canceling -- canceling** their orders. At this time, we are neither able to estimate the extent of these impacts nor predict whether our efforts to minimize or contain them will be successful. **To the extent the We intend to continue to monitor our business very closely for any effects of COVID-19 for as long as necessary pandemic created externalities that benefited our business, we expect that those externalities will not endure**. In addition to the negative impact on our business from global supply chain **constraints challenges** related to COVID-19, we **saw derived** certain benefits that **included decreases -- decreased** in certain operating expenses, such as travel and trade show expense, and. **We also benefited from certain U. S. government tax relief measures, during the years ended December 31, 2022, 2021 and 2020. We expect these These** benefits **began** to gradually diminish **throughout 2022 and may continue to do so** as the various geographies in which we operate **begin continue** to recover from the pandemic **and we resume our typical travel and trade show activities and government tax relief measures lapse. Recent years' financial results may not be indicative of future results due to the disruptions to our business caused by the COVID-19 pandemic**. Due to the **above circumstances impacts from the COVID-19 pandemic** and as described generally in this Annual Report on Form 10-K, **and above**, our results of operations for the **year years** ended December 31, **2022, 2021, and 2020**, are not necessarily indicative of the results to be expected in future periods. Management cannot predict the full impact of the ongoing COVID-19 pandemic on our sales channels, supply chain, manufacturing and distribution, or on economic conditions generally, including the effects on our current and potential customers, who may curtail spending on investments in current and /or new technologies, delay new equipment evaluations and trials, cancel orders, and possibly delay payments based on liquidity concerns, all of which could have a material impact on our business in the future. Similarly, our supply chain and our contract manufacturers could be affected, which could cause disruptions to our ability to meet customer demand or delivery schedules. For **example** the year ended December 31, 2021, we did see certain delays in our supply chain that adversely impacted delivery schedules to our customers. If COVID-19 were to have such effects in the future, there would likely be a material adverse impact on our financial results, liquidity and capital resource needs. This uncertainty makes it challenging for management to estimate the future performance of our business, particularly in the near to medium term and the impact of COVID-19 could have a material adverse impact on our results of operations in the near to medium term. The coronavirus outbreak has resulted in an increase **increased** in demand for certain of our solutions, which may subside or decrease when the pandemic ends. The pandemic and resulting lockdowns have resulted in an increase in demand for residential broadband services, which has in turn led to an increase in demand for certain of our solutions, including our fiber extension home network connection devices and our Fixed Wireless Access Customer Premise Equipment or "CPE" devices. We also saw a shift in demand from our cable customers toward more I-CCAP chassis each quarter. That increase in demand contributed to our strong revenue performance in 2020 and continued in 2021. We **However, we** cannot guarantee that the heightened **such increased** demand for residential broadband services will continue **in the future, or that such increased demand will lead to increased revenues for the duration us. Additionally, predictions and estimates for future periods are necessarily uncertain given potential lingering effects of the pandemic, particularly with respect to or our after supply chain challenges, which could become exacerbated in the event of a resurgence of COVID-19. If supply chain disruptions or other negative impacts of the pandemic ends. We similarly cannot guarantee that even to the extent the heightened demand for residential broadband services continues that we will continue into the future, there** to see heightened demand for our solutions. A decrease in demand for our solutions could **would have likely be** a material adverse impact on our **financial results and results of operations. Risks Related to Inflation** **Rising inflation rates could negatively impact our** revenue and **profitability if increases in the prices of our products and**

services or a decrease in customer spending results of in lower sales. If we are not able to pass cost increases on to our customers, our gross margin and net income would be adversely affected, and the adverse impact may be material. In addition, rising inflation rates have resulted in a significant increase in interest rates, which will also have an adverse impact on our financial results. Recent significant increases in inflation rates may result in decreased demand for our products and services, increased manufacturing and operations—operating costs (including our labor costs), reduced liquidity, and limitations on our ability to access credit or otherwise raise debt and equity capital. In an inflationary environment, because certain of our customer contracts provide for fixed pricing and / or due to our competitor's pricing strategies, we may be unable to raise the sales prices of our products and services at or above the rate at which our costs increase, which would reduce our profit and operating margins and could have a material adverse effect on our financial results. We also may experience lower than expected sales and potential adverse impacts on our competitive position if there is a decrease in customer spending or a negative reaction to any price increases we are able to implement. A reduction in our revenue would be detrimental to our profitability and financial condition and could also have an adverse impact on our future growth. In addition, the U. S. Federal Reserve has raised, and may continue to raise, interest rates in response to concerns about inflation. We have significant outstanding debt that carries interest at variable rates, and thus, increases in interest rates have a material adverse impact on our profitability.

Risks Related to Intellectual Property Risks Related to Our Intellectual Property If we are unable to obtain, maintain or protect our intellectual property rights, our competitive position could be harmed or we could be required to incur significant expenses to enforce our rights. Our success depends, in part, on our ability to protect our proprietary technology. We rely on trade secret, patent, copyright and trademark laws and confidentiality agreements with employees and third parties to protect and enforce our rights to our proprietary technology, all of which offer only limited protection. We have a relatively limited patent portfolio. With respect to the protection of our technology and inventions, we rely to a significant degree on trade secrets. If others independently discover our trade secrets, we would not be able to assert trade secret rights against such parties. Effective trade secret protection may not be available in every country in which our services are available or where we have employees or independent contractors. The loss or unavailability of trade secret protection could make it easier for third parties to compete with our products by copying functionality. In addition, any changes in, or unexpected interpretations of, the trade secret and employment laws in any jurisdiction in which we operate may compromise our ability to enforce our intellectual property rights. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive business position. To protect our trade secrets and other proprietary information, we rely in significant part on confidentiality arrangements with our employees, licensees, independent contractors, advisers and customers. These arrangements may not be effective to prevent disclosure of proprietary information, including trade secrets, and may not provide an adequate remedy in the event of unauthorized disclosure of proprietary information. We rely on patents to protect certain aspects of our proprietary technology in the United States and other jurisdictions. The process of obtaining patent protection is expensive and time-consuming, and we may not be able to prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. We may choose not to seek patent protection for certain innovations and may choose not to pursue patent protection in certain jurisdictions. Further, we cannot guarantee that any of our pending patent applications will result in the issuance of patents or that any patents that do issue from such applications will have adequate scope to provide us with a competitive advantage. There is no assurance that all potentially relevant prior art relating to our patents and patent applications has been found. To the extent that additional patents are issued from our patent applications, which is not certain, third parties may challenge their validity, enforceability or scope, which may result in such patents being narrowed or invalidated. If third parties have prepared and filed patent applications in the United States that also claim technology to which we have rights, we may have to participate in interference proceedings in the United States Patent and Trademark Office to determine priority of invention for patent applications filed before March 16, 2013, or in derivation proceedings to determine inventorship for patent applications filed after such date. In addition, patents have a limited lifespan. In the United States, the natural expiration of a patent is generally 20 years after its effective filing date. Even if patents covering our products are obtained by us or by our licensors, once such patents expire, we may be vulnerable to competition from similar products. Moreover, the rights granted under any issued patents may not provide us with adequate protection or competitive advantages, and, as with any technology, competitors may be able to develop similar or superior technologies to our own now or in the future. Despite our efforts, the steps we have taken to protect our proprietary rights may not be adequate to preclude misappropriation of our proprietary information or infringement of our intellectual property rights, and our ability to police such misappropriation or infringement is uncertain, particularly in countries outside of the United States. Competitors may use our technologies in jurisdictions where we have not obtained or are unable to adequately enforce intellectual property protection to develop their own products. We are also restricted from asserting our intellectual property rights against certain customers under our contracts with them. Detecting and protecting against the unauthorized use of our products, technology and proprietary rights is expensive, difficult and, in some cases, impossible. Litigation may be necessary in the future to enforce or defend our intellectual property rights, to protect our trade secrets or to determine the validity and scope of the proprietary rights of others. Such litigation could result in substantial costs and diversion of management resources, either of which could materially adversely affect our business, financial condition, results of operations and prospects, and there is no guarantee that we would be successful. Furthermore, many of our current and potential competitors have the ability to dedicate substantially greater resources to protecting their technology or intellectual property rights than we do. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating our intellectual property, which could result in a substantial loss of our market share. Even if we did succeed in enforcing our intellectual property through litigation, this may be costly and divert management resources. Finally, certain of our license agreements with our third-party licensors provide for joint ownership of developments or inventions that we create that are related to the subject matter of the

license. Other agreements to which we are subject, including member agreements with standards bodies and research and development consortia, may require us to disclose and / or grant licenses to technology that is related to the subject matter of the standards body or the consortium and included in our contributions to specifications established by these bodies. These agreements could result in third parties having ownership or license rights to important intellectual property with respect to which we otherwise may have elected to maintain exclusive ownership. If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected. We have not applied for trademark registration for our name and logo in all geographic markets. In those markets where we have applied for trademark registration, failure to secure those registrations could adversely affect our ability to enforce and defend our trademark rights and result in indemnification claims. Our registered or unregistered trademarks or trade names, as well as the registered or unregistered trademarks or trade names used by our resellers or distributors associated with our products, may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. Any claim of infringement by a third party, even those claims without merit, could cause us to incur substantial costs defending against such claim, could divert management attention from our business and could require us to cease use of such intellectual property in certain geographic markets. Over the long term, if we, or our resellers or distributors, are unable to establish name recognition based on our trademarks and trade names, then our business may be adversely affected. Risks Related to Third-Party Intellectual Property Unavailability, termination or breach of licenses to third- party software and other intellectual property could materially harm our business. Many of our products and services include software or other intellectual property licensed from third parties, and we otherwise use software and other intellectual property licensed from third parties in our business. We exercise no control over our third- party licensors, and the failure or unsuitability of their software or other intellectual property exposes us to risks that we will have little ability to control. For example, a licensor may have difficulties keeping up with technological changes or may stop supporting the software or other intellectual property that it licenses to us; our licensors may also have the ability to terminate our licenses if the licensed technology becomes the subject of a claim of intellectual property infringement. Also, it will be necessary in the future to renew licenses, expand the scope of existing licenses or seek new licenses, relating to various aspects of these products and services or otherwise relating to our business, which may result in increased license fees. Any new licenses may not be available on acceptable terms, if at all. In addition, a third party may assert that we or our customers are in breach of the terms of a license, which could, among other things, give such third party the right to terminate a license or seek damages from us, or both. The inability to obtain or maintain certain licenses or other rights or to obtain or maintain such licenses or rights on favorable terms, or the need to engage in litigation regarding these matters, could result in delays in releases of products and services and could otherwise disrupt our business, until equivalent technology can be identified, licensed or developed, if at all, and integrated into our products and services or otherwise in the conduct of our business. Moreover, the inclusion in our products and services of software or other intellectual property licensed from third parties on a nonexclusive basis may limit our ability to differentiate our products from those of our competitors. Any of these events could have a material adverse effect on our business, financial condition, results of operations and prospects. Our products contain third- party open source software components, and failure to comply with the terms of the underlying open source software licenses could restrict our ability to sell our products. Our products contain software modules licensed to us by third parties under “ open source ” licenses. Use and distribution of open source software may entail greater risks than use of third- party commercial software, as open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. Some open source licenses contain requirements that we make available source code for modifications or derivative works we create based upon the type of open source software that we use. If we combine our software with open source software in a certain manner, we could, under certain open source licenses, be required to release portions of the source code of our software to the public. This would allow our competitors to create similar products with lower development effort and time and ultimately could result in a loss of product sales for us. Although we monitor our use of open source software to avoid subjecting our products to undesirable conditions, we do not have a formal open source policy in place that gives our developers written guidance on what open source licenses we deem “ safe. ” Further, even where we believe an open source license may have acceptable conditions, the terms of many open source licenses have not been interpreted by U. S. courts, and these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our products. Moreover, we cannot guarantee that our informal processes for controlling our use of open source software in our products will be effective or that our compliance with open source licenses, including notice and attribution requirements, are adequate. If we are held to have breached the terms of an open source software license, we could be required to seek licenses, which may not be available on economically feasible terms, from third parties to continue offering our products, to re- engineer our products, to discontinue the sale of our products if re- engineering could not be accomplished on a timely or commercially reasonable basis, or to make generally available, in source code form, our proprietary code. We also could face infringement claims. Any of the foregoing could materially adversely affect our business, financial condition, results of operations and prospects. Risks Related to Intellectual Property Litigation Assertions by third parties of infringement or other violations by us of their intellectual property rights, or other lawsuits asserted against us, could result in significant costs and materially adversely affect our business, financial condition, results of operations and prospects. Patent and other intellectual property disputes are common in the broadband industry and have resulted in protracted and expensive litigation for many companies. Many companies in the broadband infrastructure industry, including our competitors and other third parties, as well as non- practicing entities, own large numbers of patents, copyrights, trademarks and trade secrets, which they may use to assert claims of patent infringement, misappropriation or other violations of intellectual property rights against us. As discussed in greater detail below, from time to time, they have or may in the future also assert such claims against our customers or certain of our business partners whom we typically indemnify against claims that our products infringe, misappropriate or otherwise violate the intellectual property rights of third parties. As the

number of products and competitors in our market increases and overlaps occur, claims of infringement, misappropriation and other violations of intellectual property rights may increase. Any claim of infringement, misappropriation or other violations of intellectual property rights by a third party, even those without merit, could cause us to incur substantial costs defending against the claim, distract our management from our business and require us to cease use of such intellectual property, which may impact important elements of our business. In addition, some claims for patent infringement may relate to subcomponents that we purchase from third parties. If these third parties are unable or unwilling to indemnify us for these claims, we could be substantially harmed. The patent portfolios of most of our competitors are larger than ours. This disparity may increase the risk that our competitors may sue us for patent infringement and may limit our ability to counterclaim for patent infringement or settle through patent cross-licenses. In addition, future assertions of patent rights by third parties, and any resulting litigation, may involve patent holding companies or other adverse patent owners who have no relevant product revenue and against whom our own patents may therefore provide little or no deterrence or protection. We cannot guarantee that we are not infringing or otherwise violating any third-party intellectual property rights. The third-party asserters of intellectual property claims may be unreasonable in their demands, or may simply refuse to settle, which could lead to expensive settlement payments, prolonged periods of litigation and related expenses, additional burdens on employees or other resources, distraction from our business, supply stoppages and lost sales. Moreover, in recent years, individuals and groups that are non-practicing entities, commonly referred to as “patent trolls,” have purchased patents and other intellectual property assets for the purpose of making claims of infringement in order to extract settlements. From time to time, we receive threatening letters or notices and have been the subject of claims that our solutions and underlying technology infringe or violate the intellectual property rights of others. Responding to such claims, regardless of their merit, can be time-consuming, costly to defend in litigation, divert management’s attention and resources, damage our reputation and brand, and cause us to incur significant expenses. An adverse outcome of a dispute may require us to pay substantial damages including treble damages if we are found to have willfully infringed a third party’s patents; cease making, licensing or using solutions that are alleged to infringe or misappropriate the intellectual property of others; expend additional development resources to attempt to redesign our products or services or otherwise to develop non-infringing technology, which may not be successful; enter into potentially unfavorable royalty or license agreements in order to obtain the right to use necessary technologies or intellectual property rights; and indemnify our partners and other third parties. Any damages or royalty obligations we may become subject to as a result of an adverse outcome, and any third-party indemnity we may need to provide, could materially adversely affect our business, financial condition, results of operations and prospects. Royalty or licensing agreements, if required or desirable, may be unavailable on terms acceptable to us, or at all, and may require significant royalty payments and other expenditures. Further, there is little or no information publicly available concerning market or fair values for license fees, which can lead to overpayment of license or settlement fees. In addition, some licenses may be non-exclusive, and therefore our competitors may have access to the same technology licensed to us. Suppliers subject to third-party intellectual property claims also may choose or be forced to discontinue or alter their arrangements with us, with little or no advance notice to us. Any of these events could materially adversely affect our business, financial condition, results of operations and prospects. Our indemnification obligations to our customers and business partners for claims of intellectual property infringement or misappropriation are relatively broad in scope and could result in significant liability for us. Our agreements with our customers and certain of our business partners typically include broad intellectual property indemnification provisions pursuant to which we may be required to indemnify and hold harmless our customers and partners for all damages, costs, expenses, liabilities, and settlements (including court costs and attorney fees) arising out of any claim, cause of action, demand, lawsuit or other action alleging that the customer or partner’s use, operation or resale of our products infringes a third party’s intellectual property rights or misappropriates a third party’s trade secrets. We do not necessarily have the right to assume the defense of such claims in all instances, and in some cases, we may have such right, but we may decline to take advantage of it. To the extent they control the defense of any such claim, our customers and partners may select legal counsel, agree to legal fee arrangements, or pursue legal strategies that we would not select. In some instances, our customers or partners may be able to settle claims without our consent despite our obligation to contribute in part or in full to any settlement. The resolution of any such claim may require us to procure for our customers or partners the right to continue using the solution in controversy or modifying the solution so that it becomes non-infringing or no longer constitutes a misappropriation. If neither of those options is feasible, we could be required in some instances to refund, in full or in part, the license fee or the purchase price paid in connection with the solution in controversy. For all of these reasons, our potential liability with respect to any demand for indemnification, even if the claim of infringement or misappropriation ultimately fails, could be substantial and could materially adversely affect our business, financial condition, results of operations and prospects. Plaintiffs bringing intellectual property infringement and misappropriation claims often will target defendants perceived to have the deepest pockets. Our customers and certain of our business partners are often significantly larger than we are. As a result, plaintiffs may target our customers and business partners (as opposed to targeting us) for claims alleging infringement or misappropriation by our solutions. We have in the past, and expect that we will continue in the future, to receive demands for intellectual property indemnification from our customers and partners. While the liability we have incurred to date has not been material in any single case or in the aggregate, we cannot guarantee that ~~that~~ in the future we will not incur a material liability under our indemnification obligations. Such a liability, were it to occur, could materially adversely affect our business, financial condition, results of operations and prospects. Risks Related to Our Common Stock Risks Related to Investment in Our Common Stock Our results of operations are likely to vary significantly from period to period and be unpredictable. If we fail to meet the expectations of analysts or investors, the market price of our common stock could decline substantially. Our results of operations have historically varied significantly from period to period, and we expect that this trend will continue. As a result, you should not rely upon our past financial results for any period as indicators of future performance. Our results of operations in any given period can be influenced by a number of factors, many of which are outside of our control and may be difficult to

predict, including the factors described above, as well as: • changes in our pricing, whether initiated by us or as a result of competition; • changes in our product mix, which may vary from period to period and negatively affect our gross margin and overall profitability; • the amount and timing of operating costs and capital expenditures related to the operation and expansion of our business; • changes in the growth rate of the broadband services market or changes in demand for broadband services from our customers' subscribers, which could impact the level of demand for our products; • lengthy product testing or certification processes by our customers of our products, which could significantly delay our ability to recognize revenue; • the actual or rumored timing and success of new product and service introductions by us or our competitors or any other change in the competitive landscape of our industry, including consolidation among our competitors or customers; • our ability to successfully expand our business geographically; • insolvency or credit difficulties confronting our customers, which could adversely affect their ability to purchase or pay for our products and services, or confronting our key suppliers, including our sole source suppliers, which could disrupt our supply chain; • our inability to fulfill our customers' orders due to supply chain delays, access to key commodities or technologies or events that impact our manufacturers or their suppliers; • the **cost-costs** and possible outcomes of any **contingent liabilities, as well as** legal actions or proceedings against us, including those described under "Part I, Item 3 – Legal Proceedings"; • our overall effective tax rate, including impacts caused by **any the relative proportion of foreign to U. S. income, the amount and timing of certain employee stock- based compensation transactions**, changes in the valuation of our deferred tax assets and any new legislation or regulatory developments; • increases or decreases in our expenses caused by fluctuations in foreign currency exchange rates; • **increases or decreases in our expenses caused by fluctuations in interest rates; • global impacts of inflation and actions taken by central banks to counter inflation;** and • general economic conditions, both domestically and in foreign markets, **including macro- economic recession concerns, a potential economic downturn, or inflationary conditions**. Any one of the factors above or the cumulative effect of several of the factors described above may result in significant fluctuations in our financial and other results of operations. This variability and unpredictability could result in our failure to meet expectations of securities analysts or investors for a particular period. If we fail to meet or exceed such expectations for these or any other reasons, the market price of our common stock could decline substantially, and we could face costly lawsuits, including securities class action suits, such as those described in "Part I, Item 3 – Legal Proceedings." The market price of our common stock has been volatile in the past and may be volatile in the future, which could result in substantial losses for investors. The market price of our common stock has endured significant and swift increases and declines in the time since trading in the stock on the Nasdaq Global Select Market began on December 15, 2017. The market price of our common stock could be subject to similar significant fluctuations in the future. Some of the factors that may cause the market price of our common stock to fluctuate include: • actual or anticipated changes in our earnings or fluctuations in our results of operations or in the expectations of securities analysts; • price and volume fluctuations in the overall stock market from time to time; • volatility in the market price and trading volume of comparable companies; • announcements of technological innovations, new products, strategic alliances, or significant agreements by us or by ~~competitive vendors~~ **our competitors**; • announcements by our customers regarding significant increases or decreases in capital expenditures; • departure of key personnel; • litigation involving us or that may be perceived as having an impact on our business; • changes in general economic, industry and market conditions and trends; • investors' general perception of us; • sales of large blocks of our stock; and • announcements regarding further industry consolidation. **We** ~~As described in "Part I, Item 3 – Legal Proceedings," we~~ and certain of our current and former executive officers and current and former members of our board of directors have **in the past** been named as defendants in ~~several~~ putative class action lawsuits relating to past decreases in the market price of our common stock. Because of the potential volatility of our stock price, we may become the target of additional securities litigation in the future. Securities litigation could result in substantial costs and divert management's attention and resources from our business. We have broad discretion in the use of our cash reserves and may not use them effectively. Subject to restrictions in the agreements governing our indebtedness, our management has broad discretion to use our cash reserves and could use our cash reserves in ways that do not improve our results of operations or enhance the value of our common stock. The failure by our management to apply these funds effectively could adversely affect our ability to operate and grow our business. Pending their use, we may invest our cash reserves in a manner that does not produce income or that loses value. Because we do not expect to declare any dividends on our common stock for the foreseeable future, investors in our common stock may never receive a return on their investment. Although we declared special dividends on five occasions prior to our initial public offering, we do not anticipate that we will declare any cash dividends to holders of our common stock in the foreseeable future, and investors should not rely on an investment in our common stock to provide dividend income. Instead, we plan to retain any earnings to maintain and expand our existing operations. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any return on their investment. As a result, investors seeking cash dividends should not purchase our common stock. Any future determination to declare dividends will be made at the discretion of our board of directors and will depend on a number of factors, including future earnings, capital requirements, financial conditions, future prospects, contractual restrictions and covenants, and other factors that our board of directors may deem relevant. Our credit facility contains covenants that limit our ability to pay dividends on our capital stock. Insiders have substantial control over us, which could limit your ability to influence the outcome of key transactions, including a change of control. As of January 31, ~~2022~~ **2023**, our directors, executive officers and 10 % stockholders beneficially owned, in the aggregate, approximately ~~63-57.~~ **5-2** % of our outstanding common stock. As a result, these stockholders could have significant influence over the outcome of matters submitted to our stockholders for approval, including the election of directors and any merger, consolidation or sale of all or substantially all of our assets, and over the management and affairs of our company. This concentration of ownership may have the effect of delaying or preventing a change in control of our company and might affect the market price of our common stock. A significant portion of our total outstanding shares may be sold into the public market at any time, which could cause the market price of our common

stock to drop significantly, even if our business is doing well. Sales of a significant number of shares of our common stock in the public market could occur at any time. These sales, or the market perception that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock. In addition to our outstanding common stock, as of January 31, 2022-2023, there were 6, 444-498, 160-727 shares subject to outstanding options, 3-4, 939-275, 357-098 shares subject to outstanding restricted stock unit awards, or RSUs, 442-906, 033-894 shares subject to outstanding performance-based restricted stock units, or PSUs, and an additional 9-6, 424-642, 818-502 shares reserved for future issuance under our equity incentive plans. Because we have registered most-all shares of common stock that may be issued under our equity incentive plans pursuant to a Registration Statement on Form S-8, any such registered shares that we issue can be freely sold in the public market upon issuance, subject to the restrictions imposed on our affiliates under Rule 144. ~~Our management team has limited experience managing a public company. Most members of our management team have limited experience managing a publicly traded company, interacting with public company investors and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage our operations as a public company subject to significant regulatory oversight and reporting obligations under the federal securities laws and the scrutiny of securities analysts and investors. These obligations and constituents require significant attention from our management team and could divert their attention away from the day-to-day management of our business, which could materially adversely affect our business, financial condition, results of operations and prospects.~~ Risks Related to Our Charter and Bylaws Anti-takeover provisions in our restated certificate of incorporation and our amended and restated bylaws, as well as provisions of Delaware law, might discourage, delay or prevent a change in control of our company or changes in our management and, therefore, depress the trading price of our common stock. Our restated certificate of incorporation, our amended and restated bylaws, and Delaware law contain provisions that may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares of our common stock. These provisions may also prevent or delay attempts by our stockholders to replace or remove our management. Our corporate governance documents include provisions: • establishing a classified board of directors with staggered three-year terms so that not all members of our board are elected at one time; • providing that directors may be removed by stockholders only for cause and only with a vote of the holders of at least 75 % of the issued and outstanding shares of common stock; • limiting the ability of our stockholders to call and bring business before special meetings and to take action by written consent in lieu of a meeting; • requiring advance notice of stockholder proposals for business to be conducted at meetings of our stockholders and for nominations of candidates for election to our board of directors; • authorizing blank check preferred stock, which could be issued with voting, liquidation, dividend and other rights superior to our common stock; and • limiting the liability of, and providing indemnification to, our directors and officers. As a Delaware corporation, we are also subject to provisions of Delaware law, including Section 203 of the Delaware General Corporation Law, which limits the ability of stockholders holding more than 15 % of our outstanding common stock from engaging in certain business combinations with us. Any provision of our restated certificate of incorporation or amended and restated bylaws or Delaware law that has the effect of delaying or deterring a change in control could deter potential acquirers of our company, could therefore limit the opportunity for our stockholders to receive a premium for their shares of our common stock in an acquisition, and could also affect the price that some investors are willing to pay for our common stock. Our restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders. Our restated certificate of incorporation further provides that the federal district courts of the United States are the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. These choice of forum provisions could limit our stockholders' ability to obtain a more favorable judicial forum for disputes with us or our directors, officers or employees. Our restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our certificate of incorporation or our bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine. We do not intend to have this choice of forum provision apply to, and this choice of forum provision will not apply to, actions arising under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Our restated certificate of incorporation further provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, or the Securities Act. On ~~December 19~~ **March 18, 2018-2020**, the Delaware **Supreme** Court of Chancery, in *Sciabacucchi v. Salzberg, et al.*, Civil Action No. 2017- 0931- JTL (Del. Ch. Dec. 19, 2018), ~~held-upheld~~ that such federal forum selection provisions are invalid under Delaware law. ~~Upon appeal, on March 18, 2020, the Delaware Supreme Court reversed the Court of Chancery's judgment in all respects, upholding~~ the facial validity of such federal forum selection provisions. These choice of forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and other employees. Alternatively, if a court were to find the choice of forum provisions contained in our certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could materially adversely affect our business, financial condition, results of operations and prospects. General Risk Factors The requirements of being a public company may strain our resources, divert management's attention and affect our ability to attract and retain qualified board members. As a public company, we are subject to the reporting requirements of the Exchange Act, the listing requirements of the Nasdaq Stock Market and other applicable securities rules and regulations. Compliance with these rules and regulations have increased our legal and financial compliance costs, made some activities more difficult, time-consuming or costly, and increased demand on our systems and resources, and will continue to do so, particularly ~~after~~ **now that** we are no longer an

emerging growth company. Among other things, the Exchange Act requires that we file annual, quarterly and current reports with respect to our business and results of operations and maintain effective disclosure controls and procedures and internal control over financial reporting. We will continue to require significant resources and management oversight in order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard. As a result, management's attention may be diverted from other business concerns, which could harm our business and results of operations. ~~Although we have already~~ **We may need to hire- hire additional employees more resources** to comply with these requirements, ~~we may need to hire even more employees~~ in the future, which will increase our costs and expenses. We are required to conduct annual evaluations of the effectiveness of our internal control over financial reporting, including to identify and remediate any deficiencies in those internal controls. We may not be able to complete our evaluation, testing and any required remediation in a timely fashion. During the evaluation and testing process, ~~if we identify one or for more~~ **2022, we identified** material weaknesses in our internal control over financial reporting that we ~~are were~~ unable to remediate before the end of the ~~same~~ fiscal year in which the material weakness is identified, **and therefore we were** ~~will be~~ unable to assert that our internal controls are effective. ~~If~~ **As noted in "Part II, Item 9A – Controls and Procedures",** we **have commenced a remediation program that will consume significant resources and management attention until such remediation initiatives** ~~are~~ unable to assert that our internal control over financial reporting is effective in any future reporting period, or if our auditors are unable to attest to management's report on the effectiveness of our internal controls, which will be required after we are no longer an emerging growth company, we could lose investor confidence in the accuracy and completeness ~~of our financial reports, which would cause the price of our common stock to decline.~~ **complete** of our financial reports, which would cause the price of our common stock to decline. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are increasing legal and financial compliance costs and making some activities more time-consuming. We have invested and will continue to invest **in** resources to comply with evolving laws, regulations and standards, and this investment has resulted and may continue to result in increased selling, general and administrative expense and a diversion of management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies, regulatory authorities may initiate legal proceedings against us and our business may be harmed. As a result of being a public company, it is more expensive for us to obtain director and officer liability insurance, and in the future we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors and qualified executive officers. We are exposed to fluctuations in currency exchange rates, which could adversely affect our business, financial condition, results of operations and prospects. Our sales agreements are primarily denominated in U. S. dollars. Therefore, a strengthening U. S. dollar could increase the real cost of our products to our customers outside of the U. S., and alternatively a decrease in the value of the U. S. dollar relative to foreign currencies could increase our product and operating costs in foreign locations. If we are not able to successfully hedge against the risks associated with the currency fluctuations, our business, financial condition, results of operations and prospects could be materially adversely affected. Failure to comply with governmental laws and regulations could materially adversely affect our business, financial condition, results of operations and prospects. Our business is subject to regulation by various federal, state, local and foreign governmental agencies, including agencies responsible for monitoring and enforcing employment and labor laws, workplace safety, product safety, environmental laws, consumer protection laws, anti-bribery laws, import / export controls, foreign investment, federal securities laws and tax laws and regulations. In certain jurisdictions, these regulatory requirements may be more stringent than those in the United States. From time to time, we may receive inquiries from such governmental agencies or we may make voluntary disclosures regarding our compliance with applicable governmental regulations or requirements. Noncompliance with applicable government regulations or requirements could subject us to sanctions, mandatory product recalls, enforcement actions, disgorgement of profits, fines, damages, civil and criminal penalties or injunctions. If any governmental sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, financial condition, results of operations and prospects could be materially adversely affected. In addition, responding to any action will likely result in a significant diversion of management's attention and resources and an increase in professional fees. Enforcement actions and sanctions could materially adversely affect our business, financial condition, results of operations and prospects. We are subject to anti-corruption laws such as the FCPA. We are subject to anti-corruption laws such as the FCPA, which generally prohibits U. S. companies and their employees and intermediaries from making corrupt payments to foreign officials for the purpose of obtaining or keeping business, securing an advantage or directing business to another individual or entity, and requires companies to maintain accurate books and records. Under the FCPA, U. S. companies may be held liable for the corrupt actions taken by directors, officers, employees, agents, or other strategic or local partners or representatives. We rely on non-employee third-party representatives and other intermediaries to develop international sales opportunities, and generally have less direct control over such third parties' actions taken on our behalf. If we or our intermediaries fail to comply with the requirements of the FCPA or similar legislation, governmental authorities in the United States and elsewhere could seek to impose civil and / or criminal fines and penalties, which could have a material adverse effect on our business, reputation, results of operations and financial condition. We intend to increase our international sales and business and, as such, the cost of complying with such laws, and the potential harm from our noncompliance, are likely to increase. Failure to comply with anti-corruption laws, such as the FCPA and the United Kingdom Bribery Act 2010, or the Bribery Act, and similar laws associated with our activities outside the United States, could subject us to penalties and other adverse consequences. Any violation of the FCPA, Bribery Act or similar laws could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions suspension, or debarment from U. S. government contracts, all of which could have a material adverse effect on our reputation, business, results of operations and prospects. In addition, responding to any enforcement action or related investigation may result in a materially significant diversion of management's attention and resources and significant

defense costs and other professional fees. Our failure to adequately protect personal data and to comply with related laws and regulations could result in material liability. A wide variety of provincial, state, national, foreign, and international laws and regulations apply to the collection, use, retention, protection, disclosure, transfer (including across national boundaries), and other processing of personal data. These data protection and privacy-related laws and regulations are evolving and being tested in courts and may result in ever-increasing regulatory and public scrutiny and escalating levels of enforcement and sanctions. Any failure by us to comply with applicable data privacy laws and regulations, or to protect such data, could result in enforcement action against us, including fines, imprisonment of company officials, public censure, claims for damages by end customers and other affected persons and entities, damage to our reputation and loss of goodwill, and other forms of injunctive or operations-limiting relief, any of which could have a material adverse effect on our operations, financial performance, and business. Definitions of personal data and personal information, and requirements relating to the same under applicable laws and regulations within the European Union, the United States, Australia, and elsewhere, change frequently and are subject to new and different interpretations by courts and regulators. Because the interpretation and application of laws and other obligations relating to privacy and data protection are uncertain, it is possible that existing or future laws, regulations, and other obligations may be interpreted and applied in a manner that is inconsistent with our data management practices. We may be required to expend significant resources to modify our products and otherwise adapt to these changes, which we may be unable to do on commercially reasonable terms or at all, and our ability to develop new products and features could be limited. These developments could harm our business, financial condition and results of operations. Even if not subject to legal challenge, the perception of privacy concerns, whether or not valid, may harm our reputation and inhibit adoption of our products by current and prospective customers. Changes in U. S. and foreign tax rules and regulations, or interpretations thereof, may give rise to potentially adverse tax consequences and adversely affect our financial condition. We are expanding our international operations and staff to better support our growth into international markets. We generally conduct our international operations through wholly-owned subsidiaries and report our taxable income in various jurisdictions worldwide based upon our business operations in those jurisdictions. Our corporate structure and associated transfer pricing policies contemplate the business flows and future growth into the international markets, and consider the functions, risks and assets of the various entities involved in the intercompany transactions. The amount of taxes we pay in different jurisdictions will depend to a significant degree on the application of the tax laws of the various jurisdictions to our international business activities, changes in tax rates, new or revised tax laws or interpretations of existing tax laws and policies and our ability to operate our business in a manner consistent with our corporate structure and intercompany arrangements, any or all of which could result in additional tax liabilities or increases in, or in the volatility of, our effective tax rate. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for pricing intercompany transactions, which are required to be computed on an arm's-length basis pursuant to the intercompany arrangements or disagree with our determinations as to the income and expenses attributable to specific jurisdictions. If such a challenge or disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows and lower overall profitability of our operations; in addition, it is uncertain whether any such adverse effects could be mitigated by corresponding adjustments in other jurisdictions with respect to the items affected. Our financial statements could fail to reflect adequate reserves to cover such a contingency. Further changes in the tax laws of foreign jurisdictions could arise, including as a result of the base erosion and profit shifting project undertaken by the Organization for Economic Co-operation and Development, or the OECD. The OECD, which represents a coalition of member countries, has issued recommendations that, in some cases, make substantial changes to numerous long-standing tax positions and principles; many of these changes have been adopted or are under active consideration by OECD members and / or other countries. Portions of our operations are subject to a reduced tax rate under various tax holidays and rulings. We also utilize tax rulings and other agreements to obtain certainty in treatment of certain tax matters. These tax holidays and rulings expire in whole or in part from time to time and may be extended when certain conditions are met or terminated if certain conditions are not met. The impact of any changes in conditions would be the loss of certainty in treatment thus potentially impacting our effective income tax rate. Recent changes to the U. S. tax laws impact the tax treatment of foreign earnings by, among other things, creating limits on the ability of taxpayers to claim and utilize foreign tax credits, imposing minimum effective rates of current tax on certain classes of foreign income, and imposing additional taxes in connection with specified payments to related foreign recipients, among other items. While some of these changes may be adverse on a going forward basis, others may provide benefits that may be applicable to us. Due to our existing international business activities, which we anticipate expanding, any additional guidance such as U. S Treasury regulations and administrative interpretations may increase our worldwide effective tax rate and adversely affect our financial condition and operating results. Effective January 1, 2022, the Tax Cuts and Jobs Act of 2017 requires us to capitalize, and subsequently amortize R & D expenses over five years for research activities conducted in the **United States U. S.** and over fifteen years for research activities conducted outside of the **United States U. S.** This will result in a material increase to our U. S. income tax liability and net deferred tax assets and a material decrease to our cash flows provided from operations. Furthermore, since we provide for a full valuation allowance against ~~our~~ **our** U. S. deferred tax assets, this will have an adverse effect on our effective tax rate. The actual impact will depend on multiple factors, including the amount of R & D expenses incurred and whether the research activities are performed within or outside of the **United States U. S.** We are also subject to the examination of our tax returns by the U. S. Internal Revenue Service, or IRS, and other tax authorities. The final determination of tax audits and any related disputes could be materially different from our historical income tax provisions and accruals and could have an adverse effect on our financial statements for the period or periods for which the applicable final determinations are made. Taxing authorities may successfully assert that we should have collected or in the future should collect sales and use, value added or similar taxes, and we could be subject to liability with respect to past or future sales, which could adversely affect our operating results. We do not collect sales and use, value added or similar taxes in

all jurisdictions in which we have sales, and we have been advised that such taxes are not applicable to our products and services in certain jurisdictions. Sales and use, value added, and similar tax laws and rates vary greatly by jurisdiction. Certain jurisdictions in which we do not collect such taxes may assert that such taxes are applicable, which could result in tax assessments, penalties and interest, to us or our end- customers for the past amounts, and we may be required to collect such taxes in the future. If we are unsuccessful in collecting such taxes from our end- customers, we could be held liable for such costs. Such tax assessments, penalties and interest, or future requirements may adversely affect our operating results. If we needed to raise additional capital to expand our operations and invest in new products, our failure to do so on favorable terms could reduce our ability to compete and could materially adversely affect our business, financial condition, results of operations and prospects. **Our Term Loan matures on December 20** ~~We expect that our existing cash and cash equivalents will be sufficient to meet our anticipated cash needs for at least the next 12 months. However, if~~ **2023, and we may** need to raise additional funds to expand our operations and invest in new products ~~, we~~. **We may not be able to obtain additional debt or equity financing on favorable terms, if at all. Current capital market conditions, including the impact of inflation, have increased borrowing rates and, as we seek additional financing, we expect the cost of capital to increase significant compared to prior periods. Debt financing, if available, may involve restrictive covenants and could reduce our operational flexibility, and any new or refinanced debt may be subject to substantially higher interest rates, which could adversely affect our financial condition and impact our business. Recent quantitative tightening by the U. S. Federal Reserve, along with other central banks around the world, may further negatively affect our short- term ability or desire to incur debt. If we cannot raise funds on acceptable terms, we may not be able to grow our business or respond to competitive pressures. Moreover, global capital markets have undergone periods of significant volatility and uncertainty in the past, and there can be no assurance that financing alternatives, such as equity financing, will be available to us on favorable terms or at all, should we determine it necessary or advisable to seek additional capital. If we do choose to** raise additional equity financing, our stockholders may experience significant dilution of their ownership interests, and the market price of our common stock could decline. Our business is subject to the risks of fire, power outages, floods and other catastrophic events and to interruption by manmade problems such as terrorism. Our corporate headquarters and the operations of our key manufacturing vendors, as well as many of our customers, are located in areas exposed to risks of natural disasters such as fires and floods. A significant natural disaster, such as a fire, flood or other catastrophic events such as a disease outbreak, could have a material adverse effect on our or their business, which could in turn materially adversely affect our business, financial condition, results of operations and prospects. ~~For example, as a result of travel restrictions due to the recent outbreak of a novel strain of coronavirus originating in Wuhan, China, certain of our inventory shipments from China may be delayed.~~ In the event our manufacturing or logistics abilities are hindered by any of the events discussed above, shipments could be delayed, which could result in missed financial targets, such as revenue and shipment targets, for a particular quarter. Further, if a natural disaster occurs in a region from which we derive a significant portion of our revenue, customers in that region may delay or forego purchases of our products, which could materially adversely affect our business, financial condition, results of operations and prospects. In addition, acts of terrorism could cause disruptions in our business or the business of our manufacturers, logistics providers, partners or customers or the economy as a whole. All of the aforementioned risks may be compounded if our disaster recovery plans and those of our manufacturers, logistics providers or partners prove to be inadequate. To the extent that any of the above results in delays or cancellations of customer orders, or delays in the manufacture, deployment or shipment of our products, our business, financial condition, results of operations and prospects would be adversely affected. The elimination of LIBOR could adversely affect our business, results of operations or financial condition. In July 2017, the head of the United Kingdom Financial Conduct Authority announced plans to phase out the use of LIBOR by June 30, 2023. Although timing for this phase- out, as well the impact of a replacement reference rate for our outstanding term loan, are uncertain at this time, the elimination of LIBOR could have an adverse impact on our business, results of operations, or financial condition. We may incur significant expenses to amend our LIBOR- indexed loans, derivatives, and other applicable financial or contractual obligations, including our credit facilities, to a new reference rate, which may differ significantly from LIBOR. Accordingly, the use of an alternative rate could result in increased costs, including increased interest expense on our credit facilities, and increased borrowing and hedging costs in the future. Additionally, the elimination of LIBOR may adversely impact the value of and the expected return on our existing derivatives, if any. At this time, no final consensus exists as to what rate or rates may become acceptable alternatives to LIBOR and we are unable to predict the effect of any such alternatives on our business, results of operations or financial condition. If securities or industry analysts cease publishing research or reports about us, our business or our market, or if they publish negative evaluations of our stock or the stock of other companies in our industry, the price of our stock and trading volume could decline. The trading market for our common stock will be influenced by the research and reports that industry or securities analysts may publish about us, our business, our market or our competitors. If one or more of the industry analysts covering our business downgrade their evaluations of our stock or the stock of other companies in our industry, the price of our stock could decline. If one or more of these analysts cease to cover our stock, we could lose visibility in the market for our stock, which in turn could cause our stock price to decline. We are ~~an “emerging growth company,” and the reduced disclosure requirements applicable to emerging growth companies may make our common stock less attractive to investors. We are an “emerging growth company,” as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, and may remain an emerging growth company until the last day of our fiscal year following the fifth anniversary of our initial public offering, subject to specified conditions. For so long as we remain an emerging growth company, we are permitted, and intend, to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include being permitted to provide reduced disclosure regarding executive compensation and exemptions from the requirements to hold non-binding advisory votes on executive compensation and golden parachute payments, not being required to comply with the~~

auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 related to our internal control over financial reporting, and not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding a supplement to the auditor's report providing additional information about the audit and the financial statements. We cannot predict whether investors will find our common stock less attractive if we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile. Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, companies that have not filed a pending registration statement under the Securities Act, had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such election to opt out is irrevocable. We have elected not to opt out of such extended transition period, which means that when a standard is issued or revised, and it has different application dates for public or private companies, we will adopt the new or revised standard at the time private companies adopt the new or revised standard, provided that we continue to be an emerging growth company. This may make comparison of our financial statements with the financial statements of another public company that is not an emerging growth company, or an emerging growth company that has opted out of using the extended transition period, difficult or impossible because of the potential differences in accounting standards used. We will remain an emerging growth company until December 31, 2022, which is the last day of the fiscal year following the fifth anniversary of our initial public offering. We are subject to U. S. foreign investment regulations which may impose additional burdens on or may limit certain investors' ability to purchase our common stock, potentially making our common stock less attractive to investors. In October 2018, the U. S. Department of Treasury announced a pilot program to implement part of the Foreign Investment Risk Review Modernization Act, or FIRRMA, effective November 10, 2018. The pilot program expands the jurisdiction of the Committee on Foreign Investment in the United States, or CFIUS, to include certain direct or indirect foreign investments in a defined category of U. S. companies, including companies involved in manufacturing communications equipment. Among other things, FIRRMA empowers CFIUS to require certain foreign investors to make mandatory filings and permits CFIUS to charge filing fees related to such filings. Such filings are subject to review by CFIUS. Any such restrictions on the ability to purchase shares of our common stock that have the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock and could also affect the price that some investors are willing to pay for our common stock. 45