

Risk Factors Comparison 2025-02-14 to 2024-02-16 Form: 10-K

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Risks Related to Our Business and Our Industry We depend on cable, satellite and telco, and broadcast and media industry spending for our revenue and any material decrease or delay in spending in any of these industries would negatively impact our operating results, financial condition and cash flows. Our revenue has been derived from worldwide sales to service providers and broadcast and media companies, and streaming media companies. We expect that these markets will provide our revenue for the foreseeable future. Demand for our products and solutions will depend on the magnitude and timing of spending by customers in each of these markets for the purpose of creating, expanding or upgrading their systems. These spending patterns are dependent on a variety of factors, including: • the impact of general economic conditions, actual and projected, including inflation, **rising changing** interest rates, lower consumer confidence, volatile capital markets, supply chain disruptions, **tariffs**, uncertainty and volatility in the financial services sector and the impact of the **Middle East Hamas-Israel** and Russia- Ukraine conflicts, and government and business responses thereto, on the global economy and regional economies; • access to financing; • annual budget cycles of customers in each of the industries we serve; • the impact of industry consolidation; • customers suspending, reducing or shifting spending due to: (i) new **broadband or video or broadband** industry standards; (ii) industry trends and technology shifts, such as virtualization and cloud- based solutions ~~;~~ and (iii) new products and solutions, such as products and services based on our ~~VOS software platform or our cOS (formerly CableOS)~~ software- based broadband access solutions **or VOS software platform**; • delayed or reduced near- term spending as customers transition away from video appliance solutions and adopt new business and operating models enabled by software and cloud- based solutions, including SaaS ~~unified~~ video processing solutions; • federal, state, local and foreign government regulation of broadband, telco, television broadcasting and streaming media; • overall demand for communication services and consumer acceptance of new video and data technologies and services; • competitive pressures, including pricing pressures; • the impact of fluctuations in currency exchange rates, such as the strengthening of the U. S. dollar; and • discretionary end- user customer spending patterns. In the past, specific factors contributing to reduced spending have included: • weak or uncertain economic and financial conditions in the United States or one or more international markets; • uncertainty related to development of industry technology; • delays in evaluations of new services, new standards and systems architectures by certain customers; • emphasis by certain of our customers on generating revenue from existing subscribers or end- customers, rather than from new subscribers or end- customers, through construction, expansion or upgrades; • a reduction in the amount of capital available to finance projects of our customers and potential customers; • proposed and completed business combinations and divestitures by our customers and the length of regulatory review of each; • completion of a new system or significant expansion or upgrade to a system; and • bankruptcies and financial restructuring of major customers. In the past, adverse economic conditions in one or more of the geographies in which we offer our products have adversely affected our customers' spending in those geographies and, as a result, our business. During challenging economic times, such as those caused by the **Middle East Hamas-Israel** and Russia- Ukraine conflicts, inflation, currency devaluation, and bank insolvencies and related uncertainty and volatility in the financial services sector and in tight credit markets, many customers have delayed and reduced and may continue to delay or reduce capital expenditures. This has resulted and could continue to result in reductions in revenue from our products, longer sales cycles, difficulties in collection of accounts receivable, slower adoption of new technologies and increased price competition. If global economic and market conditions, or economic conditions in the United States, Europe or other key markets, remain uncertain or deteriorate, we could experience a material and adverse effect on our business, results of operations, financial condition and cash flows. Additionally, since most of our international revenue is denominated in U. S. dollars, global economic and market conditions may impact currency exchange rates and cause our products to become relatively more expensive to customers in a particular country or region, which could lead to delayed or reduced spending in those countries or regions, thereby negatively impacting our business and financial condition. In addition, industry consolidation has in the past constrained, and may in the future constrain or delay, spending by our customers. Further, if our product portfolio and product development plans do not position us well to capture an increased portion of the spending of customers in the markets on which we focus, our revenue may decline. As a result of these various factors and potential issues related to customer spending, we may not be able to maintain or increase our revenue in the future, and our operating results, financial condition and cash flows could be materially and adversely affected. The loss of one or more of our key customers, a failure to continue diversifying our customer base, or a decrease in the number of larger transactions could harm our business and our operating results. Historically, a significant portion of our revenue has been derived from relatively few customers, due in part to ~~the customer~~ consolidation of ~~media customers~~. Sales to our top 10 customers in the fiscal years ended December 31, **2024**, ~~2023~~ **and** ~~2022 and 2021~~ accounted for approximately **72 %**, ~~66 %~~ **and** ~~67 % and 58 %~~ of our net revenue, respectively. Although we continue to seek to broaden our customer base by penetrating new markets and further expanding internationally, we expect to see continuing industry consolidation **activity** and customer concentration . **During the fiscal year ended December 31, 2024, Comcast and Charter Communications accounted for 44 % and 18 % of our net revenue respectively** . During the fiscal years ended December 31, ~~2023~~ **and** ~~2022 and 2021~~, Comcast accounted for ~~44 %~~ **and** ~~39 % and 26 %~~ of our net revenue respectively. Further consolidation in the cable **and broadcast and media** industry ~~industries~~ could lead to additional revenue concentration for us. The loss of any significant customer, or any material reduction in orders from any other significant customer, or our failure to qualify our new products with any significant customer could materially and adversely affect, either long term or in a particular quarter, our operating results, financial condition and cash flows. If Comcast or other significant Broadband customers

deploy our solutions slower or at a scale that is lower than we anticipate, our operating results, financial condition and cash flows could be materially and adversely effected. In addition, in most quarters, we are involved in one or more relatively large individual transactions **with respect to our Broadband and / or Video business**. A decrease in the number of the relatively larger individual transactions in which we are involved in any quarter could materially and adversely affect ~~our the~~ operating results for that quarter **for the applicable business unit or the Company as a whole**. As a result of these and other factors, we may be unable to increase our revenues from some or all of the markets we address, or to do so profitably, and any failure to increase revenues and profits from these customers could materially and adversely affect our operating results, financial condition and cash flows. We need to develop and introduce new and enhanced products and solutions in a timely manner to meet the needs of our customers and to remain competitive. All of the markets we address are characterized by continuing technological advancement, changes in customer requirements and evolving industry standards. To compete successfully, we must continually design, develop, manufacture and sell new or enhanced products and solutions that provide increasingly higher levels of performance and reliability and meet our customers' changing needs. However, we may not be successful in those efforts if, among other things, our products and solutions: • are not cost effective; • are not brought to market in a timely manner; • are not in accordance with evolving industry standards; • fail to meet market acceptance or customer requirements; or • are ahead of the needs of their markets. If new standards or some of our new products are adopted later than we predict or not adopted at all, or if adoption occurs earlier than we are able to deliver the applicable products or functionality, we risk spending significant research and development time and dollars on products or features that may never achieve market acceptance or that miss the customer demand window and thus do not produce the revenue that a timely introduction would have likely produced. If we fail to develop and market new and enhanced products and solutions on a timely basis, our operating results, financial condition and cash flows could be materially and adversely affected. The markets in which we operate are intensely competitive. The markets for our products are extremely competitive and have been characterized by rapid technological change and declining average sales prices in the past. Our competitors in our Broadband business include a number of suppliers of networking and communications equipment and solutions to broadband service providers. Our competitors in our Video appliance business are primarily comprised of providers of video delivery and video processing and compression products and solutions, broadcast equipment and solutions providers, and certain network infrastructure providers. Our competitors in our Video SaaS business include companies that offer video delivery and processing SaaS solutions, ~~to~~ SaaS video streaming platform providers, and certain public cloud service providers. A number of our principal business competitors in both of our business segments are substantially larger and / or may have access to greater financial, technical, marketing or other resources than we have. Consolidation in the Video industry has led to the acquisition of a number of our historic competitors over the last several years by private equity firms and by Amazon Web Services. With respect to our Broadband business, certain competitors are substantially larger than us. In addition, some of our larger competitors may have more long- standing and established relationships with certain domestic and foreign customers. Many of these large enterprises are in a better position to withstand any significant reduction in spending by customers in our markets and may be better able to navigate periods of market uncertainty, such as the uncertainty caused by the **Middle East Hamas-Israel and the Russia- Ukraine conflicts and related risks of escalation or broader regional** conflicts, bank insolvency and related uncertainty and volatility in the financial services sector and inflation. They often have broader product lines and market focus, and may not be as susceptible to downturns in a particular market. These competitors may also be able to bundle their products together to meet the needs of a particular customer, and may be capable of delivering more complete solutions than we are able to provide. To the extent large enterprises that currently do not compete directly with us choose to enter our markets by acquisition or otherwise, competition would likely intensify. Further, some of our competitors have offered, and in the future may offer, their products at lower prices than we offer for our competing products or on more attractive financing or payment terms, which has in the past caused, and may in the future cause, us to lose sales opportunities and the resulting revenue or to reduce our prices in response to that competition. Also, some competitors that are smaller than us have engaged in, and may continue to engage in, aggressive price competition in order to gain customer traction and market share. Reductions in prices for any of our products could materially and adversely affect our operating margins and revenue. Additionally, **with respect to our Video business in particular,** certain customers and potential customers have developed, and may continue to develop, their own solutions that may cause such customers or potential customers to not consider our product offerings or to displace our installed products with their own solutions. The growing availability of open source codecs and related software, as well as new server chipsets that incorporate encoding technology, has, in certain respects, lowered the barriers to entry for the video processing industry. The development of solutions by potential and existing customers and the reduction of the barriers to entry to enter the video processing industry could result in increased competition and adversely affect our results of operations and business. If any of our competitors' products or technologies were to become the industry standard, our business could be seriously harmed. If our competitors are successful in bringing their products to market earlier than us, or if these products are more technologically capable than ours, our revenue could be materially and adversely affected. Our future growth depends on a number of **broadband and video and broadband** industry trends. Technology, industry and regulatory trends and requirements may affect the growth of our business. These trends and requirements include the following: • **more consumers with more connected devices and applications;** • convergence, whereby network operators bundle video, voice and data services to consumers, including mobile delivery options; • continued strong consumer demand for **bandwidth- intensive video- on- demand and streaming video services, and interactive cloud applications;** • **the pace of adoption and deployment of high- bandwidth technology, such as DOCSIS 3. x, DOCSIS 4. 0, next generation LTE and FTTP, along with virtualized broadband access solutions and distributed multiple access architectures**; • continued adoption of public cloud SaaS platforms to stream video content to consumers, as well as for broadcast infrastructure workflows; • continued growth in targeted advertising as a key revenue source for video streaming service providers; • ~~the~~ **pace of adoption and deployment of high- bandwidth technology, such as DOCSIS 3. x,**

DOCSIS 4.0, next generation LTE and FTTP; • the use of digital video by businesses, governments and educational institutions globally; • efforts by regulators and governments in the United States and internationally to encourage the adoption of broadband and digital technologies, including 5G broadband networks, as well as to regulate broadband access and delivery; • the need to develop partnerships with other companies involved in **broadband services and video infrastructure workflow and broadband services**; • the extent and nature of regulatory attitudes towards issues such as network neutrality, competition between operators, access by third parties to networks of other operators, local franchising requirements for telcos to offer video, and other new services, such as mobile video; and • the outcome of disputes and negotiations between content owners and service providers regarding rights of service providers to store and distribute recorded broadcast content, which outcomes may drive adoption of one technology over another in some cases. If we fail to recognize and respond to these trends, by timely developing products, features and services required by these trends, we are likely to lose revenue opportunities and our operating results, financial condition and cash flows could be materially and adversely affected. Our software- based broadband access product initiatives expose us to certain technology transition risks that may adversely impact our operating results, financial condition and cash flows. We believe our cOS software- based broadband access solutions, supporting centralized, DAA or hybrid configurations, will **continue to** significantly reduce broadband operator headend costs and increase operational efficiency, and are an important step in operators' transition to all- IP networks. If we are unsuccessful in continuing to innovate, develop, and deploy our broadband access solutions in a timely manner, or are otherwise delayed in making our solutions available to our customers, our business may be adversely impacted, particularly if our competitors develop and market similar or superior products and solutions. We believe our software- based broadband access solutions will continue to replace and make obsolete current CMTS solutions, which is a market our products have historically not addressed, as well as cable edge-QAM products. If demand for our software- based broadband access solutions is weaker than expected, our near and long- term operating results, financial condition and cash flows could be adversely impacted. Moreover, if competitors adapt new broadband industry technology standards into competing broadband access solutions faster than we do, or promulgate a new or competitive architecture for next- generation broadband access solutions that renders our cOS solution obsolete, our business may be adversely impacted. The sales cycle for our cOS solutions tends to be long. For broadband operators, upgrading or expanding network infrastructure is complex and expensive, and investing in a cOS solution is a significant strategic decision that may require considerable time to evaluate, test and qualify. Potential customers need to ensure our cOS solution will interoperate with the various components of its existing network infrastructure, including third- party equipment, servers and software. In addition, since we are a relatively new entrant into the CMTS market, we need to demonstrate significant performance, functionality and / or cost advantages with our cOS solutions that outweigh customer switching costs. If sales cycles are significantly longer than anticipated or we are otherwise unsuccessful in growing our cOS sales, our operating results, financial condition and cash flows could be materially and adversely affected. Our operating results are likely to fluctuate significantly and, as a result, may fail to meet or exceed the expectations of securities analysts or investors, causing our stock price to decline. Our operating results have fluctuated in the past and are likely to continue to fluctuate in the future, on an annual and a quarterly basis, as a result of several factors, many of which are outside of our control. Some of the factors that may cause these fluctuations include: • the level and timing of spending of our customers in the United States, Europe and in other markets; • economic and financial conditions specific to each of the cable, satellite and telco, and broadcast and media industries ; as well as general economic and financial market conditions, including **impacts from the Middle East Hamas- Israel and Russia- Ukraine conflicts and related risks of escalation or broader regional conflicts**, tensions between China and Taiwan and China and the United States ; **tariffs; bank insolvency insolvencies** and related uncertainty and volatility in the financial services sector ; **inflation ;** and government and business responses thereto as well as related supply chain and labor shortage issues; • changes in market acceptance of and demand for our products or our customers' services or products; • the timing and amount of orders, especially from large individual transactions and transactions with our significant customers; • the mix of our products sold and the effect it has on gross margins; • the timing of revenue recognition, including revenue recognition on sales arrangements and from transactions with significant service and support components, which may span several quarters; • our **ongoing** transition to a SaaS subscription model for our Video business, which may cause near- term declines in revenue in our Video segment since, unlike Video appliance sales, SaaS revenue is recognized over the applicable subscription term based on service usage; • the timing of completion of our customers' projects; • the length of each customer product upgrade cycle and the volume of purchases during the cycle; • competitive market conditions, including pricing actions by our competitors; • the level and mix of our domestic and international revenue; • new product introductions by our competitors or by us; • uncertainty in the European Union due to unrest or violence in Ukraine that the ongoing military conflict with the Russian Federation has caused, which could adversely affect our results, financial condition and prospects; • uncertainty in the Middle East due to the latest developments in the **conflicts in the Middle East and the risk of escalation and broader conflict in the region between Hamas and Israel**, which could also adversely affect our results, financial condition and prospects; • changes in domestic and international regulatory environments affecting our business; • the evaluation of new services, new standards and system architectures by our customers; • the cost and timely availability to us of components, subassemblies and modules; • the mix of our customer base, by industry and size, and sales channels; • changes in our operating and extraordinary expenses; • the timing of acquisitions and dispositions by us and the financial impact of such transactions; • impairment of our goodwill; • the impact of litigation, such as related litigation expenses and settlement costs; • write- downs of inventory and investments; • changes in our effective federal tax rate, including as a result of changes in our valuation allowance against our deferred tax assets, and changes in our effective state tax rates, including as a result of apportionment; • changes to tax rules related to the deferral of foreign earnings and compliance with foreign tax rules; • the impact of applicable accounting guidance on accounting for uncertainty in income taxes that requires us to establish reserves for uncertain tax positions and accrue potential tax penalties and interest; and • the impact of applicable accounting guidance on

business combinations that requires us to record charges for certain acquisition related costs and expenses and generally to expense restructuring costs associated with a business combination subsequent to the acquisition date. The timing of deployment of our products by our customers can be subject to a number of other risks, including the availability of skilled engineering and technical personnel, and the availability of third- party equipment and services. For our Video business, deployment risks may also include our customers' ability to negotiate and enter into rights agreements with video content owners that provide our customers with the right to deliver certain video content, and our customers' need for local franchise and licensing approvals. We often recognize a substantial portion of our quarterly revenue in the last month of the quarter. We establish our expenditure levels for product development and other operating expenses based on projected revenue levels for a specified period, and expenses are relatively fixed in the short term. Accordingly, even small variations in the timing of revenue, particularly from relatively large individual transactions, can cause significant fluctuations in operating results in a particular quarter. As a result of these factors and other factors, our operating results in one or more future periods may fail to meet or exceed the expectations of securities analysts or investors. In that event, the trading price of our common stock would likely decline. We purchase several key components, subassemblies and modules used in the manufacture or integration of our products from sole or limited sources, and we rely on contract manufacturers and other subcontractors. Our reliance on sole or limited suppliers, particularly foreign suppliers, and our reliance on contractors for manufacturing and installation of our products, involves several risks, including a potential inability to obtain an adequate supply of required components, subassemblies or modules; reduced control over costs, quality and timely delivery of components, subassemblies or modules; supplier discontinuation of components, subassemblies or modules we require; and timely installation of products. In addition, our financial results may be impacted by tariffs imposed by the United States on goods from other countries and tariffs imposed by other countries on U. S. goods. **For example, On February 1, 2025, the White House issued three executive orders directing the United States to impose an increase of the duty on imports from Canada and Mexico and China and China and empowering the U. S. president to raise the tariffs further should any country retaliate. On February 3, 2025, the prospective tariffs on Canada and Mexico were deferred for 30 days, though the execution of these tariff increases remain possible beyond the current short- term reprieve. The 10 % additional tariff on all imports from China went into effect, and on February 4, 2025 China retaliated with various levels of tariffs on certain products imported into that country from the U. S. We are closely monitoring these actions, which could have an adverse impact on our business and financial results. There can be no assurances that these disruptions will not continue or increase in the future, with the previously mentioned countries or additional countries with which we do business. The degree to which these changes in the global marketplace affect our financial results will be influenced by the specific details of the changes in trade policies, their timing and duration, and our effectiveness in deploying tools to address these issues.** If any such tariffs are imposed on products or components that we import, including those obtained from a sole supplier or a limited group of suppliers, we could experience reduced revenues or may have to raise our prices, either of which could have an adverse effect on our business, financial condition and operating results. These risks could be heightened during a substantial economic slowdown because our suppliers and subcontractors are more likely to experience adverse changes in their financial condition and operations during such a period. Further, these risks could materially and adversely affect our business if one of our sole sources, or a sole source of one of our suppliers or contract manufacturers, is adversely affected by a natural disaster or the outbreak of disease, epidemics and ~~other~~ pandemics. These risks could also be heightened by geopolitical factors. For example, a number of the components we use in our products are sourced through Taiwan. Deterioration of relations between Taiwan and China and the United States, the resulting actions taken by any of these parties, and other factors affecting the political or economic conditions of Taiwan in the future, could adversely impact our supply chain, international sales and operations. While we expend resources to qualify additional component sources, consolidation of suppliers and the small number of viable alternatives have limited the results of these efforts. Managing our supplier and contractor relationships is particularly difficult during time periods in which we introduce new products and during time periods in which demand for our products is increasing, especially if demand increases more quickly than we expect. Plexus Services Corp. ("Plexus"), which manufactures our products at its facilities in Malaysia, currently serves as our primary contract manufacturer, and currently accounts for a majority, by dollar amount, of the products that we purchase from our contract manufacturers. From time to time, we assess our relationship with our contract manufacturers, and we do not generally maintain long- term agreements with any of our suppliers or contract manufacturers. Our agreement with Plexus has automatic annual renewals, unless prior notice is given by either party, and has been automatically renewed for a term expiring in October ~~2024~~**2025**. Difficulties in managing relationships with any of our current contract manufacturers, particularly Plexus, that manufacture our products off- shore, or any of our suppliers of key components, subassemblies and modules used in our products, could impede our ability to meet our customers' requirements and adversely affect our operating results. An inability to obtain adequate and timely deliveries of our products or any components or materials used in our products, or the inability of any of our contract manufacturers to scale their production to meet demand, or any other circumstance that would require us to seek alternative sources of supply, would negatively affect our ability to ship our products on a timely basis, which could damage relationships with current and prospective customers and harm our business and materially and adversely affect our revenue and other operating results. Furthermore, if we fail to meet customers' supply expectations, our revenue would be adversely affected and we may lose sales opportunities, both short and long term, which could materially and adversely affect our business and our operating results, financial condition and cash flows. Increases, from time to time, in demand on our suppliers and subcontractors from our customers or from other parties have, on occasion, caused delays in the availability of certain components and products. In response, we may increase our inventories of certain components and products and expedite shipments of our products when necessary. These actions could increase our costs and could also increase our risk of holding obsolete or excess inventory, which, despite our use of a demand order fulfillment model, could materially and adversely affect our business, operating

results, financial condition and cash flows. Operational Risks We rely on resellers, value-added..... cash flows and financial condition. We face risks associated with having facilities and employees located in Israel. As of December 31, 2023-2024, we maintained facilities in Israel with a total of 255-246 employees, or approximately 19-20% of our worldwide workforce. Our employees in Israel engage in a number of activities, for both our Broadband and Video business segments, including research and development, product development, product management, supply chain management for certain product lines and sales activities. As such, we are directly affected by the political, economic and military conditions affecting Israel, such as the ongoing Hamas-Israel conflict in the Middle East and the risk of escalation and broader conflict in the region. Any significant conflict involving Israel could have a direct effect on our business, in the form of physical damage to our facilities or injury to personnel, restrictions from traveling or reluctance to travel to from or within Israel by our Israeli and other employees or those of our subcontractors, or the loss of Israeli employees to active military duty. Most of our employees in Israel are currently obligated to perform annual reserve duty in the Israel Defense Forces, and approximately 14-13% of those employees were called for active military duty in 2023-2024. Approximately 10-13% of our employees in Israel have been called for military duty in connection with the current Hamas-Israel conflict in the Middle East, and in the event that more of our employees are called to active duty, certain of our research and development, product development and testing and other activities may be significantly delayed and adversely affected. Further, the interruption or curtailment of supply chains or trade between Israel and its trading partners, as a result of terrorist attacks or hostilities, conflicts between Israel and any other Middle Eastern country or organization, or any other cause, could significantly harm our business. Additionally, current or future tensions or conflicts in the Middle East, such as the ongoing Hamas- Israel, Hezbollah- Israel and Iran- Israel conflict conflicts, could materially and adversely affect our business, operating results, financial condition and cash flows located in Ukraine. We outsource a portion of our research and development and product support activities to our third-party partner, GlobalLogic, a Hitachi group company. Through GlobalLogic, we have a significant number of engineering resources located in Kyiv, Ukraine that are dedicated to our Broadband and Video business segments. Political, social and economic instability and unrest or violence in Ukraine from the ongoing military conflict with the Russian Federation have caused, and may continue to cause, disruptions to the business and operations of GlobalLogic, which could slow or delay the development work our outsourced engineering teams are undertaking for us. Any escalation of political tensions, military activity, instability, unrest or conflict could disrupt or prevent the work of our outsourced engineering teams; limit or prevent our employees from traveling to, from, or within Ukraine to direct and coordinate our outsourced engineering teams; or cause us to shift all or portions of the development work occurring in Ukraine, and / or cause GlobalLogic to relocate personnel to other locations or countries pursuant to its business continuity plans. Any resulting delays could negatively impact our product development efforts, operating results and our business. In addition, increased costs associated with managing or relocating our outsourced engineering teams in Ukraine, or engaging with alternative engineering resources outside of Ukraine, could negatively impact our operating results and financial condition. We rely on resellers, value-added resellers and systems integrators for a significant portion of our Video business revenue, and disruptions to, or our failure to develop and manage our relationships with these customers or the processes and procedures that support them could adversely affect our business. We generate a significant percentage of our revenue, particularly in our Video business, through sales to resellers, value-added resellers (“VARs”) and systems integrators that assist us with fulfillment or installation obligations. We expect that these sales will continue to generate a significant percentage of our revenue in the future. Accordingly, our future success is highly dependent upon establishing and maintaining successful relationships with a variety of channel partners. We generally have no long-term contracts or minimum purchase commitments with any of our resellers, VAR or system integrator customers, and our contracts with these parties do not prohibit them from purchasing or offering products or services that compete with ours. Our competitors may provide incentives to any of our resellers, VAR or systems integrator customers to favor their products or, in effect, to prevent or reduce sales of our products. Any of our resellers, VAR or systems integrator customers may independently choose not to purchase or offer our products. Many of our resellers, and some of our VARs and system integrators are small, are based in a variety of international locations, and may have relatively unsophisticated processes and limited financial resources to conduct their business. Any significant disruption of our sales to these customers, including as a result of the inability or unwillingness of these customers to continue purchasing our products, or their failure to properly manage their business with respect to the purchase of, and payment for, our products, or their ability to comply with our policies and procedures as well as applicable laws, could materially and adversely affect our business, operating results, financial condition and cash flows. In addition, our failure to continue to establish or maintain successful relationships with reseller, VAR and systems integrator customers could likewise materially and adversely affect our business, operating results, financial condition and cash flows. We face risks associated with having outsourced engineering resources located in Ukraine. We outsource a portion of our research and development and product support activities to our third-party partner, GlobalLogic, a Hitachi group company. Through GlobalLogic, we have a significant number of engineering resources located in Kyiv, Ukraine that are dedicated to our Broadband and Video business segments. Political, social and economic instability and unrest or violence in Ukraine from the ongoing military conflict with the Russian Federation have caused, and may continue to cause, disruptions to the business and operations of GlobalLogic, which could slow or delay the development work our outsourced engineering teams are undertaking for us. Any escalation of political tensions, military activity, instability, unrest or conflict could limit or prevent our employees from traveling to, from, or within Ukraine to direct and coordinate our outsourced engineering teams, or cause us to shift all or portions of the development work occurring in Ukraine, and / or cause GlobalLogic to relocate personnel to other locations or countries pursuant to its business continuity plans. Any resulting delays could negatively impact our product development efforts, operating results and our business. In addition, increased costs associated with managing or relocating our outsourced engineering teams in Ukraine, or engaging with alternative engineering resources outside of Ukraine, could negatively impact our operating results and financial condition. We may

not be able to effectively manage our operations. As of December 31, 2023, we had 901-974 employees in our international operations, representing approximately 73-72% of our worldwide workforce. Our ability to manage our business effectively in the future, including with respect to any future growth, our operation as both a hardware and increasingly software- and SaaS-centric business, the integration of any acquisition efforts, and the breadth of our international operations, will require us to train, motivate and manage our employees successfully, to attract and integrate new employees into our overall operations, to retain key employees and to continue to improve and evolve our operational, financial and management systems. There can be no assurance that we will be successful in any of these efforts, and our failure to effectively manage our operations could have a material and adverse effect on our business, operating results, cash flows and financial condition. We. In order to manage our growth, we must be successful in addressing management succession issues and attracting and retaining qualified personnel. Our future success will depend, to a significant extent, on the ability of our management to operate effectively, both individually and as a group. We must successfully manage transition and replacement issues that may result from the departure or retirement of members of our executive management. For example, our **Nimrod Ben- Natan, the former Senior Vice President and General Manager of our Broadband business, succeeded Patrick Harshman as President and Chief Financial Executive Officer** announced his decision to resign in March of the Company on June 11, 2023-2024 and we appointed our current Chief Financial Officer in May 2023. Any significant leadership change or senior management transition involves inherent risks and any failure to ensure timely and suitable replacements and smooth transition could hinder our strategic planning, business execution, and future performance. We cannot provide assurances that any current or future changes of management personnel in the future will not cause disruption to operations or customer relationships or a decline in our operating results. We are also dependent on our ability to retain and motivate our existing highly qualified personnel, in addition to attracting new highly qualified personnel. Competition for qualified management, technical and other personnel is often intense, particularly in Silicon Valley, Israel and Hong Kong where we have significant research and development activities, and we may not be successful in attracting and retaining such personnel. Competitors and others have in the past attempted, and are likely in the future to attempt, to recruit our employees. While our employees are required to sign standard agreements concerning confidentiality, non-solicitation and ownership of inventions, other than in Israel, we generally do not have non-competition agreements with our personnel. The loss of the services of any of our key personnel, the inability to attract or retain highly qualified personnel in the future or delays in hiring such personnel, particularly senior management and engineers and other technical personnel, could negatively affect our business and operating results. Furthermore, a certain portion of our personnel in the United States is comprised of foreign nationals whose ability to work for us depends on obtaining the necessary visas. Our ability to hire and retain foreign nationals in the United States, and their ability to remain and work in the United States, is affected by various laws and regulations, including limitations on the availability of visas. Changes in U. S. laws or regulations affecting the availability of visas have, and may continue to adversely affect, our ability to hire or retain key personnel and as a result may impair our operations. Our products include third-party technology and intellectual property, and our inability to acquire new technologies or use third-party technology in the future could harm our business. In order to successfully develop and market certain of our planned products, we may be required to enter into technology development or licensing agreements with third parties. Although companies with technology useful to us are often willing to enter into technology development or licensing agreements with respect to such technology, we cannot provide assurances that such agreements may be negotiated on commercially reasonable terms, or at all. The failure to enter, or a delay in entering, into such technology development or licensing agreements, when necessary or desirable, could limit our ability to develop and market new products and could materially and adversely affect our business. We incorporate certain third-party technologies, including software programs, into our products, and, as noted, intend to utilize additional third-party technologies in the future. In addition, the technologies that we license may not operate properly or as specified, and we may not be able to secure alternatives in a timely manner, either of which could harm our business. We could face delays in product releases until alternative technology can be identified, licensed or developed, and integrated into our products, if we are able to do so at all. These delays, or a failure to secure or develop adequate technology, could materially and adversely affect our business, operating results, financial condition and cash flows. Cybersecurity incidents, including data security breaches or computer viruses, could harm our business by disrupting our business operations, compromising our products and services, damaging our reputation or exposing us to liability. Cyber criminals and hackers may attempt to penetrate our network security, or the network security of third parties we work with, including our third-party vendors, service providers, manufacturers, solution providers, partners and consultants, misappropriate our proprietary information or cause business interruptions, or access or misappropriate other sensitive data. Because the techniques used by such computer programmers to access or sabotage networks change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. In the past, we and relevant third parties have faced compromises to our network security, though no prior incidents we have identified to date have materially affected our business, results of operations or financial condition. Companies are facing additional attacks as workforces have become more distributed as a result of remote and hybrid working arrangements. Additionally, geopolitical events such as the **Middle East Hamas-Israel and Russia-Ukraine conflicts and heightened tension between Israel and Iran** may increase the cybersecurity risks we and the third parties we work with face. Our business operations utilize and rely upon numerous third-party vendors, service providers, manufacturers, solution providers, partners and consultants, and any failure of such third parties' cybersecurity measures could materially and adversely affect or disrupt our business. While we have invested in and continue to update our network security and cybersecurity infrastructure and systems, if our cybersecurity systems, or the cybersecurity systems of relevant third parties, fail to protect against unauthorized access, sophisticated cyber-attacks, phishing schemes, ransomware and other malicious code, data protection breaches, computer viruses, denial-of-service attacks, or disruptions from unauthorized tampering or human error, our ability to conduct our business effectively could be damaged in a number of ways, including: • our intellectual property and other proprietary data, or

financial assets, could be stolen, **lost, altered, or otherwise unavailable**; • our ability to manage and conduct our business operations could be seriously disrupted; • defects and security vulnerabilities could be introduced into our product, software and SaaS offerings, thereby damaging the reputation and perceived reliability and security of our products; and • confidential or otherwise sensitive information, including personal data of our customers, employees and business partners, could be compromised and lead to unauthorized, unlawful, or accidental access to, or acquisition, use, corruption, loss, destruction, unavailability, alteration or dissemination of, or damage to, such information. **In addition, our systems, and the systems of third parties we work with, are potentially vulnerable to breakdown or other damage or interruption from service interruptions, system malfunction, natural disasters, terrorism, war and telecommunication and electrical failures, as well as security breaches and incidents from inadvertent or intentional actions by our employees, contractors, consultants, business partners, and / or other third parties, which may compromise our system infrastructure or lead to the loss, destruction, alteration, prevention of access to, disclosure, or dissemination of, or damage or unauthorized access to, our data (including trade secrets or other confidential information, intellectual property, proprietary business information, and personal information) or data that is processed or maintained on our behalf, or other assets.** Should any of the above events occur, or be perceived to have occurred, our reputation, competitive position and business could be significantly harmed, and we could be subject to claims, demands and litigation from customers, third parties, and other individuals and groups, and investigations or other proceedings by governmental authorities, and may be subject to fines, penalties, damages, and other liabilities. Additionally, we could incur significant costs in order to upgrade our cybersecurity systems and remediate damages and otherwise respond to the incident. Consequently, our business, operating results, financial condition and cash flows could be materially and adversely affected. We may not have applicable or otherwise adequate insurance to protect us from, or adequately mitigate, liabilities or damages resulting from security breaches or incidents. The successful assertion of one or more large claims against us that exceeds any available insurance coverage that we might have, or results in changes to insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an adverse effect on our business. In addition, we cannot be sure that insurance coverage will be available on acceptable terms or that insurers will not deny coverage as to any future claim. Our operating results could be adversely affected by natural disasters affecting us or impacting our third-party manufacturers, suppliers, resellers or customers. Our corporate headquarters is located in California, which is prone to earthquakes. In addition, climate change is contributing to an increase in erratic weather patterns globally and intensifying the impact of certain types of catastrophes, such as floods, wildfires and droughts. We have employees, consultants and contractors located in regions and countries around the world. In the event that any of our business, sales or research and development centers or offices in the United States or internationally are adversely affected by an earthquake, flood, wildfire or by any other natural disaster, we may sustain damage to our operations and properties, which could cause a sustained interruption or loss of affected operations, and cause us to suffer significant financial losses. We rely on third-party contract manufacturers for the production of our products. Any significant disruption in the business or operations of such manufacturers or of their or our suppliers could adversely impact our business. Our principal contract manufacturers and several of their and our suppliers and our resellers have operations in locations that are subject to natural disasters, such as severe weather, tsunamis, floods, fires and earthquakes, which could disrupt their operations and, in turn, our operations. In addition, if there is a natural disaster in any of the locations in which our significant customers are located, we face the risk that our customers may incur losses or sustained business interruption, or both, which may materially impair their ability to continue their purchase of products from us. Accordingly, natural disaster in one of the geographies in which we, or our third-party manufacturers, their or our suppliers or our customers, operate could have a material and adverse effect on our business, operating results, cash flows and financial condition.

Financial, Transactional and Tax Risks We may need additional capital in the future and may not be able to secure adequate funds at all or on terms acceptable to us. We engage in the design, development and manufacture and sale of a variety of video and broadband products and system solutions, which has required, and will continue to require, significant research and development expenditures. We are monitoring and managing our cash position in light of ongoing market conditions due to **the potential** volatility and uncertainty in the banking and financial services sector, **and the Middle East Hamas-Israel** and Russia-Ukraine conflicts, and related macroeconomic conditions. We believe that our existing cash of approximately \$ **84-101.3-5** million **at as of** December 31, **2023-2024** will satisfy our cash requirements for at least the next 12 months. However, we may need to raise additional funds to take advantage of presently unanticipated strategic opportunities, satisfy our other cash requirements from time to time, or strengthen our financial position. Our ability to raise funds may be adversely affected by a number of factors, including factors beyond our control, such as weakness in the economic conditions in markets in which we sell our products, bank failures and continued uncertainty in financial, capital and credit markets. There can be no assurance that equity or debt financing will be available to us on reasonable terms, if at all, when and if it is needed. We may raise additional financing through public or private equity or convertible debt offerings, debt financings, or corporate partnership or licensing arrangements. To the extent we raise additional capital by issuing equity securities or convertible debt, our stockholders may experience dilution, and any new equity or convertible debt securities we issue could have rights, preferences, and privileges superior to holders of our common stock. Further, volatility in equity capital markets may adversely affect market prices of our common stock. This may materially and adversely affect our ability to raise additional capital through public or private equity offerings. To the extent that we raise additional funds through collaboration and licensing arrangements, it may be necessary to relinquish some rights to our technologies or products, or grant licenses on terms that are not favorable to us. Our current debt agreements **require**, and any debt financing that we secure in the future **require or** may require us to pledge assets or enter into covenants that could restrict our operations or our ability to incur further indebtedness and **the our** interest **on obligations with respect to** such debt may adversely affect our operating results. Further, **rising historically high** interest rates and tightening credit markets may reduce our access to debt financing, which may adversely affect our future business plans and expected growth, **and** would increase the

cost of long- term fixed rate and short- term variable rate borrowings, which could reduce our earnings. If adequate capital is not available, or is not available on reasonable terms, when needed, we may not be able to take advantage of acquisitions or other market opportunities, to timely develop new products, or to otherwise respond to competitive pressures. Our Credit Agreement imposes operating and financial restrictions on us. On December 21, 2023, we entered into a Credit Agreement, among the Company, certain subsidiaries of the Company from time to time party thereto, the lenders party thereto from time to time and Citibank, N. A., as administrative agent (the “ Credit Agreement ”). The obligations under the Credit Agreement and the other loan documents are required to be guaranteed by certain of our material subsidiaries, and secured by substantially all of the assets of the Company and such subsidiary guarantors. The Credit Agreement provides for a \$ ~~120~~ **160** . 0 million secured revolving loan facility (the “ Revolving Facility ”), with a \$ 10. 0 million sublimit for the issuance of letters of credit, and a \$ 40. 0 million secured delayed draw term loan facility (the “ Term Facility ”). **To finance the proceeds of the loans under settlement of the conversions of the 2024 Notes in connection with our delivery of the notice of redemption for such notes, we drew down \$ 75. 0 million on** the Revolving Facility **and \$ 40** may be used for general corporate purposes. **0 million on** To the extent drawn, the proceeds of the loans under the Term Facility must be used to repurchase, **respectively** redeem, acquire or otherwise settle our Notes (as defined below). **As of December 31** We may borrow term loans in up to three drawings through September 1, 2024, on which date any undrawn commitments **we had \$ 82. 0 million remaining available for borrowing under the Revolving Facility and no remaining amounts available for borrowing** under the Term Facility expire. As of December 31, 2023, there were no borrowings and approximately \$ 0. 2 million of letters of credit outstanding under the Credit Agreement. Our Credit Agreement contains covenants that limit our ability and the ability of our subsidiaries to, subject to certain limitations and exceptions: • grant liens; • incur debt; • make acquisitions and other investments; • undergo certain fundamental changes; • dispose of assets; • make certain restricted payments; • enter into transactions with affiliates; and • enter into burdensome agreements. Further, the Credit Agreement contains financial covenants that require compliance with a maximum consolidated net leverage ratio and minimum fixed charge coverage ratio, in each case, determined in accordance with the terms of the Credit Agreement. These covenants may adversely affect our ability to finance our operations, meet or otherwise address our capital needs, pursue business opportunities or react to market conditions, or otherwise restrict our activities or business plans. In addition, our obligations to repay principal and interest on our indebtedness could make us vulnerable to economic or market downturns. A breach of any of these covenants could result in an event of default under the Credit Agreement. As of December 31, ~~2023~~ **2024**, we were in compliance with all covenants under the Credit Agreement; however, if an event of default occurs, the lenders may terminate their commitments and accelerate our obligations under the Credit Agreement. ~~Any such acceleration could result in an event of default under the Notes (as defined below).~~ We might not be able to repay our debt or borrow sufficient funds to refinance it on terms that are acceptable to us. Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt. Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including ~~our 2. 00 % Convertible Senior Notes due in 2024 (the “ Notes ”) and~~ any amounts borrowed under our Credit Agreement, ~~or to make cash payments in connection with any conversion of the Notes or in connection with any repurchase of Notes upon the occurrence of a fundamental change before the maturity date at a repurchase price equal to 100 % of the principal amount of the Notes to be repurchased, plus any accrued and unpaid interest thereon, as set forth in the indenture governing the Notes,~~ depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness, ~~including the Notes,~~ will depend on our ability to borrow under the terms of the Credit Agreement, the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations, including ~~the Notes and~~ any outstanding loans under the Credit Agreement. ~~In addition, our ability to repurchase the Notes or to pay cash upon conversions of the Notes or at their maturity may be limited by law, regulatory authority, or agreements governing our future indebtedness. Our failure to repurchase the Notes at a time when the repurchase is required by the indenture governing the Notes or to pay cash upon conversions of the Notes or at their maturity as required by the indenture governing the Notes would constitute a default under the indenture. A default, or the occurrence of a fundamental change or change of control, as applicable, under the indenture governing the Notes, could also lead to a potential default under agreements governing our future indebtedness. Moreover, the occurrence of a fundamental change or change of control, as applicable, under the indenture governing the Notes could itself constitute an event of default under any such indenture. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, or if we are unable to borrow under our Credit Agreement to refinance the Notes, we may not have sufficient funds to repay the indebtedness and repurchase the Notes or make cash payments upon conversions thereof.~~ Despite our current debt levels, we may still incur substantially more debt or take other actions which would intensify the risks discussed above. Despite our current consolidated debt levels, we and our subsidiaries may be able to incur substantial additional debt in the future, subject to the restrictions contained in our debt instruments, some of which may be secured debt. **Such** We are not restricted under the terms of the indenture governing the Notes from incurring additional **indebtedness** debt, securing existing or future debt, recapitalizing our debt or taking a number of other actions that are not limited by the terms of the indenture governing the Notes that could have the effect of diminishing our ability to make payments on our debt (including the Notes) when due. **Our** In addition, our Credit Agreement permits us to incur certain additional indebtedness and grant certain liens on our assets, subject to limitations and requirements as set forth in the Credit Agreement, that could intensify the risks discussed above. ~~Conversions of the Notes in connection with our delivery of the Notice of Redemption (as defined below) may adversely affect our financial condition and operating results. On January 30, 2024, we~~

issued a notice (the "Notice of Redemption") to redeem all of the outstanding principal of the Notes pursuant to the terms of the indenture governing the Notes at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest to, but excluding, April 18, 2024 (the "Redemption Date"). As a result of our delivery of the Notice of Redemption, holders of the Notes called for redemption will be entitled under the indenture governing the Notes to convert their Notes at their option at any time prior to the close of business on April 16, 2024 in accordance with such indenture at a conversion rate of 118.0550 shares (inclusive of Additional Shares, as defined in such indenture) of our common stock per \$1,000 principal amount of the Notes converted. We have elected under the terms of the indenture governing the Notes to settle any conversions of Notes by paying cash equal to the principal portion of the Notes converted and deliver any conversion value greater than the principal amount shares of common stock. Accordingly, if one or more holders elect to convert their Notes, we will be required to settle the principal portion of our conversion obligation through the payment of cash, which could adversely affect our liquidity. We have made, and may continue to make, acquisitions, and any acquisition could disrupt our operations, cause dilution to our stockholders and materially and adversely affect our business, operating results, cash flows and financial condition. As part of our business strategy, from time to time we have acquired, and we may continue to acquire, businesses, technologies, assets and product lines that we believe complement or expand our existing business. Acquisitions involve numerous risks, including the following: • unanticipated costs or delays associated with an acquisition; • difficulties in the assimilation and integration of acquired operations, technologies and / or products; • potential disruption of our business and the diversion of management's attention from the regular operations of the business during the acquisition process; • the challenges of managing a larger and more geographically widespread operation and product portfolio after the closing of the acquisition; • potential adverse effects on new and existing business relationships with suppliers, contract manufacturers, resellers, partners and customers; • compliance with regulatory requirements, such as local employment regulations and organized labor requirements; • risks associated with entering markets in which we may have no or limited prior experience; • the potential loss of key employees of acquired businesses and our own business as a result of integration; • difficulties in bringing acquired products and businesses into compliance with applicable legal requirements in jurisdictions in which we operate and sell products; • impact of known potential liabilities or unknown liabilities, including litigation and infringement claims, associated with companies we acquire; • substantial charges for acquisition costs or for the amortization of certain purchased intangible assets, deferred stock compensation or similar items; • substantial impairments to goodwill or intangible assets in the event that an acquisition proves to be less valuable than the price we paid for it; • difficulties in establishing and maintaining uniform financial and other standards, controls, procedures and policies; • delays in realizing, or failure to realize, the anticipated benefits of an acquisition; and • the possibility that any acquisition may be viewed negatively by our customers or investors or the financial markets. Competition within our industry for acquisitions of businesses, technologies, assets and product lines has been, and is likely to continue to be, intense. As such, even if we are able to identify an acquisition that we would like to consummate, we may not be able to complete the acquisition on commercially reasonable terms or because the target chooses to be acquired by another company. Furthermore, in the event that we are able to identify and consummate any future acquisitions, we may, in each of those acquisitions: • issue equity securities which would dilute current stockholders' percentage ownership; • incur substantial debt to finance the acquisition or assume substantial debt in the acquisition; • incur significant acquisition-related expenses; • assume substantial liabilities, contingent or otherwise; or • expend significant cash. These financing activities or expenditures could materially and adversely affect our operating results, cash flows and financial condition or the price of our common stock. Alternatively, due to difficulties in the capital or credit markets that may exist at the time, we may be unable to secure capital necessary to complete an acquisition on reasonable terms, or at all. Moreover, even if we were to obtain benefits from acquisitions in the form of increased revenue and earnings per share, there may be a delay between the time the expenses associated with an acquisition are incurred and the time we recognize such benefits. As of December 31, 2023-2024, we had approximately \$ 239-236.2-9 million of goodwill recorded on our balance sheet associated with prior acquisitions. In the event we determine that our goodwill is impaired, we would be required to write down all or a portion of such goodwill, which could result in a material non-cash charge to our results of operations in the period in which such write-down occurs. If we are unable to successfully address one or more of these risks, our business, operating results, financial condition and cash flows could be materially and adversely affected. We may sell one or more of our product lines, from time to time, as a result of our evaluation of our products and markets, and any such divestiture could adversely affect our continuing business and our expenses, revenues, results of operation, cash flows and financial position. We periodically evaluate our various product lines and may, as a result, consider the divestiture of one or more of those product lines. Such evaluations, like the current strategic review process for our Video business, may disrupt our business by causing distractions to management, shifts in strategy, decreased employee morale and productivity, and increased turnover. We have considered selling and sold product lines in the past, and any prior or future divestiture could adversely affect our continuing business and expenses, revenues, results of operations, cash flows and financial position. Divestitures of product lines have inherent risks, including the expense of selling the product line, the possibility that any anticipated sale will not occur, delays in closing any sale, the risk of lower-than-expected proceeds from the sale of the divested business, unexpected costs associated with the separation of the business to be sold from the seller's information technology and other operating systems, and potential post-closing claims for indemnification or breach of transition services obligations of the seller. Expected cost savings, which are offset by revenue losses from divested businesses, may also be difficult to achieve or maximize due to the seller's fixed cost structure, and a seller may experience varying success in reducing fixed costs or transferring liabilities previously associated with the divested business. The nature of our business requires the application of complex revenue and expense recognition rules and the current legislative and regulatory environment affecting generally accepted accounting principles is uncertain. Significant changes in current principles could affect our financial statements going forward and changes in financial accounting standards or practices may cause adverse, unexpected financial reporting fluctuations and harm our operating results. United States generally accepted accounting principles ("U. S. GAAP")

are subject to interpretation by the Financial Standards Accounting Board (“ FASB ”), the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. We are also subject to evolving rules and regulations of the countries in which we do business. Changes to accounting standards or interpretations thereof may result in different accounting principles under U. S. GAAP that have a significant effect on our reported financial results and require us to incur costs and expenses in order to comply with the updated standards or interpretations. In addition, we have in the past and may in the future need to modify our customer contracts, accounting systems and processes when we adopt future or proposed changes in accounting principles. The cost and effect of these changes may negatively impact our results of operations during the periods of transition. Fluctuations in our future effective tax rates could affect our future operating results, financial condition and cash flows. We are required to periodically review our deferred tax assets and determine whether, based on available evidence, a valuation allowance is necessary. The realization of our deferred tax assets, which are predominantly in the United States, is dependent upon the generation of sufficient U. S. and foreign taxable income in the future to offset these assets. Based on our evaluation, we recorded a net ~~decrease~~ **increase** in valuation allowance of \$ **0.4 million in 2024 and a net decrease of \$** 63.9 million ~~and a net increase of \$ 10.8 million in 2023 and 2022~~, respectively, against the net deferred tax assets. In 2023, there was a full release of the valuation allowance against U. S. Federal and certain state deferred tax assets due to improved historical earnings and projected earnings ~~– There was no valuation allowance release in 2022~~. Changes in the amount of the valuation allowance in the U. S. and in foreign jurisdictions could result in a material non- cash expense or benefit in the period in which the valuation allowance is adjusted, and our results of operations could be materially affected. The calculation of tax liabilities involves dealing with uncertainties in the application of complex global tax regulations. We recognize potential liabilities for anticipated tax audit issues in the U. S. and other tax jurisdictions based on our estimate of whether, and the extent to which, additional taxes will be due. In the event we determine that it is appropriate to create a reserve or increase an existing reserve for any such potential liabilities, the amount of the additional reserve will be charged as an expense in the period in which it is determined. If payment of these amounts ultimately proves to be unnecessary, the reversal of the liabilities would result in tax benefits being recognized in the period when we determine the liabilities are no longer necessary. If the estimate of tax liabilities proves to be less than the ultimate tax assessment for the applicable period, a further charge to expense in the period such shortfall is determined would result. Either such charge to expense could have a material and adverse effect on our operating results for the applicable period. Our future effective income tax rates could be adversely affected if tax authorities challenge our international tax structure or if our relative mix of U. S. and international income changes for any reason. Accordingly, there can be no assurance that our effective income tax rate will **remain consistent** ~~be less than the U. S. federal statutory rate in future periods~~. We are subject to taxation- related risks in multiple jurisdictions, and the adoption and interpretation of new tax legislation, tax regulations, tax rulings, or exposure to additional tax liabilities could materially affect our business, financial condition and results of operations. Tax laws are regularly re- examined and evaluated globally. New laws and interpretations of the law are considered for financial statement purposes in the quarter or year that they are enacted. Tax authorities are increasingly scrutinizing the tax positions of multinational companies. If U. S. or other foreign tax authorities change applicable tax laws, or if there is a change in interpretation of existing law, our overall liability could increase, and our business, financial condition and results of operations may be harmed. For example, effective as of January 1, 2022, the Tax Cuts and Jobs Act of 2017 eliminated the option to deduct research and development expenditures currently and requires such expenditures to be capitalized and amortized ratably over a five- year period for domestic expenditures or a fifteen- year period for foreign expenditures. The Internal Revenue Service has not issued Treasury Regulations that provide guidance on how to apply this new tax law. If or when Treasury Regulations are released, it may impact the Company’ s estimate of capitalized costs or the Company’ s current interpretation of the tax law. ~~However, recently proposed tax legislation, if enacted, would restore the ability to deduct domestic research and development expenditures in the current year through 2025 and would retroactively restore this benefit for 2022 and 2023~~. Any change in tax law will be accounted for in the period of enactment. Further, the Inflation Reduction Act of 2022, among other things, imposes a one- percent non- deductible excise tax on certain repurchases of stock that are made by U. S. publicly traded corporations on or after January 1, 2023, which may affect our share repurchase program. In addition, the Organization for Economic Co- operation and Development (the “ OECD ”), the European Union, as well as a number of other countries and organizations have recently enacted new laws, and proposed or recommended changes to existing tax laws, that may increase our tax obligations in many countries where we do business or require us to change the manner in which we operate our business. For example, the OECD has introduced a framework to implement a 15 % global minimum corporate tax, referred to as Pillar 2, which **Member States in the European Union have implemented into national legislation as of the end of 2023 and** ~~has been adopted by~~ **certain** ~~the European Union for implementation by its Member States into national legislation by the end of 2023 and may be adopted by~~ other jurisdictions. As we expand the scale of our business activities, any changes in U. S. or foreign tax laws that apply to such activities may increase our worldwide effective tax rate and harm our business, financial condition and results of operations. Legal, Regulatory and Compliance Risks We or our customers may face intellectual property infringement claims from third parties. Our industry is characterized by the existence of a large number of patents and frequent claims and related litigation regarding patent and other intellectual property rights. In particular, leading companies in the telco industry have extensive patent portfolios. Also, patent infringement claims and litigation by entities that purchase or control patents, but do not produce goods or services covered by the claims of such patents (so- called “ non- practicing entities ” or “ NPEs ”), have increased rapidly over the last decade or so. From time to time, third parties, including NPEs, have asserted, and may assert in the future, patent, copyright, trademark and other intellectual property rights against us or our customers, and have initiated audits to determine whether we have missed royalty payments for technology that we license. Our suppliers and their customers, including us, may have similar claims asserted against them. A number of third parties, including companies with greater financial and other resources than us, have asserted patent rights to technologies that are important to us. Any intellectual property litigation, regardless of its outcome, could result in substantial

expense and significant diversion of the efforts of our management and technical personnel. An adverse determination in any such proceeding could subject us to significant liabilities and temporary or permanent injunctions and require us to seek licenses from third parties or pay royalties that may be substantial. Furthermore, necessary licenses may not be available on terms satisfactory to us, or at all. An unfavorable outcome on any such litigation matter could require that we pay substantial damages, could require that we pay ongoing royalty payments, or could prohibit us from selling certain of our products. Any such outcome could have a material and adverse effect on our business, operating results, financial condition and cash flows. Our suppliers and customers may have intellectual property claims relating to our products asserted against them. We have agreed to indemnify some of our suppliers and most of our customers for patent infringement relating to our products. The scope of this indemnity varies, but, in some instances, includes indemnification for damages and expenses (including reasonable attorney's fees) incurred by the supplier or customer in connection with such claims. If a supplier or a customer seeks to enforce a claim for indemnification against us, we could incur significant costs defending such claim, the underlying claim or both. An adverse determination in either such proceeding could subject us to significant liabilities and have a material and adverse effect on our operating results, cash flows and financial condition. We may be the subject of litigation which, if adversely determined, could harm our business and operating results. We may be subject to claims arising in the normal course of business. The costs of defending any litigation, whether in cash expenses or in management time, could harm our business and materially and adversely affect our operating results and cash flows. An unfavorable outcome on any litigation matter could require that we pay substantial damages, or, in connection with any intellectual property infringement claims, could require that we pay ongoing royalty payments or prohibit us from selling certain of our products. In addition, we may decide to settle any litigation, which could cause us to incur significant settlement costs. A settlement or an unfavorable outcome on any litigation matter could have a material and adverse effect on our business, operating results, financial condition and cash flows. Our failure to adequately protect our proprietary rights and data may adversely affect us. As of December 31, 2023-2024, we held 133 issued U. S. patents and 47-48 issued foreign patents, and had 39-48 patent applications pending. Although we attempt to protect our intellectual property rights through patents, trademarks, copyrights, licensing arrangements, maintaining certain technology as trade secrets and other measures, we can give no assurances that any patent, trademark, copyright or other intellectual property rights owned by us will not be invalidated, circumvented or challenged, that such intellectual property rights will provide competitive advantages to us, or that any of our pending or future patent applications will be issued with the scope of the claims sought by us, if at all. We can give no assurances that others will not develop technologies that are similar or superior to our technologies, duplicate our technologies or design around the patents that we own. In addition, effective patent, copyright and trade secret protection may be unavailable or limited in certain foreign countries in which we do business or may do business in the future. We may enter into confidentiality or license agreements with our employees, consultants, and vendors and our customers, as needed, and generally limit access to, and distribution of, our proprietary information. Nevertheless, we cannot provide assurances that the steps taken by us will prevent misappropriation of our technology. In addition, we have taken in the past, and may take in the future, legal action to enforce our patents and other intellectual property rights, to protect our trade secrets, to determine the validity and scope of the proprietary rights of others, or to defend against claims of infringement or invalidity. Such litigation could result in substantial costs and diversion of management time and other resources, and could materially and adversely affect our business, operating results, financial condition and cash flows. Our use of open source software in some of our products may expose us to certain risks. Some of our products contain software modules licensed for use from third-party authors 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 we use. If we combine our proprietary software with open source software in a certain manner, we could, under certain of the open source licenses, be required to release the source code of our proprietary software to the public. This could allow our competitors to create similar products with lower development effort and in less time and ultimately could result in a loss of product sales for us. Although we monitor our use of open source closely, it is possible our past, present or future use of open source has triggered or may trigger the foregoing requirements. Furthermore, the terms of many open source licenses have not been interpreted by U. S. courts, and there is a risk that such licenses could be construed in a manner that could impose unanticipated conditions or restrictions on our ability to commercialize our products. In such event, we could be required to seek licenses from third parties in order to continue offering our products, to re-engineer our products or to discontinue the sale of our products in the event re-engineering cannot be accomplished on a timely basis, any of which could materially and adversely affect our operating results, financial condition and cash flows. We are subject to import and export control and trade and economic sanction laws and regulations that could subject us to liability or impair our ability to compete in international markets. Our products are subject to U. S. export control laws, and may be exported outside the United States only with the required export license or through an export license exception, in most cases because we incorporate encryption technology into certain of our products. We are also subject to U. S. trade and economic sanction regulations which include prohibitions on the sale or supply of certain products and services to the United States embargoed or sanctioned countries, governments, persons and entities. In addition, various countries regulate the import of certain technology 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. Although we take precautions and have processes in place to prevent our products and services from being provided in violation of such laws, our products may have been in the past, and could in the future be, provided inadvertently in violation of such laws, despite the precautions we take. In March 2020, we received an administrative subpoena from the U. S. Treasury Department's office of Foreign Assets Control ("OFAC") requesting information about transactions involving Iran. The transactions were by the French company TVN, which we acquired in early 2016. Pursuant to regulations that remained in place until 2018, foreign

subsidiaries of U. S. companies were allowed to engage in transactions with Iran if certain requirements were met. In February 2023, OFAC notified us that it had completed its review of these matters and closed its review with the issuance of a Cautionary Letter. While OFAC did not assess any penalties, the Cautionary Letter does not preclude OFAC from taking future enforcement actions if additional information warrants renewed attention. Furthermore, OFAC may consider our regulatory history, including this subpoena, our disclosures and the Cautionary Letter, if we are involved in future enforcement cases for failure to comply with export control laws and regulations. If we are found to have violated U. S. export control laws as a result of future investigations, we and certain of our employees could be subject to civil or criminal penalties, including the possible loss of export privileges, monetary penalties, and, in extreme cases, imprisonment of responsible employees for knowing and willful violations of these laws which could lead to penalties, reputational harm, loss of access to certain markets, or otherwise. In addition, we may be subject to customs duties that could have a significant adverse impact on our operating results or, if we are able to pass on the related costs in any particular situation, would increase the cost of the related product to our customers. As a result, the future imposition of significant increases in the level of customs duties or the creation of import quotas on our products in Europe or in other jurisdictions, or any of the limitations on international sales described above, could have a material adverse effect on our business, operating results, financial condition and cash flows. Further, some of our customers in Europe have been, or are being, audited by local governmental authorities regarding the tariff classifications used for importation of our products. Import duties and tariffs vary by country and a different tariff classification for any of our products may result in higher duties or tariffs, which could have an adverse impact on our operating results and potentially increase the cost of the related products to our customers. Our business and industry are subject to various laws and regulations that could adversely affect our business, operating results, cash flows and financial condition. Our business and industry are regulated under various federal, state, local and international laws. For example, we are subject to environmental regulations such as the European Union's Waste Electrical and Electronic Equipment ("WEEE") and Restriction on the Use of Certain Hazardous Substances in Electrical and Electronic Equipment ("RoHS") directives and similar legislation enacted in other jurisdictions worldwide. Our failure to comply with these laws could result in our being directly or indirectly liable for costs, fines or penalties and third-party claims, and could jeopardize our ability to conduct business in such regions and countries. We expect that our operations will be affected by other new environmental laws and regulations on an ongoing basis. Although we cannot predict the ultimate impact of any such new laws and regulations, they would likely result in additional costs, and could require that we redesign or change how we manufacture our products, any of which could have a material and adverse effect on our operating results, financial condition and cash flows. We are subject to the Sarbanes-Oxley Act of 2002 which, among other things, requires an annual review and evaluation of our internal control over financial reporting. If we conclude in future periods that our internal control over financial reporting is not effective or if our independent registered public accounting firm is unable to provide an unqualified attestation as of future year-ends, we may incur substantial additional costs in an effort to correct such problems, and investors may lose confidence in our financial statements, and our stock price may decrease in the short term, until we correct such problems, and perhaps in the long term, as well. We are subject to requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 that require us to conduct research, disclose, and report whether or not our products contain certain conflict minerals sourced from the Democratic Republic of Congo or its surrounding countries. The implementation of these requirements could adversely affect the sourcing, availability, and pricing of the materials used in the manufacture of components used in our products. In addition, we may incur certain additional costs to comply with the disclosure requirements, including costs related to conducting diligence procedures to determine the sources of conflict minerals that may be used or necessary to the production of our products and, if applicable, potential changes to products, processes or sources of supply as a consequence of such verification activities. It is also possible that we may face reputational harm if we determine that certain of our products contain minerals not determined to be conflict-free and / or we are unable to alter our products, processes or sources of supply to avoid such materials. Changes in telco legislation and regulations in the United States and other countries could affect our sales and the revenue we are able to derive from our products. In particular, on December 14, 2017, changes in laws or regulations that adversely affect the growth, popularity or use of U. S. Federal Communications Commission ("FCC") voted to repeal the "internet, including laws impacting net neutrality" rules or requiring payment of network access fees, could decrease the demand for our service and return-increase our cost of doing business. Certain laws intended to a-light prevent network operators from discriminating against the legal traffic that traverse their networks have been implemented in many countries, including across the European Union. In others, the laws may be nascent or non-existent touch regulatory framework. Furthermore The FCC's new rules, favorable laws may which took effect in June 2018, granted providers of broadband internet access services greater freedom to make changes- change to their services, including, potentially, changes that may discriminate against or for example otherwise harm our business. However, in a number of parties have appealed these the United rules, which appeals are currently being reviewed by the D. C. Circuit Court of Appeals; thus the future impact of the FCC's repeal and any changes thereto remains uncertain. Additionally, on September 30, 2018, California enacted the California Internet Consumer Protection and Net Neutrality Act of 2018. Since the FCC repealed its nationwide regulations, seven states States where have also enacted a state-level-net neutrality regulations were recently repealed law and a number of other states are considering legislation or executive actions that would regulate the conduct of broadband providers. We cannot predict whether such laws and regulations the FCC order or state initiatives will be modified, overturned, or vacated by legal action of the court, federal legislation, or the FCC. The repeal of the net neutrality rules or other regulations dealing with access by competitors to the networks of incumbent operators could slow or stop infrastructure and services investments or expansion by service providers. Increased regulation of our customers' pricing or service offerings could limit their investments and, consequently, revenue from our products. The impact of new or revised legislation or regulations could have a material adverse effect on our business, operating results, financial condition and cash flows. We are also subject to laws and regulations to our collection and other

processing of personal data of our employees, customers, and others. These laws and regulations are subject to frequent modifications and updates and require ongoing supervision. For example, the European Union adopted a General Data Protection Regulation (“GDPR”) that became effective in May 2018, and has established new, and in some cases more stringent, requirements for data protection in Europe, and which provides for substantial penalties for noncompliance. Additionally, California has the California Consumer Privacy Act (“CCPA”), which went into effect on January 1, 2020. In November 2020, California passed the California Privacy Rights Act (“CPRA”), which went into effect on January 1, 2023. The CPRA amends and augments the CCPA including by expanding individuals’ rights and the obligations of businesses that handle personal data. Other legislation relating to these matters, in many cases general legislation similar to the CCPA, has been proposed or adopted in several other states. Aspects of the CCPA, CPRA and these other laws and regulations, as well as their enforcement, remain unclear. The U. S. federal government also is contemplating federal privacy legislation. The effects and impact of these or other laws and regulations relating to privacy and data protection are potentially significant and may require us to modify our data processing practices and policies and to incur substantial costs and expenses in efforts to comply. Laws and regulations relating to privacy and data protection continue to evolve in various jurisdictions, with existing laws and regulations subject to new and differing interpretations and new laws and regulations being proposed and adopted. It is possible that our practices may be deemed not to comply with those privacy and data protection legal requirements that apply to us now or in the future. Our failure or perceived failure to comply with any of the foregoing legal and regulatory requirements, or other actual or asserted obligations relating to privacy, data protection or information security could result in increased costs for our products, monetary penalties, damage to our reputation, government inquiries, investigations and other legal proceeds, legal claims, demands and litigation and other obligations and liabilities. We depend significantly on our international revenue and are subject to the risks associated with international operations, including those of our resellers, contract manufacturers and outsourcing partners, which may negatively affect our operating results. Revenue derived from customers outside of the United States in the fiscal years ended December 31, 2024, 2023, and 2022 and 2021 represented approximately 24%, 33%, and 37% and 44% of our revenue, respectively. Although no assurance can be given with respect to international sales growth in any one or more regions, we expect that international revenue will likely continue to represent, from year to year, a significant, and potentially increasing, percentage of our annual revenue for the foreseeable future. A significant percentage of our revenue is generated from sales to resellers, VARs and systems integrators, particularly in emerging market countries. Furthermore, the majority of our employees are based in our international offices and locations, and most of our contract manufacturing occurs outside of the United States. In addition, we outsource a portion of our research and development activities to certain third-party partners with development centers located in different countries, particularly Ukraine and India. Our international operations, international operations of our resellers, contract manufacturers and outsourcing partners, and our efforts to maintain and increase revenue in international markets are subject to a number of risks, which are generally greater with respect to emerging market countries, including the following: • growth and stability of the economy in one or more international regions, including regional economic impacts of the Middle East, Hamas-Israel and Russia-Ukraine conflicts and potential escalations and broader regional conflicts, and tensions between China and Taiwan and the United States; • fluctuations in currency exchange rates; • ability of certain non-U. S. customers to timely make payments in U. S. dollar due to local government currency controls; • changes in foreign government regulations and telco standards; • import and export license requirements, tariffs, taxes, economic sanctions, contractual limitations and other trade barriers; • our significant reliance on resellers and others to purchase and resell our products and solutions, particularly in our Video business and in emerging market countries; • availability of credit, particularly in emerging market countries; • longer collection periods and greater difficulty in enforcing contracts and collecting accounts receivable, especially from smaller customers and resellers, particularly in emerging market countries; • compliance with the FCPA, the U. K. Bribery Act and / or similar anti-corruption and anti-bribery laws, particularly in emerging market countries; • the burden of complying with a wide variety of foreign laws, regulations, treaties and technical standards; • fulfilling “country of origin” requirements for our products for certain customers; • difficulty in staffing and managing foreign operations; • business and operational disruptions or delays caused by political, social and / or economic instability and unrest (e. g., Ukraine and Israel), including risks related to terrorist activity, particularly in emerging market countries; • changes in economic policies by foreign governments, including the imposition and potential continued expansion of economic sanctions by the United States and the European Union on the Russian Federation; • changes in diplomatic and trade relationships, including the imposition of new trade restrictions, trade protection measures, import or export requirements, trade embargoes and other trade barriers, including those between the United States and China; • any negative economic impacts resulting from the political environment in the United States or the United Kingdoms’ exit from the European Union; and • business and economic disruptions and delays caused by outbreaks of disease, epidemics and potential pandemics. We have certain international customers who are billed in their local currency, primarily the Euro, British pound and Japanese yen, which subjects us to foreign currency risk. In addition, a portion of our operating expenses relating to the cost of certain international employees, are denominated in foreign currencies, primarily the Euro, Israeli shekel, British pound, Singapore dollar, Chinese yuan and Indian rupee. Although we do hedge against the Euro, British pound, Israeli shekel and Japanese yen, gains and losses on the conversion to U. S. dollars of accounts receivable, accounts payable and other monetary assets and liabilities arising from international operations may contribute to fluctuations in our operating results. Furthermore, payment cycles for international customers are typically longer than those for customers in the United States. Unpredictable payment cycles could cause us to fail to meet or exceed the expectations of security analysts and investors for any given period. Most of our international revenue is denominated in U. S. dollars, and fluctuations in currency exchange rates could cause our products to become relatively more expensive to customers in a particular country or region, leading to a reduction in revenue or profitability from sales in that country or region. The potential negative impact of a strong U. S. dollar

on our business may be exacerbated by the significant devaluation of a number of foreign currencies. Also, if the U. S. dollar were to weaken against many foreign currencies, there can be no assurance that a weaker dollar would lead to growth in customer spending in foreign markets. Our operations outside the United States also require us to comply with a number of U. S. and international regulations that prohibit improper payments or offers of payments to foreign governments and their officials and political parties for corrupt purposes. For example, our operations in countries outside the United States are subject to the FCPA and similar laws, including the U. K. Bribery Act. Our activities in certain emerging countries create the risk of unauthorized payments or offers of payments by one of our employees, consultants, sales agents or channel partners that could be in violation of various anti- corruption laws, even though these parties may not be under our control. Under the FCPA and U. K. Bribery Act, companies may be held liable for the corrupt actions taken by their directors, officers, employees, channel partners, sales agents, consultants, or other strategic or local partners or representatives. We have internal control policies and procedures with respect to FCPA compliance, have implemented FCPA training and compliance programs for our employees, and include in our agreements with resellers a requirement that those parties comply with the FCPA. However, we cannot provide assurances that our policies, procedures and programs will prevent violations of the FCPA or similar laws by our employees or agents, particularly in emerging market countries, and as we expand our international operations. Any such violation, even if prohibited by our policies, could result in criminal or civil sanctions against us. The effect of one or more of these international risks could have a material and adverse effect on our business, financial condition, operating results and cash flows.

Risks Related to Ownership of Our Common Stock Some anti- takeover provisions contained in our certificate of incorporation and bylaws, as well as provisions of Delaware law, could impair a takeover attempt. We have provisions in our certificate of incorporation and bylaws that could have the effect of rendering more difficult or discouraging an acquisition deemed undesirable by our Board. These include provisions: • authorizing blank check preferred stock, which could be issued with voting, liquidation, dividend and other rights superior to our common stock; • limiting the liability of, and providing indemnification to, our directors and officers; • limiting the ability of our stockholders to call, and bring business before, special meetings; • 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; • controlling the procedures for conducting and scheduling of Board and stockholder meetings; and • providing our Board with the express power to postpone previously scheduled annual meetings and to cancel previously scheduled special meetings. These provisions could delay hostile takeovers, changes in control of the Company or changes in our management. As a Delaware corporation, we are also subject to provisions of Delaware law, including Section 203 of the Delaware General Corporation law, which prevents some stockholders holding more than 15 % of our outstanding common stock from engaging in certain business combinations without approval of the holders of substantially all of our outstanding common stock. Any provision of our certificate of incorporation or bylaws or Delaware law that has 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. Our common stock price may be extremely volatile, and the value of an investment in our stock may decline. Our common stock price has been highly volatile. We expect that this volatility will continue in the future due to factors such as: • general market and economic conditions, including inflation, ~~rising~~ interest rates, volatile capital markets, uncertainty and volatility in the financial services sector, the ~~Middle East Hamas- Israel~~ and Russia- Ukraine conflicts **and potential escalations and broader regional conflicts**, and rising tensions between China and Taiwan and the United States; • actual or anticipated variations in operating results; • increases or decreases in the general stock market or to the stock prices of technology companies; • announcements of technological innovations, new products or new services by us or by our competitors or customers; • changes in financial estimates or recommendations by stock market analysts regarding us or our competitors; • announcements by us or our competitors of significant acquisitions, dispositions, strategic partnerships, joint ventures or capital commitments; • announcements by our customers regarding end user market conditions and the status of existing and future infrastructure network deployments; • additions or departures of key personnel; and • future equity or debt offerings or our announcements of these offerings. In addition, in recent years, the stock market in general, and The NASDAQ Global Select Market and the securities of technology companies in particular, have experienced extreme price and volume fluctuations. These fluctuations have often been unrelated or disproportionate to the operating performance of individual companies. These broad market fluctuations have in the past, and may in the future, materially and adversely affect our stock price, regardless of our operating results. In these circumstances, investors may be unable to sell their shares of our common stock at or above their purchase price over the short term, or at all. We cannot guarantee that our stock repurchase program will be fully implemented or that it will enhance long- term stockholder value. In February ~~2022-2025~~, our Board of Directors **terminated our existing \$ 100 million stock repurchase program and** approved a **new** stock repurchase program for the repurchase of up to \$ ~~100-200~~ million of the outstanding shares of our common stock. The repurchase program expires in February ~~2025-2028~~ and we are not obligated to repurchase a specified number or dollar value of shares. Share repurchases will be made from time to time in open market purchases and 10b5- 1 trading plans, as permitted by securities laws and other legal requirements. Any share repurchases remain subject to the circumstances in place at that time, including prevailing market prices. As a result, there can be no guarantee around the timing or volume of our share repurchases. The stock repurchase program could affect the price of our common stock, increase volatility and diminish our cash reserves. Our repurchase program may be suspended or terminated at any time and, even if fully implemented, may not enhance long- term stockholder value. Our stock price may decline if additional shares are sold in the market or if analysts drop coverage of or downgrade our stock. Future sales of substantial amounts of shares of our common stock by our existing stockholders in the public market, or the perception that these sales could occur, may cause the market price of our common stock to decline. In addition, we issue additional shares upon exercise of stock options, including under our 2002 **ESPP Employee Stock Purchase Plan**, and in connection with grants of restricted stock units on an ongoing basis. ~~To the extent we do not elect to pay solely cash upon conversion of the Notes, we will also be required to issue~~

~~additional shares of common stock upon conversion~~. Increased sales of our common stock in the market after exercise of outstanding stock options or grants of restricted stock units could exert downward pressure on our stock price. These sales also might make it more difficult for us to sell equity or equity- related securities in the future at a time and price we deem appropriate. The trading market for our common stock relies in part on the availability of research and reports that third- party industry or securities analysts publish about us and our business. If we do not maintain adequate research coverage or if one or more of the analysts who do cover us downgrade our stock or publishes inaccurate or unfavorable research about our business, our stock price may decline. If one or more of these analysts cease coverage of us or fails to publish reports on us regularly, we could lose visibility in the market, which in turn could cause the liquidity of our stock and our stock price to decline.