

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2023

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from

Commission File Number: 001-38952

CAMBIUM NETWORKS CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Cayman Islands

(State or other jurisdiction of
incorporation or organization)

Not Applicable

(I.R.S. Employer
Identification No.)

c/o Cambium Networks, Inc.

3800 Golf Road, Suite 360

Rolling Meadows, Illinois 60008

(Address of principal executive offices, including zip code)

(345) 814-7600

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary shares, \$0.0001 par value	CMBM	Nasdaq Global Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input checked="" type="checkbox"/>		

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 30, 2023, the registrant had 27,665,127 shares of ordinary shares, \$0.0001 par value per share, outstanding.

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Note regarding forward-looking statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the federal securities laws. All statements other than statements of historical fact contained in this Quarterly Report on Form 10-Q, including statements regarding our future results of operations and financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, forward-looking statements may be identified by terms such as “may,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions. The forward-looking statements in this Quarterly Report on Form 10-Q are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this quarterly report and are subject to a number of risks, uncertainties and assumptions. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, they should not be relied upon as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur, and actual results could differ materially from those projected in the forward-looking statements. Some of the key factors that could cause actual results to differ from our expectations include:

- the unpredictability of our operating results;
- risks caused by political tensions around the world including the current war in Ukraine as well as tensions between the United States and China and the evolving events in Israel and Gaza;
- the strength of the United States dollar and the impact on the cost of our products globally;
- current or future unfavorable economic conditions, both domestically and in our foreign markets, including the risk of a global or localized recessions;
- our inability to predict and respond to emerging technological trends and network operators' changing needs;
- the impact of competitive pressures on the development of new products;
- the impact of actual or threatened health epidemics and other outbreaks;
- our limited or sole source suppliers' inability to acquire or produce third-party components to build our products and the impact of supply shortages, extended lead times or changes in supply of components and other parts required to manufacture our products;
- our ability to effectively forecast demand or manage our inventory, including our channel inventory, which may cause us to record write-downs for excess or obsolete inventory;
- our reliance on third-party manufacturers, which subjects us to risks of product delivery delays and reduced control over product costs and quality;
- our reliance on distributors and value-added resellers for the substantial majority of our sales;
- the inability of our third-party logistics and warehousing providers to deliver products to our channel partners and network operators in a timely manner;
- our distributors' and channel partners' inability to attract new network operators or sell additional products to network operators that currently use our products;
- the technological complexity of our products, which may contain undetected hardware defects or software bugs or subject our products to the risks of ransomware or malware or other cyber attacks;
- our channel partners' inability to effectively manage inventory of our products, timely resell our products or estimate expected future demand;
- credit risk of our channel partners, which could adversely affect their ability to purchase or pay for our products;
- our inability to maintain an effective system of internal controls, produce timely and accurate financial statements or comply with applicable regulations;
- our reliance on the availability of third-party licenses; and
- our inability to obtain intellectual property protections for our products.

We caution you that the foregoing list may not contain all of the forward-looking statements made in this Quarterly Report on Form 10-Q.

Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events or otherwise.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

Cambium Networks Corporation
Condensed Consolidated Balance Sheets
(in thousands, except for share and per share data)

	<u>December 31, 2022</u>	<u>September 30, 2023</u> (unaudited)
ASSETS		
Current assets		
Cash	\$ 48,162	\$ 27,529
Receivables, net of allowances of \$577 and \$734	89,321	60,444
Inventories, net	57,068	79,764
Recoverable income taxes	117	982
Prepaid expenses	11,857	8,810
Other current assets	6,464	9,643
Total current assets	<u>212,989</u>	<u>187,172</u>
Noncurrent assets		
Property and equipment, net	11,271	11,365
Software, net	8,439	11,804
Operating lease assets	4,011	4,257
Intangible assets, net	9,173	8,050
Goodwill	9,842	9,842
Deferred tax assets, net	12,782	12,494
Other noncurrent assets	955	880
TOTAL ASSETS	<u>\$ 269,462</u>	<u>\$ 245,864</u>
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	\$ 31,284	\$ 24,849
Accrued liabilities	28,042	20,690
Employee compensation	7,394	5,333
Current portion of long-term external debt, net	3,158	3,173
Deferred revenues	8,913	8,791
Other current liabilities	8,429	15,988
Total current liabilities	<u>87,220</u>	<u>78,824</u>
Noncurrent liabilities		
Long-term external debt, net	24,463	22,588
Deferred revenues	8,617	9,731
Noncurrent operating lease liabilities	2,170	2,793
Other noncurrent liabilities	1,619	1,705
Total liabilities	<u>124,089</u>	<u>115,641</u>
Shareholders' equity		
Share capital; \$0.0001 par value; 500,000,000 shares authorized at December 31, 2022 and September 30, 2023; 27,522,734 shares issued and 27,313,273 outstanding at December 31, 2022 and 27,917,429 shares issued and 27,661,860 outstanding at September 30, 2023	3	3
Additional paid in capital	138,997	149,165
Treasury shares, at cost, 209,461 shares at December 31, 2022 and 255,569 shares at September 30, 2023	(4,922)	(5,600)
Accumulated earnings (deficit)	12,822	(11,744)
Accumulated other comprehensive loss	(1,527)	(1,601)
Total shareholders' equity	<u>145,373</u>	<u>130,223</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 269,462</u>	<u>\$ 245,864</u>

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

Cambium Networks Corporation
Condensed Consolidated Statements of Operations
(in thousands, except for share and per share data)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2023	2022	2023
Revenues	\$ 81,200	\$ 43,046	\$ 212,392	\$ 179,989
Cost of revenues	40,034	32,087	108,621	100,128
Gross profit	41,166	10,959	103,771	79,861
Operating expenses				
Research and development	12,609	13,151	36,991	40,421
Sales and marketing	11,033	9,675	32,304	32,873
General and administrative	6,058	8,688	19,560	21,191
Depreciation and amortization	1,506	1,545	4,486	4,614
Total operating expenses	31,206	33,059	93,341	99,099
Operating income (loss)	9,960	(22,100)	10,430	(19,238)
Interest expense, net	514	620	1,418	1,796
Other expense (income), net	165	63	(129)	281
Income (loss) before income taxes	9,281	(22,783)	9,141	(21,315)
(Benefit) provision for income taxes	(154)	3,417	(1,048)	3,251
Net income (loss)	\$ 9,435	\$ (26,200)	\$ 10,189	\$ (24,566)
Earnings (loss) per share				
Basic	\$ 0.35	\$ (0.95)	\$ 0.38	\$ (0.89)
Diluted	\$ 0.34	\$ (0.95)	\$ 0.36	\$ (0.89)
Weighted-average number of shares outstanding to compute net earnings (loss) per share				
Basic	26,977,155	27,619,281	26,855,395	27,465,353
Diluted	27,979,575	27,619,281	27,939,728	27,465,353
Share-based compensation included in costs and expenses:				
Cost of revenues	\$ 56	\$ 45	\$ 163	\$ 160
Research and development	1,241	1,037	3,274	3,693
Sales and marketing	696	597	1,901	2,026
General and administrative	855	1,166	2,447	2,903
Total share-based compensation	\$ 2,848	\$ 2,845	\$ 7,785	\$ 8,782

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

Cambium Networks Corporation
Condensed Consolidated Statements of Comprehensive Income (Loss)
(in thousands)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2023	2022	2023
Net income (loss)	\$ 9,435	\$ (26,200)	\$ 10,189	\$ (24,566)
Other comprehensive income (loss)				
Foreign currency translation adjustment	(283)	(174)	(729)	(74)
Comprehensive income (loss)	<u>\$ 9,152</u>	<u>\$ (26,374)</u>	<u>\$ 9,460</u>	<u>\$ (24,640)</u>

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

Cambium Networks Corporation
Condensed Consolidated Statements of Shareholders' Equity
(in thousands)
(unaudited)

Three Months Ended September 30, 2022							
Share Capital							
	Shares	Amount	Additional paid in capital	Treasury shares	Accumulated deficit	Accumulated other comprehensive loss	Total shareholders' equity
Balance at June 30, 2022	26,964	\$ 3	\$ 130,430	\$ (4,512)	\$ (6,624)	\$ (1,145)	\$ 118,152
Net income	—	—	—	—	9,435	—	9,435
Share-based compensation	—	—	2,615	—	—	—	2,615
Issuance of vested shares	47	—	—	—	—	—	—
Treasury shares withheld for net settlement	(12)	—	—	(211)	—	—	(211)
Proceeds from exercise of share options	17	—	113	—	—	—	113
Foreign currency translation	—	—	—	—	—	(283)	(283)
Balance at September 30, 2022	27,016	\$ 3	\$ 133,158	\$ (4,723)	\$ 2,811	\$ (1,428)	\$ 129,821
Nine Months Ended September 30, 2022							
Share Capital							
	Shares	Amount	Additional paid in capital	Treasury shares	Accumulated deficit	Accumulated other comprehensive loss	Total shareholders' equity
Balance at December 31, 2021	26,735	\$ 3	\$ 124,117	\$ (3,906)	\$ (7,378)	\$ (699)	\$ 112,137
Net income	—	—	—	—	10,189	—	10,189
Share-based compensation	—	—	7,073	—	—	—	7,073
Issuance of ordinary shares under ESPP	87	—	1,606	—	—	—	1,606
Issuance of vested shares	193	—	—	—	—	—	—
Treasury shares withheld for net settlement	(43)	—	—	(817)	—	—	(817)
Proceeds from exercise of share options	44	—	362	—	—	—	362
Foreign currency translation	—	—	—	—	—	(729)	(729)
Balance at September 30, 2022	27,016	\$ 3	\$ 133,158	\$ (4,723)	\$ 2,811	\$ (1,428)	\$ 129,821
Three Months Ended September 30, 2023							
Share Capital							
	Shares	Amount	Additional paid in capital	Treasury shares	Accumulated equity	Accumulated other comprehensive loss	Total shareholders' equity
Balance at June 30, 2023	27,603	\$ 3	\$ 146,528	\$ (5,509)	\$ 14,456	\$ (1,427)	\$ 154,051
Net loss	—	—	—	—	(26,200)	—	(26,200)
Share-based compensation	—	—	2,631	—	—	—	2,631
Issuance of vested shares	69	—	—	—	—	—	—
Treasury shares withheld for net settlement	(11)	—	—	(91)	—	—	(91)
Proceeds from exercise of share options	1	—	6	—	—	—	6
Foreign currency translation	—	—	—	—	—	(174)	(174)
Balance at September 30, 2023	27,662	\$ 3	\$ 149,165	\$ (5,600)	\$ (11,744)	\$ (1,601)	\$ 130,223
Nine Months Ended September 30, 2023							
Share Capital							
	Shares	Amount	Additional paid in capital	Treasury shares	Accumulated equity	Accumulated other comprehensive loss	Total shareholders' equity
Balance at December 31, 2022	27,313	\$ 3	\$ 138,997	\$ (4,922)	\$ 12,822	\$ (1,527)	\$ 145,373
Net loss	—	—	—	—	(24,566)	—	(24,566)
Share-based compensation	—	—	8,568	—	—	—	8,568
Issuance of ordinary shares under ESPP	88	—	1,102	—	—	—	1,102
Issuance of vested shares	247	—	—	—	—	—	—
Treasury shares withheld for net settlement	(46)	—	—	(678)	—	—	(678)
Proceeds from exercise of share options	60	—	498	—	—	—	498
Foreign currency translation	—	—	—	—	—	(74)	(74)
Balance at September 30, 2023	27,662	\$ 3	\$ 149,165	\$ (5,600)	\$ (11,744)	\$ (1,601)	\$ 130,223

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

Cambium Networks Corporation
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Nine Months Ended September 30,	
	2022	2023
Cash flows from operating activities:		
Net income (loss)	\$ 10,189	\$ (24,566)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation	2,874	3,212
Amortization of software and intangible assets	2,750	3,399
Amortization of debt issuance costs	229	235
Share-based compensation	7,785	8,782
Deferred income taxes	(1,987)	288
Provision for inventory excess and obsolescence	1,719	5,637
Other	(94)	(7)
Change in assets and liabilities:		
Receivables	(9,436)	22,649
Inventories	(18,583)	(28,333)
Prepaid expenses	4,054	3,031
Accounts payable	(347)	(6,496)
Accrued employee compensation	(10,159)	(2,042)
Accrued liabilities	286	(1,264)
Other assets and liabilities	3,640	4,749
Net cash used in operating activities	(7,080)	(10,726)
Cash flows from investing activities:		
Purchase of property and equipment	(3,242)	(3,361)
Purchase of software	(3,441)	(5,518)
Net cash used in investing activities	(6,683)	(8,879)
Cash flows from financing activities:		
Repayment of term loan	(1,312)	(1,969)
Issuance of ordinary shares under ESPP	1,127	1,102
Taxes paid from shares withheld	(760)	(652)
Proceeds from share option exercises	362	498
Net cash used in financing activities	(583)	(1,021)
Effect of exchange rate on cash	(86)	(7)
Net decrease in cash	(14,432)	(20,633)
Cash, beginning of period	59,291	48,162
Cash, end of period	<u>\$ 44,859</u>	<u>\$ 27,529</u>
Supplemental disclosure of cash flow information:		
Income taxes paid	\$ 908	\$ 3,963
Interest paid	\$ 497	\$ 1,354

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

Cambium Networks Corporation
Notes to Unaudited Condensed Consolidated Financial Statements

Note 1. Business and significant accounting policies

Business

Cambium Networks Corporation (“Cambium” or “Cambium Networks” or the “Company”), incorporated under the laws of the Cayman Islands, is a holding company whose principal operating entities are Cambium Networks, Ltd. (UK), Cambium Networks, Inc. (USA), and Cambium Networks Private Limited (India). On June 26, 2019, the Company completed an Initial Public Offering and the Company's ordinary shares began trading on the Nasdaq Global Markets.

Cambium Networks Corporation and its wholly owned subsidiaries design, develop, and manufacture wireless and fiber broadband and enterprise networking infrastructure solutions that are used by businesses, governments, and service providers in urban, suburban and rural environments. Cambium's products simplify and automate the design, deployment, optimization, and management of broadband and Wi-Fi access networks through intelligent automation.

Basis of Presentation

The unaudited condensed consolidated financial statements include the accounts of Cambium Networks Corporation and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated. The condensed consolidated financial statements as of September 30, 2023, and for the three-month and nine-month periods ended September 30, 2022 and 2023, and the related notes are unaudited. The unaudited condensed consolidated financial statements have been prepared on the same basis as the annual audited consolidated financial statements, and, in the opinion of management, reflect all adjustments, which comprise only normal recurring adjustments necessary to state fairly the Company's financial position as of September 30, 2023 and results of operations for the three-month and nine-month periods ended September 30, 2022 and 2023 and cash flows for the nine-month periods ended September 30, 2022 and 2023. The condensed consolidated balance sheet as of December 31, 2022 has been derived from the audited financial statements at that date.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) have been condensed or omitted. The condensed consolidated financial statements contained herein should be read in conjunction with the consolidated financial statements and related notes thereto for the year ended December 31, 2022 included in the Company's annual report on Form 10-K and filed with the SEC on February 27, 2023. The results of operations for the three-month and nine-month periods ended September 30, 2023 are not necessarily indicative of the operating results to be expected for the full year.

In 2022, management determined that certain costs previously included as general and administrative expenses related to other functions of the business. Prior periods have been revised to reflect the allocation of these costs to their respective functions. These costs primarily include facility costs such as leased space and shared IT costs. Revisions were made to increase research and development expense by \$0.9 million and selling and marketing expense by \$0.3 million and decrease general and administrative expense by \$1.2 million for the three-month period ended September 30, 2022. Revisions were made to increase research and development expense by \$2.6 million and selling and marketing expense by \$0.8 million and decrease general and administrative expense by \$3.4 million for the nine-month period ended September 30, 2022.

Update to Significant Accounting Policies

There have been no material changes to the Company's significant accounting policies disclosed in the 2022 Form 10-K, Part II, Item 8.

Note 2. Balance sheet components

Inventories, net

Inventories, net consisted of the following (in thousands):

	December 31, 2022	September 30, 2023 (unaudited)
Finished goods	\$ 50,052	\$ 71,304
Raw materials	15,010	21,749
Gross inventory	65,062	93,053
Less: Excess and obsolete provision	(7,994)	(13,289)
Inventories, net	<u>\$ 57,068</u>	<u>\$ 79,764</u>

The increase in inventory is primarily due to lower demand for our PMP products and a slowdown in Enterprise product orders due to higher channel inventory. Inventory reserves are established for estimated excess and obsolete inventory equal to the difference between the cost of the inventory and the estimated net realizable value of the inventory based on historical usage, known trends, and market conditions and judgment about the anticipated consumption and our ability to sell the inventory. At December 31, 2022 and September 30, 2023, inventory reserves were \$8.0 million and \$13.3 million, respectively. The increase in the reserve was mostly driven by excess inventory related to our PMP products driven by a combination of lower anticipated demand as well as the impact of the anticipated introduction of new 6 GHz PMP products.

Accrued liabilities

Accrued liabilities consisted of the following (in thousands):

	December 31, 2022	September 30, 2023 (unaudited)
Accrued goods and services	\$ 10,633	\$ 9,683
Accrued inventory purchases	3,189	1,000
Accrued customer rebates	13,797	9,506
Other	423	501
Accrued liabilities	<u>\$ 28,042</u>	<u>\$ 20,690</u>

Accrued warranty

Provisions for warranty claims are primarily related to our hardware products and are recorded at the time products are sold. The change to accrued warranty was as follows (in thousands):

	Year ended December 31, 2022	Nine Months ended September 30, 2023 (unaudited)
Beginning balance	\$ 1,731	\$ 1,651
Fulfillment of assumed acquisition warranty	(142)	(160)
Provision increase (decrease), net	62	(4)
Ending balance	<u>\$ 1,651</u>	<u>\$ 1,487</u>

At September 30, 2023, \$1.2 million is included in Other current liabilities and \$0.3 million is included in Other noncurrent liabilities on the Company's condensed consolidated balance sheet.

Note 3. Property and equipment

Property and equipment, net consisted of the following (in thousands):

	Useful Life	December 31, 2022	September 30, 2023 (unaudited)
Equipment and tooling	3 to 5 years	\$ 33,026	\$ 35,455
Computer equipment	3 to 5 years	4,572	5,348
Furniture and fixtures	5 to 10 years	809	834
Leasehold improvements	2 to 3 years	472	518
Total cost		38,879	42,155
Less: Accumulated depreciation		(27,608)	(30,790)
Property and equipment, net		\$ 11,271	\$ 11,365

Total depreciation expense was \$1.0 million and \$1.1 million for the three-month periods ended September 30, 2022 and 2023, respectively and \$2.9 million and \$3.2 million for the nine-month periods ended September 30, 2022 and 2023, respectively.

Note 4. Software

Software consisted of the following (in thousands):

	Useful Life	December 31, 2022			September 30, 2023 (unaudited)		
		Gross carrying amount	Accumulated amortization	Net balance	Gross carrying amount	Accumulated amortization	Net balance
Acquired and Software for internal use	3 to 7 years	\$ 15,995	\$ (15,326)	\$ 669	\$ 16,681	\$ (15,604)	\$ 1,077
Software marketed for external sale	3 years	11,650	(3,880)	7,770	16,604	(5,877)	10,727
Total		\$ 27,645	\$ (19,206)	\$ 8,439	\$ 33,285	\$ (21,481)	\$ 11,804

Amortization of acquired and internal use software is computed using the straight-line method over an estimated useful life of generally three to seven years. Amortization expense recognized on acquired and internal use software is reflected in depreciation and amortization in the condensed consolidated statements of operations. Amortization expense was \$0.1 million and \$0.1 million for the three-month periods ended September 30, 2022 and 2023, respectively. Amortization expense was \$0.4 million and \$0.3 million for the nine-month periods ended September 30, 2022 and 2023, respectively.

Amortization expense recognized on software to be sold or marketed externally was \$0.4 million and \$0.8 million for the three-month periods ended September 30, 2022 and 2023, respectively, and \$1.1 million and \$2.0 million for the nine-month periods ended September 30, 2022 and 2023, respectively, and is included in cost of revenues on the condensed consolidated statements of operations.

Based on capitalized software assets at September 30, 2023, estimated amortization expense in future fiscal years is as follows (unaudited and in thousands):

Year ending December 31,	Acquired and internal use software	Software marketed for external use	Total
2023 (October - December)	103	881	984
2024	398	3,660	4,058
2025	349	3,376	3,725
2026	221	2,024	2,245
2027	6	760	766
Thereafter	—	26	26
Total amortization	\$ 1,077	\$ 10,727	\$ 11,804

Note 5. Goodwill and Intangible Assets

There was no change in the carrying amount of goodwill or intangible assets during the three-month period ended September 30, 2023 (unaudited).

The Company tests goodwill for impairment annually on December 31 and more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit or asset group below its carrying amount and tests intangible assets if an indicator suggests that the carrying amount may not be recoverable. Accordingly, the Company completes a quarterly qualitative triggering events assessment which considers significant events and circumstances such as a reporting unit's historical and current results, assumptions regarding future performance, operating income or cash flows, strategic initiatives and overall economic factors, including significant negative industry or economic trends and macro-economic developments, and sustained declines in the Company's share price or market capitalization, considered in both absolute terms and relative to peers, to determine whether any of these may indicate that it is more likely than not that the fair value of the reporting unit is less than its carrying value. If an impairment trigger is identified, a quantitative impairment test is performed.

The qualitative assessment performed for the three-month period ended September 30, 2023 did not indicate the existence of an impairment trigger that would more likely than not reduce the fair value of our reporting unit below its carrying amount nor indicators suggesting that the carrying amount of intangible assets may not be recoverable. The Company continues to monitor potential events and changes in circumstances that can be reasonably expected to constitute an impairment triggering event.

The useful life, gross carrying value, accumulated amortization, and net balance for each major class of definite-lived intangible assets at each balance sheet date were as follows (in thousands):

	Useful Life	December 31, 2022			September 30, 2023 (unaudited)		
		Gross carrying amount	Accumulated amortization	Net balance	Gross carrying amount	Accumulated amortization	Net balance
Customer relationships	5 - 18 years	19,300	(10,127)	9,173	19,300	(11,250)	8,050
Total		<u>\$ 19,300</u>	<u>\$ (10,127)</u>	<u>\$ 9,173</u>	<u>\$ 19,300</u>	<u>\$ (11,250)</u>	<u>\$ 8,050</u>

Intangible assets are amortized over their expected useful life and none are expected to have a significant residual value at the end of their useful life. Intangible assets amortization expense was \$0.4 million and \$0.4 million for the three-month periods ended September 30, 2022 and 2023, respectively, and \$1.2 million and \$1.1 million for the nine-month periods ended September 30, 2022 and 2023, respectively.

Based on capitalized intangible assets as of September 30, 2023, estimated amortization expense amounts in future fiscal years are as follows (unaudited and in thousands):

Year ending December 31,	Amortization
2023 (October - December)	375
2024	1,498
2025	1,498
2026	1,498
2027	1,498
Thereafter	1,683
Total amortization	<u>\$ 8,050</u>

Note 6. Debt

As of September 30, 2023, the Company had \$26.1 million outstanding under its term loan facility and \$0.0 million outstanding under its revolving credit facility. The Company has available \$45.0 million under its revolving credit facility (unaudited).

The following table reflects the current and noncurrent portions of the external debt facilities at December 31, 2022 and September 30, 2023 (in thousands):

	December 31, 2022	September 30, 2023 (unaudited)
Term loan facility	\$ 28,031	\$ 26,063
Less debt issuance costs	(410)	(302)
Total debt	27,621	25,761
Less current portion of term facility	(3,281)	(3,281)
Current portion of debt issuance costs	123	108
Total long-term external debt, net	\$ 24,463	\$ 22,588

Secured credit agreement

On June 9, 2023, the Company entered into the first amendment to its BofA Agreement ("First Amendment") which amended the original Bank of America Agreement ("BofA Agreement") to replace the benchmark used for the interest rate on Eurodollar Rate Loans from US Dollar LIBOR to the Term Secured Overnight Financing Rate ("SOFR"). Our outstanding debt under the BofA Agreement are now known as Term SOFR Loans, with the term selected by the Company. The new benchmark became effective on June 17, 2023, when the current interest period on the Eurodollar Rate Loan using the US Dollar LIBOR benchmark ended. With respect to the First Amendment, the Company elected the practical expedient included in ASC 848, *Reference Rate Reform*, and it accounted for the First Amendment as if the modification were not significant. The First Amendment did not create a material impact on the consolidated financial statements.

Based on the terms of the First Amendment, interest on the Term SOFR Loan accrues on the outstanding principal amount of the Term and Revolving Facilities on a quarterly basis and is equal to the base rate equal to the rate per annum as now determined by reference to the 1-month, 3-month or 6-month Term SOFR rate as selected by the Company, plus a SOFR adjustment of 0.10%. The applicable margin range between 1.75% and 2.25% as determined by the Company's performance as measured by the consolidated leverage ratio that is added to calculate the all-in rate remains unchanged with the First Amendment. At September 30, 2023, the applicable margin was 1.75% and the effective interest rate on the term loan was 7.69% (unaudited).

The Company is still required to make quarterly principal payments of \$0.7 million, with the remaining principal due on maturity on November 17, 2026. The Company is required to pay interest quarterly on the outstanding balance. The Company is still permitted to voluntarily reduce the unutilized portion of the commitment amount and repay outstanding loans under the BofA First Amendment at any time without premium or penalty.

Maturities on the external debt outstanding at September 30, 2023 is as follows (unaudited and in thousands):

Year ending December 31,	
2023 (October- December)	656
2024	2,625
2025	2,625
2026	19,500
Total	\$ 25,406

As of September 30, 2023, the Company was in compliance with all affirmative and negative covenants (unaudited).

Net interest expense, including bank charges and amortization of debt issuance costs on the external debt, was \$0.5 million and \$0.6 million for the three-month periods ended September 30, 2022 and 2023, respectively, and \$1.4 million and \$1.8 million for the nine-month periods ended September 30, 2022 and 2023, respectively (unaudited).

Note 7. Employee benefit plans

The Company's employee benefit plans currently consist of a retirement plan in the United States and a separate defined contribution plan in the UK. The Company does not offer any other postretirement benefit plans, such as retiree medical and dental benefits or deferred compensation agreements to its employees or officers.

U.S. plan

U.S. employees that satisfy certain eligibility requirements, including requirements related to age and length of service, are eligible to participate in the Cambium Networks, Inc. 401(k) Plan. The plan is intended to qualify as a tax-qualified 401(k) plan so that contributions to the 401(k) plan, and income earned on such contributions, are not taxable to participants until withdrawn or distributed from the 401(k) plan. Under the 401(k) plan, each employee is fully vested in his or her deferred salary contributions. Employee contributions are held and invested by the plan's trustee as directed by participants. Under the Cambium Networks, Inc. 401(k) Plan, the Company matches 100% of employee contributions to the 401(k) plan up to a maximum amount of 4% of eligible wages, which matching contributions are subject to vesting in equal annual increments over two years of service. All contributions, including the Company match, are made in cash. Contributions made by the Company under the Cambium Networks, Inc. 401(k) Plan were \$0.2 million and \$0.3 million for the three-month periods ended September 30, 2022 and 2023, respectively, and \$1.2 million and \$1.2 million for the nine-month periods ended September 30, 2022 and 2023, respectively.

UK plan

UK employees who satisfy certain eligibility requirements are eligible to participate in the Cambium Networks Ltd. Stakeholder Pension Scheme, which is a qualified defined contribution plan. Employees are eligible to participate on the first of the month following receipt of their enrollment form, and eligible employees are automatically enrolled in the plan at a default employee contribution rate of 3% of eligible compensation and a company contribution rate of 5% of the employee's basic salary. The Company contribution rate increases by 1% for each additional 1% that the employee contributes up to a maximum of 7%. Company matching contributions vest immediately and employees are always vested in their own contributions. All contributions, including the Company match, are made in cash and deposited in the participant's account each pay period. The total contributed by the Company under this plan was \$0.1 million and \$0.1 million for the three-month periods ended September 30, 2022 and 2023, respectively, and \$0.3 million and \$0.3 million for the nine-month periods ended September 30, 2022 and 2023, respectively.

Note 8. Other (income) expense, net

Net other (income) expense changed from expense of \$0.2 million for the three-month period ended September 30, 2022 to expense of \$0.1 million for the three-month period ended September 30, 2023. Net other (income) expense changed from income of \$0.1 million for the nine-month period ended September 30, 2022 to expense of \$0.3 million for the nine-month period ended September 30, 2023. Net other (income) expense mostly represents foreign exchange gains and losses.

Note 9. Share-based compensation

2019 Share incentive plan

In June 2019, the Company's Board of Directors adopted, and its shareholders approved, the 2019 Share Incentive Plan ("2019 Plan"). The 2019 Plan provides for the grant of incentive share options, nonqualified share options, share appreciation rights, restricted share awards ("RSAs"), restricted share units ("RSUs"), other share-based awards and performance awards. The share reserve under the 2019 Plan is automatically increased on the first day of each fiscal year, beginning with the fiscal year ended December 31, 2020 and continuing until, and including, the fiscal year ending December 31, 2029. The number of shares added annually is equal to the lowest of 1,320,000 shares, 5% of the number of the Company's shares outstanding on the first day of such fiscal year, or an amount determined by the Board of Directors. On March 1, 2023, the Company registered 1,320,000 additional shares that may be issued under the 2019 Plan.

The Company's employees, officers, directors, consultants, and advisors are eligible to receive awards under the 2019 Plan. Incentive share options, however, may only be granted to the Company's employees.

For the three-month periods ended September 30, 2022 and 2023, the Company recorded corresponding income tax benefits of \$0.3 million and \$0.0 million, respectively, and for the nine-month periods ended September 30, 2022 and 2023, the Company recorded corresponding income tax benefits of \$0.8 million and \$0.1 million, respectively.

Share options

The Company's time-based share options typically have a contractual term of ten years from grant date and typically vest over a four-year period. The Company recognized compensation expense associated with its time-based share options on a straight-line basis over the requisite service period.

The following is a summary of option activity for the Company's share incentive plans for the nine-month period ended September 30, 2023 (unaudited):

	Options	Weighted average exercise price	Weighted Average remaining contractual term (years)	Aggregate intrinsic value
Outstanding at December 31, 2022	3,395,219	\$ 13.83	7.6	\$ 28,985,969
Options granted ¹	993,196	\$ 9.07	—	\$ —
Options exercised	(59,800)	\$ 8.32	—	\$ —
Options expired	(5,188)	\$ 12.00	—	\$ —
Options forfeited	(65,817)	\$ 14.06	—	\$ —
Outstanding at September 30, 2023	4,257,610	\$ 12.79	7.4	\$ 458,989
Options exercisable at September 30, 2023	2,475,407	\$ 12.92	6.2	\$ 413,898
Options vested and expected to vest at September 30, 2023	4,229,061	\$ 12.77	7.4	\$ 458,045

¹ Options granted includes the time-based share options and the performance-based share options for which a grant date has been established, as described below.

The Company uses the Black-Scholes option pricing model to estimate the fair value of share options. The Company utilized a forfeiture rate of 8.2% during the nine-month period ended September 30, 2023 for estimating the forfeitures of share options granted.

The fair value of share options is estimated using the following weighted-average assumptions (unaudited):

	Nine Months Ended September 30,	
	2022	2023
Expected dividend yield	—	—
Risk-free interest rate	2.43 %	4.31 %
Weighted-average expected volatility	61.3 %	69.3 %
Expected term (in years)	4.55	5.74
Weighted average grant-date fair value per share of options granted	\$ 8.15	\$ 5.73

At September 30, 2023, there was \$13.0 million in unrecognized pre-tax share-based compensation expense, net of estimated forfeitures, related to unvested time-based share option awards. The unrecognized share-based compensation expense is expected to be recognized through the fourth quarter of 2027 (unaudited).

Restricted shares

The Company's time-based RSUs typically vest over a four-year period. The Company recognizes compensation expense associated with its time-based RSUs on a straight-line basis over the four-year requisite service period.

The following is a summary of restricted shares activity for the Company's share incentive plan for the nine-month period ended September 30, 2023 (unaudited):

	Units	Weighted average grant date fair value
RSU balance at December 31, 2022	696,990	\$ 18.22
RSUs granted ¹	225,338	\$ 12.68
RSUs vested	(246,886)	\$ 16.37
RSUs forfeited	(39,722)	\$ 17.33
RSU balance at September 30, 2023	635,720	\$ 17.03

¹ RSUs granted includes the time-based RSUs and the performance-based RSUs for which a grant date has been established, as described below.

Of the 246,886 RSUs vested, the Company withheld 46,108 of those shares to pay the employees' portion of the minimum payroll withholding taxes.

The fair value of the RSUs is based on the fair value of the Company's ordinary shares on the grant date. The Company utilized a forfeiture rate of 8.2% during the nine-month period ended September 30, 2023 for estimating the forfeitures of RSUs granted.

As of September 30, 2023, there was \$8.8 million in unrecognized pre-tax compensation expense, net of estimated forfeitures, related to unvested time-based restricted share units. The unrecognized compensation expense is expected to be recognized through the third quarter of 2027 (unaudited).

Performance-based share awards

In May 2023, performance-based share awards were awarded to select executive officers of the Company. The awards contain a performance-based vesting criteria and included 60,000 share options and 135,000 restricted share units. The performance-based awards have two separate annual performance periods, with 50% of the performance-based awards vesting over each of the annual performance periods ending on December 31, 2023 ("First Performance Period") and December 31, 2024 ("Second Performance Period") if the performance goal is met. If the performance goal for that performance period is not met, the performance-based awards do not vest and are forfeited. The performance goal is based on the Company's adjusted earnings per share, as publicly reported by the Company, for each performance period. The method used to measure the fair value of the performance-based awards is consistent with the methods used to measure the fair value of time-based share options and RSUs, as described above.

For performance-based awards that vest during the First Performance Period, the Company's Compensation Committee retains the ability to modify the applicable adjusted earnings per share metric. Due to this discretion, the Company has determined that the grantee does not have a mutual understanding of the key terms and conditions of the performance-based awards in the First Performance Period, and a grant date will not exist until the Compensation Committee approves the adjusted earnings per share metric for the First Performance Period. As of September 30, 2023, based on the total potential shares that could be earned, there were 30,000 share options and 62,500 RSUs outstanding for which there is no accounting grant date. Accordingly, no grant date fair value was established and the weighted average grant date fair values calculated above excludes these performance-based share options and performance-based RSUs. The Company remeasures the fair value of the awards at each reporting date until a grant date is achieved, as the service inception date precedes the grant date. As of September 30, 2023, there was \$0.5 million in unrecognized pre-tax compensation expense, net of estimated forfeitures, related to unvested performance-based share awards for the First Performance Period, which would be recognized through the first quarter of 2024 upon achievement of the performance goal (unaudited).

Unlike the performance-based awards in the First Performance Period, the Compensation Committee does not have the discretion to modify the applicable adjusted earnings per share metric for performance-based awards that vest during the Second Performance Period. As such, a mutual understanding of the key terms and conditions, and thus a grant date, exists on the date that the performance-based awards are issued by the Company. As of September 30, 2023, based on the total potential shares that could be earned, there were 62,500 RSUs granted. A grant date fair value was established, and the weighted average grant date fair values calculated in the above tables include these performance-based share options and performance-based RSUs. The Company has not recognized any compensation expense on these performance-based awards since the requisite service period does not begin until January 1, 2024. As of September 30, 2023, there was \$0.9 million in unrecognized pre-tax compensation expense, net of estimated forfeitures, related to these unvested performance-based share awards for the Second Performance Period, which will be recognized over the requisite service period starting January 1, 2024 through the first quarter of 2025 if it is probable that the adjusted earnings per share metric will be achieved (unaudited).

Employee share purchase plan

In June 2019, the Company's Board of Directors adopted, and its shareholders approved, the Employee Share Purchase Plan ("ESPP"). The ESPP was effective on June 25, 2019, and the initial offering period of six-months commenced on January 1, 2021. The current offering period of six months commenced on July 1, 2023 and runs through December 31, 2023. The purchase price of the shares is 85% of the lower of the fair market value of the Company's ordinary shares on the first trading day of the offering period and the purchase date. The ESPP includes an annual increase to the shares available for sale on the first day of each fiscal year beginning in 2020, equal to the lesser of: 275,000 shares, 1% of the outstanding shares as of the last day of the immediately preceding fiscal year, or such other amount as the administrator may determine. The Company registered 273,133 additional shares on March 1, 2023.

For the three-month periods ended September 30, 2022 and 2023, the Company recognized \$0.2 million and \$0.2 million, respectively, of share-based compensation expense related to the ESPP. For the nine-month periods ended September 30, 2022 and 2023, the Company recognized \$0.7 million and \$0.7 million, respectively, of share-based compensation expense related to the ESPP. There were 87,229 shares issued under the ESPP during the three-month and nine-month periods ended September 30, 2022 and 88,290 shares issued under the ESPP during the three-month and nine-month periods ended September 30, 2023 (unaudited).

Note 10. Share capital - shares

The following table reflects the share capital activity (unaudited):

	Number of shares	Par value (in thousands)
Balance at December 31, 2022	27,313,273	\$ 3
Issuance of ordinary shares under employee share purchase plan	88,290	—
Issuance of vested shares	246,605	—
Share options exercised	59,800	—
Shares withheld for net settlement of shares issued	(46,108)	—
Balance at September 30, 2023	<u>27,661,860</u>	<u>\$ 3</u>

As of September 30, 2023, no dividends have been declared or paid (unaudited).

Note 11. Earnings (loss) per share

Basic net earnings (loss) per share is computed by dividing net income by the weighted-average number of shares outstanding during the period. Diluted net earnings per share is computed by giving effect to all potentially dilutive ordinary share equivalents outstanding for the period. For purposes of this calculation, share options, RSUs, and ESPP awards are considered to be ordinary share equivalents but are excluded from the calculation of diluted earnings per share when including them would have an anti-dilutive effect. Performance-based share awards are only included in the calculation of diluted earnings per share if the performance metric would have been achieved as of September 30, 2023 if that had been the end of the contingency period. The following table sets forth the computation of basic and diluted net earnings per share (unaudited and in thousands, except for share and per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2023	2022	2023
Numerator:				
Net (loss) income	\$ 9,435	\$ (26,200)	\$ 10,189	\$ (24,566)
Denominator:				
Basic weighted average shares outstanding	26,977,155	27,619,281	26,855,395	27,465,353
Dilutive effect of share option awards	755,196	—	840,828	—
Dilutive effect of RSUs	242,443	—	235,509	—
Dilutive effect of employee share purchase plan	4,781	—	7,996	—
Diluted weighted average shares outstanding	<u>27,979,575</u>	<u>27,619,281</u>	<u>27,939,728</u>	<u>27,465,353</u>
Net (loss) earnings per share, basic	\$ 0.35	\$ (0.95)	\$ 0.38	\$ (0.89)
Net (loss) earnings per share, diluted	\$ 0.34	\$ (0.95)	\$ 0.36	\$ (0.89)

In the computation of diluted earnings per share for the three-month and nine-month periods ended September 30, 2022, the Company did not include any share equivalents because their inclusion would have been antidilutive. In the computation of diluted earnings per share for the three-month and nine-month periods ended September 30, 2023, 3,641,637 ordinary share equivalents and 1,753,142 ordinary share equivalents, respectively, were excluded because their inclusion would have been antidilutive (unaudited).

Note 12. Income taxes

The Company's provision for income taxes is based upon the estimated annual tax rate for the year applied to federal, state and foreign income. The Company recorded a benefit for income taxes of \$0.2 million for the three-month period ended September 30, 2022 and a provision for income taxes of \$3.4 million for the three-month period ended September 30, 2023, with an effective tax rate of (1.7)% and (15.0)%, respectively. In the three-month period ended September 30, 2022, the effective tax rate of (1.7)% was different from the statutory rate of 21.0%, primarily due to Foreign Derived Intangible Income, tax benefit arising on Research and Development tax credits, and changes to the excess tax benefits on share-based compensation. For the three-month period ended September 30, 2023, the Company's effective tax rate of (15.0)% was different from the statutory rate of 21.0%, primarily due to establishment of a valuation allowance on the net deferred tax assets of the UK company, net of tax benefit on Foreign Derived Intangible Income, tax benefit arising on US Research and Development tax credits, and changes to the excess tax benefits on share-based compensation. The Company established the valuation allowance based on the analysis of cumulative income and loss positions, future income projections, and operating plans. The UK net deferred tax assets are comprised primarily of NOL carryforwards, corporate interest restriction carryforwards and acquired intangibles that existed at December 31, 2022, amounting to \$5.3 million. The movement in the net deferred tax assets during the period amounted to \$5.6 million for a total valuation allowance of \$10.9 million.

In the nine-month periods ended September 30, 2022 and 2023, the Company recorded a tax benefit of \$1.0 million and a tax provision of \$3.3 million, respectively, with an effective income tax rate of (11.5)% and (15.3)%, respectively. For the nine-month period ended September 30, 2022, the effective income tax rate of (11.5)% was different from the statutory rate of 21.0%, primarily due to tax benefits arising on Research and Development tax credits, Foreign Derived Intangible Income, the revaluing of certain UK deferred tax assets at a higher future tax rate, and changes to the excess tax benefits on share-based compensation. For the nine-month period ended September 30, 2023, the effective income tax rate of (15.3)% was different from the statutory rate of 21.0%, primarily due to establishment of a valuation allowance on the net deferred tax assets on the UK Company, net of tax benefit on Foreign Derived Intangible Income, tax benefits arising on US Research and Development tax credits, and changes to the excess tax benefits on share-based compensation. The Company established the valuation allowance based on the analysis of cumulative income and loss positions, future income projections, and operating plans. The UK net deferred tax assets are comprised primarily of NOL carryforwards, corporate interest restriction carryforwards and acquired intangibles that existed at December 31, 2022, amounting to \$5.3 million. The movement in the net deferred tax assets during the period amounted to \$6.8 million for a total valuation allowance of \$12.1 million.

In assessing the realizability of deferred tax assets, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. A significant piece of objective evidence evaluated is the cumulative income or loss incurred over the three-year period ended September 30, 2023 and whether the Company projects a loss for the current year ending December 31, 2023. Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets before they otherwise expire. The Company considers projected future taxable income, reversing taxable temporary differences, carryback opportunities, and prudent tax-planning strategies in making this assessment. However, cumulative losses in recent periods are a significant piece of objective negative evidence that limits the Company's ability to consider certain criteria of subjective positive evidence such as projections for future growth. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the period in which those temporary differences are deductible. The amount of the deferred tax asset considered realizable will be adjusted in future period as necessary based on the reversal pattern of deferreds and the actual taxable income during the carryforward period as well as any relevant new facts to be considered.

In applying the statutory tax rate in the effective income tax rate reconciliation, the Company used the statutory U.S. federal income tax rate of 21% rather than the Cayman Islands zero percent rate.

Note 13. Commitments and contingencies

In accordance with ASC 460, *Guarantees*, the Company recognizes the fair value for guarantee and indemnification arrangements it issues or modifies, if these arrangements are within the scope of the interpretation. In addition, the Company must continue to monitor the conditions that are subject to the guarantees and indemnifications in order to identify if a loss has incurred. If the Company determines it is probable that a loss has occurred, then any such estimated loss would be recognized under those guarantees and indemnifications and would be recognized in the Company's condensed consolidated statements of operations and corresponding condensed consolidated balance sheets during that period.

Indemnification

The Company generally indemnifies its customers against claims brought by a third party to the extent any such claim alleges that the Company's product infringes a patent, copyright or trademark or violates any other proprietary rights of that third party. The maximum potential amount of future payments the Company may be required to make under these indemnification agreements is not estimable.

The Company indemnifies its directors and officers and select key employees, including key employees serving as directors or officers of the Company's subsidiaries, for certain events or occurrences, subject to certain limits, while the director or officer is or was serving at the Company's request in such capacity. The term of the indemnification period is for the director's or officer's term of service. The Company may terminate the indemnification agreements with its directors, officers or key employees upon the termination of their services as directors or officers of the Company or its subsidiaries, or the termination of activities for which indemnification has been provided, but termination will not affect claims for indemnification related to events occurring prior to the effective date of termination. The maximum amount of potential future indemnification is unlimited; however, the Company has a director and officer insurance policy that limits its exposure. The Company believes the fair value of these indemnification agreements is minimal.

Purchase commitments with contract manufacturers and suppliers

We purchase components from a variety of suppliers and use contract manufacturers to provide manufacturing services for our products. During the normal course of business, in order to manage manufacturing lead times and help ensure adequate component supply, we enter into agreements with contract manufacturers and suppliers that allow them to procure inventory and components based upon criteria as defined by us, such as forecasted demand. Certain of our inventory purchase commitments with contract manufacturers and suppliers relate to arrangements to secure supply and pricing for certain components for multiple periods. We record a liability for firm, noncancelable, and unconditional purchase commitments for quantities in excess of our future demand forecasts consistent with the valuation of our excess and obsolete inventory. The Company may be liable to purchase excess product or aged material or components from our suppliers following reasonable mitigation efforts.

Warranties

The Company offers a standard warranty on its products, with the term depending on the product, and records a liability for the estimated future costs associated with potential warranty claims. The Company's responsibility under its standard warranty is the repair or replacement of in-warranty defective product, or to credit the purchase price of the defective product, at its discretion, without charge to the customer. The Company's estimate of future warranty costs is largely based on historical experience factors including product failure rates, material usage, and service delivery cost incurred in correcting product failures. The standard warranty is included in either Other current liabilities or Other noncurrent liabilities on its condensed consolidated balance sheets, depending on the time period covered by the warranty. The Company also offers an extended warranty for purchase that represents a future performance obligation for the Company. The extended warranty is included in deferred revenues (both current and noncurrent) on the condensed consolidated balance sheets and recognized on a straight-line basis over the term of the extended warranty. The warranty costs are reflected in the Company's condensed consolidated statements of operations within cost of revenues.

Legal proceedings

Third parties may from time to time assert legal claims against the Company. The Company records accruals for loss contingencies to the extent that it concludes it is probable that a liability has been incurred and the amount of the related loss can be reasonably estimated. The Company evaluates, on a regular basis, developments in legal proceedings and other matters that could cause a change in amounts recorded. Due to the inherent uncertainty involving legal matters, the ultimate resolution could differ from amounts recorded. There is no pending or threatened legal proceedings to which the Company is a party, that in the Company's opinion, is likely to have a material adverse effect on its financial condition or results of operations.

Note 14. Segment information

The Company's chief operating decision maker ("CODM") is its Chief Executive Officer. The Company's CODM reviews financial information presented on a consolidated basis for purposes of allocating resources and evaluating financial performance. Accordingly, the Company determined that it operates as one operating segment and one reporting unit.

Note 15. Revenues from contracts with customers

Revenues consist primarily of revenues from the sale of hardware products with essential embedded software. Revenues also include amounts for software products, extended warranty on hardware products and subscription services. Substantially all products are sold through distributors and other channel partners, such as resellers, managed service providers and systems integrators.

The Company recognizes revenue to reflect the transfer of control of promised products or services to a customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for products or services.

The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

The Company identifies its distinct performance obligations under each contract. A performance obligation is a promise in a contract to transfer a distinct product or service to the customer. Hardware products with essential embedded software, software products, and purchased extended warranty on hardware products have been identified as separate and distinct performance obligations.

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring products or services to a customer. An adjustment to revenue is made to adjust the transaction price to exclude the consideration related to products expected to be returned. The Company records an asset at the carrying amount of the estimated stock returns and a liability for the estimated amount expected to be refunded to the customer. The transaction price also excludes other forms of consideration provided to the customer, such as volume-based rebates and co-operative marketing allowances.

The Company recognizes revenue when, or as, it satisfies a performance obligation by transferring control of a promised product or service to a customer. Revenue from hardware products with essential embedded software is recognized when control of the asset is transferred, which is typically at the time of shipment. Revenue from perpetual license software is recognized at the point in time that the customer is able to use or benefit from the software. Extended warranty on hardware products is a performance obligation that is satisfied over time, beginning on the effective date of the warranty period and ending on the expiration of the warranty period. The Company recognizes revenue on extended warranties on a straight-line basis over the warranty period. Revenue from software subscriptions is recognized ratably over the term in which the services are provided and the performance obligation is satisfied.

The Company enters into revenue arrangements that may consist of multiple performance obligations, such as hardware products and extended warranty. The Company allocates the transaction price to each performance obligation on a relative standalone selling price basis for each distinct product or service in the contract. The best evidence of standalone selling price is the observable price of a product or service when the Company sells that product or service separately in similar circumstances and to similar customers. If a standalone selling price is not directly observable, the Company estimates the transaction price allocated to each performance obligation using the expected costs plus a margin approach.

Disaggregation of revenues

Revenues by product category were as follows (unaudited and in thousands, except percentages):

	Three Months Ended September 30,				Nine Months Ended September 30,				
	2022		2023		2022		2023		
Point-to-Multi-Point	\$	26,090	32 %	\$	23,596	55 %	\$	72,622	40 %
Point-to-Point		15,409	19 %		15,809	37 %		58,891	33 %
Enterprise		38,330	47 %		2,499	6 %		44,575	25 %
Other		1,371	2 %		1,142	2 %		3,901	2 %
Total Revenues	\$	81,200	100 %	\$	43,046	100 %	\$	179,989	100 %

The Company's products are predominately sold through third-party distributors and distributed through a third-party logistics provider with facilities in the United States, Netherlands and China. The Company has determined the geographical distribution of product revenues based upon the ship-to destinations specified by its distributor customers.

Revenues by geography were as follows (unaudited and in thousands, except percentages):

	Three Months Ended September 30,				Nine Months Ended September 30,				
	2022		2023		2022		2023		
North America	\$	30,086	37 %	\$	17,768	42 %	\$	104,887	57 %
Europe, Middle East and Africa		29,263	36 %		14,274	33 %		40,751	23 %
Caribbean and Latin America		8,935	11 %		5,726	13 %		15,426	9 %
Asia Pacific		12,916	16 %		5,278	12 %		18,925	11 %
Total Revenues	\$	81,200	100 %	\$	43,046	100 %	\$	179,989	100 %

Contract balances

The following table summarizes contract balances as of December 31, 2022 and September 30, 2023 (in thousands):

	December 31, 2022	September 30, 2023 (unaudited)
Trade accounts receivable, net of allowance for credit losses	\$ 89,181	\$ 59,891
Deferred revenue - current	8,913	8,791
Deferred revenue - noncurrent	8,617	9,731
Refund liability	\$ 3,186	\$ 11,594

Deferred revenue consists of amounts due or received from customers in advance of the Company satisfying performance obligations under contractual arrangements. Deferred revenue is classified as current or noncurrent based on the timing of when revenue will be recognized. The changes in deferred revenue were due to normal timing differences between the Company's performance and the customers' payment.

The refund liability is the estimated amount expected to be refunded to customers in relation to product exchanges made as part of the Company's stock rotation program and returns that have been authorized, but not yet received by the Company. The increase in the refund liability is driven by the higher expected stock rotations of enterprise products as the channel aligns its inventory position with market demand. It is included within Other current liabilities in the condensed consolidated balance sheets.

Receivables and concentration of credit risk

Trade accounts receivable represent amounts for which the Company has an unconditional right to payment. Amounts are in accordance with contractual terms and are recorded at face amount less an allowance for credit losses. The Company establishes an allowance for credit losses to present the net amount of accounts receivable expected to be collected. The allowance is determined by using the loss-rate method, which requires an estimation of loss rates based upon historical loss experience adjusted for factors that are relevant to determining the expected collectability of accounts receivables. Some of these factors include macroeconomic conditions that correlate with historical loss experience, delinquency trends, aging behavior of receivables and credit and liquidity indicators for individual customers.

The Company considers the credit risk of all customers and regularly monitors credit risk exposure in its trade receivables. The Company's standard credit terms with its customers are generally net 30 to 60 days. The Company had one customer representing more than 10% of trade receivables at December 31, 2022 and one customer representing more than 10% of trade receivables at September 30, 2023.

Remaining performance obligations

Remaining performance obligations represent the revenue that is expected to be recognized in future periods related to performance obligations included in a contract that are unsatisfied, or partially satisfied, as of the end of a period. As of December 31, 2022, deferred revenue (current and noncurrent) of \$17.5 million represents the Company's remaining performance obligations, of which \$8.9 million is expected to be recognized within one year, with the remainder to be recognized thereafter. As of September 30, 2023, deferred revenue (current and noncurrent) of \$18.5 million represents the Company's remaining performance obligations, of which \$8.8 million is expected to be recognized within one year, with the remainder to be recognized thereafter (unaudited).

Revenue recognized during the three-month and nine-month periods ended September 30, 2023 which was previously included in deferred revenues as of December 31, 2022 was \$1.8 million and \$7.3 million, respectively, compared to \$1.5 million and \$5.7 million of revenue recognized during the three-month and nine-month periods ended September 30, 2022, respectively, which was previously included in deferred revenues as of December 31, 2021 (unaudited).

Cost to obtain a contract

Sales commissions are incremental costs of obtaining a contract. The Company has elected to recognize these expenses as incurred, as the amortization period of these costs is one year or less.

Note 16. Leases

The Company has operating leases for offices, vehicles and equipment. Leases with a term of 12 months or less are not recorded on the consolidated balance sheets and are expensed on a straight-line basis over the lease term.

Right-of-use assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. The Company's lease payments are typically fixed or contain fixed escalators. The Company's leases typically include certain lock-in periods and renewal options to extend the lease but does not consider options to extend the lease it is not reasonably certain to exercise. The Company elected the practical expedient to not separate the lease and non-lease components of its leases and currently has no leases with options to purchase the leased property.

The components of lease expense were as follows and are included in general and administrative expense (unaudited and in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2023	2022	2023
Operating lease cost	\$ 580	\$ 595	\$ 1,781	\$ 1,780
Short-term lease cost	99	98	352	291
Variable lease costs	171	215	461	526
Total lease expense	\$ 850	\$ 908	\$ 2,594	\$ 2,597

Supplemental balance sheet information related to leases were as follows (in thousands, except lease term and discount rate):

Balance Sheet Caption		December 31, 2022	September 30, 2023 (unaudited)
Operating leases:			
Operating lease assets	Operating lease assets	\$ 4,011	\$ 4,257
Current lease liabilities	Other current liabilities	\$ 1,930	\$ 1,582
Noncurrent lease liabilities	Noncurrent operating lease liabilities	\$ 2,170	\$ 2,793
Weighted average remaining lease term (years):			
Operating leases		2.67	3.21
Weighted average discount rate:			
Operating leases		6.11 %	6.25 %

Supplemental cash flow information related to leases were as follows (unaudited and in thousands):

	Nine Months Ended September 30,	
	2022	2023
Supplemental cash flow information:		
Cash paid for amounts included in the measurement of lease liabilities	\$ 1,783	\$ 1,845

The Company's current lease terms range from one to five years and may include options to extend the lease by one to four years.

Remaining maturities on lease liabilities as of September 30, 2023 is as follows (unaudited and in thousands):

	Operating leases
2023 (October - December)	550
2024	1,569
2025	1,207
2026	802
2027	437
Thereafter	307
Total lease payments	4,872
Less: interest	497
Present value of lease liabilities	\$ 4,375

As of September 30, 2023, the Company has one lease, for its corporate headquarters located in Illinois that has not yet commenced. Refer to Note 19 - Subsequent events for additional information.

Note 17. Related party transactions

The Company follows ASC 850, *Related Party Disclosures*, for the identification of related parties and disclosure of related party transactions. A party is considered to be related to the Company if the party directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal.

For the three-month and nine-month periods ended September 30, 2022, the Company did not have any material related party transactions to disclose. For the three-month and nine-month periods ended September 30, 2023, the Company incurred \$0.5 million and \$0.6 million, respectively, of related party transactions with its majority shareholder, Vector Capital Management of which \$0.5 million is outstanding at September 30, 2023. Of the amount outstanding, \$0.3 million is included in included in Accounts Payable and \$0.2 million is included in Accrued Liabilities in the Company's condensed consolidated balance sheets (unaudited).

Note 18. Restructuring

On August 1, 2023, the Company announced and initiated a corporate cost reduction to better align Cambium's cost structure with current economic conditions and position the Company to achieve near-term and long-term targets to maintain profitability, improve cash flow and maintain a strong balance sheet.

During the three-month period ended September 30, 2023, the Company incurred restructuring charges of approximately \$1.0 million, consisting mostly of involuntary employee termination costs, and is included in cost of revenues and all operating expense lines in the Company's condensed consolidated statements of operations. As of September 30, 2023, the Company paid approximately \$0.6 million of this amount, leaving a restructuring liability of \$0.4 million, of which \$0.3 million is included in Accrued Liabilities and \$0.1 million is included in Employee Compensation in the Company's condensed consolidated balance sheets. The remaining \$0.4 million is expected to be paid in the fourth quarter of 2023. In addition, the Company incurred \$1.0 million in costs related to the Chief Executive Officer transition, previously estimated to be part of the total costs of restructuring (unaudited).

Note 19. Subsequent Events

On October 16, 2023, the Company executed an amendment to the lease agreement entered into on June 9, 2023 for its new corporate headquarters in Illinois. The amendment defined the exact space of the office and lab space to be leased, the square footage to be occupied, and the value of the leasehold improvement allowance to be received. The Company expects to recognize a right-of-use asset and lease liability in the fourth quarter of 2023 upon commencement of the lease.

On November 2, 2023, the Company announced it was engaging in additional restructuring to further reduce costs. The Company expects to incur an additional approximately \$1.5 - \$2.5 million in costs, primarily related to one-time termination benefits, which is expected to be substantially complete and costs incurred by the end of the second quarter of 2024, and expects all costs to be incurred by the end of 2024.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of financial condition and results of operation should be read in conjunction with the consolidated financial statements and related notes thereto of Cambium Networks Corporation ("Cambium", "we", "our", or "us") included elsewhere in this Quarterly Report on Form 10-Q and with the financial statements and related notes and Management's Discussion and Analysis in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed February 27, 2023. Results for the three-month and nine-month periods ended September 30, 2023 are not necessarily indicative of the results that may be expected for any period in the future.

Overview

Cambium Networks is a global technology company that designs, develops, and manufactures wireless and fiber broadband and enterprise networking infrastructure solutions for a wide range of applications, including broadband access, wireless backhaul, Industrial Internet of Things (IIoT), public safety communications, and Wi-Fi access. Our products are used by businesses, governments, and service providers to build, expand and upgrade broadband networks. Our product lines fall into three broad, interrelated categories: Fixed Wireless & fiber Broadband (FWB), Enterprise networking, and Subscription and Services. The FWB portfolio spans point-to-point (PTP) and point-to-multi-point (PMP) architectures over multiple standards, including IEEE 802.11 and 3GPP (Third Generation Partnership Program) and frequency bands, including licensed, unlicensed, and lightly licensed spectrum, and fiber products. In the second quarter of 2023, we introduced and had our first commercial shipments of a passive optical networking (PON) solution, supporting Gigabit PON (GPON) and XGS-PON (also known as 10G-PON or G987). The Enterprise portfolio includes Wi-Fi access points, and other networking devices.

The Subscription and Services portfolio includes network planning and design as well as cloud or on-premises network management and control solutions. The latter capability, delivered through subscription to cnMaestro™ X, forms the foundation of our ONE Network, a cloud-based network management architecture that allows users to remotely configure, monitor, and manage their wireless network. It provides a single, centralized view of all network devices, including wired and wireless broadband and Enterprise, as well as real-time performance and usage data, and allows users to make changes to the network configuration and settings. Advanced services offered in conjunction with this platform include application visibility and control, which is used to optimize end-user experiences; integrated security gateway and software defined wide area network (SD-WAN) for small and medium businesses; and automated and intelligent network optimization.

Trends impacting our business

Starting in the second quarter and continuing into the third quarter of 2023, revenue from our Enterprise products declined, partly resulting from increased competition as a result of readily available component supply reducing our prior advantage in supply and order fulfillment, aggressive pricing by our competitors and poor macroeconomic conditions in our primary markets resulting in lower order volumes from our distributors. Additionally, revenues decreased due to a delay in government defense orders due to U.S. Federal budgetary timing issues impacting the PTP business; sluggish revenues in the PMP business, which is expected until the FCC's approval and subsequent ramp of sales of Cambium's 6 GHz products; a decrease in orders and an increase in stock rotations from distributors in the Enterprise business; and continued economic headwinds, particularly in EMEA.

Our increase in inventory is primarily due to the slowdown in Enterprise orders due to higher channel inventory from fulfillment of orders placed by distributors as a result of the prior extended lead times, shortages and supply chain disruptions. The post-COVID recovery of component and product lead times impacted new order volumes placed by distributors and previous supply orders placed by third-party manufacturers to vendors, leading to higher inventory balances. We are taking actions to address these issues, including actions to reduce inventory of our Enterprise products as well as to reduce our operating costs to improve profitability and cash flow. We also continue to work closely with our contract manufacturers and supply chain partners to balance production to market demand.

We continue to see inflation pressure in our supply chain, and scarcity of some materials needed to build our products. While we have increased our inventory of key components, technology shifts could result in this increased inventory becoming excess or obsolete before it is deployed, as new product development relies on different components.

We continue to monitor the impact of macroeconomic factors, including a potential global recession, inflationary pressures, and growing political tensions as a result of the Russia-Ukraine conflict, as well as the escalating tensions between China and Taiwan, the recent and rapidly accelerating conflict in Israel and Gaza, and associated tensions between the U.S. and China. We also believe that our customers continue to grapple with the impact of these macroeconomic factors on their businesses and future investment plans, resulting in business uncertainty and a more constrained approach to forecasts and orders. In addition, any prolonged economic disruptions or further deterioration in the global economy could have a negative impact on demand from our customers in future periods.

The impact of reverse globalization, including a more nationalistic trend globally leading to increasing government requirements for domestically produced products or limiting the sourcing of components and other products from China and elsewhere, has led us to limit our reliance on third-party manufacturers in China and begin moving manufacturing to other locations, which could cause disruptions in our supply operations.

Financial results for the three-month period ended September 30, 2023

- Total revenue was \$43.0 million, a decrease of 47.0% year-over-year
- Gross margin was 25.5%
- Total costs of revenues and operating expenses were \$65.1 million
- Operating loss was \$22.1 million
- Net loss was \$26.2 million

Basis of presentation

Revenues

Our revenues are generated primarily from the sale of our products, which consist of hardware with essential embedded software. Our revenues also include amounts for software products, extended warranty on hardware products and subscription services. We generally recognize product revenues at the time of shipment, provided that all other revenue recognition criteria have been met. Revenues are recognized net of estimated stock returns, volume-based rebates and cooperative marketing allowances that we provide to distributors. We recognize subscription services revenue ratably over the term in which services are provided and our performance obligation is satisfied. We provide a standard warranty on our hardware products, with the term depending on the product, and record a liability for the estimated future costs associated with potential warranty claims. In addition, we also offer extended warranties for purchase and represents a future performance obligation for us. The extended warranty is included in deferred revenues and is recognized on a straight-line basis over the term of the extended warranty.

Cost of revenues and gross profit

Our cost of revenues is comprised primarily of the costs of procuring finished goods from our third-party manufacturers, third-party logistics and warehousing provider costs, freight costs and warranty costs. We outsource our manufacturing to third-party manufacturers located primarily in Mexico, China, Israel and Taiwan. Cost of revenues also includes costs associated with supply operations, including personnel related costs and allocated overhead costs, provision for excess and obsolete inventory, third-party license costs and third-party costs related to services we provide. Cost of revenues also includes amortization of capitalized software development costs associated with products marketed to be sold.

Gross profit has been and will continue to be affected by various factors, including changes in product mix. The margin profile of products within each of our core product categories can vary significantly depending on the operating performance, features and manufacturer of the product. Gross margin will also vary as a function of changes in pricing due to competitive pressure, our third-party manufacturing and other production costs, cost of shipping and logistics, provision for excess and obsolete inventory and other factors. We expect our gross margins will fluctuate from period to period depending on the interplay of these various factors.

Operating expenses

We classify our operating expense as research and development, sales and marketing, and general and administrative expense. Personnel costs are the primary component of each of these operating expense categories, which consist of personnel costs, such as salaries, sales commissions, benefits, bonuses and share-based compensation expense. In addition, we separate depreciation and amortization in their own category.

Research and development

In addition to personnel-related costs, research and development expenses consist of costs associated with design and development of our products, product certification, travel, recruiting and shared facilities and shared IT costs. We generally recognize research and development expense as incurred. We capitalize certain software project costs under development during the period between determining technological feasibility of the product and commercial release. We amortize the capitalized development cost upon commercial release, generally over three years, and is included in cost of revenues. We typically do not capitalize costs related to

the development of first-generation product offerings as technological feasibility generally coincides with general availability of the software.

Sales and marketing

In addition to personnel-related costs for sales, marketing, service and product line management personnel, sales and marketing expenses consist of our training programs, trade shows, marketing programs, promotional materials, demonstration equipment, national and local regulatory approval on our products, travel and entertainment, recruiting, digital marketing platforms, third-party marketing services and shared facilities and shared IT costs.

General and administrative

In addition to personnel-related costs, general and administrative expenses consist of professional fees, such as legal, audit, accounting, information technology and consulting costs, insurance, shared facilities and shared IT costs, and other supporting overhead costs.

Depreciation and amortization

Depreciation and amortization expenses consist of depreciation related to fixed assets such as computer equipment, furniture and fixtures, and testing equipment, as well as amortization related to acquired and internal use software and definite lived intangibles.

Provision for income taxes

Our provision for income taxes consists primarily of income taxes in the jurisdictions in which we conduct business. Management assesses our deferred tax assets in each reporting period, and if it is determined that it is not more likely than not to be realized, we will record a valuation allowance in that period.

Results of operations

The following table presents the consolidated statements of operations, as well as the percentage relationship to total revenues for items included in our consolidated statements of operations (in thousands):

(in thousands)	Three Months Ended September 30,		Nine months ended September 30,	
	2022	2023	2022	2023
Statements of Operations Data:				
Revenues	\$ 81,200	\$ 43,046	\$ 212,392	\$ 179,989
Cost of revenues	40,034	32,087	108,621	100,128
Gross profit	41,166	10,959	103,771	79,861
Operating expenses				
Research and development	12,609	13,151	36,991	40,421
Sales and marketing	11,033	9,675	32,304	32,873
General and administrative	6,058	8,688	19,560	21,191
Depreciation and amortization	1,506	1,545	4,486	4,614
Total operating expenses	31,206	33,059	93,341	99,099
Operating income (loss)	9,960	(22,100)	10,430	(19,238)
Interest expense, net	514	620	1,418	1,796
Other expense (income), net	165	63	(129)	281
Income (loss) before income taxes	9,281	(22,783)	9,141	(21,315)
(Benefit) provision for income taxes	(154)	3,417	(1,048)	3,251
Net income (loss)	\$ 9,435	\$ (26,200)	\$ 10,189	\$ (24,566)
	Three Months Ended September 30,		Nine months ended September 30,	
	2022	2023	2022	2023
Percentage of Revenues:				
Revenues	100.0 %	100.0 %	100.0 %	100.0 %
Cost of revenues	49.3 %	74.5 %	51.1 %	55.6 %
Gross margin	50.7 %	25.5 %	48.9 %	44.4 %
Operating expenses				
Research and development	15.5 %	30.6 %	17.4 %	22.5 %
Sales and marketing	13.6 %	22.5 %	15.2 %	18.3 %
General and administrative	7.5 %	20.2 %	9.2 %	11.8 %
Depreciation and amortization	1.8 %	3.6 %	2.2 %	2.5 %
Total operating expenses	38.4 %	76.9 %	44.0 %	55.1 %
Operating income (loss)	12.3 %	(51.3)%	4.9 %	-10.7 %
Interest expense, net	0.6 %	1.4 %	0.7 %	1.0 %
Other expense (income), net	0.3 %	0.2 %	(0.1)%	0.2 %
Income (loss) before income taxes	11.4 %	(52.9)%	4.3 %	(11.8)%
(Benefit) provision for income taxes	(0.2)%	7.9 %	(0.5)%	1.8 %
Net income (loss)	11.6 %	(60.9)%	4.8 %	(13.6)%

Comparison of three-month period ended September 30, 2022 to the three-month period ended September 30, 2023

Revenues

(dollars in thousands)	Three Months Ended September 30,		Change	
	2022	2023	\$	%
Revenues	\$ 81,200	\$ 43,046	\$ (38,154)	(47.0)%

Revenues decreased \$38.2 million, or 47.0%, to \$43.0 million for the three-month period ended September 30, 2023, from \$81.2 million for the three-month period ended September 30, 2022, with the largest decrease in our enterprise product category driven by lower order volumes from distributors due to a recovery in the supply chain and higher channel inventories, aggressive pricing from competitors, slowing economies and an increase in stock rotations. Revenues also decreased in our point-to-multi-point product category ahead of a product transition to new gigabit solutions in our product portfolio. These decreases were partially offset by increased revenues in our point-to-point product category driven by increased demand for defense products.

Revenues by product category

(dollars in thousands)	Three Months Ended September 30,		Change	
	2022	2023	\$	%
Point-to-Multi-Point	\$ 26,090	\$ 23,596	\$ (2,494)	(9.6)%
Point-to-Point	15,409	15,809	400	2.6%
Enterprise	38,330	2,499	(35,831)	(93.5)%
Other	1,371	1,142	(229)	(16.7)%
Total revenues by product category	<u>\$ 81,200</u>	<u>\$ 43,046</u>	<u>\$ (38,154)</u>	<u>(47.0)%</u>

Point-to-Multi-Point

Our PMP revenues decreased \$2.5 million, or 9.6%, from the three-month period ended September 30, 2022 to 2023. Our decrease in point-to-multi-point revenues were due to lower demand from service providers as they await the addition of 6 GHz spectrum, but benefited from increased demand for our 28 GHz Fixed 5G in Europe, Middle East, Africa.

Point-to-Point

PTP revenues increased \$0.4 million, or 2.6%, from the three-month period ended September 30, 2022 to 2023 mostly driven by increased revenues in Europe, Middle East, Africa and Caribbean and Latin America as a result of increased demand for defense products partially offset by lower demand for PTP products in all other regions.

Enterprise

Enterprise revenues decreased \$35.8 million, or 93.5%, from the three-month period ended September 30, 2022 to 2023. Enterprise revenues decreased in all regions, with the largest decrease in Europe, Middle East, Africa, driven mostly by lower order volumes from distributors. In addition, enterprise product revenues were impacted by the recovery of the product supply chain reducing our prior advantage in supply and order fulfillment and therefore, increased competition, coupled with aggressive pricing by our competitors, as well as higher inventory levels in the channel and increased stock rotations.

Revenues by geography

(dollars in thousands)	Three Months Ended September 30,		Change	
	2022	2023	\$	%
North America	\$ 30,086	\$ 17,768	\$ (12,318)	(40.9)%
Europe, Middle East, Africa	29,263	14,274	(14,989)	(51.2)%
Caribbean and Latin America	8,935	5,726	(3,209)	(35.9)%
Asia Pacific	12,916	5,278	(7,638)	(59.1)%
Total revenues by geography	<u>\$ 81,200</u>	<u>\$ 43,046</u>	<u>\$ (38,154)</u>	<u>(47.0)%</u>

Revenues decreased in all regions from the three-month period ended September 30, 2022 to September 30, 2023. North America revenues decreased \$12.3 million, or 40.9%, with the largest decrease in enterprise revenues due to decreased demand from high levels of channel inventory, along with lower PTP and PMP revenues due to decreased demand. Europe, Middle East, Africa revenues decreased by \$15.0 million, or 51.2%, mostly driven by lower enterprise revenues due to decreased demand resulting from high channel inventory partially offset by higher PMP revenues due to increased demand for 28 GHz Fixed 5G and higher PTP revenues due to increase demand from defense. Caribbean and Latin America revenues decreased \$3.2 million, or 35.9%, mostly driven by lower enterprise revenues and lower PMP revenues partially offset by higher PTP revenues. Asia Pacific revenues decreased \$7.6 million, or 59.1%, mostly driven by lower enterprise revenues and lower PMP revenues both due to decreased demand.

Cost of revenues and gross margin

(dollars in thousands)	Three Months Ended September 30,		Change	
	2022	2023	\$	%
Cost of revenues	\$ 40,034	\$ 32,087	\$ (7,947)	(19.9)%
Gross margin	50.7%	25.5%		(2520) bps

Cost of revenues decreased \$7.9 million, or 19.9%, to \$32.1 million for the three-month period ended September 30, 2023 from \$40.0 million for the three-month period ended September 30, 2022. The decrease in cost of revenues was primarily due to decreased revenues but was negatively impacted by a \$4.6 million increase in our excess and obsolescence reserve, lower capitalized freight, and higher material fixed costs. The higher excess and obsolescence reserve was impacted by a combination of lower demand due to higher channel inventory, shorter product lead times due to recovery post-COVID and product cycles driven by the anticipated introduction of the new 6 GHz PMP products.

Gross margin decreased to 25.5% for the three-month period ended September 30, 2023 from 50.7% for the three-month period ended September 30, 2022. The decrease primarily reflects the impact from an increase in our excess and obsolescence reserve, higher freight costs and decreased revenues from higher margin products.

Operating expenses

(dollars in thousands)	Three Months Ended September 30,		Change	
	2022	2023	\$	%
Research and development	\$ 12,609	\$ 13,151	\$ 542	4.3%
Sales and marketing	11,033	9,675	(1,358)	(12.3)%
General and administrative	6,058	8,688	2,630	43.4%
Depreciation and amortization	1,506	1,545	39	2.6%
Total operating expenses	\$ 31,206	\$ 33,059	\$ 1,853	5.9%

Research and development

Research and development expense increased \$0.5 million, or 4.3%, to \$13.2 million for the three-month period ended September 30, 2023 from \$12.6 million for the three-month period ended September 30, 2022. As a percentage of revenues, research and development expenses increased to 30.6% in 2023 from 15.5% in 2022 over the same period. The increase in research and development expense was primarily due to \$1.1 million higher staff-related costs due to increased headcount, \$0.6 million in restructuring expenses related to the cost reductions announced in August 2023, partially offset by \$0.6 million higher capitalized software costs due to an increase in projects eligible for capitalization and \$0.6 million lower homologation and regulatory fees due to the timing of projects.

Sales and marketing

Sales and marketing expense decreased \$1.4 million, or 12.3%, to \$9.7 million for the three-month period ended September 30, 2023 from \$11.0 million for the three-month period ended September 30, 2022. As a percentage of revenues, sales and marketing expense increased to 22.5% in 2023 from 13.6% in 2022 over the same period. The decrease in sales and marketing expense was primarily due to \$1.6 million lower variable compensation expense due to lower revenues and \$0.2 million lower marketing-related spend, partially offset by \$0.4 million of restructuring expenses associated with the cost reductions announced in August 2023.

General and administrative

General and administrative expense increased \$2.6 million, or 43.4%, to \$8.7 million for the three-month period ended September 30, 2023 from \$6.1 million for the three-month period ended September 30, 2022. As a percentage of revenues, general and administrative expense increased to 20.2% in 2023 from 7.5% in 2022 over the same period. The increase in general and administrative expense was primarily due to \$1.0 million in expenses incurred as part of the Chief Executive Officer transition, \$0.7 million higher legal fees, including estimated litigation expenses, \$0.5 million higher professional fees, \$0.3 million higher share-based compensation expense and \$0.2 million higher staff-related costs, mostly due to increased headcount partially offset by \$0.1 million reduction of nonrecurring expenses related to various strategic initiatives.

Depreciation and amortization

Depreciation and amortization expense remained flat from the three-month period ended September 30, 2022 to the three-month period ended September 30, 2023.

Interest expense, net

(dollars in thousands)	Three Months Ended September 30,		Change	
	2022	2023	\$	%
Interest expense, net	\$ 514	\$ 620	\$ 106	20.6%

Interest expense increased \$0.1 million, or 20.6%, to \$0.6 million for the three-month period ended September 30, 2023 from \$0.5 million for the three-month period ended September 30, 2022. The increase was primarily due to an increase in the interest rate on the term loan partially offset by an increase in interest income earned.

Other expense, net

(dollars in thousands)	Three Months Ended September 30,		Change	
	2022	2023	\$	%
Other expense, net	\$ 165	\$ 63	\$ (102)	(61.8)%

Other expense, net changed from expense of \$0.2 million for the three-month period ended September 30, 2022 to \$0.1 million for the three-month period ended September 30, 2023, primarily due to foreign currency fluctuations.

(Benefit) provision for income taxes

(dollars in thousands)	Three Months Ended September 30,		Change	
	2022	2023	\$	%
(Benefit) provision for income taxes	\$ (154)	\$ 3,417	\$ 3,571	nm
Effective income tax rate	(1.7)%	(15.0)%		

Our provision for income taxes was \$3.4 million for the three-month period ended September 30, 2023 versus a benefit for income taxes of \$0.2 million for the three-month period ended September 30, 2022. The effective income tax rates were (15.0)% and (1.7)% over the same periods, respectively, and reflect the application of our expected annual tax rate to pre-tax results for each of the periods as well as discrete tax impacts that arise during the periods. In the three-month period ended September 30, 2022, the effective income tax rate of (1.7)% was different from the statutory rate of 21.0% primarily due to tax benefits arising on Research and Development tax credits, Foreign Derived Intangible Income, and revaluing of UK deferred tax assets at a higher future tax rate. In the three-month period ended September 30, 2023, our effective income tax rate of (15.0)% was different from the statutory rate of 21.0% primarily due to establishment of a valuation allowance on the net deferred tax assets on the UK company, net of tax benefit on Foreign Derived Intangible Income, tax benefit arising on US Research and Development tax credits, and changes to the excess tax benefits on share-based compensation. The Company established a valuation allowance based on the analysis of cumulative income and loss positions, future income projections, and operating plans. The UK net deferred tax assets are comprised primarily of NOL carryforwards, corporate interest restriction carryforwards and acquired intangibles that existed at December 31, 2022, amounting to \$5.3 million. The movement in the net deferred tax assets during the period amounted to \$5.6 million, for a total valuation allowance of \$10.9 million.

Comparison of nine-month period ended September 30, 2022 to the nine-month period ended September 30, 2023

Revenues

(dollars in thousands)	Nine months ended September 30,		Change	
	2022	2023	\$	%
Revenues	\$ 212,392	\$ 179,989	\$ (32,403)	(15.3)%

Revenues decreased \$32.4 million, or 15.3%, to \$180.0 million for the nine-month period ended September 30, 2023 from \$212.4 million for the nine-month period ended September 30, 2022, with the largest decrease in our enterprise product category driven by lower demand due to high channel inventories and slowing economies along with increased stock rotations. Revenues decreased in our point-to-multi-point product category primarily driven by lower demand from service providers awaiting the addition

of 6 GHz spectrum. Revenues increased in our point-to-point product category, mostly in North America, as a result of increased demand for defense products with the federal government.

Revenues by product category

(dollars in thousands)	Nine months ended September 30,		Change	
	2022	2023	\$	%
Point-to-Multi-Point	\$ 85,285	\$ 72,622	\$ (12,663)	(14.8)%
Point-to-Point	45,807	58,891	13,084	28.6 %
Enterprise	77,852	44,575	(33,277)	(42.7)%
Other	3,448	3,901	453	13.1 %
Total revenues by product category	\$ 212,392	\$ 179,989	\$ (32,403)	(15.3)%

Point-to-Multi-Point

Our PMP revenues decreased \$12.7 million, or 14.8%, from the nine-month period ended September 30, 2022 to 2023, and represented 40% of our total revenues in both periods. Our decrease in point-to-multi-point revenues was due mostly to lower demand from service providers ahead of a product transition to 6 GHz technology, with declines in all regions except North America. Revenues increased in North America primarily from higher demand from service providers for our 60 GHz, ePMP and fiber products.

Point-to-Point

PTP revenues increased \$13.1 million, or 28.6%, from the nine-month period ended September 30, 2022 to 2023 mostly driven by increased revenues in North America as a result of increased demand for defense products.

Enterprise

Enterprise revenues decreased \$33.3 million, or 42.7%, from the nine-month period ended September 30, 2022 to 2023. Enterprise revenues decreased in all regions except North America, with the largest decrease in Europe, Middle East, Africa. Although there is recovery of the product supply chain, enterprise revenues have decreased as our prior advantage in supply and order fulfillment has diminished and has been impacted by increased competition, aggressive pricing by our competitors and high inventory levels in the channel.

Revenues by geography

(dollars in thousands)	Nine months ended September 30,		Change	
	2022	2023	\$	%
North America	\$ 89,547	\$ 104,887	\$ 15,340	17.1 %
Europe, Middle East, Africa	70,876	40,751	(30,125)	(42.5)%
Caribbean and Latin America	21,979	15,426	(6,553)	(29.8)%
Asia Pacific	29,990	18,925	(11,065)	(36.9)%
Total revenues by geography	\$ 212,392	\$ 179,989	\$ (32,403)	(15.3)%

Revenues increased in North America and decreased in all other regions from the nine-month period ended September 30, 2022 to September 30, 2023. North America revenues increased \$15.3 million, or 17.1%, with increases in all product lines, mostly driven by increased PTP revenues as a result of higher demand for defense products along with increased PMP revenues due primarily to higher demand from service providers. Europe, Middle East, Africa revenues decreased by \$30.1 million, or 42.5%, mostly related to decreased enterprise revenues due to high level of channel inventory and decreased PMP revenues partially offset by increased PTP revenues. Asia Pacific revenues decreased \$11.1 million, or 36.9%, mostly driven by decreased PMP and enterprise revenues due to lower demand throughout the region. Caribbean and Latin America revenues decreased \$6.6 million, or 29.8%, mostly due to lower demand across all products and fewer government projects.

Cost of revenues and gross margin

(dollars in thousands)	Nine months ended September 30,		Change	
	2022	2023	\$	%
Cost of revenues	\$ 108,621	\$ 100,128	\$ (8,493)	(7.8)%
Gross margin	48.9%	44.4%		(450) bps

Cost of revenues decreased \$8.5 million, or 7.8%, to \$100.1 million for the nine-month period ended September 30, 2023 from \$108.6 million for the nine-month period ended September 30, 2022. The decrease in cost of revenues was primarily due to decreased revenues, but benefited from lower production costs due to decreases in component charges as a result of increased availability of components partially offset by the increase in our excess and obsolescence reserve and supply operations costs.

Gross margin decreased to 44.4% for the nine-month period ended September 30, 2023 from 48.9% for the nine-month period ended September 30, 2022. The decrease reflects decreased revenues from higher margin products, increased freight and supply operations costs as a percentage of revenue and the increase in our excess and obsolescence reserve. Gross margin benefited from lower production costs due to decreases in component charges as a result of increased availability of components.

Operating expenses

(dollars in thousands)	Nine months ended September 30,		Change	
	2022	2023	\$	%
Research and development	\$ 36,991	\$ 40,421	\$ 3,430	9.3%
Sales and marketing	32,304	32,873	569	1.8%
General and administrative	19,560	21,191	1,631	8.3%
Depreciation and amortization	4,486	4,614	128	2.9%
Total operating expenses	\$ 93,341	\$ 99,099	\$ 5,758	6.2%

Research and development

Research and development expense increased \$3.4 million, or 9.3%, to \$40.4 million for the nine-month period ended September 30, 2023 from \$37.0 million for the nine-month period ended September 30, 2022. As a percentage of revenues, research and development expenses increased to 22.5% in 2023 from 17.4% in 2022 over the same period. The increase in research and development expense was primarily due to \$3.3 million higher staff-related costs due to increased headcount, \$0.9 million of restructuring expenses, with \$0.6 million associated with the cost reductions announced in August 2023, \$0.8 million higher contractor costs driven by increase in projects, \$0.4 million higher share-based compensation expense and \$0.2 million higher travel partially offset by \$1.8 million higher capitalized software cost due to an increase in projects eligible for capitalization and \$0.5 million lower homologation and regulatory expense due to the timing of projects.

Sales and marketing

Sales and marketing expense increased \$0.6 million, or 1.8%, to \$32.9 million for the nine-month period ended September 30, 2023 from \$32.3 million for the nine-month period ended September 30, 2022. As a percentage of revenues, sales and marketing expense increased to 18.3% in 2023 from 15.2% in 2022 over the same period. The increase in sales and marketing expense was primarily due to \$1.4 million higher staff-related costs due to increased headcount, \$0.5 million higher professional fees, \$0.5 million higher travel-related spend, \$0.2 million increase in restructuring expenses and \$0.1 million higher share-based compensation expense mostly offset by \$2.1 million lower variable compensation expense due to lower revenues.

General and administrative

General and administrative expense increased \$1.6 million, or 8.3%, to \$21.2 million for the nine-month period ended September 30, 2023 from \$19.6 million for the nine-month period ended September 30, 2022. As a percentage of revenues, general and administrative expense increased to 11.8% in 2023 from 9.2% in 2022 over the same period. The increase in general and administrative expense was primarily due to \$1.0 million in expenses incurred as part of the Chief Executive Officer transition, \$0.6 million higher legal fees, including estimated litigation expenses, \$0.5 million higher share-based compensation expense due to grants issued, \$0.3 million higher staff-related costs, mostly due to increased headcount and \$0.2 million higher professional fees, partially offset by \$0.7 million lower insurance expense due to lower negotiated fees and \$0.3 million professional services fees incurred in 2022 related to strategic initiatives.

Depreciation and amortization

Depreciation and amortization expense remained flat from the nine-month period ended September 30, 2022 to the nine-month period ended September 30, 2023.

Interest expense, net

(dollars in thousands)	Nine months ended September 30,		Change	
	2022	2023	\$	%
Interest expense, net	\$ 1,418	\$ 1,796	\$ 378	26.7 %

Interest expense, net increased \$0.4 million, or 26.7%, to \$1.8 million for the nine-month period ended September 30, 2023 from \$1.4 million for the nine-month period ended September 30, 2022. The increase was primarily due to an increase in the interest rate on the term loan partially offset by increase in interest income earned.

Other (income) expense, net

(dollars in thousands)	Nine months ended September 30,		Change	
	2022	2023	\$	%
Other (income) expense, net	\$ (129)	\$ 281	\$ 410	nm

Other (income) expense, net changed from income of \$0.1 million for the nine-month period ended September 30, 2022 to expense of \$0.3 million for the nine-month period ended September 30, 2023, primarily due to foreign currency fluctuations.

(Benefit) provision for income taxes

(dollars in thousands)	Nine months ended September 30,		Change	
	2022	2023	\$	%
(Benefit) provision for income taxes	\$ (1,048)	\$ 3,251	\$ 4,299	nm
Effective income tax rate	(11.5)%	(15.3)%		

Our provision for income taxes was \$3.3 million for the nine-month period ended September 30, 2023 and a benefit for income taxes of \$1.0 million for the nine-month period ended September 30, 2022. The effective income tax rates were (15.3)% and (11.5)% over the same periods, respectively, and reflect the application of our expected annual tax rate to pre-tax results for each of the periods as well as discrete tax impacts that arise during the periods. In the nine-month period ended September 30, 2022, the effective income tax rate of (11.5)% was different from the statutory rate of 21.0% primarily due to tax benefits arising on Research and Development tax credits, Foreign Derived Intangible Income, and revaluing of UK deferred tax assets at a higher future tax rate. In the nine-month period ended September 30, 2023, our effective income tax rate of (15.3)% was different from the statutory rate of 21.0% primarily due to establishment of a valuation allowance on the deferred tax assets of the UK company, net of tax benefits on Foreign Derived Intangible Income, tax benefit arising on US Research and Development tax credits, and changes to the excess tax benefits on share-based compensation. The Company established the valuation allowance based on the analysis of cumulative income and loss positions, future income projections, and operating plans. The UK net deferred tax assets are comprised primarily of NOL carryforwards, corporate interest restriction carryforwards and acquired intangibles that existed at December 31, 2022, amounting to \$5.3 million. The movement in the net deferred tax assets during the period amount to \$6.8 million for a total valuation allowance of \$12.1 million.

Liquidity and Capital Resources

As of September 30, 2023, we had a cash balance of \$27.5 million. Our primary liquidity needs are: (i) to fund normal operating expenses; (ii) to meet interest and principal requirements of our outstanding indebtedness; and (iii) to fund capital expenditures. We believe these needs will be satisfied over at least the next 12 months using existing cash and using cash flow generated by our operations. We continue to focus on cost management, operating efficiency and efficient discretionary spending. In addition, if necessary, we may leverage our revolving credit facility to manage our working capital needs in the near future. Our future capital requirements may vary materially from those currently planned and will depend on many factors, including our rate of revenue growth, the timing and extent of spending to support development efforts, the timing of new product introductions, market acceptance of our products and overall economic conditions. We regularly assess our liquidity needs and market conditions and may take measures, including raising additional equity or incurring additional debt if and when our board of directors determines that doing so is in our best interest.

Cash Flows

The following table sets forth summarized cash flow data for the periods indicated (in thousands):

Cash flows from operating activities

	Nine months ended September 30,	
	2022	2023
Cash used in operating activities	\$ (7,080)	\$ (10,726)
Cash used in investing activities	\$ (6,683)	\$ (8,879)
Cash used in financing activities	\$ (583)	\$ (1,021)

Net cash used in operating activities for the nine-month period ended September 30, 2022 of \$7.1 million consisted primarily of net income of \$10.6 million, share-based compensation expense of \$7.8 million and adjustments for depreciation and amortization and other non-cash impacts of \$7.5 million, an increase in deferred tax assets of \$2.0 million and changes in operating assets and liabilities that resulted in net cash outflows of \$31.0 million. The changes in operating assets and liabilities consisted primarily of a \$16.8 million decrease in inventories due to management's plan to build inventory in response to supply chain constraints and higher revenue expectations in the fourth quarter of 2022, a \$10.2 million decrease in accrued employee compensation primarily due to the payment of the 2021 corporate bonus net of the 2022 corporate bonus accrual and \$9.4 million increase in accounts receivable reflecting the impact of higher sales and timing of collections. These uses of cash were partially offset by \$4.0 million lower prepaid expenses, mostly as a result of decrease in vendor prepayments to procure inventory and \$3.5 million increase in cash provided by all other assets and liabilities, mostly driven by the increase in deferred revenues.

Net cash used in operating activities for the nine-month period ended September 30, 2023 of \$10.7 million consisted of net loss of \$24.6 million, share-based compensation expense of \$8.8 million and adjustments for depreciation and amortization and other non-cash impacts of \$12.5 million, an increase in deferred tax assets of \$0.3 million and changes in operating assets and liabilities that resulted in net cash outflows of \$7.7 million. The changes in operating assets and liabilities consisted primarily of a \$28.3 million increase in inventories due to lower demand for our products and higher channel inventory, a \$6.5 million decrease in accounts payable due to timing of invoices and payments, a \$2.0 million decrease in accrued employee compensation due to lower corporate bonus accrual and \$1.3 million lower accrued liabilities primarily related to lower inventory in transit. The uses of cash were partially offset by a \$22.4 million decrease in accounts receivable reflecting the impact of lower sales and the timing of collections, \$4.8 million increase in cash provided by all other assets and liabilities, mostly driven by the increase in accrued sales returns along with collection of the UK RDEC tax credit and \$3.0 million reduction in prepaid expenses, mostly due to lower vendor prepayments.

Cash flows from investing activities

Our investing activities for all periods presented consisted of capital expenditures for property, equipment and software in support of the growth of our business. The increase in 2023 is driven by an increase in the number of projects eligible for capitalization.

Cash flows from financing activities

During the nine-month period ended September 30, 2022, net cash used of \$0.6 million was primarily due to \$1.3 million repayment of principal due under the term loan facility with Bank of America and \$0.8 million for taxes paid from shares withheld in net settlement of taxes due on vesting of restricted shares issued to our employees partially offset by proceeds received of \$1.1 million for the issuance of ordinary shares under our Employee Share Purchase Program and proceeds received of \$0.4 million from the exercise of share options.

During the nine-month period ended September 30, 2023, net cash used of \$1.0 million was primarily due to \$2.0 million repayment of principal due under the term loan facility with Bank of America and \$0.7 million for taxes paid from shares withheld in net settlement of taxes due on vesting of restricted shares issued to our employees partially offset by proceeds received of \$1.1 million from the issuance of ordinary shares under our ESPP and \$0.5 million from the exercise of share options.

Debt

As of September 30, 2023, we had \$26.1 million outstanding on our term credit facility and had \$45.0 million available under our revolving credit facility with Bank of America. The effective interest rate on the term credit facility at September 30, 2023 was 7.69%. The Company is required to make scheduled quarterly principal payments of \$0.7 million under the term credit facility. With the cessation of all tenors of US Dollar LIBOR as an available benchmark on June 30, 2023, we entered into an amendment to our credit facilities on June 9, 2023 to amend the original BofA Credit Agreement to replace the benchmark used for the interest rate on EuroDollar Rate Loans from US Dollar LIBOR to Term SOFR. Effective June 17, 2023, our term credit facility interest rate is indexed to the Term SOFR rate based on the period selected by management. Our term credit facility matures on November 17, 2026, at which time the outstanding principal will be due. Refer to Note 6 – Debt, to our unaudited condensed consolidated financial statements in Part I of this Form 10-Q for additional information.

Contractual Obligations and Commercial Commitments

For the three-month period ended September 30, 2023, the only material change to the contractual obligations and commercial commitments from what was disclosed in Item 7 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 is the addition of approximately \$11.8 million in minimum lease payments due over the next 13 years for the new corporate headquarters lease in Illinois. This amount increased from the \$7.7 million disclosed for this item in the Form 10-Q for the three-month period ended June 30, 2023 as a result of the amendment signed on October 16, 2023 which increased the square footage to be leased. The lease contains multiple rent holidays with a current rent commencement date of April 1, 2024 and the next lease payment due on November 1, 2024. The Company paid the April 2024 rent upon signing the amendment. There are no lease payments due within the next year, with \$1.9 million due in the following one to three years, \$2.9 million due in following three to five years, and \$7.0 million due thereafter.

Off-balance sheet arrangements

We do not engage in transactions that generate relationships with unconsolidated entities or financial partnerships, such as entities often referred to as variable interest entities, structured finance, or special purpose entities, as part of our ongoing business. Accordingly, our operating results, financial condition and cash flows are not subject to off-balance sheet risks.

Significant Accounting Estimates

Our consolidated financial statements and the related notes thereto are prepared in accordance with U.S. GAAP. The preparation of these financial statements requires our management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expense and related disclosures. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these judgments and estimates under different assumptions or conditions and any such differences may be material. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

During the three-month period ended September 30, 2023, there were no significant changes to our critical accounting policies and estimates. During the three months ended September 30, 2023, our share price experienced declines and in the days subsequent to quarter end, decreased to a historic low for the year. As indicated in Note 5 of the condensed consolidated financial statements, we evaluated whether there were goodwill triggering events that occurred as of September 30, 2023, and determined there were not. The Company will continue to assess potential goodwill impairment triggering events, including continued impact of slower demand, higher channel inventory and sustained decreases in our share price. If triggering events occur, we will perform a goodwill impairment assessment that may indicate impairment in a future period. Please refer to Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Part II, Item 7 of our Annual Report on Form 10-K for our fiscal year ended December 31, 2022, filed on February 27, 2023, for a more complete discussion of our critical accounting policies and estimates.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Excluding the impact of changes in interest rates and the uncertainty in the global financial markets, there have been no material changes to our market risk for the three-month period ended September 30, 2023. We conduct business in all parts of the world and are thereby exposed to market risks related to fluctuations in foreign currency exchange rates. The U.S. dollar is the single largest currency in which our revenue contracts are denominated. Any decline in the value of local foreign currencies against the U.S. dollar results in our products and services being more expensive to a potential foreign customer. In those instances where our goods and services have already been sold, receivables may be more difficult to collect. Additionally, in jurisdictions where the revenue contracts are denominated in U.S. dollars and operating expenses are incurred in the local currency, any decline in the value of the U.S. dollar will have an unfavorable impact to operating margins. We have not entered into any foreign currency hedging transactions. We do not purchase or hold any derivative financial instruments for speculation or arbitrage.

We do not hold any cash in any investment accounts and all cash is deposited with financial institutions that management believes are of high credit quality. The Company's cash consists primarily of U.S. dollar denominated demand accounts.

We had \$26.1 million of debt outstanding on our term loan facility and \$0.0 million of debt outstanding on our revolving credit facility as of September 30, 2023 under our BofA Credit Agreement. With the cessation of all tenors of US Dollar LIBOR on June 30, 2023, we entered into an amendment of our BofA Credit Agreement on June 9, 2023 to replace the Eurodollar Rate (the rate equal to US Dollar LIBOR) with Term Secured Overnight Financing Rate, or SOFR. The Company is exposed to interest rate risk from fluctuations in the Term SOFR that is a component of the interest rate used to calculate interest expense on the debt. Interest accrues on the outstanding principal amount of the term loan on a quarterly basis and is equal to the selected rate per annum determined by reference to the 1-month, 3-month or 6-month Term SOFR rate as selected by the Company, plus a SOFR adjustment of 0.10%, plus an applicable margin between 1.75% and 2.25% as determined by our financial performance as measured by the consolidated leverage ratio. At September 30, 2023, the applicable margin was 1.75% and the effective interest rate on the term loan was 7.69%. A hypothetical 100-basis point increase in interest rates, and assuming a constant applicable margin, would result in an additional \$0.3 million in interest expense related to the external debt per year.

There have been no other material changes in our market risk since December 31, 2022.

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as amended, or the Exchange Act), as of September 30, 2023, the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our principal executive officer and principal financial officer have concluded that, as of such date, our disclosure controls and procedures are effective at a reasonable assurance level.

Changes in internal control

There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(e) and 15d-15(e) of the Exchange Act during the period covered by this Quarterly Report on Form 10-Q that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on effectiveness of controls and procedures

None.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

Third parties may from time to time assert legal claims against us. Our industry is characterized by vigorous protection and pursuit of intellectual property rights. A number of companies hold a large number of patents that may cover technology necessary to our products. We have in the past received and expect to continue to receive claims by third parties that we infringe their intellectual property rights. In the opinion of management, we believe we have established adequate accruals pursuant to U.S. generally accepted accounting principles for any expected future liability with respect to pending lawsuits, claims and proceedings, where the nature and extent of any such liability can be reasonably estimated based on presently available information. However, there can be no assurance that the final resolution of any existing or future lawsuits, claims or proceedings will not have a material adverse effect on our business, results of operations, financial conditions, or cash flows.

For additional information, see Note 13 – Commitments and contingencies in the Notes to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q and Part I, Item 3. Legal Proceedings in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Item 1A. Risk Factors.

There have been no material changes to the risk factors as disclosed in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 except as discussed below. Additional risk and uncertainties, including risks and uncertainties not presently known to us, or that we currently deem immaterial, could also have an adverse effect on our business, financial condition and/or results of operations.

The Company has reduced and may continue to reduce the overall size of its organization and is likely to experience voluntary attrition, which may present challenges in managing its business.

During and since the third quarter of 2023, the Company has implemented reductions in its workforce and may consider further reductions in the future. These workforce reductions have resulted and may result in the loss of some longer-term employees and expertise leading to reallocation and combination of certain roles and responsibilities across the organization, all of which could adversely affect the Company's operations. Given the complexity and nature of the Company's business, it must continue to implement and improve its managerial, operational and financial systems and continue to recruit and retain qualified personnel. This could be made more challenging by the workforce reductions and additional measures the Company may take to reduce costs. Workforce reductions and additional cost containment measure may have unintended consequences, such as attrition beyond the Company's intended workforce reductions, reduced employee morale and employment-related litigation. Employees who are not affected by the workforce reductions may seek alternate employment, which could require the Company to obtain additional support at an unplanned additional expense.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Not applicable.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

During the three-month period ended September 30, 2023, none of our directors or officers (as defined in Rule 16a-1(f) of the Securities and Exchange Act of 1934) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

Item 6. Exhibits.

We have filed the exhibits listed on the accompanying Exhibit Index, which is incorporated herein by reference.

EXHIBIT INDEX

Exhibit Number	Description
10.44*	<u>First Amendment to Office Lease, dated October 16, 2023, by and between Cambium Networks, Inc. and Hoffman Estates Acquisition LLC and Hoffman Estates Acquisition II LLC</u>
10.45*+	<u>Employment agreement, dated as of August 1, 2023 between Cambium Networks, Inc. and Morgan Kurk</u>
10.46*+	<u>Separation Agreement, dated as of August 1, 2023, between Cambium Networks, Inc. and Atul Bhatnagar</u>
31.1*	<u>Certification of Chief Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certification of Chief Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1*	<u>Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2*	<u>Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* Filed herewith.

+ Indicates management contract or compensatory plan

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CAMBIUM NETWORKS CORPORATION

Date: November 3, 2023

By: /s/ MORGAN C. KURK
Morgan C. Kurk
President and Chief Executive Officer

Date: November 3, 2023

By: /s/ ANDREW P BRONSTEIN
Andrew P. Bronstein
Chief Financial Officer

FIRST AMENDMENT TO OFFICE LEASE AGREEMENT

THIS FIRST AMENDMENT TO OFFICE LEASE AGREEMENT (this “**First Amendment**”) is entered into as of October 16, 2023 (the “**Amendment Effective Date**”) by and between Hoffman Estates Acquisitions LLC, a Delaware limited liability company and Hoffman Estates Acquisitions II LLC, a Delaware limited liability company (collectively, the “**Landlord**”), and Cambium Networks, Inc., a Delaware corporation (the “**Tenant**”). Landlord and Tenant may individually be referred to as a “Party” and collectively, the “Parties”.

RECITALS

WHEREAS, Landlord and Tenant have entered into that certain Office Lease Agreement dated as of June 1, 2023 (the “**Lease**”) with respect to certain premises commonly known as Suite A401 (Office Space) and Suite B105 (Warehouse Space) at Bell Works Chicagoland, 2000 Center Drive, Hoffman Estates, Illinois 60192 (a/k/a Bell Works Chicagoland 2000 AT&T Center Drive, Hoffman Estates, Illinois 60192), as more particularly described and depicted in the Lease;

WHEREAS, all capitalized terms not otherwise defined herein shall have the meanings ascribed to them under the Lease;

WHEREAS, the Final Floor Plan has been mutually approved by Landlord and Tenant, and the Parties desire to enter into this First Amendment to document the Final Space Plan Addendum, and to further modify the Lease, as provided herein.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

AGREEMENT

1. Recitals. The Recitals are incorporated into this First Amendment as if fully set forth in this Section 1.

2. Premises. Section 1(j) of the Lease shall be deleted in its entirety and replaced with the following:

“ (j) **Premises**”: The area consisting of the (i) Fourth (4th) floor of the East Wing of the Building, deemed to consist of 26,140 square feet of Rentable Area and indicated on Exhibit A-1 (“**Office Space**”), and (ii) First (1st) Floor of the East Wing of the Building, deemed to consist of 10,866 square feet of Rentable Area and indicated on Exhibit A-2, and known as “Suite B110” (“**Warehouse Space**”).”

3. Monthly Rent. Section 1(a) of the Lease shall be modified so that the existing chart related to Monthly Rent payable for the Office Space (Suite A401) and Warehouse Space (Suite B110) shall be as follows:

FOURTH (4TH) FLOOR OFFICE SPACE – SUITE A401

LEASE YEAR	MONTHLY RENT	ANNUAL RENT	ANNUAL RENT PER SQUARE FOOT
Lease Year 1	\$55,002.92	\$660,035.00	\$25.25
Lease Year 2	\$56,201.00	\$674,412.00	\$25.80
Lease Year 3	\$57,399.08	\$688,789.00	\$26.35
Lease Year 4	\$58,597.17	\$703,166.00	\$26.90
Lease Year 5	\$59,795.25	\$717,543.00	\$27.45
Lease Year 6	\$60,993.33	\$731,920.00	\$28.00
Lease Year 7	\$62,191.42	\$746,297.00	\$28.55
Lease Year 8	\$63,389.50	\$760,674.00	\$29.10
Lease Year 9	\$64,587.58	\$775,051.00	\$29.65
Lease Year 10	\$65,785.67	\$789,428.00	\$30.20
Lease Year 11	\$66,983.75	\$803,805.00	\$30.75
Lease Year 12	\$68,181.83	\$818,182.00	\$31.30
Lease Year 13	\$69,379.92	\$832,559.00	\$31.85

FIRST (1ST) FLOOR WAREHOUSE SPACE – SUITE B110

LEASE YEAR	MONTHLY RENT	ANNUAL RENT	ANNUAL RENT PER SQUARE FOOT
Lease Year 1	\$19,426.38	\$233,116.50	\$21.45
Lease Year 2	\$19,861.90	\$238,342.80	\$21.93
Lease Year 3	\$20,297.43	\$243,569.10	\$22.42
Lease Year 4	\$20,732.95	\$248,795.40	\$22.90
Lease Year 5	\$21,168.48	\$254,021.70	\$23.38
Lease Year 6	\$21,604.00	\$259,248.00	\$23.86
Lease Year 7	\$22,039.53	\$264,474.30	\$24.34
Lease Year 8	\$22,475.05	\$269,700.60	\$24.82
Lease Year 9	\$22,910.58	\$274,926.90	\$25.30
Lease Year 10	\$23,346.10	\$280,153.20	\$25.78
Lease Year 11	\$23,781.63	\$285,379.50	\$26.26
Lease Year 12	\$24,217.15	\$290,605.80	\$26.74
Lease Year 13	\$24,652.68	\$295,832.10	\$27.23

4. Payment of First Month's Rent. Within one (1) business day of execution of this First Amendment, Tenant shall pay to Landlord the first installment of Monthly Rent.

5. Parking. The first two sentences of Section 38 shall be deleted and replaced with the following:

"Tenant shall be entitled to four (4) parking spots in the executive parking garage at the Project (i.e., with each parking permit relating to the right to park one automobile) free of charge for the duration of the Term. Tenant will be entitled to use up to one hundred forty-nine (149) non-exclusive parking spaces (4 spaces per 1,000 square feet of Rentable Area of the Premises) in areas of the Project designated for non-reserved parking."

6. Amendment LL Work. Simultaneously in conjunction with Tenant's Work, Landlord, at its cost and expense, shall complete the work to the Warehouse Space as more particularly described in the attached Exhibit L-1 (the "Amendment Warehouse Work"). Except for the removal of the three (3) electrical panels show in image #17 of Exhibit L-1, Tenant acknowledges and agrees that Landlord has completed all of the Amendment Warehouse Work prior to the Amendment Effective Date. Landlord will remove the three (3) electrical panels shown in image #17 of Exhibit L-1 by October 31, 2023 ("Panel Removal"). Landlord shall have the option, in Landlord's sole discretion, to elect to install a 200A panelboard to the Warehouse Space (the "PB Election"). Landlord may make the PB Election within thirty (30) days of the Amendment Effective Date by providing notice to Tenant, and in such event, the installation of 200A panelboard to the Warehouse Space shall be included in the Amendment Warehouse Work. In the event Landlord fails or declines to make the PB Election within such thirty (30) day-time period, then Landlord shall not be obligated to install the 200A panelboard to the Warehouse Space, and Landlord shall provide the PB Allowance, as provided in Section 11(b)(iv) below.

7. Warehouse Space – Landlord's Work and Landlord's Turnover Obligations. Except for the Panel Removal, Landlord and Tenant acknowledge and agree that prior to the Amendment Effective Date, Landlord has completed and performed all other obligations related to the Landlord's Work, Amendment Warehouse Work and Landlord Turnover Obligations for the Warehouse Space. Tenant acknowledges and agrees that, subject to the Panel Removal, Tenant is taking the Warehouse Space in its current "as-is" condition, without any additional obligation on the part of Landlord to alter, remodel, decorate, clean and/or improve the Warehouse Space.

8. Tenant Waiver of Liability. Landlord agrees to release and waive any and all claims against Tenant for any loss, damage or destruction to any of its property (collectively, "Claim"), related to (i) the Labeled Wires (as defined in Exhibit L-1) and (ii) any live conduit in the Warehouse Space remaining after completion of the Amendment Warehouse Work; provided however, nothing contained in this Section shall be deemed to limit, and shall not apply, to any Claim caused by the (i) negligent act or omission or willful misconduct of Tenant or its officers, directors, members, shareholders, partners, agents, employees, successors, contractors, and assigns or (ii) any additional alterations or improvements to the Warehouse Space made by Tenant.

9. Access. As of the Amendment Effective Date, Tenant acknowledges and agrees that Tenant has had access to the Office Space and Warehouse Space, and as such, is not entitled to any additional day-to-day abatement of Rent for delay as provided in Section 7(a) of the Lease.

10. ROFR. Exhibit M of the Lease, depicting the ROFR Space, shall be deleted in its entirety and replaced with Exhibit M attached hereto.

11. Allowance. Section 9(a) of the Work Letter attached as Exhibit B to the Lease shall be modified so that the:

- a. "Office Allowance" shall be equal to \$2,352,600 (i.e., being \$90.00 per square foot of Rentable Area of the Office Space).
- b. "Warehouse Allowance" shall be equal to the sum each of the following:
 - i. \$777,940 (i.e., being the sum of (y) \$50.00 per square foot of Rentable Area for the first 5,000 square feet of the Warehouse Space and (z) \$90.00 per square foot of Rentable Area for the remaining 5,866 square feet of the Warehouse Space);
 - ii. \$20,000, which the parties acknowledge and agree are additional funds for certain improvements to the Warehouse Space as part of the Tenant's Work;
 - iii. \$32,550, representing the total value for the cost of installation of seven (7) VAV boxes to the Warehouse Space (the "VAV Credit"). For avoidance of doubt, such Landlord shall have no obligation to install such VAV boxes; and if applicable)
 - iv. In the event Landlord does not timely exercise the PB Election, then up to \$13,000, which represents the cost of installing a 200A panelboard to the Warehouse Space (the "PB Allowance").

12. Fire Watch. For a period of twenty-eight (28) calendar days from the Amendment Effective Date, Landlord, at its cost and expense, will provide a fire watch to the Warehouse Space.

13. Brokers. Tenant and Landlord represent and warrant to one another neither dealt with any broker in connection with this Lease other than Colliers International for Landlord; CBRE, Inc. for Tenant (collectively, "Brokers"). Landlord hereby agrees to pay the brokerage commissions payable to said Brokers in accordance with a written agreement between Landlord and such Brokers. Tenant and Landlord shall indemnify, defend and hold the other, its agents and their respective partners and employees, and the Project, harmless of, from and against any and all losses, damages, liabilities, claims, liens, costs and expenses, including without limitation court costs and reasonable attorneys' fees and expenses, arising from any claims or demands of any other broker or brokers or finders for any commission alleged to be due such other broker or brokers or finders claiming to have dealt by through or under such Party in connection with this Lease or with whom such Party hereafter deals or whom such Party employs.

14. No Default. As of the Amendment Effective Date, Landlord and Tenant acknowledge and agree that (i) upon Tenant's payment to Landlord of the first installment of Monthly Rent as provided in Section 4 above, no default on the part of Tenant shall exist under the Lease in the performance of the terms, covenants and conditions of the Lease required to be performed on the part of Tenant; Tenant has no defense as to its obligations under the Lease and asserts no setoff, claim or counterclaim against Landlord under or with respect to the Lease, and (ii) no default on the part of Landlord exists under the Lease in the performance of the terms, covenants and conditions of the Lease required to be performed on the part of Landlord.

15. No Other Modification. The Lease is only modified as set forth herein and in all other respects remains in full force and effect. With respect to all conflicts and inconsistencies between the Lease and this First Amendment, this First Amendment shall control and prevail.

16. Successors and Assigns. This First Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

17. Counterparts. This First Amendment may be executed in two counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18. Severability. The Parties hereto intend and believe that each provision in this First Amendment comports with all applicable local, state and federal laws and judicial decisions. However, if any provision in this First Amendment is found by a court of law to be in violation of any applicable ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such provision to be illegal, void or unenforceable as written, then such provision shall be given force to the fullest possible extent that the same is legal, valid and enforceable and the remainder of this First Amendment shall be construed as if such provision was not contained therein.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties hereto executed this First Amendment to Office Lease Agreement as of the date first written above.

LANDLORD:

HOFFMAN ESTATES ACQUISITIONS LLC, a Delaware
limited liability company

By: /s/ RAPHAEL ZUCKER
Name: Raphael Zucker
Its: President

HOFFMAN ESTATES ACQUISITIONS II LLC, a Delaware
limited liability company

By: /s/ RAPHAEL ZUCKER
Name: Raphael Zucker
Its: President

TENANT:

CAMBIUM NETWORKS, INC.,
a Delaware corporation

By: /s/ SALLY RAU
Name: Sally Rau
Its: General Counsel

CAMBIUM NETWORKS, INC.**EMPLOYMENT AGREEMENT**

EMPLOYMENT AGREEMENT (this “Agreement”) dated as of August 1, 2023, between **Cambium Networks, Inc.**, a Delaware corporation (the “Company”), and **Morgan Kurk** (the “Employee”).

Recitals:

The Company desires to employ the Employee as the Chief Executive Officer of the Company.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. POSITION AND DUTIES.

(a) During the Employment Term (as defined in Section 2 hereof), the Employee shall serve as the Chief Executive Officer of the Company and, at the request of the Board of Directors (the “Board”) of Cambium Networks Corporation (“Parent”), as an officer or director of any parent entity of the Company or any subsidiary of the Company or such parent entity, in any case, without additional compensation. In this capacity, the Employee shall have the duties, authorities and responsibilities commensurate with the duties, authorities and responsibilities of persons in similar capacities in similarly sized companies, and such other duties, authorities and responsibilities as may reasonably be assigned to the Employee that are not inconsistent with the Employee’s position as Chief Executive Officer of the Company. Except as otherwise mutually agreed upon by Company and Employee, the Employee’s principal place of employment with the Company shall be in North Carolina; provided that (i) the Employee understands and agrees that the Employee may be required to travel to the Company’s global corporate headquarters in the Chicagoland area, at least one week per month and (ii) Employee shall endeavor to spend an additional week per month at any of the Company’s existing major facilities, including San Jose, CA, Thousand Oaks, CA, Ashburton, U.K. and Bangalore, India. The Employee shall report directly to the Board.

(b) During the Employment Term, the Employee shall devote all of the Employee’s business time, energy, business judgment, knowledge and skill and the Employee’s best efforts to the full, loyal and careful performance of the Employee’s duties to the Company; provided that the foregoing shall not prevent the Employee from (i) serving on the boards of directors of non-profit organizations and, with the prior written approval of the Board, other for profit companies, (ii) participating in charitable, civic, educational, professional, community or industry affairs, and (iii) managing the Employee’s passive personal investments so long as such activities in the aggregate do not interfere or conflict with the Employee’s duties hereunder or create a potential business or fiduciary conflict.

(c) The Board shall take such action as may be necessary to appoint Employee as a member of the Board as of the Effective Date (as defined in Section 2 hereof). Thereafter, during the Employment Term, the Board shall nominate the Employee for re-election as a member of the Board at the expiration of the then-current director term and shall use its best efforts to secure such election, provided that the foregoing shall not be required to the extent prohibited by legal or regulatory requirements. For the avoidance of doubt, Employee acknowledges that Employee's term of continued Board service shall be subject to approval by the shareholders of Parent at its 2024 Annual Meeting of Shareholders.

2. EMPLOYMENT TERM. The Company agrees to employ the Employee pursuant to the terms of this Agreement, and the Employee agrees to be so employed, for a term of two (2) years (the "Initial Term") commencing as of August 1, 2023 (the "Effective Date"). On each anniversary of the Effective Date following the Initial Term, the term of this Agreement shall be automatically extended for successive one-year periods, provided, however, that either party hereto may elect not to extend this Agreement by giving written notice to the other party at least ninety (90) days prior to any such anniversary date. Notwithstanding the foregoing, the Employee's employment hereunder may be earlier terminated in accordance with Section 7 hereof, subject to Section 8 hereof. The period of time between the Effective Date and the termination of the Employee's employment hereunder shall be referred to herein as the "Employment Term."

3. BASE SALARY. The Company agrees to pay the Employee a base salary at an initial annual rate of \$500,000, payable in accordance with the regular payroll practices of the Company, but not less frequently than monthly. Beginning in calendar year 2025, the Employee's base salary shall be subject to annual review by the Board (or a committee thereof), and may be increased (but not decreased) from time to time by the Board (or a committee thereof), provided, that Employee's base salary may be decreased as part of an across-the-board reduction in base salaries of all Company executive officers so long as the percentage reduction in Employee's base salary is not greater than the percentage reduction applicable to other executive officers, for the same period as the reduction in other executive officer's reduction in salary and, in the event such reduction is later mitigated for other executive officers, Employee's base salary is then increased by the same percentage applicable to other executive officers. The base salary as determined herein and adjusted from time to time shall constitute "Base Salary" for purposes of this Agreement.

4. ANNUAL BONUS. During the Employment Term, the Employee shall be eligible to receive an annual discretionary incentive payment under the Company's annual bonus plan as may be in effect from time to time (the "Annual Bonus") based on an initial target bonus opportunity of 100% of the Employee's Base Salary (the "Target Bonus"), upon the attainment of one or more pre-established performance goals established by the Board or the Compensation Committee of the Board (the "Committee") in its sole discretion; provided, however, that the Annual Bonus payable with respect to 2023 shall be guaranteed to equal the Employee's Target Bonus for such year but pro-rated based on the number of days Employee was employed by the Company during 2023. Any Annual Bonus payable to Employee shall, except as otherwise provided for in this Agreement, be subject to Employee's continued employment through the applicable payment date and shall be payable no later than March 15th following the conclusion of the applicable performance year.

5. EQUITY AWARDS. Within sixty (60) days following the Effective Date and subject to the approval of the Compensation Committee, the Employee shall be granted (i) 100,000 share-settled restricted share units (“Initial RSU Grant”) with respect to Parent that shall vest 50% on the two-year anniversary of the Effective Date and thereafter ratably on a quarterly basis over the following 24 months, and (ii) 500,000 nonqualified share options with respect to Parent (“Initial Option Grant”), with an exercise price equal to fair market value of an ordinary share of Parent on the date of grant that shall vest 25% on the one-year anniversary of the Effective Date and thereafter ratably on a quarterly basis over the following 36 months, with vesting in each case subject to the Employee’s continued employment through the applicable vesting date; provided, however, that (i) in the event Employee’s employment is terminated by the Company without Cause or by the Employee due to Good Reason prior to the second anniversary of the Effective Date, the portion of the Initial RSU Grant and the Initial Option Grant that was scheduled to vest on or prior to the 12-month anniversary of such termination of employment, shall accelerate as of the date of such termination of employment and the remaining unvested portion of the Initial RSU Grant and Initial Option Grant shall terminate for no consideration as of such termination of employment and (ii) the Initial RSU Grant and Initial Option Grant shall be subject to accelerated vesting in the event of Employee’s termination by the Company without Cause or by the Employee due to Good Reason within two years following a Change in Control (as defined in the Cambium Networks Corporation 2019 Share Incentive Plan (the “2019 Plan”). The Initial RSU Grant and Initial Option Grant shall be subject to all of the terms of the 2019 Plan and the Company’s standard form of award agreements.

6. EMPLOYEE BENEFITS.

(a)**BENEFIT PLANS.** During the Employment Term, the Employee shall be entitled to participate in any employee benefit plan that the Company has adopted or may adopt, maintain or contribute to for the benefit of its employees generally, subject to satisfying the applicable eligibility requirements, except to the extent such plans are duplicative of the benefits otherwise provided to Employee hereunder. The Company shall use reasonable efforts to obtain life insurance and disability insurance in an amount equal to the Executive’s annual salary, but only if and so long as such coverage is available at standard rates from the insurer providing term life insurance or disability insurance coverage under the executive benefit programs or a comparable insurer acceptable to the Company. The Employee’s participation will be subject to the terms of the applicable plan documents and generally applicable Company policies. Notwithstanding the foregoing, the Company may modify or terminate any employee benefit plan at any time.

(b)**VACATIONS.** During the Employment Term, the Employee shall be entitled to four (4) weeks of paid vacation per calendar year (as prorated for partial years) in accordance with the Company’s policy on accrual and use applicable to employees as in effect from time to time, without carryforward of unused vacation time from any calendar year to any future calendar year. Vacation may be taken at such times and intervals as the Employee determines, subject to the business needs of the Company.

(c)**BUSINESS EXPENSES.** Upon presentation of reasonable substantiation and documentation as the Company may specify from time to time, the Employee shall be reimbursed in accordance with the Company’s expense reimbursement policy for all reasonable out-of-pocket

business expenses incurred and paid by the Employee during the Employment Term and in connection with the performance of the Employee's duties hereunder.

(d)**LEGAL FEES.** Upon presentation of appropriate documentation, the Company shall pay the Employee's reasonable counsel fees incurred in connection with his acceptance of this position, including but not limited to the negotiation and documentation of this Agreement, up to a maximum of \$20,000, which shall be paid within sixty (60) days following the Effective Date, provided that the Employee is still employed at the time of such payment.

7. TERMINATION. The Employee's employment and the Employment Term shall terminate on the first of the following to occur:

(a)**DISABILITY.** Upon ten (10) days' prior written notice by the Company to the Employee of termination due to Disability. For purposes of this Agreement, "Disability" shall be defined as the inability of the Employee, with or without a reasonable accommodation, to have performed the Employee's material duties hereunder due to a physical or mental injury, infirmity or incapacity for one hundred eighty (180) days (including weekends and holidays) in any 365-day period, as determined by the Board in its reasonable discretion. The Employee shall cooperate in all respects with the Company if a question arises as to whether the Employee has become disabled (including, without limitation, submitting to reasonable examinations by one or more medical doctors and other health care specialists selected by the Company and authorizing such medical doctors and other health care specialists to discuss the Employee's condition with the Company), provided, however, nothing herein shall give the Company the right to terminate Employee prior to discharging its obligations to Employee, if any, under the Family and Medical Leave Act, the Americans with Disabilities Act, or any other applicable law.

(b)**DEATH.** Automatically upon the date of death of the Employee.

(c)**CAUSE.** Immediately upon written notice by the Company to the Employee of a termination for Cause. "Cause" shall mean:

(i) the Employee's willful and continued failure to substantially perform the Employee's duties to the Company;

(ii) the Employee's willful misconduct or gross negligence in the performance of the Employee's duties to the Company;

(iii) the Employee's willful failure to perform the Employee's duties to the Company or to follow the lawful directives of the Board (other than as a result of death or Disability);

(iv) indictment for, conviction of, or pleading of guilty or nolo contendere to, a felony or any crime involving moral turpitude;

(v) the Employee's failure to cooperate in any audit or investigation of the business or financial practices of the Company or any of its subsidiaries;

(vi) the Employee's performance of any material act of theft, embezzlement, fraud, malfeasance, dishonesty or misappropriation of the Company's property; or

(vii) material breach of this Agreement or any other written agreement with the Company, or a material violation of the Company's written code of conduct or other written policy, including any policy with respect to sexual harassment.

For purposes of this Section 7(c), no act, or failure to act, on the part of the Employee shall be considered "willful" unless it is done, or omitted to be done, by the Employee in bad faith or without reasonable belief that the Employee's action or omission was in the best interests of the Company. Any act, or failure to act, based upon (A) authority given pursuant to a resolution duly adopted by the Board, or (B) the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Employee in good faith and in the best interests of the Company. Any determination of Cause by the Company will be made by a resolution approved by a majority of the members of the Board (excluding the Employee, if the Employee is then a Board member), provided that no such determination may be made until the Employee has been given written notice detailing the specific Cause event and a period of thirty (30) days following receipt of such notice to cure such event (if susceptible to cure) to the satisfaction of the Board. Notwithstanding anything to the contrary contained herein, the Employee's right to cure as set forth in the preceding sentence shall not apply if there are habitual or repeated breaches by the Employee.

(d) **WITHOUT CAUSE.** Immediately upon written notice by the Company to the Employee of an involuntary termination without Cause (other than for death or Disability).

(e) **GOOD REASON.** Upon written notice by the Employee to the Company of a termination for Good Reason. "Good Reason" shall mean the occurrence of any of the following events, without the express written consent of the Employee, unless such events are fully corrected in all material respects by the Company within thirty (30) days following written notification by the Employee to the Company of the occurrence of one of the reasons set forth below:

(i) material diminution in the Employee's Target Bonus;

(ii) material diminution in the Employee's duties, authorities or responsibilities (other than temporarily while physically or mentally incapacitated or as required by applicable law); provided, however, changes in duties, authorities or responsibilities as a result of Parent ceasing to be a publicly-traded company shall not alone constitute Good Reason;

(iii) a material breach of this Agreement by the Company or Parent, including a failure to grant the equity awards pursuant to Section 5 within 60 days of the Effective Date; or

(iv) a relocation of Employee's principal place of employment by more than 25 miles.

The Employee shall provide the Company with a written notice detailing the specific circumstances alleged to constitute Good Reason within ninety (90) days after the first occurrence of such circumstances, and actually terminate employment within thirty (30) days following the expiration of the Company's thirty (30)-day cure period described above unless the Company

waives this requirement in writing. Otherwise, any claim of such circumstances as “Good Reason” shall be deemed irrevocably waived by the Employee.

(f) **WITHOUT GOOD REASON.** Upon ninety (90) days’ prior written notice by the Employee to the Company of the Employee’s voluntary termination of employment without Good Reason (which the Company may, in its sole discretion, make effective earlier than any notice date).

(g) **EXPIRATION OF EMPLOYMENT TERM; NON-EXTENSION OF AGREEMENT.** Upon the expiration of the Employment Term due to a non-extension of the Agreement by the Company or the Employee pursuant to the provisions of Section 2 hereof.

8. CONSEQUENCES OF TERMINATION.

(a) **DEATH.** In the event that the Employee’s employment and the Employment Term ends on account of the Employee’s death, the Employee or the Employee’s estate, as the case may be, shall be entitled to the following (with the amounts due under Sections 8(a)(i) through 8(a)(iv) hereof to be paid within sixty (60) days following termination of employment, or such earlier date as may be required by applicable law):

- (i) any unpaid Base Salary through the date of termination;
- (ii) any earned but unpaid Annual Bonus with respect to the fiscal year ending on or preceding the date of termination;
- (iii) reimbursement for any unreimbursed business expenses incurred through the date of termination;
- (iv) any accrued but unused vacation time in accordance with Company policy; and
- (v) all other payments, benefits or fringe benefits to which the Employee shall be entitled upon any termination of employment in accordance with the terms and conditions of the applicable compensation arrangement or benefit, equity or fringe benefit plan or program (collectively, Sections 8(a)(i) through 8(a)(v) hereof shall be hereafter referred to as the “Accrued Benefits”).

(b) **DISABILITY.** In the event that the Employee’s employment or Employment Term ends on account of the Employee’s Disability, the Company shall pay or provide the Employee with the Accrued Benefits.

(c) **TERMINATION FOR CAUSE OR BY EMPLOYEE WITHOUT GOOD REASON.** If the Employee’s employment is terminated (x) by the Company for Cause or (y) by the Employee without Good Reason, the Company shall pay to the Employee the Accrued Benefits other than the benefit described in Section 8(a)(ii) hereof.

(d) **TERMINATION WITHOUT CAUSE OR FOR GOOD REASON.** If the Employee’s employment by the Company is terminated (x) by the Company without Cause,

including due to non-extension by the Company of the Employment Term as provided in Section 2 hereof, or (y) by the Employee for Good Reason, the Company shall pay or provide the Employee with the following, subject to the provisions of Section 26 hereof:

(i) the Accrued Benefits;

(ii) subject to the Employee's continued compliance with the obligations in Sections 9, 10 and 11 hereof, an amount equal to the Employee's monthly Base Salary rate (but not as an employee), paid monthly for a period of twelve (12) months following such termination; provided that to the extent that the payment of any amount constitutes "nonqualified deferred compensation" for purposes of Code Section 409A (as defined in Section 26 hereof), any such payment scheduled to occur during the first sixty (60) days following the termination of employment shall not be paid until the first regularly scheduled pay period following the sixtieth (60th) day following such termination and shall include payment of any amount that was otherwise scheduled to be paid prior thereto (but in any event such payment to occur no later than 70 days following such termination);

(iii) subject to Employee's continued compliance with the obligations in Sections 9, 10 and 11 hereof, during the twelve (12)-month period commencing on the date of termination and if Employee is eligible to elect and elects to continue coverage for Employee and Employee's spouse and eligible dependents under the Company's group medical, hospitalization, and dental plans pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), or similar state law, the Company shall reimburse Employee on a monthly basis for the difference between the amount Employee pays to effect and continue such coverage under COBRA and the employee contribution amount that active employees of the Company pay for the same or similar coverage (the "COBRA Reimbursements"); provided, however, that (A) Employee shall notify the Company in writing within five days after he becomes eligible after the date of Employee's termination from the Company for group medical, hospitalization, or dental plan insurance coverage, if any, through subsequent employment or otherwise and the Company shall have no further obligation to provide the COBRA Reimbursements after Employee becomes eligible for group medical, hospitalization, or dental insurance plan coverage due to subsequent employment or otherwise; (B) if Employee (or Employee's spouse) is eligible for Medicare or a similar type of governmental medical benefit, such benefit shall be the primary provider before Company medical benefits are provided; and (C) Employee shall send monthly invoices to the Company reflecting COBRA premiums paid by the last day of the month following the month in which the applicable premiums were paid by Employee and any COBRA Reimbursements due shall be made within fifteen (15) days of receipt of such invoices. For the avoidance of doubt, COBRA Reimbursements shall be taxable and subject to withholding; and

(iv) subject to Employee's continued compliance with the obligations in Sections 9, 10 and 11 hereof, a pro-rata portion of the Employee's Annual Bonus for the fiscal year in which the Employee's termination occurs based on actual results for such year (determined by multiplying the amount of such bonus which would be due for the full fiscal year by a fraction, the numerator of which is the number of days during the fiscal year of termination that the Employee is employed by the Company and the denominator of which is 365) payable at the same time bonuses for such year are paid to other senior executives of the Company (but in any event payable no later than March 15th following the conclusion of the applicable performance year).

Payments and benefits provided in this Section 8(d) shall be in lieu of any termination or severance payments or benefits for which the Employee may be eligible under any of the plans, policies or programs of the Company or under the Worker Adjustment Retraining Notification Act of 1988 or any similar state statute or regulation.

(e) **OTHER OBLIGATIONS.** Upon any termination of the Employee's employment with the Company, the Employee shall promptly resign from the Board and any position as an officer, director or fiduciary of any Company-related entity.

(f) **EXCLUSIVE REMEDY.** The amounts payable to the Employee following termination of employment and the Employment Term hereunder pursuant to Sections 7 and 8 hereof shall be in full and complete satisfaction of the Employee's rights under this Agreement and any other claims that the Employee may have in respect of the Employee's employment with the Company or any of its affiliates, and the Employee acknowledges that such amounts are fair and reasonable, and are the Employee's sole and exclusive remedy, in lieu of all other remedies at law or in equity, with respect to the termination of the Employee's employment hereunder or any breach of this Agreement.

9. RELEASE. Any and all amounts payable and benefits or additional rights provided pursuant to this Agreement beyond the Accrued Benefits (other than amounts described in Section 8(a)(iii) hereof) shall only be payable if the Employee delivers to the Company and does not revoke a general release of claims in favor of the Company in a form reasonably satisfactory to the Company. Such release shall be executed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following termination.

10. RESTRICTIVE COVENANTS.

(a) **DEFINITIONS.** As used in this Agreement, the following terms have the meanings given to such terms below.

- (i) "Business" means (A) the development and sale of the Products and Services; (B) the business(es) in which the Company is or was engaged at the time of, and/or during the twelve (12) month period prior to, the Termination Date; (C) any business of the Company or its affiliates in which Employee was materially involved or as to which Employee received or accessed Confidential Information or Inventions within the twelve (12) months preceding the Termination Date; and (D) any business of the Company which was the subject of business initiatives or plans, or was in development or under consideration or research by the Company at the time of, or during the twelve (12) month period prior to, the Termination Date and with respect to which Employee was materially involved or as to which Employee received or accessed Confidential Information or Inventions.
- (ii) "Customer" means (A) any person or entity who is or was a customer of the Company at the time of, or during the twelve (12) month period prior to, the Termination Date, and with whom Employee had dealings on behalf of the

Company in the course of Employee's employment with the Company during such period, or about whom Employee received Confidential Information during such period; (B) any person or entity who is or was a customer of any of the Company's affiliates at the time of, or during the twelve (12) month period prior to the Termination Date, and with whom Employee had dealings in the course of Employee's employment with the Company during such period, or about whom Employee received Confidential Information during such period; and (C) any prospective customer to whom, within the twelve (12) month period immediately prior to the Termination Date, the Company had submitted proposals to for products or services of which Employee has knowledge, whether or not such proposals have yet to be executed into contracts, provided that the Company has a legitimate expectation of doing business with such prospective customer, and provided further that Employee had business contacts with such prospective customer on behalf of the Company during such period, whether such contact was initiated by the prospective customer or by Employee.

- (iii) "Company Personnel" means (A) any person who is or was an employee or independent contractor or consultant of the Company at the time of, or during the twelve (12) month period prior to, the Termination Date; (B) any person who is or was an employee or independent contractor or consultant of the Company at the time of, or during the twelve (12) month period prior to, the Termination Date, and with whom Employee had business dealings in the course of Employee's employment with the Company, or about whom Employee received Confidential Information; and (C) any person or entity who is or was an employee, independent contractor, or consultant of any of the Company's affiliates at the time of, or during the six (6) month period prior to, the Termination Date, and with whom Employee had business dealings in the course of Employee's employment with the Company, or about whom Employee received Confidential Information.
- (iv) "Products and Services" means (A) wireless and ethernet point-to-point backhaul solutions; point-to-multipoint platforms and distribution network solutions; enterprise Wi-Fi and switching solutions; industrial internet of things (IIOT) wireless communications solutions; wireless solutions for video surveillance and CCTV; and network software and monitoring tools; (B) cloud management, network service applications, and tools and accessories related to any of the products or solutions described in clause (A); (C) those products and services related in any material way to Employee's work on behalf of the Company within the twelve (12) months preceding the Termination Date; (D) those products and services related in any material way to Employee's work on behalf of the Company's affiliates within the twelve (12) months preceding the Termination Date; (E) those products and services as to which Employee received or accessed Confidential Information or Inventions of the Company or its affiliates within the twelve (12) months preceding Termination Date; and (F) those products and services which were the subject of business initiatives or

plans, or were in development or offered by the Company or its affiliates at the time of, or during the twelve (12) month period prior to, the Termination Date and with respect to which Employee was materially involved or as to which Employee received or accessed Confidential Information or Inventions.

- (v) “Restricted Period” means the period commencing on the Termination Date and ending twelve (12) months thereafter, provided, however, that this period will be tolled and will not run during any time Employee is in violation of this Section 10, it being the intent of the parties that the Restricted Period will be extended for any period of time in which Employee is in violation of this Section 10, and any period during which litigation is pending relating to such breach.
- (vi) “Restricted Territory” means worldwide, it being understood that the Company’s business is worldwide in scope. In the event the preceding definition of Restricted Territory is determined by a court of competent jurisdiction to be too broad to be enforced under the circumstances, then “Restricted Territory” will mean the following distinct and severable territories:
 - (A) any country in the world in which the Company is engaged in the Business, including without limitation any country where the Company has Customers, on the Termination Date or in the twelve (12) month period prior to the Termination Date;
 - (B) any country in the world in which the Company is engaged in the Business with respect to which Employee provided material services on behalf of the Company at the time of, or during the twelve (12) month period prior to, the Termination Date;
 - (C) the United States of America;
 - (D) India;
 - (E) the United Kingdom;
 - (F) each state, province or similar political subdivision in which the Company is engaged in the Business, including without limitation any state, province or similar political subdivision where the Company has Customers, on the Termination Date or in the twelve (12) month period prior to the Termination Date; and
 - (G) each state, province or similar political subdivision in which the Company is engaged in the Business with respect to which Employee provided material services on behalf of the Company at the time of, or during the twelve (12) month period prior to, the Termination Date.

(vii) "Termination Date" means the effective date of the termination of Employee's employment, by either party, regardless of the date, cause or manner of such termination.

(b) **CONFIDENTIALITY.** During the course of the Employee's employment with the Company, the Employee will have access to Confidential Information. For purposes of this Agreement, "Confidential Information" means all data, information, ideas, concepts, discoveries, trade secrets, inventions (whether or not patentable or reduced to practice), innovations, improvements, know-how, developments, techniques, methods, processes, treatments, drawings, sketches, specifications, designs, plans, patterns, models, plans and strategies, and all other confidential or proprietary information or trade secrets in any form or medium (whether merely remembered or embodied in a tangible or intangible form or medium, including all copies, notes or other reproductions or replicas thereof) whether now or hereafter existing, relating to or arising from the past, current or potential business, activities or operations of the Company or any of its affiliates, including, without limitation, any such information relating to or concerning finances, sales, marketing, advertising, transition, promotions, pricing, personnel, customers, suppliers, vendors, partners or competitors, and any information which the Company may from time to time designate as confidential or proprietary or that Employee reasonably knows should be, or has been, treated by the Company or any of its affiliates as confidential or proprietary. Confidential Information does not include any information that: (i) at the time of disclosure is generally known to, or readily ascertainable by, the public; (ii) becomes known to the public through no fault of Employee or other violation of this Agreement or any other Agreement entered into by Employee and the Company; or (iii) is disclosed to Employee by a third party under no obligation to maintain the confidentiality of the information. The Employee agrees that the Employee shall not, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of the Employee's assigned duties and for the benefit of the Company, either during the period of the Employee's employment or at any time thereafter, any Confidential Information or other confidential or proprietary information received from third parties subject to a duty on the Company's or its subsidiaries' or affiliates' part to maintain the confidentiality of such information, and to use such information only for certain limited purposes, in each case, which shall have been obtained by the Employee during the Employee's employment by the Company (or any predecessor). The Employee hereby relinquishes and agrees that he will not at any time claim any right, title or interest of any kind in or to any Confidential Information.

(c) **NONCOMPETITION.** The Employee acknowledges that (i) the Employee performs services of a unique and extraordinary nature for the Company that are irreplaceable, and that the Employee's performance of such services to a competing business will result in irreparable harm to the Company, (ii) the Employee has had and will continue to have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company or any of its affiliates, (iii) in the course of the Employee's employment by a competitor, the Employee would inevitably use or disclose such Confidential Information, (iv) the Company and its affiliates have substantial relationships with their customers and the Employee has had and will continue to have access to these customers during his employment, (v) the Employee has received and will receive specialized training from the Company and its affiliates, and (vi) the Employee has generated and will continue to generate goodwill for the Company and its affiliates in the course of the Employee's employment. Accordingly, during the Employee's

employment with the Company, the Employee will not, on his own behalf or on behalf of any other person or entity, engage in any business competitive with or adverse to that of the Company. In addition, during his employment with the Company and during the Restricted Period, Employee will not (i) engage in the Business in the Restricted Territory, or (ii) hold a position based in or with responsibility for all or part of the Restricted Territory, with any person or entity engaging in the Business, whether as employee, consultant, or otherwise, (A) in which Employee will have duties, or will perform or be expected to perform services for such person or entity, that is or are the same as or substantially similar to the position held by Employee or those duties or services actually performed by Employee for the Company within the twelve (12) month period immediately preceding the Termination Date, or (B) in which Employee will use or disclose or be reasonably expected to use or disclose any Confidential Information for the purpose of providing, or attempting to provide, such person or entity with a competitive advantage with respect to the Business.

(d) NONSOLICITATION; NONINTERFERENCE.

(i) During the Employee's employment with the Company and during the Restricted Period, the Employee will not, directly or indirectly, on Employee's own behalf or on behalf of any other person, firm, corporation or other entity, except in the furtherance of the Employee's duties hereunder:

- (A) Call upon, solicit, divert, encourage or attempt to call upon, solicit, divert or encourage any Customer for purposes of marketing, selling or providing products or services to such Customer that are similar to or competitive with those offered by the Company;
- (B) Induce, encourage or attempt to induce or encourage any Customer to reduce, limit or cancel its business with the Company or its affiliates;
- (C) Induce, encourage or attempt to induce or encourage any Customer to purchase or accept products or services competitive with those offered by the Company from any person or entity (other than the Company or its affiliates) engaging in the Business; or
- (D) Otherwise interfere or engage in any conduct that would have the effect of interfering, in any manner, with the business relationship between the Company and any of the Customers.

(ii) During the Employee's employment with the Company and during the Restricted Period, the Employee will not, directly or indirectly, on Employee's own behalf or on behalf of any other person, firm, corporation or other entity, except in the furtherance of the Employee's duties hereunder:

- (A) solicit or induce or attempt to solicit or induce any Company Personnel to terminate his or her employment or engagement with the Company;

- (B) solicit or induce or attempt to solicit or induce any Company Personnel to accept employment or engagement with any person or entity engaging in the Business within the Restricted Territory;
- (C) hire or retain any such Company Personnel, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such Company Personnel, or
- (D) interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company or any of its affiliates and any of their respective vendors, joint venturers or licensors.

(e) **NONDISPARAGEMENT.** The Employee agrees not to make negative comments or otherwise disparage the Company or its officers, directors, employees, shareholders, agents or products other than in the good faith performance of the Employee's duties to the Company while the Employee is employed by the Company. The Company shall direct its officers and members of the Board to not make negative comments or otherwise disparage Employee following the Termination Date. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

(f) **INVENTIONS.**

(i) The Employee acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, methods, works of authorship and other work product, whether patentable or unpatentable or subject to analogous protection, (A) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company resources or within the scope of the Employee's work with the Company or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company, and that are made or conceived by the Employee, solely or jointly with others, during the Employment Term, or (B) suggested by any work that the Employee performs in connection with the Company, either while performing the Employee's duties with the Company or on the Employee's own time, but only insofar as the Inventions are related to the Employee's work as an employee or other service provider to the Company, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon (the "Inventions"). The Employee will keep full and complete written records (the "Records"), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and the Employee will surrender them upon the termination of the Employment Term, or upon the Company's request. The Employee irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to the Employment Term, together with the right to file, in the Employee's name or in the name of the Company (or its designee), applications for patents and equivalent rights (the "Applications"). The Employee will, at any time during and subsequent to the Employment Term, make such applications, sign such papers,

take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company's rights in the Inventions, all without additional compensation to the Employee from the Company. The Employee will also execute assignments to the Company (or its designee) of the Applications and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company's benefit, all without additional compensation to the Employee from the Company, but entirely at the Company's expense.

(ii) In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company and the Employee agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to the Employee. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, the Employee hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of the Employee's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, the Employee hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that the Employee has any rights in the results and proceeds of the Employee's service to the Company that cannot be assigned in the manner described herein, the Employee agrees to unconditionally waive the enforcement of such rights. The Employee hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to the Employee's benefit by virtue of the Employee being an employee of or other service provider to the Company.

(iii) The obligations of the Employee under this Section will not apply to a particular circumstance to the extent such obligations are unenforceable in such circumstance pursuant to the provisions of Section 66-57.1 of the North Carolina General Statutes (as amended from time to time), provided that the obligations of Employee under this Section will continue to be binding upon Employee in all other circumstances. The Employee will bear the burden of proof in establishing the applicability of such statute to a particular circumstance.

(iv) Employee has attached hereto as Exhibit A, a list describing all inventions, discoveries, original works of authorship, developments, improvements, trade secrets and other proprietary information or intellectual property rights owned by Employee or in which Employee has an interest prior to, or separate from, Employee's employment with the Company ("Prior Inventions").

(g)**BUSINESS OPPORTUNITIES.** The Employee shall submit to the Board all business, commercial and investment opportunities or offers presented to the Employee, or of which the Employee becomes aware, during the period of the Employee's employment with the Company that relate to the areas of business engaged in by the Company or its affiliates at any time during the period of the Employee's employment with the Company or that could reasonably be expected to be beneficial to the Company or its affiliates (collectively, the "Company Opportunities"). Unless approved by the Board in writing, the Employee shall not accept, pursue or otherwise benefit from, directly or indirectly, any Company Opportunities on the Employee's own behalf.

(h)**RETURN OF COMPANY PROPERTY.** On the date of the Employee's termination of employment with the Company for any reason (or at any time prior thereto at the Company's request), the Employee shall return all property belonging to the Company or its affiliates (including, but not limited to, any Company-provided laptops, computers, cell phones, wireless electronic mail devices or other equipment, or documents and property belonging to the Company). The Employee may retain the Employee's rolodex and similar address books provided that such items only include contact information, and may also retain any personal documents or photos stored on Company property. Company shall likewise ensure that on the date of Employee's termination with the Company that Company shall return to Employee personal items and documents or copies thereof, including without limitation tax and financial documents, in Company's possession.

(i) **REASONABLENESS OF COVENANTS.** In signing this Agreement, the Employee gives the Company assurance that the Employee has carefully read and considered all of the terms and conditions of this Agreement, including the restraints imposed under this Section 10 hereof. The Employee agrees that these restraints are necessary for the reasonable and proper protection of the Company and its affiliates and their Confidential Information and that each and every one of the restraints is reasonable in respect to subject matter, length of time and geographic area, and that these restraints, individually or in the aggregate, will not prevent the Employee from obtaining other suitable employment during the period in which the Employee is bound by the restraints. The Employee agrees that, before providing services, whether as an employee or consultant, to any entity during the period of time that the Employee is subject to the constraints in Section 10 hereof, the Employee will provide a copy of this Agreement (including, without limitation, this Section 10) to such entity, and such entity shall acknowledge to the Company in writing that it has read this Agreement. The Employee acknowledges that each of these covenants has a unique, very substantial and immeasurable value to the Company and its affiliates and that the Employee has sufficient assets and skills to provide a livelihood while such covenants remain in force. The Employee further covenants that the Employee will not challenge the reasonableness or enforceability of any of the covenants set forth in this Section 10, and that to the maximum extent permitted by applicable law, the prevailing party as determined by the Court will reimburse the Company and its affiliates for all costs (including reasonable attorneys' fees) incurred in connection with any action to enforce any of the provisions of this Section 10 if either the Company or its affiliates prevails on any material issue involved in such dispute or if the Employee challenges the reasonableness or enforceability of any of the provisions of this Section 10. It is also agreed that each of the Company's affiliates will have the right to enforce all of the

Employee's obligations to that affiliate under this Agreement, including without limitation pursuant to this Section 10.

(j) **REFORMATION.** If it is determined by a court of competent jurisdiction in any state that any restriction in this Section 10 is excessive in duration or scope or is unreasonable or unenforceable under applicable law, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by the laws of that state. Furthermore, each term, phrase, clause and segment of the covenants contained in this Section 10 will be severable to the greatest degree possible. If any term, phrase, clause or segment of any of the covenants contained in this Section 10 will cause such covenant to be invalid or unenforceable, such term, phrase, clause or segment will be deemed stricken and will not affect the remainder of the covenant or covenants set forth therein or elsewhere in this Agreement, which will be given full effect without regard to the invalid portions.

(k) **TOLLING.** In the event of any violation of the provisions of this Section 10, the Employee acknowledges and agrees that the post-termination restrictions contained in this Section 10 shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.

(l) **PROTECTED ACTIVITIES.** Nothing in this Agreement is intended to, or does, prohibit the Employee from (i) filing a charge or complaint with, providing truthful information to, or cooperating with an investigation being conducted by a governmental agency (such as the Equal Employment Opportunity Commission, another fair employment practices agency, the National Labor Relations Board, the Department of Labor, or the Securities and Exchange Commission (the "SEC")); (ii) engaging in other legally-protected activities; (iii) giving truthful testimony or making statements under oath in response to a subpoena or other valid legal process or in any legal proceeding; (iv) otherwise making truthful statements as required by law or valid legal process; or (v) disclosing a trade secret in confidence to a governmental official, directly or indirectly, or to an attorney, if the disclosure is made solely for the purpose of reporting or investigating a suspected violation of law. Accordingly, the Employee understands that he shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. The Employee likewise understands that, in the event he files a lawsuit for retaliation by the Company or the Parent for reporting a suspected violation of law, he may disclose the trade secret(s) of the Company or the Parent to his attorney and use the trade secret information in the court proceeding, if he (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order. In accordance with applicable law, and notwithstanding any other provision of this Agreement, nothing in this Agreement or any of any policies or agreements of the Company, the Parent, or their affiliates applicable to the Employee (i) impedes his right to communicate with the SEC or any other governmental agency about possible violations of federal securities or other laws or regulations or (ii) requires him to provide any prior notice to the

Company, the Parent, or their affiliates or obtain their prior approval before engaging in any such communications.

(m)**OTHER AGREEMENTS.** Notwithstanding the foregoing and any other language in this Agreement, this Agreement does not preclude the enforceability of any restrictive covenant provision contained in any other agreement entered into between the Company and the Employee. Further, no other restrictive covenant precludes the enforceability of any provision contained in this Agreement.

(n)**SURVIVAL OF PROVISIONS.** The obligations contained in Sections 10 and 11 hereof shall survive the termination or expiration of the Employment Term and the Employee's employment with the Company and shall be fully enforceable thereafter.

11.COOPERATION. Upon the receipt of reasonable notice from the Company (including outside counsel), the Employee agrees that while employed by the Company and thereafter, the Employee will respond and provide information with regard to matters in which the Employee has knowledge as a result of the Employee's employment with the Company, and will provide reasonable assistance to the Company, its affiliates and their respective representatives in defense of any claims that may be made against the Company or its affiliates, and will assist the Company and its affiliates in the prosecution of any claims that may be made by the Company or its affiliates, to the extent that such claims may relate to the period of the Employee's employment with the Company (collectively, the "Claims"). Except as provided for in Section 10(l), the Employee agrees to promptly inform the Company if the Employee becomes aware of any lawsuits involving Claims that may be filed or threatened against the Company or its affiliates. Subject to Section 10(l), the Employee also agrees to promptly inform the Company (to the extent that the Employee is legally permitted to do so and subject to Section 10(l)) if the Employee is asked to assist in any investigation of the Company or its affiliates (or their actions) or another party attempts to obtain information or documents from the Employee (other than in connection with any litigation or other proceeding in which the Employee is a party-in-opposition) with respect to matters the Employee believes in good faith to relate to any investigation of the Company or its affiliates, in each case, regardless of whether a lawsuit or other proceeding has then been filed against the Company or its affiliates with respect to such investigation, and shall not do so unless legally required in the reasonable opinion of Employee's legal counsel. Subject to Section 10(l), during the pendency of any litigation or other proceeding involving Claims, the Employee shall not communicate with anyone (other than the Employee's attorneys and tax or financial advisors and except to the extent that the Employee determines in good faith is necessary in connection with the performance of the Employee's duties hereunder) with respect to the facts or subject matter of any pending or potential litigation or regulatory or administrative proceeding involving the Company or any of its affiliates without giving prior written notice to the Company or the Company's counsel unless doing so is based upon the reasonable recommendation of Employee's legal counsel. Upon presentation of appropriate documentation, the Company shall pay or reimburse the Employee for all reasonable out-of-pocket travel, duplicating or telephonic expenses incurred by the Employee in complying with this Section 11, as well as an hourly rate which shall be not less than the hourly rate Employee earned while at company based on his total Base Salary and Target Bonus in his last twelve (12) months of employment.

12.EQUITABLE RELIEF AND OTHER REMEDIES. The Employee acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Section 10 or Section 11 hereof would be inadequate and, in recognition of this fact, the Employee agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond or other security, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available, without the necessity of showing actual monetary damages. In the event of a violation by the Employee of Section 10 or Section 11 hereof, any severance being paid to the Employee pursuant to this Agreement or otherwise shall immediately cease, and any severance previously paid to the Employee shall be immediately repaid to the Company.

13.NO ASSIGNMENTS. This Agreement is personal to each of the parties hereto. Except as provided in this Section 13 hereof, no party may assign or delegate any rights or obligations hereunder without first obtaining the written consent of the other party hereto. The Company may assign this Agreement to any successor to all or substantially all of the business or assets of the Company, provided that the Company shall require such successor to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company," shall mean the Company and any successor to its business or assets, which assumes and agrees to perform the duties and obligations of the Company under this Agreement by operation of law or otherwise.

14.NOTICE. For purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given (a) on the date of delivery, if delivered by hand, (b) on the date of transmission, if delivered by confirmed facsimile or electronic mail, (c) on the first business day following the date of deposit, if delivered by guaranteed overnight delivery service, or (d) on the fourth business day following the date delivered or mailed by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Employee:

At the address (or to the facsimile number) shown
in the books and records of the Company.

If to the Company:

Cambium Networks, Inc.
3800 Golf Road, Suite 360
Rolling Meadows, Illinois 60008
Attention: General Counsel

or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

15.SECTION HEADINGS; INCONSISTENCY. The section headings used in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement. In the event of any inconsistency between the terms of this Agreement and any form, award, plan or policy of the Company, the terms of this Agreement shall govern and control.

16.SEVERABILITY. The provisions of this Agreement shall be deemed severable. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by applicable law.

17.COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

18.DISPUTE RESOLUTION. In the event of any dispute or controversy arising under or in connection with this Agreement or the Employee's employment with Company, the Parties shall make all reasonable and good faith efforts to resolve all disputes between them. If all such reasonable efforts fail, the parties agree to first utilize an appropriate alternative dispute resolution (ADR) process, such as Collaborative Law, Mediation or another interest-based negotiation process, to resolve the dispute. Should the efforts through one of these interest-based ADR processes fail to resolve the dispute within a reasonable time, then other than injunctive relief under Section 12 hereof, shall be settled exclusively by arbitration, conducted before a single arbitrator in Chicago, Illinois in accordance with the National Rules for the Resolution of Employment Disputes of the American Arbitration Association then in effect. The decision of the arbitrator will be final and binding upon the parties hereto. Judgment may be entered on the arbitrator's award in any court having jurisdiction. The parties acknowledge and agree that in connection with any such arbitration and regardless of outcome, (a) each party shall pay all of its own costs and expenses, including, without limitation, its own legal fees and expenses, and (b) the arbitration costs shall be borne entirely by the Company.

19.INDEMNIFICATION. The Company hereby agrees to indemnify the Employee and hold the Employee harmless to the extent provided under the By-Laws of the Company against and in respect of any and all actions, suits, proceedings, claims, demands, judgments, costs, expenses (including reasonable attorneys' fees), losses, and damages resulting from the Employee's good faith performance of the Employee's duties and obligations with the Company or any parent entity of the Company or any subsidiary of the Company or such parent entity. This obligation shall survive the termination of the Employee's employment with the Company.

20.LIABILITY INSURANCE. The Company shall cover the Employee under directors' and officers' liability insurance both during and, while potential liability exists, after the term of this Agreement in the same amount and to the same extent as the Company covers its other officers and directors (including with respect to activities as an officer or director of any parent entity of the Company or any subsidiary of the Company or such parent entity).

21.GOVERNING LAW. This Agreement, the rights and obligations of the parties hereto, and any claims or disputes relating thereto, shall be governed by and construed in accordance with the laws of the State of North Carolina (without regard to its choice of law provisions). The parties acknowledge and agree that in connection with any dispute hereunder, each party shall pay all of its own costs and expenses, including, without limitation, its own legal fees and expenses.

22.MISCELLANEOUS. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Employee and such officer or director as may be designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. This Agreement together with all exhibits hereto sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes any and all prior agreements or understandings between the Employee and the Company with respect to the subject matter hereof. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

23.REPRESENTATIONS. The Employee represents and warrants to the Company that (a) the Employee has the legal right to enter into this Agreement and to perform all of the obligations on the Employee's part to be performed hereunder in accordance with its terms, and (b) the Employee is not a party to any agreement or understanding, written or oral, and is not subject to any restriction, which, in either case, could prevent the Employee from entering into this Agreement or performing all of the Employee's duties and obligations hereunder. Employee further represents and warrants that Employee shall not disclose to the Company or its affiliates or induce the Company or its affiliates to use any confidential or proprietary information or material belonging to any previous employer or others. In addition, the Employee acknowledges that the Employee is aware of Section 304 (Forfeiture of Certain Bonuses and Profits) of the Sarbanes-Oxley Act of 2002 and the right of the Company to be reimbursed for certain payments to the Employee in compliance therewith.

24.CLAWBACKS. The payments to Employee pursuant to this Agreement are subject to forfeiture or recovery by the Company or Parent or other action pursuant to any clawback or recoupment policy applicable to the Company's executive officers which the Company or Parent may adopt from time to time, including without limitation any such policy or provision that the Company or Parent has included in any of its existing compensation programs or plans or that it may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law.

25. COMPANY POLICIES. Employee shall be subject to additional Company and Parent policies as they may exist from time-to-time, including policies with regard to stock ownership by senior executives and policies regarding trading of securities.

26.TAX MATTERS.

(a) **WITHHOLDING.** The Company may withhold from any and all amounts payable under this Agreement or otherwise such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation. In the event that the Company fails to withhold any taxes required to be withheld by applicable law or regulation, the Employee agrees to indemnify the Company for any amount paid with respect to any such taxes, together with any interest, penalty or expense related thereto.

(b) **SECTION 409A COMPLIANCE.**

(i) The intent of the parties is that payments and benefits under this Agreement comply with or be exempt from Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively “Code Section 409A”) and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith or exempt from Code Section 409A. If the Employee notifies the Company (with specificity as to the reason therefor) that the Employee believes that any provision of this Agreement (or of any award of compensation, including equity compensation or benefits) would cause the Employee to incur any additional tax or interest under Code Section 409A and the Company concurs with such belief or the Company (without any obligation whatsoever to do so) independently makes such determination, the Company shall, after consulting with the Employee, reform such provision to attempt to comply with Code Section 409A through good faith modifications to the minimum extent reasonably appropriate to conform with Code Section 409A. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Employee and the Company of the applicable provision without violating the provisions of Code Section 409A. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on the Employee by Code Section 409A or damages for failing to comply with Code Section 409A.

(ii) With respect to any amount that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a “separation from service” within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a “termination,” “termination of employment” or like terms shall mean “separation from service.” Notwithstanding anything to the contrary in this Agreement, if the Employee is deemed on the date of termination to be a “specified employee” within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a “separation from service,” such payment or benefit shall not be made or provided until the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such “separation from service” of the Employee, and (B) the date of the Employee’s death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 26(b)(ii) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Employee in a lump sum, and any

remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(iii) To the extent that reimbursements or other in-kind benefits under this Agreement constitute “nonqualified deferred compensation” for purposes of Code Section 409A, (A) all expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Employee, (B) any right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(iv) For purposes of Code Section 409A, the Employee’s right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company.

(v) Notwithstanding any other provision of this Agreement to the contrary, in no event shall any payment under this Agreement that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

(c) **CODE SECTION 280G.** Notwithstanding anything to the contrary in this Agreement, Employee expressly agrees that if the payments and benefits provided for in this Agreement or any other payments and benefits which Employee has the right to receive from the Company, Parent and their affiliates (collectively, the “Payments”), would constitute a “parachute payment” (as defined in Section 280G(b)(2) of the Code), then the Payments shall be either (a) reduced (but not below zero) so that the present value of the Payments will be one dollar (\$1.00) less than three times Employee’s “base amount” (as defined in Section 280G(b)(3) of the Code) and so that no portion of the Payments received by Employee shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Employee. The reduction of Payments, if any, shall be made by reducing first any Payments that are exempt from Section 409A of the Code and then reducing any Payments subject to Section 409A of the Code in the reverse order in which such Payments would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time). The determination as to whether any such reduction in the Payments is necessary shall be made by the Committee in good faith. If a reduced Payment is made or provided and, through error or otherwise, that Payment, when aggregated with other payments and benefits from Company, Parent or their affiliates used in determining if a “parachute payment” exists, exceeds one dollar (\$1.00) less than three times Employee’s base amount, then Employee shall immediately repay such excess to the Company.

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B-23

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

COMPANY

By: /s/ROB AMEN

Name: Rob Amen

Title: Chairman of the Board, Cambium Networks Corporation

EMPLOYEE

/s/ Morgan Kurk
Morgan Kurk

B-24

SEPARATION AND GENERAL RELEASE AGREEMENT

This Separation and General Release Agreement (the “Agreement”) is made by and between Atul Bhatnagar (the “Employee”) and Cambium Networks, Inc. (“Cambium” or the “Company”) (collectively, the “Parties”).

WHEREAS, the Company and Employee have agreed to terminate Employee’s employment with the Company Group (as defined below) and, in accordance with the terms of the Employee’s Employment Agreement, dated February 15, 2013, by and between the Employee and the Company (the “Employment Agreement”), the Company desires to provide the Employee with certain separation benefits and to resolve any claims that Employee has or may have against the Company and its affiliated persons and entities; and

WHEREAS, the Company desires to confirm certain post-employment obligations that Employee has to the Company and/or Cambium Networks Corporation (“Parent”) or any of their affiliates (collectively the “Company Group”), including with respect to confidential information and inventions, pursuant to his Employment Agreement and his Confidentiality, Invention Assignment, Non-Competition, and Non-Solicitation Agreement, signed by Employee on March 8, 2023 (the “Confidentiality Agreement”); and

WHEREAS, the Parties desire to resolve any and all issues between them with respect to the Employee’s employment at the Company Group and his termination from such employment.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is acknowledged hereby, and in consideration of the mutual covenants and undertakings set forth herein, the Parties agree as follows:

1. Termination Date. The Parties acknowledge and agree that the Employee’s employment as Chief Executive Officer with the Company Group terminated on August 1, 2023 (the “Termination Date”), provided that the Employee will continue to serve as a member of the Parent’s Board of Directors (the “Board”), subject to any required shareholder approval with respect to Employee’s re-election, and provided further, that Employee shall be paid for services rendered through August 4, 2023.

2. Wages and Salary. The Employee has received or will receive on the Termination Date payment for all wages (including, but not limited to, base salary, bonuses and commissions, overtime pay, incentive payments, and all accrued but unused paid time off) and benefits through and including the Termination Date that Employee earned during his employment with the Company Group. Employee understands and acknowledges that, apart from the terms and conditions of this Agreement, he shall not be entitled to any additional payments or benefits from the Company Group in his respect of his employment with the Company Group other than those expressly set forth in this Agreement. The Company shall reimburse Employee for all reasonable business expenses incurred in the performance of his services to the Company Group, upon receipt of supporting material for

such expenses. In addition, Employee's health care coverage shall terminate on August 31, 2023. Except as set forth in Section 3(b) below, Employee is eligible for continued health care coverage at his own expense pursuant to COBRA as will be more fully explained in a notice to be provided. Employee is not obligated to sign this Agreement in order to be paid accrued wages or to be eligible for COBRA coverage.

3. Consideration.

(a) In exchange for and in consideration of the covenants and promises contained herein, including the Employee's release of all claims against Cambium and the Released Parties as set forth in this Agreement, and in accordance with the terms and conditions of the Employment Agreement and subject to Paragraph 8 below, Cambium will provide the Employee with (i) an amount equal to the Employee's monthly Base Salary (as in the amount paid as of the Termination Date) less applicable withholdings and deductions, for a period of twelve (12) months following the Termination Date, payable in accordance with the Company's standard payroll practices and with the first payment to occur within 30 days following the Termination Date and such first payment to include the installment payments from the Termination Date to the date of such first payment, and (ii) a pro-rata portion of the Employee's Annual Bonus (as defined in the Employment Agreement) for fiscal year 2023 based on actual results (determined by multiplying the amount of such bonus which would be due for the full fiscal year by a fraction, the numerator of which is the number of days during fiscal year 2023 that the Employee was employed by the Company and the denominator of which is 365) payable at the same time as bonuses for such year are paid to other senior executives of the Company.

(b) In the event that Employee timely elects to obtain continued group health insurance coverage in accordance with federal law (COBRA), the Company will reimburse Employee, on a monthly basis, for the cost of the premiums for such coverage following the Termination Date, through the earlier of twelve (12) months or the date on which Employee first becomes eligible to obtain other group health insurance coverage; thereafter, Employee may continue to receive such continued group health insurance coverage at his own expense in accordance with COBRA. Employee must notify the Company promptly in the event he is offered equivalent health care coverage.

(c) For the avoidance of doubt, the Employee's outstanding equity awards granted to the Employee under the Cambium Networks Corporation 2019 Share Incentive Plan (the "Plan") shall continue to vest in accordance with the terms of the applicable award agreements during the Employee's continued service as a non-employee member of the Board, provided that the parties agree that the performance-based equity award granted to Employee on May 16, 2023 shall terminate and be cancelled as of the Termination Date without any payment due to Employee.

(d) The Employee acknowledges and agrees that unless the Employee enters into this Agreement, the Employee would not otherwise be entitled to receive the consideration set forth in Paragraph 3(a) and (b) above.

(e) The Employee further acknowledges and agrees that: (i) the Employee shall not receive, and is not entitled to receive, any other payments, benefits or remuneration of any kind from the Company Group or the Released Parties, except as set forth in this Agreement, and (ii) the consideration set forth in Paragraphs 2, 3 and 4 of this Agreement constitute full accord and satisfaction for all amounts due and owing to the Employee, including all salary, wages, incentive compensation, commissions, paid time off, reimbursements or other payments, benefits or remuneration of any kind which may have been due and owing to the Employee.

(f) All payments made by the Company shall be subject to any mandatory deductions and withholdings.

4. Indemnification and Insurance. Subject to applicable law, the Employee will be provided indemnification to the maximum extent permitted by the Company's Bylaws and Certificate of Incorporation, including coverage, if applicable, under any directors and officers insurance policies, with such indemnification determined by the Board or any of its committees in good faith based on principles consistently applied (subject to such limited exceptions as the Board may approve in cases of hardship) and on terms no less favorable than those provided to any other Company executives, officers or directors. The rights to indemnification conferred hereby shall include, to the extent permitted by applicable law, the right to be paid by the Company the legal fees and other costs, expenses and disbursements incurred in defending any action, suit, proceeding or investigation with respect to which the Employee is entitled to indemnification in advance of its final disposition subject to receipt by the Company of an undertaking by the Employee to repay such amount, or a portion thereof, if it shall ultimately be adjudicated that the Employee is not entitled to be indemnified by the Company pursuant hereto or as otherwise permitted by law, but such repayment by the Employee shall only be in an amount ultimately adjudicated to exceed the amount for which the Employee was entitled to be indemnified. The advances to be made pursuant to such right shall be paid by the Company to the Employee promptly following receipt by the Company of invoices or other evidence reasonably satisfactory to the Company.

5. General Release. In consideration for the severance benefits outlined in this Agreement, to which Employee is not otherwise entitled, Employee, and anyone claiming through Employee or on Employee's behalf, hereby generally and completely releases and waives each and every past, present, and future parent, division, subsidiary, partnership, owner, trustee, fiduciary, administrator, member, shareholder, investor, associate, affiliate, predecessor, successor and related company, and all of their current or former agents, officers, directors, partners, representatives, attorneys, contractors, insurance companies, administrators, successors, assigns, current and former employees, plan administrators, insurers, and any other persons acting by, through, under, or in concert with any of the persons or entities listed in this subsection, the predecessors, successors, and assigns of each entity listed above, and each of them ("Released Parties"), from any and all claims, rights, debts, liabilities, demands, causes of action, obligations, and damages, known or unknown, suspected or unsuspected, arising as of or prior to the date of Employee's signature to this Agreement, under federal, state, local, or common law, including but not

limited to claims in any way related to Employee's employment with the Released Parties, Employee's separation from employment, the terms and conditions of Employee's employment, any claims for breach of contract (express, implied or otherwise), including, but not limited to, any payments or benefits under any Cambium severance plan, stock option plan, or equity plan; the Illinois Wage Payment and Collection Act; the Illinois Human Rights Act; the Illinois Minimum Wage Law; and all claims under the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Employee Retirement Income Security Act of 1974, the Equal Pay Act, the Lilly Ledbetter Fair Pay Act of 2009, the Family and Medical Leave Act, the Genetic Information Nondiscrimination Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, the Worker Adjustment and Retraining Notification Act, the Age Discrimination In Employment Act, the Older Workers Benefit Protection Act, the California Labor Code, the California Business and Professions Code, all California Wage Orders, the California Fair Employment and Housing Act, the California Family Rights Act, the California Civil Code, the California Government Code, and/or the laws prohibiting discrimination, harassment, and/or retaliation in any state in which you are employed, and any and all federal, state, and local employment laws, as well as any and all common law tort or contract theories under federal, state or local laws ("Released Claims").

(a) *Exceptions.* Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement prohibits Employee (or his attorney) from confidentially or otherwise communicating or filing a charge or complaint with a governmental or regulatory entity, participating in a governmental or regulatory entity investigation, or giving other disclosures to a governmental or regulatory entity concerning suspected violations of the law, in each case without receiving prior authorization from or having to disclose any such conduct to the Company, or from responding if properly subpoenaed or otherwise required to do so under applicable law. Nothing in this Agreement shall be construed to affect the Equal Employment Opportunity Commission's ("Commission"), National Labor Relations Board's, the Occupational Safety and Health Administration's, and the Securities and Exchange Commission's, or any federal, state, or local governmental agency or commission's ("Governmental Agencies") or any state agency's independent right and responsibility to enforce the law, nor does this Agreement affect Employee's right to file a charge or participate in an investigation or proceeding conducted by either the Commission or any such Governmental Agency, although this Agreement does bar any claim that Employee might have to receive monetary damages in connection with any Commission or Governmental Agency proceeding concerning matters covered by this Agreement. This Agreement does not limit Employee's right to receive an award or bounty for information provided to any Governmental Agencies, including under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank"). Further, nothing in this Agreement prohibits Employee from testifying in an administrative, legislative or judicial proceeding regarding alleged criminal conduct or harassment, when Employee has been required or requested to attend a proceeding pursuant to court order, subpoena, or written request from an administrative agency or the legislature. Moreover, nothing in this Agreement prevents the disclosure of factual information relating to claims of sexual assault, harassment, discrimination, failure to prevent harassment or discrimination, or retaliation against a person for reporting an act of

harassment or discrimination, as those claims are defined under the California Fair Employment and Housing Act, to the extent the claims are filed in a civil or administrative action, and to the extent such disclosures are protected by law.

(b) Execution of this Agreement does not bar any claim that arises hereafter, including (without limitation) a claim for breach of this Agreement, any claim to indemnity under section 2802 of the California Labor Code, any rights Employee may have under COBRA, any rights Employee may have under any ERISA-covered employee benefit plan, and does not release Employee's eligibility for indemnification in accordance with applicable laws, the articles, charter and bylaws of the Company.

(c) Employee acknowledges that he has been advised or has had an opportunity to seek advice by legal counsel and he is, by this Agreement, waiving claims pursuant to California Civil Code Section 1542 or the laws of other states similar hereto, and he expressly waives such rights as quoted below:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

Employee hereby expressly waives any rights he may have under any other statute or common law principles of similar effect.

(d) *Release of Claims Under the Age Discrimination in Employment Act.* The Employee specifically releases the Released Parties from any and all claims, actions, causes of action, obligations for damages (including but not limited to compensatory, exemplary and punitive damages), losses, expenses, attorneys' fees or costs, back pay, loss of earnings, debts, reinstatement, for causes of action that he may have as of the date on which this Agreement is executed (the "Execution Date") arising under the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. 621, *et seq.* and its state or local equivalent ("ADEA"). The Employee further agrees that:

- i. his waiver of rights under this Agreement is knowing and voluntary and in compliance with the Older Workers Benefit Protection Act of 1990 ("OWBPA");
- ii. he understands the terms of this Agreement;
- iii. the consideration provided in this Agreement represents consideration over and above that to which he would be entitled, that the consideration would not have been provided had he not signed this Agreement, and that the consideration is in exchange for the signing of this Agreement;

- iv. the Employee is hereby advised in writing to consult with his attorney prior to executing this Agreement, and he affirms he has done so;
- v. the Employee has been given a period of twenty-one days (21) within which to consider this Agreement;
- vi. following the Execution Date, the Employee has seven (7) days in which to revoke this Agreement as to claims under the ADEA, only, by written notice as provided in Paragraph 12 of this Agreement;
- vii. this Paragraph 5(d) does not waive rights or claims that may arise under the ADEA after the Execution Date but does waive claims that may arise under the ADEA that before and including the Execution Date.

(e) The Employee hereby waives any right that the Employee may have to seek or to share in any relief, monetary or otherwise, relating to any claim released herein, whether such claim was initiated by the Employee or not other than claims that by law may not be released.

6. Non-Disclosure. Notwithstanding anything contained in this Agreement or any other agreement to the contrary, neither Employee nor any other person shall be prohibited from making truthful statements in connection with any litigation, arbitration, deposition or other legal proceeding, or as may be required by law, any subpoena or any governmental or quasi-governmental authority. Nothing in this Agreement prevents employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that employee has reason to believe is unlawful. The U.S. Defend Trade Secrets Act of 2016 provides that: (a) an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (b) an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade in the court proceeding, if the individual (A) files any document containing the trade secret under seal, and (B) does not disclose the trade secret, except pursuant to court order. Nothing in this Agreement prohibits or creates liability for any such protected conduct. Nothing in this Agreement prevents the disclosure of acts or omissions in the workplace which Employee has reason to believe are unlawful such as discrimination or harassment.

7. Continuing Obligations.

(a) *Board Duties.* Employee expressly acknowledges that while Employee continues to serve on the Board, the Employee shall be subject to fiduciary duties with respect to the Company Group, including Employee's duty of loyalty to the Company Group.

(b) *Confidential Information*. Subject to the exceptions set forth above, the Employee hereby acknowledges and agrees to adhere to his continuing contractual and legal obligations to the Company Group with respect to the nondisclosure, nonuse and protection of the Company Group's confidential information, including as expressly set forth in Paragraph 1 of the Confidentiality Agreement and Section 10(a) of the Employment Agreement.

(c) *Inventions*. The Employee hereby acknowledges and agrees to adhere to his continuing contractual and legal obligations to the Company Group with respect to inventions and work product, including as expressly set forth in Paragraph 2 of the Confidentiality Agreement and Section 10(e) of the Employment Agreement.

(d) *Non-Solicitation/Noncompetition*. Employee acknowledges that as a member of the Board, he has fiduciary duties not to engage in activities which would constitute a conflict of interest with the Company such as competing with it or soliciting its current employees. The Employee hereby acknowledges and agrees to adhere to his continuing legal obligations to the Company Group with respect to non-solicitation, including as expressly set forth in Paragraph 3 of the Confidentiality Agreement. Employee acknowledges and agrees that even after his Board service ends, he may not use confidential or proprietary information to compete with the Company or to solicit its employees.

(e) *Return of Property*. The Employee agrees and acknowledges that all written materials, records, documents, electronic files and any other tangible items made by the Employee or coming into his possession during his employment by the Company Group concerning the business or affairs of the Company Group are the sole property of Cambium. The Employee represents and warrants that, as of the Termination Date: (i) he has returned to the Company all such Company Group property (and any copies thereof), including, but not limited to, all identification cards, keys, credit cards, documents, computers, cell phones, and disks, as well as all materials containing confidential information, in any form, other than as needed in connection with his service to the Company as a member of the Board of Directors; and (ii) he has destroyed (and not retained) any of the Company Group's confidential information on his personal computer (or any other personal electronic device in his possession, custody or control); provided, however, that the Employee shall be entitled to retain the mobile telephone and laptop issued to him by the Company, following disconnection by the Company's IT staff of all Company Group property on such laptop and mobile telephone. Employee shall be entitled to port the mobile telephone number to his own service. Notwithstanding anything in this paragraph to the contrary, Employee is not required to return Company Group Property that is essential to his performance of his duties as a Board member until after his service ends at which time he must comply with this paragraph in all respects as to any Company Group Property retained for purposes of his Board service.

(f) *Blue-Penciling*. If, at the time of enforcement of any of the provisions of Paragraph 7 of this Agreement (or the provisions of the Employment Agreement or the Confidentiality Agreement), it shall be adjudged that the obligations, duration, scope,

geographic area or other restrictions stated therein are unreasonable under circumstances then existing, the Employee and the Company agree that the maximum duration, scope, geographic area or other restrictions deemed reasonable under such circumstances by such court shall be substituted for the stated duration, scope, geographic area or other restrictions.

(g) *Survival; Reasonableness.* The Employee acknowledges and agrees that the provisions of Paragraph 7 of this Agreement (the Confidentiality Agreement) survive the termination of his employment and remain binding. The Employee further acknowledges and agrees that the provisions of Paragraph 7 of this Agreement (and the provisions of the Employment Agreement and the Confidentiality Agreement) are reasonable and necessary to protect the legitimate business interests of the Company Group.

(h) *Transition Cooperation.* In consideration for the payments and agreements set forth herein, Employee will cooperate in the transition of his work related to the business issues and projects Employee was involved in while employed by the Company Group and Employee will be available to provide such transitional assistance as may be requested by the Company, provided there is no interference with any other employment Employee may then have.

(j) *Severability.* If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability; all other terms hereof shall remain in full force and effect.

8. Section 409A Compliance. The Company intends that income provided to Employee pursuant to this Agreement will not be subject to taxation under Section 409A of the Internal Revenue Code of 1986, as amended, and the guidance promulgated thereunder (“Section 409A”). The provisions of this Agreement shall be interpreted and construed in favor of being exempt from or satisfying any applicable requirements of Section 409A. However, the Company does not guarantee any particular tax effect for income provided to Employee pursuant to this Agreement. In any event, except for the Company’s responsibility to withhold applicable income and employment taxes from compensation paid or provided to the Employee, the Company shall not be responsible for the payment of any applicable taxes incurred by the Employee on compensation paid or provided to the Employee pursuant to this Agreement. In the event that any compensation to be paid or provided to Employee pursuant to this Agreement is subject to the restrictions on payments to “specified employees” (as defined in Section 409A), then the Company may delay such payment for the minimum period required in order to comply with such provisions and avoid the imposition of any additional taxes or interest under Section 409A. Each payment under this Agreement shall be considered a separate payment for purposes of Section 409A. For purposes of Section 409A, the Employee’s right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments.

9. Entire Agreement. The Employee acknowledges and agrees that this Agreement reflects the entire agreement between the Parties regarding the subject matter

hereof and fully supersedes any and all prior agreements and understandings between the Parties hereto, except for the Employment Agreement and Confidentiality Agreement, each of which remains valid and binding and shall continue in full force and effect. There is no other agreement except as stated herein. The Employee acknowledges that the Company Group has made no promises to the Employee other than those contained in this Agreement.

10. Modification. This Agreement may not be changed unless the change is in writing and signed by the Employee and an authorized representative of the Company.

11. General Provisions. The failure of any party to insist on strict adherence to any term hereof on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term hereof. The language and all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning, and not strictly for or against any of the Parties, regardless of who drafted it. This Agreement may be signed in counterparts and may be delivered by facsimile or electronic mail. The invalidity of any provision of this Agreement shall not affect the validity of any other provision hereof.

12. Review Period. The Employee understands that the Company has given him a period of twenty-one (21) calendar days to review and consider this Agreement before signing it (the "Review Period"). The Employee further understands that he may use as much of this period as he wishes prior to signing this Agreement and should Employee sign and return the Agreement prior to the expiration of the Review Period, he waives any remaining portion thereof. The Employee acknowledges and agrees that he must sign and return the original Agreement to Cambium, c/o Vice President, Human Resources, 3800 Golf Road, Suite 360, Rolling Meadows, Illinois 60008 ("Cambium's Representative"), no later than the expiration of the Review Period and that, if he fails to do so, the entire Agreement shall be null and void and the Parties shall have no obligations under the Agreement to one another. The Employee acknowledges that, to the extent that he decides to sign this Agreement prior to the expiration of the above period, such decision was knowing and voluntary on his part.

13. Revocation Period. The Employee may revoke this Agreement within seven (7) calendar days of the date on which he signs it (the "Revocation Period") by delivering a written notice of revocation to Cambium, c/o Cambium's Counsel, 3800 Golf Road, Suite 360, Rolling Meadows, Illinois 60008, no later than the close of business on the seventh day after the Execution Date. This Agreement shall not be effective or enforceable and no payments will be made hereunder until: (a) the Employee has signed and returned this Agreement to the Company within the review period set forth above, (b) the Revocation Period has expired without the Employee exercising his revocation right (the "Effective Date"). To be valid the notice of revocation must be postmarked no later than the seventh day after the execution of the Agreement.

14.Choice of Law. This Agreement shall in all respects be interpreted, enforced and governed in accordance with and pursuant to the laws of California, without regard to its conflicts or choice of law principles.

15.Arbitration. The Parties agree that any and all disputes between the Employee and Cambium arising out of, relating to or concerning this Agreement or the Employee's employment shall be submitted exclusively to confidential, final and binding arbitration before the American Arbitration Association. The Parties hereby agree to arbitrate any disputes, in Santa Clara County, State of California, under the American Arbitration Association's then existing Employment Arbitration Rules which can be found at https://adr.org/sites/default/files/EmploymentRules_Web_2.pdf, and both parties specifically consent to personal jurisdiction in such forum. To the extent the law allows for a post employment dispute, each party shall pay its own expenses of arbitration and the expenses of the arbitrator shall be equally shared by the Parties to the arbitration. The arbitrator shall provide a written decision Nothing herein shall prevent the Company from seeking and obtaining injunctive relief from a court with respect to any violation or potential violation of any of the provisions of Paragraph 7 of this Agreement. The Parties specifically waive their respective right to a trial by jury for any dispute, claim, controversy, or cause of action arising out of, relating to or concerning this Agreement. To the extent the law allows, the Arbitrator may award fees and costs to the prevailing party.

16.Legal Counsel. The Employee is hereby advised of his right to consult with an attorney before signing this Agreement. The Employee hereby acknowledges the Employee's right to consult with an attorney at his own expense.

THE EMPLOYEE ACKNOWLEDGES THAT HE HAS CAREFULLY READ THIS AGREEMENT, UNDERSTANDS IT, AND IS VOLUNTARILY ENTERING INTO IT OF HIS OWN FREE WILL, WITHOUT DURESS OR COERCION, AFTER DUE CONSIDERATION OF ITS TERMS AND CONDITIONS.

CAMBIUM NETWORKS, INC.

ATUL BHATNAGAR

By: ROBERT S. AMEN
Name: Robert S. Amen
Title: Chairman of the Board
Date: August 8, 2023

By: /s/ ATUL BHATNAGAR
Date: August 6, 2023

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Morgan Kurk, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cambium Networks Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 3, 2023

By: /s/ MORGAN KURK

Morgan Kurk
Chief Executive Officer

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Andrew Bronstein, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cambium Networks Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 3, 2023

By: /s/ ANDREW P. BRONSTEIN

Andrew P. Bronstein
Chief Financial Officer

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ MORGAN KURK
Morgan Kurk
Chief Executive Officer

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ ANDREW P. BRONSTEIN
Andrew P. Bronstein
Chief Financial Officer

