UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2023

OR

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

For the transition period from __________ to _________ .

Commission File Number: 001-38358

INSEEGO CORP.
(Exact name of registrant as specified in its charter)

Delaware	**81-3377646**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
9710 Scranton Road, Suite 200 San Diego, California	**92121**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's telephone number, including area code: (858) 812-3400

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	INSG	Nasdaq Global Select 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, a 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	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

The number of shares of the registrant's common stock outstanding as of April 28, 2023, was 110,002,427.

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PART I—FINANCIAL INFORMATION

Item 1. ***Financial Statements.***

INSEEGO CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except par value and share data)

	March 31, 2023	December 31, 2022
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 8,686	$ 7,143
Accounts receivable, net of allowance for doubtful accounts of $561 and $541, respectively	27,416	25,259
Inventories	34,234	37,976
Prepaid expenses and other	9,977	7,978
Total current assets	80,313	78,356
Property, plant and equipment, net of accumulated depreciation of $26,688 and $26,049, respectively	4,692	5,390
Rental assets, net of accumulated depreciation of $6,258 and $5,484, respectively	4,904	4,816
Intangible assets, net of accumulated amortization of $38,447 and $31,629, respectively	39,327	41,383
Goodwill	21,922	21,922
Right-of-use assets	6,122	6,662
Other assets	448	488
Total assets	$ 157,728	$ 159,017
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 34,573	$ 29,018
Accrued expenses and other current liabilities	27,109	27,945
Total current liabilities	61,682	56,963
Long-term liabilities:		
2025 Notes, net	158,799	158,427
Revolving credit facility, net	3,651	6,919
Deferred tax liabilities, net	299	323
Other long-term liabilities	6,021	6,503
Total liabilities	230,452	229,135
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock, par value $0.001; 2,000,000 shares authorized:		
Series E Preferred stock, par value $0.001; 39,500 shares designated, 25,000 shares issued and outstanding, liquidation preference of $1,000 per share (plus any accrued but unpaid dividends)	—	—
Common stock, par value $0.001; 150,000,000 shares authorized, 109,371,693 and 108,468,150 shares issued and outstanding, respectively	109	108
Additional paid-in capital	796,981	793,855
Accumulated other comprehensive loss	(6,236)	(6,329)
Accumulated deficit	(863,578)	(857,752)
Total stockholders' deficit	(72,724)	(70,118)
Total liabilities and stockholders' deficit	$ 157,728	$ 159,017

See accompanying notes to condensed consolidated financial statements.

INSEEGO CORP.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share data)
(Unaudited)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net revenues:		
IoT & Mobile Solutions	$ 43,627	$ 54,505
Enterprise SaaS Solutions	7,167	6,879
Total net revenues	50,794	61,384
Cost of net revenues:		
IoT & Mobile Solutions	29,662	42,903
Enterprise SaaS Solutions	2,945	3,233
Total cost of net revenues	32,607	46,136
Gross profit	18,187	15,248
Operating costs and expenses:		
Research and development	8,154	18,560
Sales and marketing	6,646	9,773
General and administrative	6,045	8,238
Amortization of purchased intangible assets	429	444
Impairment of capitalized software	504	—
Total operating costs and expenses	21,778	37,015
Operating loss	(3,591)	(21,767)
Other (expense) income:		
Loss on debt conversion and extinguishment, net	—	(450)
Interest expense, net	(1,997)	(2,923)
Other (expense) income, net	795	(405)
Total other expense	(1,202)	(3,778)
Loss before income taxes	(4,793)	(25,545)
Income tax provision (benefit)	311	(322)
Net loss	(5,104)	(25,223)
Series E preferred stock dividends	(723)	(661)
Net loss attributable to common stockholders	$ (5,827)	$ (25,884)
Per share data:		
Net loss per common share:		
Basic and diluted	$ (0.05)	$ (0.24)
Weighted-average shares used in computation of net loss per common share:		
Basic and diluted	108,601,894	105,649,419

See accompanying notes to condensed consolidated financial statements.

INSEEGO CORP.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2023	**2022**
Net loss	$ (5,104)	$ (25,223)
Foreign currency translation adjustment	94	2,898
Total comprehensive loss	$ (5,010)	$ (22,325)

See accompanying notes to condensed consolidated financial statements.

INSEEGO CORP.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(In thousands)
(Unaudited)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit [1]	Accumulated Other Comprehensive Income (Loss) [1]	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount				
Balance, December 31, 2021	25	$ —	105,381	$ 105	$ 770,619	(787,047)	$ (8,531)	$ (24,854)
Net loss	—	—	—	—	—	(25,223)	—	(25,223)
Foreign currency translation adjustment	—	—	—	—	—	—	2,898	2,898
Adjustment relating to extinguishment of 2022 Notes	—	—	—	—	1,728	—	—	1,728
Exercise of stock options, vesting of restricted stock units and stock issued under employee stock purchase plan	—	—	2,008	2	74	—	—	76
Taxes withheld on net settled vesting of restricted stock units	—	—	—	—	(14)	—	—	(14)
Share-based compensation	—	—	—	—	11,199	—	—	11,199
Series E preferred stock dividends	—	—	—	—	661	(661)	—	—
Balance, March 31, 2022	25	$ —	107,389	$ 107	$ 784,267	$ (812,931)	$ (5,633)	$ (34,190)
Balance, December 31, 2022	25	$ —	108,468	$ 108	$ 793,855	$ (857,752)	$ (6,329)	$ (70,118)
Net loss	—	—	—	—	—	(5,104)	—	(5,104)
Foreign currency translation adjustment	—	—	—	—	—	—	94	94
Exercise of stock options, vesting of restricted stock units and stock issued under employee stock purchase plan	—	—	46	—	96	—	—	96
Taxes withheld on net settled vesting of restricted stock units	—	—	—	—	(21)	—	—	(21)
Issuance of common shares in connection with a public offering, net of issuance costs			858	1	528			529
Share-based compensation	—	—	—	—	1,800	—	—	1,800
Series E preferred stock dividends	—	—	—	—	723	(723)	—	—
Balance, March 31, 2023	25	$ —	109,372	$ 109	$ 796,981	$ (863,578)	$ (6,236)	$ (72,724)

[1] Rounding may impact summation of amounts.

See accompanying notes to condensed consolidated financial statements.

INSEEGO CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2023	2022
Cash flows from operating activities:		
Net loss	$ (5,104)	$ (25,223)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	5,430	7,243
Provision for bad debts	41	(14)
Impairment of capitalized software	504	—
Provision for excess and obsolete inventory	217	247
Share-based compensation expense	1,800	11,199
Amortization of debt discount and debt issuance costs	489	1,650
Fair value adjustment on derivative instrument	—	(609)
Loss on debt conversion and extinguishment, net	—	450
Deferred income taxes	101	189
Right-of-use assets	592	342
Changes in assets and liabilities, net of effects of divestiture:		
Accounts receivable	(1,997)	5,477
Inventories	3,097	(355)
Prepaid expenses and other assets	(1,940)	2,701
Accounts payable	5,544	(10,400)
Accrued expenses, income taxes, and other	(490)	6,819
Operating lease liabilities	(625)	(354)
Net cash provided by (used in) operating activities	7,659	(638)
Cash flows from investing activities:		
Purchases of property, plant and equipment	(61)	(763)
Additions to capitalized software development costs	(2,443)	(3,127)
Net cash used in investing activities	(2,504)	(3,890)
Cash flows from financing activities:		
Net (repayment) borrowing of bank and overdraft facilities	—	(54)
Principal payments under finance lease obligations	(199)	(62)
Proceeds from a public offering, net of issuance costs	529	—
Principal payments on financed assets	(360)	(1,007)
Borrowings (repayments) on revolving credit facility	(3,385)	—
Proceeds from stock option exercises and employee stock purchase plan, net of taxes paid on vested restricted stock units	75	63
Net cash used in financing activities	(3,340)	(1,060)
Effect of exchange rates on cash	(272)	957
Net increase (decrease) in cash, cash equivalents and restricted cash	1,543	(4,631)
Cash, cash equivalents and restricted cash, beginning of period	7,143	49,812
Cash, cash equivalents and restricted cash, end of period	$ 8,686	$ 45,181
Supplemental disclosures of cash flow information:		
Cash paid during the year for:		
Interest	$ 117	$ —
Income taxes	$ 59	$ 41
Supplemental disclosures of non-cash activities:		
Transfer of inventories to rental assets	$ —	$ 225
Capital expenditures financed through accounts payable or accrued liabilities	$ 2,164	$ 2,105
Right-of-use assets obtained in exchange for operating leases liabilities	$ 50	$ 79

See accompanying notes to condensed consolidated financial statements.

1. Basis of Presentation

The unaudited condensed consolidated financial statements contained herein have been prepared by Inseego Corp. (the “Company”) pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”). Certain information and note disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to SEC rules and regulations, although the Company believes that the disclosures made are adequate to make the information not misleading. Accordingly, the condensed consolidated financial statements reflect all normal recurring adjustments, which are, in the opinion of management, necessary for a fair presentation of the results of interim periods and may not include all disclosures required by accounting principles generally accepted in the United States (“GAAP”). The information as of March 31, 2023, and for the three months ended March 31, 2023, and March 31, 2022, is unaudited, whereas the condensed consolidated balance sheet as of December 31, 2022, is derived from the Company’s audited consolidated financial statements as of that date. These condensed consolidated financial statements and notes hereto should be read in conjunction with the consolidated financial statements and notes thereto included in the Company’s latest shareholders’ annual report (“Form 10-K”).

The accounting policies used in preparing these condensed consolidated financial statements are the same as those described in the Form 10-K. The results of operations for the interim periods presented are not necessarily indicative of results to be expected for any other interim period or for the year as a whole.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Segment Information

The Company has one reportable segment. The Chief Executive Officer, who is also the Chief Operating Decision Maker, does not manage any part of the Company separately, and the allocation of resources and assessment of performance are based solely on the Company’s consolidated operations and financial results.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent liabilities. Actual results could differ materially from these estimates. Estimates are assessed each period and updated to reflect current information. Significant estimates include revenue recognition, capitalized software costs, allowance for credit losses, provision for excess and obsolete inventory, valuation of tangible and intangible long-lived assets, valuation of goodwill, valuation of derivatives, accruals relating to litigation, income taxes and share-based compensation expense.

Risks and Uncertainties

We may be affected by various macroeconomic factors and the current and future conditions in the global financial markets. The global credit and financial markets have recently experienced extreme volatility and disruptions, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, rising interest rates, inflation, increases in unemployment rates and uncertainty about economic stability. The inflationary pressures impacting the global supply chain could potentially increase the cost of net revenues in the current and future years. The ongoing inflation challenges could adversely impact future revenues, gross margins and financial results.

In addition, the COVID-19 pandemic continues to impact worldwide economic activity. A pandemic, including COVID-19 or other public health epidemic, poses the risk that the Company or its employees, manufacturers, suppliers and other partners may be prevented from conducting business activities for an indefinite period of time, including due to spread of the disease within these groups or due to shutdowns that may be requested or mandated by governmental authorities. The COVID-19 pandemic and mitigation measures have also had an adverse impact on global economic conditions which could have an adverse effect on the Company’s business and financial condition. The extent to which the COVID-19 pandemic, or any other outbreak of an epidemic disease, impacts the Company’s results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus and the actions to contain its impact.

Furthermore, a global semiconductor supply shortage continues to have wide-ranging impacts across the technology industry. While the shortage has not materially impacted the Company’s operations and financial results, it may negatively impact the Company’s customers and the supply of materials needed for testing and production timeline. The Company’s suppliers, contract manufacturers, and customers are all taking actions to reduce the impact of the semiconductor shortage; however, if the shortage persists, the impact on operations and financial results could be material.

The inflationary pressures impacting the global supply chain could potentially increase our future cost of net revenues. The ongoing inflation challenges could adversely impact our future revenues, gross margins and financial results.

Liquidity

As of March 31, 2023, the Company had available cash and cash equivalents totaling $8.7 million and $11.8 million of excess availability under its secured asset-backed revolving credit facility. See Note 4, *Debt*, for more information on this credit facility.

The Company has a history of operating and net losses and overall usage of cash from operating and investing activities. The Company’s management believes that its cash and cash equivalents on-hand, together with anticipated cash flows from operations, availability under its secured asset-backed revolving credit facility, and anticipated savings from ongoing cost reduction efforts, will be sufficient to meet its cash flow needs for the next twelve months from the filing date of this report. To the extent that additional liquidity may be needed, the Company may issue up to $9 million in equivalent shares of the Company’s common stock available, pursuant to a shelf-registration statement filed with the SEC on May 7, 2020 and amended from time to time. The Company’s ability to attain more profitable operations and continue to generate positive cash flow is dependent upon achieving a level and mix of revenues adequate to support its evolving cost structure. If events or circumstances occur such that the Company does not meet its operating plan as expected, or if the Company becomes obligated to pay unforeseen expenditures as a result of ongoing litigation, the Company may be required to raise capital, reduce planned research and development activities, incur additional restructuring charges or reduce other operating expenses and capital expenditures, which could have an adverse impact on the Company’s ability to achieve its intended business objectives.

The Company’s liquidity could also be impaired by significant interruptions in its business operations, such as those described above under the heading *Risks and Uncertainties*, or, a material failure to satisfy its contractual commitments or a failure to generate revenues from new or existing products. In addition, there can be no assurance that any required or desired restructuring or financing will be available on terms favorable to the Company, or at all.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less. The Company’s cash and cash equivalents are generally held with large financial institutions worldwide to reduce the amount of exposure to credit risk. Cash and cash equivalents are recorded at market value, which approximates cost. Gains and losses associated with the Company’s foreign currency denominated demand deposits are recorded as a component of other income, net, in the consolidated statements of operations. There are no cash equivalents as of December 31, 2022 and as of March 31, 2023. Restricted cash held in escrow as of December 31, 2021 was released during the third quarter of 2022 and we no longer have any restricted cash on our balance sheet as of March 31, 2023. Restricted cash as of March 31, 2022 was $3.7 million.

Recently Adopted Accounting Pronouncements

In August 2020, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2020-06, *Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40)-Accounting For Convertible Instruments and Contracts in an Entity's Own Equity*. The ASU simplifies accounting for convertible instruments by removing major separation models required under current GAAP. Consequently, more convertible debt instruments will be reported as a single liability instrument with no separate accounting for embedded conversion features. The ASU removes certain settlement conditions that are required for equity contracts to qualify for the derivative scope exception, which will permit more equity contracts to qualify for it. The ASU also simplifies the diluted net income per share calculation in certain areas. The guidance is effective for annual and interim periods beginning after December 15, 2021. The Company adopted the ASU in the first quarter of fiscal 2022 and there was no impact to the condensed consolidated financial statements.

In May 2021, the FASB issued ASU 2021-04, *Earnings Per Share (Topic 260), Debt-Modifications and Extinguishments (Subtopic 470-50), Compensation-Stock Compensation (Topic 718), and Derivatives and Hedging-Contracts in Entity’s Own Equity (Subtopic 815-40)*. The ASU addresses issuer’s accounting for certain modifications or exchanges of freestanding equity-classified written call options. The ASU is effective for annual and interim periods beginning after December 15, 2021.

The Company adopted the ASU in the first quarter of fiscal 2022 and there was no impact to the condensed consolidated financial statements.

In September 2022, the FASB issued ASU No. 2022-04, *Liabilities—Supplier Finance Programs (Subtopic 405-50)*. The ASU requires disclosure of the key terms of outstanding supplier finance programs and a rollforward of the related obligations. The ASU does not affect the recognition, measurement or financial statement presentation of supplier finance program obligations. The ASU is effective for annual and interim periods beginning after December 15, 2022, except for the rollforward requirement, which is effective for annual periods beginning after December 15, 2023. The Company adopted the ASU in the first quarter of 2023, and there was no impact to the consolidated financial statements.

2. Financial Statement Details

Inventories

Inventories consist of the following (in thousands):

	March 31, 2023	December 31, 2022
Finished goods	$ 26,839	$ 31,153
Raw materials and components	7,395	6,823
Total inventories	$ 34,234	$ 37,976

Prepaid expenses and other

Prepaid expenses and other consists of the following (in thousands:

	March 31, 2023 [1]	December 31, 2022
Rebate receivables	$ 1,905	$ 2,038
Receivables from contract manufacturers	4,014	3,561
Software licenses	1,079	772
Insurance	11	12
Deposits	619	829
Financed assets	1,355	—
Other	993	766
Total prepaid expenses and other	$ 9,977	$ 7,978

Rounding may impact summation of amounts.

Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consist of the following (in thousands):

	March 31, 2023	December 31, 2022
Royalties	$ 813	$ 992
Payroll and related expenses	8,510	8,873
Warranty obligations	480	480
Professional fees	611	738
Accrued interest	2,401	1,112
Deferred revenue	4,887	5,060
Customer advances	—	2,828
Operating lease liabilities	1,814	1,759
Accrued contract manufacturing liabilities	816	1,416
Liabilities related to financed assets	1,018	—
Value added tax payables	630	449
Other	5,129	4,238
Total accrued expenses and other current liabilities	$ 27,109	$ 27,945

3. Fair Value Measurement of Assets and Liabilities

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or liability. Each fair value measurement is classified into one of the following levels based on the information used in the valuation:

Level 1: Observable inputs such as quoted prices in active markets.

Level 2: Inputs, other than quoted prices in active markets, that are observable either directly or indirectly.

Level 3: The fair market value for level 3 securities may be highly sensitive to the use of unobservable inputs and subjective assumptions. Generally, changes in significant unobservable inputs may result in significantly lower or higher fair value measurements.

The Company's financial instruments measured at fair value were $0 and less than $0.1 million as of March 31, 2023 and December 31, 2022 respectively.

The fair value of the interest make-whole payment derivative liability was determined using a Monte Carlo model using the following key assumptions:

	March 31, 2023	December 31, 2022
Volatility	50 %	50 %
Stock price	$0.58 per share	$0.84 per share
Credit spread	32.49 %	56.52 %
Term	2.09 years	2.34 years
Dividend yield	— %	— %
Risk-free rate	4.04 %	4.35 %

There was no change in the fair value of the interest make-whole liability for the three months ended March 31, 2023. For the three months ended March 31, 2023 and 2022, the Company recorded $— and a $0.6 million gain, respectively as a result of the change in the fair value of the interest make-whole liability.

The Company reviews the fair value hierarchy classification of its financial instruments measured at fair value each reporting period. Changes in the observability of valuation inputs may result in a reclassification of levels for certain securities within the fair value hierarchy. There have been no transfers of assets or liabilities between fair value measurement classifications during the three months ended March 31, 2023 or 2022.

Other Financial Instruments

The carrying values of the Company's other financial assets and liabilities approximate their fair values because of their short-term nature, with the exception of the 3.5% convertible senior notes due 2025 (the "2025 Notes"). The 2025 Notes are carried at amortized cost, adjusted for changes in the fair value of the embedded derivative.

4. Debt

2025 Notes

On May 12, 2020, the Company completed its registered public offering of $100.0 million aggregate principal amount of 2025 Notes and issued $80.4 million principal amount of 2025 Notes in the privately negotiated exchange agreements that closed concurrently with the registered offering in May 2020. During the year ended 2021, certain holders of the 2025 Notes converted an aggregate of approximately $5.0 million in principal amount of the 2025 Notes into 428,669 shares of the Company's common stock, including 32,221 shares of common stock issued in satisfaction of the interest make-whole payment. The 2025 Notes are senior unsecured obligations of the Company and bear interest at an annual rate of 3.25%, payable semi-annually in arrears on May 1 and November 1 of each year.

As of March 31, 2023 and December 31, 2022, $161.9 million in principal amount of the 2025 Notes were outstanding, $80.4 million of which were held by related parties. As of March 31, 2023 and December 31, 2022, accrued interest due of $1.3 million and $0.9 million, respectively, was included within accrued expenses and other current liabilities on the condensed consolidated balance sheets. Assuming no repurchases or conversions of the 2025 Notes prior to May 1, 2025, the entire principal balance of $161.9 million is due on May 1, 2025.

The 2025 Notes consist of the following (in thousands):

	March 31, 2023	December 31, 2022
Principal	$ 161,898	$ 161,898
Add: fair value of embedded derivative	—	$ —
Less: unamortized debt discount	(1,725)	$ (1,933)
Less: unamortized issuance costs	(1,374)	$ (1,538)
Net carrying amount	$ 158,799	$ 158,427

The effective interest rate on the liability component of the 2025 Notes was 4.23% for both the three months ended March 31, 2023 and 2022, respectively.

The following table sets forth total interest expense recognized related to the 2025 Notes (in thousands):

	Three Months Ended March 31,	
	2023	2022
Contractual interest expense	$ 1,315	$ 1,315
Amortization of debt discount	$ 207	$ 207
Amortization of debt issuance costs	$ 165	$ 165
Total interest expense	$ 1,687	$ 1,687

Asset-backed Revolving Credit Facility

On August 5, 2022, the Company entered into a Loan and Security Agreement (the "Credit Agreement"), by and among Siena Lending Group LLC, as lender ("Lender"), Inseego Wireless, Inc., a Delaware corporation ("Inseego Wireless"), and Inseego North America LLC, an Oregon limited liability company, as borrowers (together with Inseego Wireless, the "Borrowers"), and the Company, as guarantor (together with the Borrowers, the "Loan Parties"). The Credit Agreement establishes a secured asset-backed revolving credit facility which is comprised of a maximum $50 million revolving credit facility ("Credit Facility"), with a minimum draw of $4.5 million upon execution of the Credit Agreement. The Credit Facility matures on December 31, 2024. Availability under the Credit Facility is determined monthly by a borrowing base comprised of a percentage of eligible accounts receivable and eligible inventory of the Borrowers. Outstanding amounts exceeding the borrowing base must be repaid immediately. The Borrowers' obligations under the Credit Agreement are guaranteed by the Company. The Loan Parties' obligations under the Credit Agreement are secured by a continuing security interest in all property of each Loan Party, subject to certain Excluded Collateral (as defined in the Credit Agreement).

Borrowings under the Credit Facility may take the form of base rate ("Base Rate") loans or Secured Overnight Financing Rate ("SOFR") loans. SOFR loans will bear interest at a rate per annum equal to Term SOFR (as defined in the Credit Agreement as the Term SOFR Reference Rate for a term of one month on the day) plus the Applicable Margin (as defined in the Credit Agreement), with a Term SOFR floor of 1%. Base Rate loans will bear interest at a rate per annum equal to the Applicable Margin plus the greatest of (a) the per annum rate of interest which is identified as the "Prime Rate" and normally published in the Money Rates section of The Wall Street Journal, (b) the sum of the Federal Funds Rate (as defined in the Credit Agreement) plus 0.5% and (c) 3.50% per annum.

The Applicable Margin varies depending on the average outstanding amount for a preceding month. If the average outstanding amount for a preceding month is less than $15 million, the Applicable Margin will be 2.50% for Base Rate loans and 3.50% for SOFR loans. If the average outstanding amount for a preceding month is between $15 million and $25 million, the Applicable Margin will be 3.00% for Base Rate loans and 4.00% for SOFR loans. If the average outstanding amount for a preceding month is greater than $25 million, the Applicable Margin will be 4.5% for Base Rate loans and 5.50% for SOFR loans.

The Credit Agreement contains a financial covenant whereby the Loan Parties shall not permit the consolidated Liquidity (as defined in the Credit Agreement) to be less than $10 million at any time. The Credit Agreement also contains certain customary covenants, which include, but are not limited to, restrictions on indebtedness, liens, fundamental changes, restricted payments, asset sales, and investments, and places limits on various other payments. The Company determined that the term "Eligible Accounts", as defined in the Credit Agreement would have excluded certain balances used in the determination of eligible collateral upon which the Company's borrowing base is calculated and that exclusion would have resulted in a violation of the Liquidity Covenant as of December 31, 2022. Accordingly, to clarify this matter and others, the Loan Parties agreed to amend the Credit Agreement, (the "Amended Credit Agreement") to modify and clarify the definitions of "Eligible Accounts", "Permitted Indebtedness" and also "Eligible Inventory". The Amendment was entered into on February 25, 2023 with an effective date of December 15, 2022. The Company was in compliance with the financial covenants of the Amended Credit Agreement as of March 31, 2023.

Upon execution of the Credit Agreement, the Company paid $1.1 million of debt issuance costs, which will be amortized to interest expense throughout the term of the agreement. As of March 31, 2023, the Company had outstanding borrowings of $4.5 million, a gross borrowing base of $16.3 million and excess availability of $11.8 million. The Company's policy is to classify outstanding borrowings as long-term so long as such borrowings are not expected to exceed the borrowing base over the 12 months subsequent to the balance sheet date, in which case, any excess borrowings would be classified as short-term.

The following tables set forth the principal amount outstanding and interest expense for the periods (in thousands):

	March 31, 2023	December 31, 2022
Principal	$ 4,467	$ 7,851
Less: unamortized issuance costs	$ (816)	$ (932
Net carrying amount	$ 3,651	$ 6,919

The effective interest rate of the Credit Facility was 21.1%, which includes 10.5% related to amortization of original issuance costs, for the three months ended March 31, 2023. The following table sets forth total interest expense recognized related to the Credit Facility (in thousands):

	Three Months En March 31,
	2023
Contractual interest expense	$ [illegible]
Amortization of debt issuance costs	$ [illegible]
Total interest expense	$ [illegible]

On May 2, 2023, (1) two related parties (the "Participants") collectively purchased a $4.0 million last-out subordinated participation interest in the Credit Agreement (the "Participation Interest") from the Lender, and (2) the Borrowers entered into an amendment to the Credit Agreement which increased the borrowing base under the Credit Facility by $4.0 million, increased the minimum draw to $8.5 million, and modified certain covenants. In connection with the purchase of the Participation Interest, we agreed to pay the Participants an aggregate exit fee ranging from 7.5% to 12.5% of the amount of the Participation Interest, payable upon the earlier to occur of (a) the maturity date of the Credit Facility, (b) termination of the Lender's commitment to make revolving loans prior to the scheduled maturity date of the Credit Facility, and (c) the early redemption of the Participation Interest, as applicable. Further, the purchase of the Participation Interest granted an option for the Participants to purchase the subject revolving loan or to redeem its Participation Interest under certain circumstances. The Participants are each affiliates of beneficial holders of greater than five percent of our outstanding common stock.

5. Share-based Compensation

During the three months ended March 31, 2023 and 2022 , the Company granted awards under the 2018 Omnibus Incentive Compensation Plan, previously named the Amended and Restated 2009 Omnibus Incentive Compensation Plan (the "2018 Plan"), and the 2015 Incentive Compensation Plan (the "2015 Plan"). The Compensation Committee of the Board of Directors administers the plans. Under the 2018 Plan, a maximum of 9,574,995 shares of common stock may be issued upon the exercise of stock options, in the form of restricted stock, or in settlement of restricted stock units ("RSUs") or other awards, including awards with alternative vesting schedules such as performance-based criteria.

The following table presents total share-based compensation expense within each functional line item on the condensed consolidated statements of operations for the three months ended March 31, 2023 and 2022, (in thousands):

	Three Months Ended March 31,	
	2023	2022
Cost of revenues	$ 184	$ 1,415
Research and development	248	4,070
Sales and marketing	330	2,043
General and administrative	1,038	3,671
Total	$ 1,800	$ 11,199

Stock Options

The Compensation Committee of the Board of Directors determines eligibility, vesting schedules and exercise prices for stock options granted. The Company generally uses the Black-Scholes option pricing model to estimate the fair value of its stock options. For performance stock awards subject to market-based vesting conditions, fair values are determined using the Monte-Carlo simulation model. Stock options generally have a term of ten years and vest over a three- to four-year period.

The following table summarizes the Company's stock option activity for the three months ended March 31, 2023:

Outstanding — December 31, 2022	8,132,959
Granted	38,750
Canceled	(728,002)
Outstanding — March 31, 2023	7,443,707
Exercisable — March 31, 2023	5,423,759

At March 31, 2023, total unrecognized compensation expense related to stock options was $6.2 million, which is expected to be recognized over a weighted-average period of 2.52 years.

Restricted Stock Units

Pursuant to the 2018 Plan and the 2015 Plan, the Company may issue RSUs that, upon satisfaction of vesting conditions, allow recipients to receive common stock. Issuances of such awards reduce common stock available under the 2018 Plan and 2015 Plan for stock incentive awards. The Company measures compensation cost associated with grants of RSUs at fair value, which is generally the closing price of the Company's stock on the date of grant. RSUs generally vest over a three- to four-year period.

The following table summarizes the Company's RSU activity for the three months ended March 31, 2023:

Non-vested — December 31, 2022	1,178,370
Granted	7,500
Vested	(73,350)
Forfeited	(67,809)
Non-vested — March 31, 2023	1,044,711

At March 31, 2023, total unrecognized compensation expense related to RSUs was $3.3 million, which is expected to be recognized over a weighted-average period of 2.11 years.

On April 28, 2023, the Company granted a total of approximately 2.2 million RSUs to certain employees to encourage retention and incentivize future performance ("Retention Awards"). All of the Retention Awards fully vest on November 1, 2023.

6. Earnings Per Share

Basic earnings per share ("EPS") excludes dilution and is computed by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock using the treasury stock method. Potentially dilutive securities (consisting primarily of the 2025 Notes calculated using the if-converted method and warrants, stock options and RSUs calculated using the treasury stock method) are excluded from the diluted EPS computation in loss periods and when the applicable exercise price is greater than the market price on the period end date as their effect would be anti-dilutive.

The calculation of basic and diluted earnings per share was as follows (in thousands, except share and per share data):

	Three Months Ended March 31,	
	2023	2022
Net loss attributable to common stockholders	$ (5,827)	$ (25,884)
Weighted-average common shares outstanding	108,601,894	105,649,419
Basic and diluted net loss per share	$ (0.05)	$ (0.24)

The following is a summary of outstanding anti-dilutive potential shares of common stock that have been excluded from diluted net loss per share attributable to common stockholders because their inclusion would have been anti-dilutive:

(in thousands)	March 31, 2023	December 31, 2022
2025 Notes	14,090	14,090
Non-qualified stock options	7,956	8,133
Restricted stock units	1,139	1,178
Employee stock purchase plan	2,200	426
Total	25,385	23,827

7. Public Offering

In January 2021, the Company entered into an Equity Distribution Agreement with Canaccord Genuity LLC (the "Agent"), pursuant to which the Company may offer and sell, from time to time, through or to the Agent, up to $40.0 million of shares of its common stock (the "ATM Offering"). In January 2021, the Company sold 1,516,073 shares of common stock, at an average price of $20.11 per share, for net proceeds of $29.4 million, after deducting underwriter fees and discounts, and other offering fees, pursuant to the ATM Offering. There were no ATM transactions in 2022. In March 2023, the Company's Board of Directors (BOD) approved the issuance of up to the remaining $9.5 million worth of shares under this ATM Offering. During the quarter ended March 31, 2023 the Company sold 858,098 shares of common stock, at an average price of $0.62 per share, for net proceeds of $0.5 million, after deducting underwriter fees and discounts. As of March 31, 2023, there were approximately $9 million of shares remaining available for sale under this ATM Offering.

8. Geographic Information and Concentrations of Risk

Geographic Information

The following table details the Company's net revenues by geographic region based on shipping destination (in thousands):

	Three Months Ended March 31,	
	2023	2022
United States and Canada	$ 43,205	$ 52,642
Europe	$ 5,987	$ 5,620
Australia [a]	$ 1,598	$ 1,013
Other	$ 4	$ 2,109
Total	$ 50,794	$ 61,384

[a] Prior period was reclassified to conform to current period presentation.

Concentrations of Credit Risk

For the three months ended March 31, 2023, two customers accounted for 31.1% and 26.6% of net revenues, respectively. For the three months ended March 31, 2022, two customers accounted for 37.3% and 39.9%, respectively, of net revenues.

As of March 31, 2023, three customers accounted for 42.4%, 16.0% and 14.6% of accounts receivable, net, respectively. As of December 31, 2022, two customers accounted for 37.4% and 21.9% of accounts receivable, net, respectively.

9. Commitments and Contingencies

Noncancellable Purchase Obligations

The Company typically enters into commitments with its contract manufacturers that require future purchases of goods or services in the three to four quarters following the balance sheet date. Such commitments are noncancellable ("noncancellable purchase obligations"). As of March 31, 2023, future payments under these noncancellable purchase obligations were approximately $53.4 million.

Legal

The Company is, from time to time, party to various legal proceedings arising in the ordinary course of business. The Company is regularly required to directly or indirectly participate in other U.S. patent infringement actions pursuant to its contractual indemnification obligations to certain customers. Based on an evaluation of these matters the Company currently believes that liabilities arising from, or sums paid in settlement of these existing matters, if any, would not have a material adverse effect on its consolidated results of operations or financial condition.

Indemnification

In the normal course of business, the Company periodically enters into agreements that require the Company to indemnify and defend its customers for, among other things, claims alleging that the Company's products infringe third-party patents or other intellectual property rights. The Company's maximum exposure under these indemnification provisions cannot be estimated but the Company does not believe that there are any matters individually or collectively that would have a material adverse effect on its consolidated results of operations or financial condition.

10. Leases

The components of the right-of-use assets and lease liabilities were as follows (in thousands):

	Balance Sheet Classification	March 31, 2023	December 31, 2022
Operating right-of-use assets, net	Right-of-use assets	$ 6,122	$ 6,662
Current operating lease liabilities	Accrued expenses and other current liabilities	$ 1,814	$ 1,759
Non-current operating lease liabilities	Other long-term liabilities	5,149	5,903
Total operating lease liabilities		$ 6,963	$ 7,662
Weighted-average remaining lease term (in years)		4.0	4.1
Weighted-average discount rate		9.0 %	9.0 %

The components of lease cost were as follows (in thousands):

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Operating lease costs included in operating costs and expenses	$ 592	$ 610

Supplemental cash flow information related to leases was as follows (in thousands):

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Operating cash flows related to operating leases	$ 624	$ 622
Operating right-of-use assets obtained in exchange for lease liabilities	$ 50	$ 79

Future minimum payments under operating leases were as follows as of March 31, 2023 (in thousands):

2023 (remainder)	$	1,687
2024		2,090
2025		1,734
2026		1,707
2027		1,125
Thereafter		—
Total minimum operating lease payments	$	8,343
Less: amounts representing interest		(1,380)
Present value of net minimum operating lease payments		6,963
Less: current portion		(1,814)
Long-term portion of operating lease obligations	$	5,149

11. Income Taxes

The Company’s income tax provision (benefit) was $0.3 million and $(0.3) million for the three months ended March 31, 2023 and 2022, respectively. Income taxes for both periods consisted primarily of foreign income taxes at certain of the Company’s international entities and minimum state taxes for its U.S.-based entities. The Company’s income tax expense differs from the expected expense based on statutory rates primarily due to full valuation allowances at all of its U.S.-based entities and several of its foreign subsidiaries. The income tax provision (benefit) provision for the three months ended March 31, 2023 and 2022, were largely driven by unrealized foreign currency gains and losses, respectively, at the Company’s foreign subsidiaries.

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

Forward Looking Statements

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). You should not place undue reliance on these statements. These forward-looking statements include statements that reflect the views of our senior management with respect to our current expectations, assumptions, estimates and projections about Inseego and our industry. These forward-looking statements speak only as of the date of this report. We disclaim any undertaking to publicly update or revise any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Statements that include the words "may," "could," "should," "would," "estimate," "anticipate," "believe," "expect," "preliminary," "intend," "plan," "project," "outlook," "will" and similar words and phrases identify forward-looking statements. Forward-looking statements address matters that involve risks and uncertainties that could cause actual results to differ materially from those anticipated in these forward-looking statements as of the date of this report. We believe that these factors include those related to:

- our ability to compete in the market for wireless broadband data access products, wireless modem products, and asset management, monitoring, telematics, vehicle tracking and fleet management products;
- our ability to develop and introduce new products and services successfully;
- our ability to meet the price and performance standards of the evolving 5G New Radio ("5G NR") products and technologies;
- our ability to expand our customer reach/reduce customer concentration;
- our ability to grow the Internet of Things ("IoT") and mobile portfolio outside of North America;
- our ability to grow our Ctrack/asset tracking solutions within North America;
- our dependence on a small number of customers for a substantial portion of our revenues;
- our ability to make scheduled payments on, or to refinance our indebtedness, including our convertible notes obligations;
- our ability to introduce and sell new products that comply with current and evolving industry standards and government regulations;
- our ability to develop and maintain strategic relationships to expand into new markets;
- our ability to properly manage the growth of our business to avoid significant strains on our management and operations and disruptions to our business;
- our reliance on third parties to manufacture our products;
- our contract manufacturer's ability to secure necessary supply to build our devices;
- increases in costs, disruption of supply or the shortage of semiconductors or other key components of our products;
- our ability to mitigate the impact of tariffs or other government-imposed sanctions;
- our ability to accurately forecast customer demand and order the manufacture and timely delivery of sufficient product quantities;
- our reliance on sole source suppliers for some products and devices used in our solutions;
- the continuing impact of uncertain global economic conditions on the demand for our products;
- the impact of geopolitical instability on our business, including the current conflict between Russia and Ukraine;
- the emergence of global public health emergencies, such as the outbreak of the 2019 novel coronavirus (2019-nCoV), known as "COVID-19", which could extend lead times in our supply chain and lengthen sales cycles with our customers;
- direct and indirect effects of COVID-19 on our employees, customers and supply chain and the economy and financial markets;
- the impact of high inflation and rising interest rates;
- our ability to be cost competitive while meeting time-to-market requirements for our customers;

- our ability to meet the product performance needs of our customers in wireless broadband data access in industrial IoT (“IIoT”) markets;
- demand for fleet, vehicle and asset management software-as-a-service (“SaaS”) telematics solutions;
- our dependence on wireless telecommunication operators delivering acceptable wireless services;
- the outcome of any pending or future litigation, including intellectual property litigation;
- infringement claims with respect to intellectual property contained in our solutions;
- our continued ability to license necessary third-party technology for the development and sale of our solutions;
- the introduction of new products that could contain errors or defects;
- conducting business abroad, including foreign currency risks;
- the pace of 5G wireless network rollouts globally and their adoption by customers;
- our ability to make focused investments in research and development; and
- our ability to hire, retain and manage additional qualified personnel to maintain and expand our business.

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this and other reports we file with or furnish to the Securities and Exchange Commission (“SEC”), including the information in “Item 1A. Risk Factors” included in Part I of our Annual Report on Form 10-K for the year ended December 31, 2022 (the “Form 10-K”). If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. As used in this report on Form 10-Q, unless the context otherwise requires, the terms “we,” “us,” “our,” the “Company” and “Inseego” refer to Inseego Corp., a Delaware corporation, and its wholly-owned subsidiaries.

Trademarks

“Inseego”, “Inseego Subscribe”, “Inseego Manage”, “Inseego Secure”, “Inseego Vision”, the Inseego logo, “MiFi”, “MiFi Intelligent Mobile Hotspot”, “Wavemaker”, “Clarity”, and “Skyus” are trademarks or registered trademarks of Inseego and its subsidiaries. Other trademarks, trade names or service marks used in this report are the property of their respective owners.

The following information should be read in conjunction with the condensed consolidated financial statements and the accompanying notes included in Part I, Item 1 of this report, as well as the annual consolidated financial statements and accompanying notes and Management's Discussion and Analysis of Financial Condition and Results of Operations for the year ended December 31, 2022, contained in our Form 10-K.

Business Overview

Inseego Corp. is a leader in the design and development of cloud-managed 5G wireless wide area network (WWAN) and intelligent edge solutions. Our portfolio is comprised of secure, high-performance, cloud-managed fixed and mobile WWAN modems, routers, and gateways; enterprise networking software-defined edge ("SD EDGE") solutions powered by our 5G WWAN portfolio that secures and prioritizes corporate network traffic; and intelligent edge and telematics solutions with built-in artificial intelligence ("AI") technology, created to improve business outcomes. All of these products and solutions are designed and developed in the U.S. and are used in mission-critical applications requiring the highest levels of security and zero unscheduled downtime. These solutions support business applications such as enterprise networking, software-defined wide area network ("SD-WAN") failover management, asset tracking, edge computing, artificial intelligence, fleet management, and other services.

We have been at the forefront of the ways in which the world stays connected and accesses information, protects, and derives intelligence from that information. With multiple first-to-market innovations across a number of wireless technologies, including 5G, and a strong and growing portfolio of hardware and software innovations for IIoT solutions, Inseego has been advancing technology and driving industry transformations for over 30 years. It is this proven expertise, commitment to quality, obsession with innovation and a relentless focus on execution that makes us a preferred global partner of service providers, distributors, value-added resellers, system integrators, and enterprises worldwide.

Our Sources of Revenue

We provide intelligent, cloud-managed wireless 4G and 5G hardware products for the worldwide mobile communications and IIoT markets. Our hardware products address multiple vertical markets including private LTE/5G networks, the First Responders Network Authority/Firstnet, SD-WAN, telematics, remote monitoring and surveillance, and fixed wireless access and mobile broadband devices. Our broad range of products principally includes intelligent 4G and 5G fixed wireless routers and gateways, mobile hotspots, wireless gateways and routers for IIoT applications, Gb speed 4G LTE hotspots and USB modems, integrated telematics and mobile tracking hardware devices, which are supported by applications software and cloud services designed to enable customers to easily analyze data insights and configure/manage their hardware remotely. Our products currently operate on most major global cellular wireless networks. Our mobile hotspots sold under the MiFi brand have been sold to millions of end users, and provide subscribers with secure and convenient high-speed access to corporate, public and personal information through the Internet and enterprise networks. Our wireless standalone and USB modems and gateways allow us to address the rapidly growing and underpenetrated IoT market segments. Our telematics and mobile asset tracking hardware devices collect and control critical vehicle data and driver behaviors, and can reliably deliver that information to the cloud, all managed by our services enablement platforms.

Our MiFi customer base is comprised of wireless operators to whom we provide intelligent fixed and mobile wireless devices. These wireless operators include Verizon Wireless, T-Mobile and U.S. Cellular in the United States, Rogers and Telus in Canada, Telstra in Australia, as well as other international wireless operators, distributors and various companies in other vertical markets and geographies.

We sell our 5G WWAN solutions, integrated telematics and mobile tracking hardware devices through our direct sales force, value-added resellers and through distributors. The customer base for our products is comprised of transportation companies, industrial enterprises, retailers, manufacturers, application service providers, system integrators and distributors in various industries, including fleet and vehicle transportation, aviation ground service management, energy and industrial automation, security and safety, medical monitoring and government. Integrated telematics and asset tracking devices are provided as part of our integrated SaaS solutions.

We sell SaaS, software and services solutions across multiple vertical markets, including fleet management, vehicle telematics, stolen vehicle recovery, asset tracking, monitoring, business connectivity and subscription management. Our SaaS delivery platforms include our telematics and asset tracking and management platforms, which provide fleet, vehicle, aviation, municipalities, healthcare, utilities asset and other telematics applications. Our SaaS platforms are device-agnostic and provide a standardized, scalable way to order, connect and manage remote assets and to improve business operations. The platforms are flexible and support both on-premise server or cloud-based deployments and are the basis for the delivery of a wide range of IoT services in multiple industries.

We classify our revenues from the sale of our products and services into two distinct groupings, specifically IoT & Mobile Solutions and Enterprise SaaS Solutions. Both IoT & Mobile Solutions and Enterprise SaaS Solutions revenues include any hardware and software required for the respective solution. .

Factors Which May Influence Future Results of Operations

Net Revenues. We believe that our future net revenues may be influenced by a number of factors including:

- economic environment and related market conditions such as inflation;
- increased competition from other fleet and vehicle telematics solutions, as well as suppliers of emerging devices that contain wireless data access or device management features;
- acceptance of our products by new vertical markets;
- growth in the aviation ground vertical;
- rate of change to new products;
- deployment of 5G infrastructure equipment;
- adoption of 5G end point products;
- competition in the area of 5G technology;
- our contract manufacturer's ability to secure necessary supply to of semiconductors and other key components to build our devices;
- product pricing;
- the impact of the COVID-19 pandemic on our business; and
- changes in technologies.

Our revenues are also significantly dependent upon the availability of materials and components used in our hardware products.

We have made significant investments in additional products and services, including SaaS and additional service offerings, industrial IoT hardware and services, and other mobile and fixed wireless devices targeting the emerging 5G market. We continue to develop and maintain strategic relationships with service providers and other wireless industry leaders such as Verizon Wireless, T-Mobile, and Qualcomm. Through strategic relationships, we have been able to maintain market penetration by leveraging the resources of our channel partners, including their access to distribution resources, increased sales opportunities and market opportunities.

The demand environment for our 5G products during the three months ended March 31, 2023 was consistent with our expectations. However, we have recently experienced lower sales of LTE gigabit hotspots within IoT & Mobile Solutions as COVID-19 pandemic demand has eased. The macroeconomic environment continues to remain uncertain and the demand for our products in prior years may not be sustainable for the long term. We will continue to monitor the implications of the COVID-19 pandemic on our business, as well as our customers' and suppliers' businesses.

Cost of Net Revenues. Cost of net revenues includes all costs associated with our contract manufacturers, distribution, fulfillment and repair services, delivery of SaaS services, warranty costs, amortization of intangible assets, royalties, operations overhead, costs associated with cancellation of purchase orders and costs related to outside services. Also included in cost of net revenues are costs related to inventory adjustments, as well as any write downs for excess and obsolete inventory and abandoned product lines. Inventory adjustments are impacted primarily by demand for our products, which is influenced by the factors discussed above. The inflationary pressures impacting the global supply chain could potentially increase the cost of net revenues in the current and future years.

Operating Costs and Expenses. Our operating costs consist of three primary categories: research and development, sales and marketing, and general and administrative costs.

Research and development is at the core of our ability to produce innovative, leading-edge products. These expenses consist primarily of engineers and technicians who design and test our highly complex products and the procurement of testing and certification services.

Sales and marketing expenses consist primarily of our sales force and product-marketing professionals. In order to maintain strong sales relationships, we provide co-marketing, trade show support and product training. We are also engaged in a wide variety of marketing activities, such as awareness and lead generation programs as well as product marketing. Other marketing initiatives include public relations, seminars and co-branding with partners.

General and administrative expenses include primarily corporate functions such as accounting, human resources, legal, administrative support and professional fees. This category also includes the expenses needed to operate as a publicly-traded company, including compliance with the Sarbanes-Oxley Act of 2002, as amended, SEC filings, stock exchange fees and investor relations expense. Although general and administrative expenses are not directly related to revenue levels, certain expenses, such as legal expenses and provisions for bad debts, may cause significant volatility in future general and administrative expenses, which may, in turn, impact net revenue levels.

As part of our business strategy, we may review acquisition or divestiture opportunities that we believe would be advantageous or complementary to the development of our business. Given our current cash position and recent losses, any additional acquisitions we make would likely involve issuing stock or drawing on our revolving credit facility in order to provide the purchase consideration for the acquisitions. If we make any additional acquisitions, we may incur substantial expenditures in conjunction with the acquisition process and the subsequent assimilation of any acquired business, products, technologies or personnel.

Critical Accounting Policies and Estimates

In the notes to our consolidated financial statements and in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in our Form 10-K, we have disclosed those accounting policies that we consider to be significant in determining our results of operations and financial condition. There have been no material changes to those policies that we consider to be significant since the filing of our Form 10-K. The accounting principles used in preparing our unaudited condensed consolidated financial statements conform in all material respects to accounting principles generally accepted in the U.S.

Results of Operations

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022

Net revenues. Net revenues for the three months ended March 31, 2023 were $50.8 million, compared to $61.4 million for the same period in 2022.

The following table summarizes net revenues by our two product categories (in thousands):

Product Category	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	Change $	Change %
IoT & Mobile Solutions	$ 43,627	$ 54,505	$ (10,878)	(20.0)%
Enterprise SaaS Solutions	7,167	6,879	288	4.2
Total	$ 50,794	$ 61,384	$ (10,590)	(17.3)

IoT & Mobile Solutions. The $10.9 million decrease in IoT & Mobile Solutions net revenues over the same period in 2022 is primarily due to decreases in our carrier offerings and lower sales of LTE gigabit hotspots as the COVID-19 pandemic demand eased, partially offset by sales of our second-generation and fourth-generation 5G hotspot related to our MiFi business (launched in later part of 2022) and subscriber growth in our Enterprise and Inseego Subscribe businesses.

Enterprise SaaS Solutions. The $0.3 million increase in Enterprise SaaS Solutions net revenues over the same period in 2022 is primarily due to increase in Enterprise SaaS Solutions net revenue throughout the rest of the world as a result of the lifting of COVID-19 related installation restrictions in place during fiscal 2022.

Cost of net revenues. Cost of net revenues for the three months ended March 31, 2023 was $32.6 million, or 64.2% of net revenues, compared to $46.1 million, or 75.2% of net revenues, for the same period in 2022.

The following table summarizes cost of net revenues by our two product categories (in thousands):

Product Category	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	Change $	Change %
IoT & Mobile Solutions	$ 29,662	$ 42,903	$ (13,241)	(30.9)%
Enterprise SaaS Solutions	2,945	3,233	(288)	(8.9)
Total	$ 32,607	$ 46,136	$ (13,529)	(29.3)

IoT & Mobile Solutions. The $13.2 million decrease in IoT & Mobile Solutions cost of net revenues over the same period in 2022 is primarily is a result of lower sales of LTE gigabit hotspots.

Enterprise SaaS Solutions. The $0.3 million decrease in Enterprise SaaS Solutions cost of net revenues over the same period in 2022 is primarily due to reduced costs associated with providing our recurring rental and subscription services.

Gross profit. Gross profit for the three months ended March 31, 2023 was $18.2 million, or a gross margin of 35.8%, compared to $15.2 million, or a gross margin of 24.8%, for the same period in 2022. The increase in gross profit is primarily due an increase in revenue from Enterprise SaaS Solutions as well as various initiatives to improve efficiencies in production.

Operating costs and expenses. The following table summarizes operating costs and expenses (in thousands):

	Three Months Ended March 31,		Change	
Operating costs and expenses	**2023**	**2022**	**$**	**%**
Research and development	$ 8,154	$ 18,560	$ (10,406)	(56.1)%
Sales and marketing	6,646	9,773	(3,127)	(32.0)
General and administrative	6,045	8,238	(2,193)	(26.6)
Amortization of purchased intangible assets	429	444	(15)	(3.4)
Impairment of capitalized software	504	—	504	100.0
Total	$ 21,778	$ 37,015	$ (15,237)	(41.2)

Research and development expenses. Research and development expenses for the three months ended March 31, 2023 were $8.2 million, or 16.1% of net revenues, compared to $18.6 million, or 30.2% of net revenues, for the same period in 2022. The decrease in research and development expenses was primarily due to net decrease in research and development costs as fewer new projects were undertaken during the current period.

Sales and marketing expenses. Sales and marketing expenses for the three months ended March 31, 2023 were $6.6 million, or 13.1% of net revenues, compared to $9.8 million, or 15.9% of net revenues, for the same period in 2022. The decrease in sales and marketing expenses was primarily due to lower consulting costs and other sales personnel-related costs as a result of the decrease in overall sales headcount compared to the same period in 2022.

General and administrative expenses. General and administrative expenses for the three months ended March 31, 2023 were $6.0 million, or 11.9% of net revenues, compared to $8.2 million, or 13.4% of net revenues, for the same period in 2022. The decrease in general and administrative expense was primarily due to decrease in share-based expense due to lower RSU bonus released during the three months ended March 31, 2023 compared to the same period in 2022.

Other (expense) income. The following table summarizes other (expense) income (in thousands):

	Three Months Ended March 31,		Change	
Other (expense) income	**2023**	**2022**	**$**	**%**
Loss on debt conversion and extinguishment, net	—	(450)	450	(100.0)%
Interest expense, net	$ (1,997)	$ (2,923)	$ 926	(31.7)
Other (expense) income, net	795	(405)	1,200	(296.3)
Total	$ (1,202)	$ (3,778)	$ 2,576	(68.2)

Loss on debt conversion and extinguishment, net*.* The loss on debt conversion and extinguishment, net for the three months ended March 31, 2023 and 2022 was $0 and $0.5 million, respectively.

Interest expense, net. The $0.9 million decrease in interest expense over the same period in 2022 was primarily a result of certain 2022 Notes debt extinguishments related adjustments recorded in the prior period.

Other (expense) income, net. The $1.2 million increase in other income over the same period in 2022 is primarily due to foreign currency exchange gains in the current period.

Income tax provision (benefit). Income tax provision for the three months ended March 31, 2023 and 2022 was a provision of $0.3 million and a benefit of $0.3 million, respectively. This $0.6 million increase in income tax expense was driven by a marked increase in pre-tax profits at Inseego SA (Pty) Ltd (previously, C-track Holdings) for the current year period compared to a loss in the prior year period.

Series E preferred stock dividends. During the three months ended March 31, 2023 and 2022, we recorded dividends of $0.7 million and $0.7 million, respectively, on our Fixed-Rate Cumulative Perpetual Preferred Stock, Series E, par value $0.001 per share (the “Series E Preferred Stock”). There was minimal increase in preferred stock dividends for the period ended March 31, 2023.

Liquidity and Capital Resources

Our principal sources of liquidity are our existing cash and cash equivalents and availability under our new revolving credit facility. As of March 31, 2023, we had available cash and cash equivalents totaling $8.7 million and $11.8 million of excess availability under our revolving credit facility. We also have an equity distribution agreement through which we may sell shares of our common stock, and as of March 31, 2023, there was approximately $9 million of cash remaining before underwriter fees and discounts that we may generate from such issuance.

We have a history of operating and net losses and overall usage of cash from operating and investing activities. Our management believes that our cash and cash equivalents, together with anticipated cash flows from operations, availability under our secured asset-backed revolving credit facility, and anticipated savings from ongoing cost reduction efforts, will be sufficient to meet our cash flow needs for the next twelve months from the filing date of this report. If events or circumstances occur such that we do not meet our operating plan as expected, or if we become obligated to pay unforeseen expenditures as a result of ongoing litigation, we may be required to raise capital, reduce planned research and development activities, incur restructuring charges or reduce other operating expenses which could have an adverse impact on our ability to achieve our intended business objectives.

Our liquidity could be compromised if there is any interruption in our business operations, a material failure to satisfy our contractual commitments or a failure to generate revenue from new or existing products. Ultimately, our ability to attain profitability and to generate positive cash flow is dependent upon achieving a level of revenues adequate to support our evolving cost structure and increasing working capital needs. If events or circumstances occur such that we do not meet our operating plan as expected, we may be required to raise additional capital, reduce planned research and development activities, incur additional restructuring charges or reduce other operating expenses and capital expenditures which could have an adverse impact on our ability to achieve our intended business objectives. There can be no assurance that any required or desired restructuring or financing will be available on terms favorable to us, or at all. If additional funds are raised by the issuance of equity securities, Company stockholders could experience dilution of their ownership interests and securities issued may have rights senior to those of the holders of the Company’s common stock. If additional funds are raised by the issuance of debt securities, we may be subject to additional limitations on our operations. Additionally, we are uncertain of the full extent to which the COVID-19 pandemic will impact our business, operations and financial results.

Revolving Credit Facility

On August 5, 2022, we entered into a Loan and Security Agreement (the “Credit Agreement”) with Siena Lending Group LLC, as lender (“Lender”). The Credit Agreement established a $50.0 million secured asset-backed revolving credit facility (“Credit Facility”) with a final maturity date of December 31, 2024. On February 25, 2023, we entered into an amendment of the Credit Agreement (“Amended Credit Agreement”) with an effective date of December 15, 2022, which clarified certain terms within the Credit Agreement. Availability under the Credit Facility is determined monthly by a Borrowing Base (as defined in the Credit Agreement) comprised of a percentage of eligible accounts receivable and eligible inventory of the Borrowers. Outstanding amounts exceeding the borrowing base must be repaid immediately.

Borrowings under the Credit Facility may take the form of base rate (“Base Rate”) loans or Secured Overnight Financing Rate (“SOFR”) loans. SOFR loans will bear interest at a rate per annum equal to Term SOFR (as defined in the Amended Credit Agreement as the Term SOFR Reference Rate for a term of one month on the day) plus the Applicable Margin (as defined in the Amended Credit Agreement), with a Term SOFR floor of 1%. Base Rate loans will bear interest at a rate per annum equal to the Applicable Margin plus the greatest of (a) the per annum rate of interest which is identified as the “Prime Rate” and normally published in the Money Rates section of The Wall Street Journal, (b) the sum of the Federal Funds Rate (as defined in the Amended Credit Agreement) plus 0.5% and (c) 3.50% per annum.

The Applicable Margin varies depending on the average outstanding amount for a preceding month. If the average outstanding amount for a preceding month is less than $15 million, the Applicable Margin will be 2.50% for Base Rate loans and 3.50% for SOFR loans. If the average outstanding amount for a preceding month is between $15 million and $25 million, the Applicable Margin will be 3.00% for Base Rate loans and 4.00% for SOFR loans. If the average outstanding amount for a preceding month is greater than $25 million, the Applicable Margin will be 4.5% for Base Rate loans and 5.50% for SOFR loans.

The Amended Credit Agreement contains a financial covenant whereby the Loan Parties shall not permit the consolidated Liquidity (as defined in the Credit Agreement) to be less than $10 million at any time. The Credit Agreement also contains certain customary covenants, which include, but are not limited to, restrictions on indebtedness, liens, fundamental changes, restricted payments, asset sales, and investments, and places limits on various other payments. We were in compliance with the financial covenants contained in the Amended Credit Agreement as of March 31, 2023.

As of March 31, 2023, we had outstanding borrowings of $4.5 million, a gross borrowing base of $16.3 million and excess availability of $11.8 million.

2025 Notes

On May 12, 2020, we completed a registered public offering of $100.0 million aggregate principal amount of our 3.5% convertible senior notes due 2025 (“the 2025 Notes”) and issued $80.4 million principal amount of 2025 Notes in the privately negotiated exchange agreements that closed concurrently with the registered offering in May 2020.

As of March 31, 2023 and December 31, 2022, $161.9 million in principal amount of the 2025 Notes were outstanding. Assuming no repurchases or conversions of the 2025 Notes prior to May 1, 2025, the entire principal balance of $161.9 million is due on May 1, 2025. The 2025 Notes are senior unsecured obligations of the Company and bear interest at an annual rate of 3.25%, payable semi-annually in arrears on May 1 and November 1 of each year.

Equity Distribution Agreement

On January 25, 2021, we entered into an Equity Distribution Agreement with Canaccord Genuity LLC (the “Agent”), pursuant to which we may offer and sell, from time to time, through or to the Agent, up to $40.0 million of shares of our common stock (the “ATM Offering”) pursuant to the Company’s Registration Statement on Form S-3ASR (File No. 333-238057), as filed with the SEC on May 7, 2020 and amended from time to time. During the quarter ended March 31, 2023 the Company sold 858,098 shares of common stock, at an average price of $0.62 per share, for net proceeds of $0.5 million, after deducting underwriter fees and discounts. As of March 31, 2023, there were approximately $9 million of shares remaining available for sale under the ATM Offering.

Contractual Obligations and Commitments

Our material contractual obligations are as follows:

- To mitigate the risk of material shortages and price increases, we enter into non-cancellable purchase obligations with certain key contract manufacturers for the purchase of goods and services in the three to four quarters following the balance sheet date. Our purchase obligations consist of agreements to purchase goods and services entered into in the ordinary course of business. As of March 31, 2023, our future payments under these noncancellable purchase obligations were approximately $53.4 million.
- $161,898 in outstanding principal amount of 2025 Notes with required interest payments;
- $4.5 million in outstanding borrowings under the revolving Credit Facility; and
- Operating lease liabilities that are included on our consolidated balance sheet; see Note 10. *Leases.*

There were no material changes in our other contractual obligations during the three months ended March 31, 2023.

Historical Cash Flows

The following table summarizes our unaudited condensed consolidated statements of cash flows for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2023	**2022**
Net cash provided by (used in) operating activities	$ 7,659	$ (638)
Net cash used in investing activities	(2,504)	(3,890)
Net cash used in financing activities	(3,340)	(1,060)
Effect of exchange rates on cash	(272)	957
Net increase (decrease) in cash, cash equivalents and restricted cash	1,543	(4,631)
Cash, cash equivalents and restricted cash, beginning of period	7,143	49,812
Cash, cash equivalents, and restricted cash, end of period	$ 8,686	$ 45,181

Operating activities.

Net cash provided by operating activities for the three months ended March 31, 2023 is primarily comprised of a $5.1 million net loss incurred during the period, net cash used for working capital of $3.6 million, partially offset by non-cash charges, including depreciation and amortization of $5.4 million, share-based compensation expense of $1.8 million, and amortization of debt discount and debt issuance costs of $0.5 million.

Net cash used in operating activities for the same period in 2022 is primarily comprised of a $25.2 million net loss and a $0.6 million non-cash gain attributable to the fair value adjustment on derivative instruments. which was offset by net cash provided from working capital of $3.9 million, and non-cash charges, including depreciation and amortization of $7.2 million share-based compensation expense of $11.2 million, $1.7 million of amortization of debt issuance and discount costs and other non-cash adjustments.

Investing activities.

Net cash used in investing activities during the three months ended March 31, 2023 is primarily comprised of $2.4 million of cash outflows related to the development of software in support of our 5G products and services and $0.1 million of property, plant and equipment purchases.

Net cash used in investing activities during the same period in 2022 is primarily comprised of $3.1 million of cash outflows related to the development of software in support of our 5G products and services and $0.8 million of property, plant and equipment purchases.

Financing activities.

Net cash used in financing activities during the three months ended March 31, 2023 is primarily comprised of $3.4 million of cash outflow related to repayments of our revolving credit facility, partially offset by $0.5 million in proceeds from public offering.

Net cash used in financing activities for the same period in 2022 is primarily comprised of $1.0 million in principal repayments of financed assets.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk.*

We are exposed to market risk in the ordinary course of our business. Our revenue, earnings, cash flows, receivables, and payables are subject to fluctuations due to changes in foreign currency exchange rates. The ongoing COVID-19 pandemic has increased the volatility of global financial markets, which may increase our foreign currency exchange risk.

Interest Rate Risk

2025 Notes and Embedded Derivative

Our total fixed-rate borrowings under the 2025 Notes as of both March 31, 2023 and December 31, 2022 were $161.9 million. We record all of our fixed-rate borrowings at amortized cost and therefore, any changes in interest rates do not impact the carrying values that we report for these senior notes on our consolidated financial statements.

The 2025 Notes include an embedded derivative which was marked to fair value at both March 31, 2023 and December 31, 2022 of $0. The fair value inputs to the derivative valuation include dividend yield, term, volatility, stock price, and risk-free rate. Consequently, we may incur gains and losses on the derivative as changes occur in the stock price, volatility, and risk-free rate at each reporting period. Additional details regarding our 2025 Notes and the embedded derivative are included in Part 1 Item 1 Note 3. *Fair Value Measurement of Assets and Liabilities* and Note 4. *Debt* in this Quarterly Report on Form 10-Q.

Revolving Credit Facility

We are exposed to interest rate risk associated with fluctuations in interest rates on our revolving credit facility. As of March 31, 2023, assuming our revolving credit facility was fully drawn up to the $16.3 million borrowing base, a 1% increase in interest rates would result in a $0.1 million change in annualized interest expense.

Inflation Risk

Inflation has increased during the period and is expected to continue to increase for the near future. Inflationary factors, such as increases in the cost of our materials, supplies, and overhead costs may adversely affect our operating results. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, we may experience some effect if inflation rates continue to rise. Significant adverse changes in inflation and prices in the future could result in material losses.

Currency Risk

Foreign Currency Transaction Risk

Our results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates. A majority of our revenue is denominated in U.S. Dollars, and therefore, our revenue is not directly subject to foreign currency risk. However, as we have operations in foreign countries, primarily in Europe, a stronger U.S. Dollar could make our products and services more expensive in foreign countries and therefore reduce demand. A weaker U.S. Dollar could have the opposite effect. Such economic exposure to currency fluctuations is difficult to measure or predict because our sales are also influenced by many other factors.

For the three months ended March 31, 2023 and 2022, sales denominated in foreign currencies were approximately 14.9% and 14.2% of total revenue. Our expenses are generally denominated in the currencies in which our operations are located, which are primarily in the U.S. and to a lesser extent in Europe. Our results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign exchange rates. These foreign functional currencies consist of the South African Rand, British Pound Sterling, Euro, and Australian Dollar (collectively, the "Foreign Functional Currencies"). For the three months ended March 31, 2023, a hypothetical 10% change in Foreign Functional Currency exchange rates would have increased or decreased our revenue by approximately $756,831. Actual gains and losses in the future may differ materially from the hypothetical gains and losses discussed above based on changes in the timing and amount of foreign currency exchange rate movements.

Foreign Currency Translation Risk

Fluctuations in foreign currencies impact the amount of total assets, liabilities, earnings and cash flows that we report for our foreign subsidiaries upon the translation of these amounts into U.S. Dollars for, and as of the end of, each reporting period. In particular, the strengthening of the U.S. Dollar generally will reduce the reported amount of our foreign-denominated cash, cash equivalents, marketable securities, total revenues and total expense that we translate into U.S. Dollars and report in our consolidated financial statements for, and as of the end of, each reporting period.

Item 4. ***Controls and Procedures.***

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rule 13a-15(e) and 15d-15(e) promulgated under the Exchange Act, that are designed to ensure that information required to be disclosed in our reports to the SEC are recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As required by Rule 13a-15(b) promulgated under the Exchange Act, we carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2023, the end of the period covered by this report. Based on the foregoing, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of March 31, 2023.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting, as defined in Rule 13a-15(f) and 15d-15(f) promulgated under the Exchange Act, during the quarter ended March 31, 2023, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. *Legal Proceedings.*

We are, from time to time, party to various legal proceedings arising in the ordinary course of business. We are currently not party to any litigation, the outcome of which, if determined adversely to us, would individually or in the aggregate be reasonably expected to have a material and adverse effect on our business, financial position or results of operations.

Item 1A. *Risk Factors.*

As of the date of this filing, except as discussed below, there have been no material changes to the risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the SEC on March 3, 2023. There have been no material changes in our risk factors from those disclosed in "Item 1A. Risk Factors" of the Form 10-K, Form 10-Q, and other reports that we have filed with the SEC. Any of the risks discussed in such reports, as well as additional risks and uncertainties not currently known to us or that we currently deem immaterial, could materially and adversely affect our results of operations, financial condition or prospects.

We have not been in compliance with the requirements of the NASDAQ Stock Market for continued listing and if NASDAQ does not concur that we have adequately remedied our non-compliance, our common stock may be delisted from trading on NASDAQ, which could have a material adverse effect on us and our shareholders.

On March 24, 2023, the Company received a written notice from The NASDAQ Stock Market ("Nasdaq") that, because the closing bid price for the Company's common stock had fallen below $1.00 per share for 30 consecutive business days, the Company no longer complies with the minimum bid price requirement for continued listing on the Nasdaq Global Select Market.

Nasdaq's notice has no immediate effect on the listing of the Company's common stock on the Nasdaq Global Select Market. Pursuant to Nasdaq Marketplace Rule 5810(c)(3)(A), the Company has been provided an initial compliance period of 180 calendar days, or until September 20, 2023, to regain compliance with the minimum bid price requirement. To regain compliance, the closing bid price of the Company's common stock must meet or exceed $1.00 per share for a minimum of 10 consecutive business days prior to September 20, 2023.

If the Company does not regain compliance by September 20, 2023, the Company may be eligible for an additional grace period if it applies to transfer the listing of its common stock to the Nasdaq Capital Market. To qualify, the Company would be required to meet the continued listing requirement for market value of publicly held shares and all other initial listing standards for the Nasdaq Capital Market, with the exception of the minimum bid price requirement, and provide written notice of its intention to cure the minimum bid price deficiency during the second compliance period by effecting a reverse stock split if necessary. If the Nasdaq staff determines that the Company will not be able to cure the deficiency, or if the Company is otherwise not eligible for such additional compliance period, Nasdaq will provide notice that the Company's common stock will be subject to delisting. The Company would have the right to appeal a determination to delist its common stock, and the common stock would remain listed on the Nasdaq Global Select Market until the completion of the appeal process.

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

None.

Item 3. *Defaults Upon Senior Securities.*

None.

Item 4. *Mine Safety Disclosures.*

Not applicable.

Item 5. ***Other Information.***

On May 2, 2023, (1) South Ocean Funding, LLC and North Sound Ventures, LP (the “Participants”) collectively purchased a $4.0 million last-out subordinated participation interest in the Credit Agreement (the “Participation Interest”) from the Lender pursuant to a Participation Agreement between the Participants and the Lender (the “Participation Agreement”), and (2) the Borrowers entered into an amendment to the Credit Agreement which increased the borrowing base under the Credit Facility by $4.0 million, increased the minimum draw to $8.5 million, and modified certain covenants. In connection with the purchase of the Participation Interest, we agreed to pay the Participants an exit fee upon the earlier of (a) the scheduled maturity date of the Credit Agreement, (b) the termination of the Lender’s commitment to make revolving loans prior to the scheduled maturity date of the Credit Agreement, and (c) the early redemption of the Participants’ Participation Interest under the Participation Agreement (the earliest to occur of the foregoing, the “Exit Event”). The aggregate exit fee payable to the Participants is equal to (i) 7.5% of the Participation Interest, if the Exit Event occurs on or before December 31, 2023, (ii) 10.0% of the Participation interest, if the Exit Event occurs between January 1, 2024 and June 30, 2024 and (iii) 12.5% of the Participation Interest, if the Exit Events occurs after June 30, 2024. Further, the purchase of the Participation Interest granted an option for the Participants to purchase the subject revolving loan or to redeem its Participation Interest under certain circumstances. South Ocean Funding, LLC is an affiliate of Golden Harbor, Ltd. and North Sound Ventures, LP is an affiliate of North Sound Management, Inc. As of the date hereof, each of Golden Harbor, Ltd. and North Sound Management, Inc. hold in excess of 5% of the Company’s outstanding common stock. James Avery, a member of our Board of Directors, currently serves as Senior Managing Director of Tavistock Group, an affiliate of South Ocean Funding, LLC.

The foregoing summary is qualified in its entirety by the complete text of the Amendment to Loan and Security Agreement and the Exit Fee Letter Agreement, filed as Exhibits 10.2 and 10.3, respectively, to this Form 10-Q.

Item 6. ***Exhibits.***

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed November 9, 2016).
3.2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed November 9, 2016).
3.3	Certificate of Designation of Series E Fixed-Rate Cumulative Perpetual Preferred Stock filed with the Secretary of State of the State of Delaware on August 8, 2019 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed August 13, 2019).
3.4	Certificate of Amendment to Certificate of Designation of Series E Fixed-Rate Cumulative Perpetual Preferred Stock (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed March 10, 2020).
10.1	Amendment, dated as of December 15, 2022, to Loan and Security Agreement, dated as of August 5, 2022, among Siena Lending Group LLC (as Lender), Inseego Wireless, Inc., and Inseego North America LLC (as Borrowers), and Inseego Corp. (as Guarantor) (incorporated by reference to Exhibit 10.20 to the Registrant's Current Report on Form 10-K, filed on May 3, 2023)
10.2	Amendment, dated as of May 2, 2023, to Loan and Security Agreement, dated as of August 5, 2022 as amended by that certain First Amendment to Loan and Security Agreement dated as of December 15, 2022, as amended by that certain Second Amendment to Loan and Security Agreement dated as of April 28, 2023 (as may be further amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), among Siena Lending Group LLC (as Lender), Inseego Wireless, Inc., and Inseego North America LLC (as Borrowers), and Inseego Corp. (as Guarantor).
10.3	Exit Fee Letter Agreement, dated May 2, 2023, between Inseego Wireless, Inc., South Ocean Funding, LLC, and North Sound Ventures, LP.
31.1*	Certification of our Principal Executive Officer adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of our Principal Financial Officer adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1#	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2#	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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 Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).
*	Filed herewith.
#	Furnished herewith

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.

Date: May 4, 2023	Inseego Corp.	
	By:	/s/ ASHISH SHARMA **Ashish Sharma** **Chief Executive Officer**
	By:	/s/ ROBERT G. BARBIERI **Robert G. Barbieri** **Chief Financial Officer**

Exhibit 10.2
Execution Version

THIRD AMENDMENT TO LOAN AND SECURITY AGREEMENT

This THIRD AMENDMENT TO LOAN AND SECURITY AGREEMENT (this "***Amendment***"), effective as of May 2, 2023, is entered into by and among (1) Siena Lending Group LLC, together with its successors and assigns ("***Lender***"), (2) Inseego Wireless, Inc., a Delaware corporation ("***Inseego Wireless***"), and Inseego North America LLC, an Oregon limited liability company ("***Inseego North America***" and together with Inseego Wireless and any other Person who from time to time becomes a Borrower under the below defined Loan Agreement, collectively, the "***Borrowers***" and each individually, a "***Borrower***"), and (3) each of the Affiliates of the Borrowers signatory to the below defined Loan Agreement from time to time as guarantors (each a "***Guarantor***" and collectively, the "***Guarantors***"). Terms used herein without definition shall have the meanings ascribed to them in the Loan Agreement defined below.

RECITALS

A. Lender, Borrowers and Guarantors have previously entered into that certain Loan and Security Agreement dated as of August 5, 2022, as amended by that certain First Amendment to Loan and Security Agreement dated as of December 15, 2022, as amended by that certain Second Amendment to Loan and Security Agreement dated as of April 28, 2023 (as may be further amended, restated, supplemented or otherwise modified from time to time, the "***Loan Agreement***"), pursuant to which Lender has made certain loans and financial accommodations available to Borrowers.

B. On the Third Amendment Effective Date, Participant will purchase a subordinated, last out participation interest in the Revolving Loans made by Lender (or to be made by Lender from time to time) on the terms and conditions set forth in the Participation Agreement. Upon Lender's receipt of the Participation Interests Amount, Revolving Loans then outstanding up to the Participation Interests Amount shall be deemed automatically recharacterized as Participated Interests under (and as defined in) the Participant Agreement. For the avoidance of doubt, the Participation Interests Amount shall not, by itself, increase Revolving Loans outstanding on the Third Amendment Effective Date.

C. Lender and Loan Parties now wish to further amend the Loan Agreement on the terms and conditions set forth herein.

D. Loan Parties are entering into this Amendment with the understanding and agreement that, except as specifically provided herein, none of Lender's rights or remedies as set forth in the Loan Agreement or any other Loan Document is being waived or modified by the terms of this Amendment.

AGREEMENT

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

1. Amendments to Loan Agreement.

(a) Section 1.1 of the Loan Agreement is hereby amended by adding a new clause (b) to such Section immediately after the existing clause (as) to read as follows:

"(b) **Participation Interests Amount**. At all times prior to the Termination Date, the Participation Interests Amount shall be deemed as outstanding principal Revolving Loans."

(b) ***Schedule B*** to the Loan Agreement is hereby amended by amending and restating the definition of "Borrowing Base" as follows:

"***Borrowing Base***" means, as of any date of determination, the Dollar Equivalent Amount as of such date of determination of (a) the aggregate amount of Eligible Accounts multiplied by the Accounts Advance Rate (but in no event to exceed the Accounts Sublimit); ***plus*** (b) the lower of cost or market value of Eligible Inventory multiplied by the applicable Inventory Advance Rate(s), but not to exceed the Inventory Sublimit(s); ***plus*** (c) the Participation Interests Amount on such date; ***minus*** (d) all Reserves which Lender has established pursuant to Section 1.2 (including those to be established in connection with any requested Revolving Loan or Letter of Credit).

(c) ***Schedule B*** to the Loan Agreement is hereby amended by amending and restating the following defined terms, each to read as follows:

"***Fee Letter***" means that certain Amended and Restated Fee Letter, dated as of the Third Amendment Effective Date, between Borrowers and Lender, as such agreement maybe further amended, restated, supplemented or otherwise modified from time to time.

"***Qualified Cash***" means unrestricted domestic cash and Cash Equivalents of the Loan Parties held in a deposit account that is subject to a deposit account control agreement in favor of Lender. For the avoidance of doubt, the Participation Interests Amount shall not constitute Qualified Cash.

(d) ***Schedule B*** to the Loan Agreement is hereby amended by adding the following defined terms to such Schedule in their proper alphabetical order to read as follows:

"***Participant***" means South Ocean Funding, LLC and North Sound Management.

"***Participation Agreement***" means that certain Subordinated, Last-Out Participation Agreement dated as of the Third Amendment Effective Date by and among Lender and Participant, as such agreement may be amended, restated, supplemented or otherwise modified in accordance with the terms thereof.

"***Participation Interests Amount***" means, the aggregate purchase price paid by the Participant to Lender on the Third Amendment Effective Date pursuant to the terms of the Participation Agreement; *provided* that if such amount is returned to the Participant (whether through a put-right, sale, redemption transfer or any other transaction), the Participation Interest Amount shall be deemed to be $0. As of the Third Amendment Effective Date, the Dollar Value of Participation Interests is $4,000,000.

"***Third Amendment Effective Date***" means May 2, 2023.

2. Amendment Fee. In consideration of the agreements set forth herein, Borrowers hereby agree to, jointly and severally, pay to Lender an amendment fee in the amount of $50,000 (the "***Amendment Fee***"), which fee is non-refundable when paid and is fully-earned as of and due and payable on the date of this Amendment.

3. Effectiveness of this Amendment. This Amendment shall become effective as of the Third Amendment Effective Date upon the satisfaction, as determined by Lender, of the following conditions.

(a) Amendment. Lender shall have received this Amendment fully executed in a sufficient number of counterparts for distribution to all parties hereto.

(b) Amendment Fee. Lender shall have received the Amendment Fee, which may be paid as a charge to Borrowers' Loan Account.

(c) Amended and Restated Fee Letter. Lender shall have received a fully executed copy of the Amended and Restated Fee Letter, in a sufficient number of counterparts for distribution to all parties thereto.

(d) Participation Agreement. Lender shall have received a fully executed copy of the Subordinated, Last-Out Participation in a sufficient number of counterparts for distribution to all parties thereto.

(e) Participation Interests Amount. Lender shall have received $4,000,000 in immediately available funds from Participant, as payment of the purchase price for the Participation Interest (as such term is defined in the Participation Agreement).

(f) Other Required Documentation. All other documents required to be delivered by Borrowers in connection with the transactions contemplated by this Amendment shall have been delivered or executed or recorded, as reasonably required by Lender.

4. Representations and Warranties. Each Loan Party represents and warrants as follows:

(a) Authority. Such Loan Party has the requisite corporate power and authority to execute and deliver this Amendment, and to perform its obligations hereunder. The execution, delivery and performance by such Loan Party of this Amendment have been duly approved by all necessary corporate action and no other corporate proceedings are necessary to consummate such transactions.

(b) Enforceability. This Amendment has been duly executed and delivered by each Loan Party. This Amendment is the legal, valid and binding obligation of each Loan Party, enforceable against each Loan Party in accordance with its terms, and is in full force and effect.

(c) Representations and Warranties. The representations and warranties contained in the Loan Agreement and each other Loan Document (other than any such representations or warranties that, by their terms, are specifically made as of a date other than the date hereof) are correct on and as of the date hereof as though made on and as of the date hereof.

(d) Due Execution. The execution, delivery and performance of this Amendment are within the power of each Loan Party, have been duly authorized by all necessary corporate action, have received all necessary governmental approval, if any, and do not contravene any law or any contractual restrictions binding on any Loan Party.

(e) No Default. No event has occurred and is continuing that constitutes a Default or an Event of Default.

5. Choice of Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York applied to contracts to be performed wholly within the State of New York.

6. Counterparts; Facsimile Signatures. This Amendment may be executed in any number of and by different parties hereto on separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by facsimile or other similar form of electronic transmission shall be deemed to be an original signature hereto.

7. Reference to and Effect on the other Loan Documents.

(a) Upon and after the effectiveness of this Amendment, each reference in the Loan Agreement to "***this Agreement***", "***hereunder***", "***hereof***" or words of like import referring to the Loan Agreement, and each reference in the other Loan Documents to "***the Loan Agreement***", "***thereof***" or words of like import referring to the Loan Agreement, shall mean and be a reference to the Loan Agreement as modified and amended hereby.

(b) Except as specifically amended above, the Loan Agreement and all other Loan Documents, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed and shall constitute the legal, valid, binding and enforceable obligations of Borrowers to Lender.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lender under the Loan Agreement or any of the other Loan Documents, nor constitute a waiver of any provision of the Loan Agreement or any of the other Loan Documents.

(d) To the extent that any terms and conditions in any of the other Loan Documents shall contradict or be in conflict with any terms or conditions of the Loan Agreement, after giving effect to this Amendment, such terms and conditions are hereby deemed modified or amended accordingly to reflect the terms and conditions of the Loan Agreement as modified or amended hereby.

8. Integration. This Amendment, together with the Loan Agreement and the other Loan Documents, incorporates all negotiations of the parties hereto with respect to the subject matter hereof and is the final expression and agreement of the parties hereto with respect to the subject matter hereof.

9. Severability. If any part of this Amendment is contrary to, prohibited by, or deemed invalid under applicable laws, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given effect so far as possible.

10. Guarantors' Acknowledgment. With respect to the amendments to the Loan Agreement effected by this Amendment, each Guarantor hereby acknowledges and agrees to this Amendment and confirms and agrees that its Guaranty (as modified and supplemented in connection with this Amendment) is and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that, upon the effectiveness of, and on and after the date of this Amendment, each reference in such Guaranty to the Loan Agreement, "***thereunder***", "***thereof***" or words of like import referring to the Loan Agreement, shall mean and be a reference to the Loan Agreement as amended or modified by this Amendment. Although Lender has informed the Guarantors of the matters set forth above, and each Guarantor has acknowledged the same, each Guarantor understands and agrees that Lender has no duty under the Loan Agreement, any Guaranty or any other agreement with any Guarantor to so notify any Guarantor or to seek such an acknowledgement, and nothing contained herein is intended to or shall create such a duty as to any transaction hereafter.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties have entered into this Amendment as of the date first above written.

BORROWERS:

INSEEGO WIRELESS, INC.

By: Robert Barbieri
Robert Barbieri (May 2, 2023 12:08 CDT)
Name: Robert G. Barbieri
Its: President and Treasurer

INSEEGO NORTH AMERICA LLC

By: Robert Barbieri
Robert Barbieri (May 2, 2023 12:08 CDT)
Name: Robert G. Barbieri
Its: Manager

GUARANTOR:

INSEEGO CORP.

By: Robert Barbieri
Robert Barbieri (May 2, 2023 12:08 CDT)
Name: Robert G. Barbieri
Its: Chief Financial Officer

LENDER:

SIENA LENDING GROUP LLC

DocuSigned by:

Michael Zielinski

53978C13F03B43A...

By:
Name: Michael Zielinski
Its: Authorized Signatory

DocuSigned by:

Steve Sanicola

8078D06DB6CA416...

By:
Name: Steven Sanicola
Its: Authorized Signatory

Exhibit 10.3

FEE LETTER

May 2, 2023

South Ocean Funding, LLC
9350 Conroy Windermere Road
Windermere, Florida 34786
North Sound Ventures, LP 115 East Putnam Avenue
Greenwich, Connecticut 06830

Re: Fee Letter

Ladies and Gentlemen:

Reference is made to that certain Loan and Security Agreement dated as of August 5, 2022 (as the same has been or may be amended, modified, renewed, extended, replaced or substituted from time to time, the "***Loan Agreement***"), among Siena Lending Group LLC ("***Lender***"), Inseego Wireless, Inc., a Delaware corporation ("***Inseego Wireless***") and Inseego North America LLC, an Oregon limited liability company ("***Inseego North America***" and together with Inseego Wireless and any other Person who from time to time becomes a Borrower thereunder, collectively, the "***Borrowers***" and each individually, a "***Borrower***"), each of the Affiliates of the Borrowers signatory thereto from time to time as guarantors (each a "***Guarantor***" and collectively, the "***Guarantors***"), and the other loan party obligors that are party thereto from time to time. Capitalized words used, but not specifically defined, herein shall have the meaning provided for such terms in the Loan Agreement. References herein to "Sections" or "Schedules" shall be to Sections of or Schedules to the Loan Agreement unless otherwise specifically provided. References herein to "paragraphs" shall be to paragraphs of this letter agreement.

In consideration of the willingness of South Ocean Funding, LLC and North Sound Ventures, LP (collectively, the "***Last Out Lenders***" and each individually, a "***Last Out Lender***") to enter into a Subordinated, Last Out Participation Agreement (the "***Participation Agreement***"), Inseego Wireless agrees to pay to the Last Out Lenders the following fee (the "***Exit Fee***") upon the earliest of (i) Scheduled Maturity Date, (ii) the termination of Lender's commitment to make Revolving Loans prior to the Scheduled Maturity Date for any reason, or (iii) the early redemption of the Last Out Lenders' participation interests under the Participation Agreement (in each case, the "***Exit Event***") and applicable percentage of the aggregate original principal amount of the participation interest actually purchased by the Last Out Lenders pursuant to the Participation Agreement:

Date of Exit Event	**Exit Fee**
On or before December 31, 2023	7.5%
Between January 1, 2024 and June 30, 2024	10.0%
After June 30, 2024	12.5%

Nothing contained in this letter agreement shall amend, alter or change any of the terms, covenants and provisions contained in the Loan Agreement, including, without limitation, any provision governing the payment of any other fees by Borrowers to Lender and/or the Last Out Lenders. The Exit Fee shall be payable in U.S. dollars in immediately available funds to the Last Out Lenders. Once paid, the Exit Fee shall not be refundable under any circumstances.

In addition to the Exit Fee payable to the Last Out Lenders, Borrowers agree from time to time to reimburse the Last Out Lenders for all reasonable fees, costs and expenses incurred with respect to, relating to or arising in connection with the Loans, the Loan Agreement and other Loan Documents, the

Participation Agreement, the Lender, or this letter, including but not limited to the fees and costs of the Last Out Lenders' attorneys. It is understood and agreed that this letter agreement shall not constitute or give rise to any obligation by the Last Out Lenders to provide any financing. This letter agreement is binding upon Inseego Wireless and the Last Out Lenders and may not be amended or any provision hereof waived or modified, except by an instrument in writing signed by Inseego Wireless and the Last Out Lenders. This letter agreement may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. The Last Out Lenders are entitled to rely on this letter agreement in connection with their purchase of the participation interest and their entry into and execution of the Participation Agreement. Inseego Wireless shall reimburse the Last Out Lenders for all reasonable costs and expenses, including reasonable attorneys' fees and court costs, incurred in connection with the collection or enforcement of any terms of this letter agreement. Delivery of an executed counterpart of a signature page of this letter agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart of this letter agreement. **This letter agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to principles of conflicts of law (except Sections 5-1401 and 5-1402 of the New York General Obligation Law).** Any right to trial by jury with respect to any claim or action arising out of this letter agreement or conduct in connection with this letter agreement is hereby waived. The provisions of this letter agreement shall survive the expiration or termination of the Loan Agreement and Participation Agreement (including any extensions thereof).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Very truly yours,

INSEEGO WIRELESS, INC.

By: Robert Barbieri
Robert Barbieri (May 2, 2023 12:43 PDT)
Name: Robert G. Barbieri
Its: President and Treasurer

Acknowledged and agreed:

SOUTH OCEAN FUNDING, LLC

By: ______________________________

Name: James B. Avery Title: Vice President

NORTH SOUND VENTURES, LP

By: North Sound Management, Inc., as its general partner

By: __________________________

Name: Brian Miller

Title: President of the General Partner

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

Pursuant to Rule 13a-14(a) adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Ashish Sharma, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Inseego Corp.;

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 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 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: May 4, 2023

/s/ Ashish Sharma

Ashish Sharma

Chief Executive Officer
(principal executive officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

Pursuant to Rule 13a-14(a) adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Robert G. Barbieri, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Inseego Corp.;

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 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 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: May 4, 2023

/s/ Robert G. Barbieri

Robert G. Barbieri

Chief Financial Officer
(principal financial officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Ashish Sharma, Chief Executive Officer of Inseego Corp. (the "Company"), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2023 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 4, 2023

/s/ Ashish Sharma

Ashish Sharma
Chief Executive Officer
(principal executive officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Robert G. Barbieri, Chief Financial Officer of Inseego Corp. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2023 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 4, 2023

/s/ Robert G. Barbieri

Robert G. Barbieri
Chief Financial Officer
(principal financial officer)