



inseego®

2021

Annual Report

Proxy Statement | Annual Report on Form 10-K



2022 PROXY STATEMENT

AND NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

August 3, 2022



June 24, 2022

Dear Stockholder:

You are cordially invited to attend the 2022 Annual Meeting of Stockholders (the “Annual Meeting”) of Inseego Corp., a Delaware corporation (the “Company”). The Annual Meeting will be held on August 3, 2022 at 8:30 a.m. Pacific Time. Like last year, this year’s Annual Meeting will be a completely virtual meeting of stockholders, which will be conducted solely online via live webcast. You will be able to attend and participate in the Annual Meeting online, vote your shares electronically and submit your questions prior to the meeting by visiting: meetnow.global/MH5U72N at the meeting date and time described in the accompanying proxy statement. The password for the meeting is INSG2022. There is no physical location for the Annual Meeting.

We are pleased to take advantage of the Securities and Exchange Commission (the “SEC”) rule that allows companies to furnish proxy materials to their stockholders over the Internet. As a result, on or about June 24, 2022, we are mailing to most of our stockholders a Notice of Internet Availability of Proxy Materials (the “Notice”) instead of a paper copy of our proxy materials, which include our Notice of Annual Meeting of Stockholders, this proxy statement, our 2021 Annual Report on Form 10-K for the fiscal year ended December 31, 2021 (the “2021 Annual Report”), and a proxy card or voting instruction form. We believe that this process allows us to provide our stockholders with the information they need in a timely manner, while reducing the environmental impact and lowering the costs of printing and distributing our proxy materials. The Notice contains instructions on how to access those documents on the Internet. The Notice also contains instructions on how to request a paper copy of our proxy materials. All stockholders who have previously requested a paper copy of our proxy materials will continue to receive a paper copy of the proxy materials by mail.

It is important that your shares be represented at the Annual Meeting. Whether or not you plan to attend the virtual meeting, please vote online, by telephone or, if you requested printed copies of these materials, by signing and returning your proxy card. If you hold your shares through an account with a broker, dealer, bank or other nominee, please follow the instructions you receive from them to vote your shares.

We hope that you will be able to attend the Annual Meeting.

Sincerely,

A handwritten signature in black ink that reads "Ashish Sharma". The signature is written in a cursive style and is positioned above a horizontal line.

Ashish Sharma
Chief Executive Officer & President

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

- Date** August 3, 2022
- Time** 8:30 a.m., Pacific Time
- Location** The Annual Meeting will be a completely virtual meeting of stockholders, which will be conducted exclusively by webcast. No physical meeting will be held. You will be able to attend the Annual Meeting online by visiting meetnow.global/MH5U72N.
- Items of Business**
- (1) Elect one director to serve until the 2025 annual meeting of stockholders;
 - (2) Ratify the appointment of Marcum LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2022;
 - (3) Hold an advisory vote to approve the compensation of our named executive officers, as presented in the proxy statement accompanying this notice;
 - (4) Approve an amendment of the Inseego Corp. 2018 Omnibus Incentive Compensation Plan to increase the number of shares issuable under the plan by 8,000,000 shares;
 - (5) Approve an amendment and restatement of the Inseego Corp. Employee Stock Purchase Plan; and
 - (6) Transact any other business properly brought before the Annual Meeting or any adjournment or postponement thereof.
- Record Date** Close of business on June 8, 2022

Information concerning the matters to be voted upon at the Annual Meeting is set forth in the proxy statement accompanying this notice.

Your vote is very important. Whether or not you plan to attend the Annual Meeting, please vote your shares online, by telephone or, if you requested printed copies of these materials, by signing and returning your proxy card. If you hold shares through an account with a broker, dealer, bank or other nominee, please follow the instructions you receive from them to vote your shares.

By Order of the Board of Directors,



Kurt E. Scheuerman
Corporate Secretary

June 24, 2022
San Diego, California

IMPORTANT NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON AUGUST 3, 2022: The Notice of Annual Meeting of Stockholders, Proxy Statement and the Company's 2021 Annual Report are available at www.inseego.com/proxymaterials.

PROXY STATEMENT SUMMARY

This summary highlights information contained elsewhere in the Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement carefully before voting.

2022 Annual Meeting of Stockholders

Time and Date 8:30 a.m., Pacific Time on August 3, 2022

Location The Annual Meeting will be a completely virtual meeting of stockholders, which will be conducted exclusively by webcast. No physical meeting will be held. You will be able to attend the Annual Meeting online by visiting meetnow.global/MH5U72N.

Record Date Close of business on June 8, 2022

Voting Stockholders of record as of the Record Date are entitled to one vote per share on each matter to be voted upon at the Annual Meeting.

Participation You are entitled to participate in the Annual Meeting only if you were a stockholder of the Company as of the close of business on the Record Date, or if you hold a valid proxy for the Annual Meeting. No physical meeting will be held. You will be able to attend the Annual Meeting online and submit your questions prior to the meeting by visiting meetnow.global/MH5U72N. You also will be able to vote your shares online by attending the Annual Meeting by webcast. To participate in the Annual Meeting, you will need to review the information included on your Notice, on your proxy card or on the instructions that accompanied your proxy materials. The password for the meeting is INSG2022.

Voting Matters and Board Recommendations

The Board of Directors of the Company (the “Board”) is not aware of any matter that will be presented for a vote at the Annual Meeting other than those shown below.

Proposal	Board Recommendation	Page Reference
Proposal 1: Election of Directors	FOR each nominee	8
Proposal 2: Ratification of the Appointment of Marcum LLP as the Company’s Independent Registered Public Accounting Firm for the Fiscal Year Ending December 31, 2022	FOR	44
Proposal 3: Advisory Vote to Approve the Compensation of our Named Executive Officers	FOR	46
Proposal 4: Approval of the amendment of the Inseego Corp. 2018 Omnibus Incentive Compensation Plan	FOR	48
Proposal 5: Approval of the amendment and restatement of the Inseego Corp. Employee Stock Purchase Plan	FOR	56

Voting Methods

If you are a holder of record on the Record Date, you can vote your shares:



By Internet. By logging onto the secure website included on the proxy card or voting instruction form and following the instructions provided.



By Telephone. By calling the telephone number listed on the proxy card or voting instruction form and following the instructions provided by the recorded message.



By Mail. If you requested printed copies of these materials, by completing, signing, dating and promptly returning the proxy card in the postage-paid return envelope provided with the proxy materials for receipt prior to the Annual Meeting.



At the Meeting. By voting virtually at the Annual Meeting (if you satisfy the admission requirements, as described in the Proxy Statement). Even if you plan to attend the Annual Meeting virtually, we encourage you to vote in advance by Internet, telephone or mail so that your vote will be counted in the event you later decide not to attend the Annual Meeting.

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INSEEGO CORP.
9710 Scranton Road, Suite 200
San Diego, California 92121

PROXY STATEMENT

QUESTIONS AND ANSWERS ABOUT THIS PROXY STATEMENT

What is the purpose of this proxy statement?

This proxy statement (the “Proxy Statement”) is being furnished to you on behalf of the Board to solicit your proxy to vote at the Company’s Annual Meeting of Stockholders to be held on August 3, 2022, at 7:00 a.m., Pacific Time. The meeting will be held virtually via webcast. There is no physical location for the Annual Meeting.

Why did I receive a notice in the mail regarding the Internet availability of the proxy materials instead of a paper copy of the proxy materials?

As permitted by the SEC, we are making this Proxy Statement and our 2021 Annual Report available to our stockholders electronically via the Internet. On or about June 24, 2022, we are mailing to most of our stockholders the Notice in lieu of a printed copy of the proxy materials. All stockholders who have previously requested a printed copy of the Company’s proxy materials will continue to receive a printed copy of the proxy materials. All other stockholders will not receive a printed copy of the proxy materials unless one is requested.

Who is entitled to vote at the Annual Meeting?

Holders of record of our common stock as of the close of business on June 8, 2022 (the “Record Date”), are entitled to notice of, and to vote at, the Annual Meeting. If your shares of common stock were registered directly in your name with our transfer agent, Computershare Trust Company, at the close of business on the Record Date, then you are a holder of record and are entitled to notice of, and to vote at, the Annual Meeting. If your shares were not directly held in your name, but were held through an account with a broker, dealer, bank or other nominee at the close of business on the Record Date, then your shares are held in “street name” and the organization holding your account is considered the holder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to instruct your broker, dealer, bank or other nominee on how to vote your shares and are invited to attend the Annual Meeting. However, since you are not the holder of record, you may not vote your shares at the Annual Meeting unless you request and obtain a valid proxy from your broker, dealer, bank or other nominee.

What matters will be considered at the Annual Meeting?

At the Annual Meeting, our stockholders will be asked to:

- (1) Elect one director to serve until the 2024 annual meeting of stockholders;
- (2) Ratify the appointment of Marcum LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2022;
- (3) Hold an advisory vote to approve the compensation of our named executive officers, as presented in this Proxy Statement;
- (4) Approve an amendment of the Inseego Corp. 2018 Omnibus Incentive Compensation Plan (the "Incentive Plan") to increase the number of shares issuable under the Incentive Plan by 8,000,000 shares;
- (5) Approve an amendment and restatement of the Inseego Corp. Employee Stock Purchase Plan, (the "ESPP") to, among other things, increase the number of shares issuable under the ESPP by 1,250,000 shares; and
- (6) Transact any other business properly brought before the Annual Meeting or any adjournment or postponement thereof.

What are the Board's recommendations on how I should vote my shares?

Proposal	Board Recommendation	Page Reference
Proposal 1: Election of Directors	FOR the nominee	8
Proposal 2: Ratification of the Appointment of Marcum LLP as the Company's Independent Registered Public Accounting Firm for the Fiscal Year Ending December 31, 2022	FOR	44
Proposal 3: Advisory Vote to Approve the Compensation of our Named Executive Officers	FOR	46
Proposal 4: Approval of the amendment of the Incentive Plan	FOR	48
Proposal 5: Approval of the amendment and restatement of the ESPP	FOR	[]

How many votes do I have?

Each holder of record as of the Record Date is entitled to one vote for each share of common stock held by such holder on the Record Date. As of the close of business on June 8, 2022, 107,624,671 shares of common stock were outstanding and entitled to vote at the Annual Meeting.

How do I cast my vote?

If you are a holder of record on the Record Date, you can vote your shares:



At the Meeting. By voting virtually at the Annual Meeting (if you satisfy the admission requirements, as described in this Proxy Statement). Even if you plan to attend the Annual Meeting virtually, we encourage you to vote in advance by Internet, telephone or mail so that your vote will be counted in the event you later decide not to attend the Annual Meeting.



By Telephone. By calling the telephone number listed on the proxy card or voting instruction form and following the instructions provided by the recorded message.



By Internet. By logging onto the secure website listed on the proxy card or voting instruction form and following the instructions provided.



By Mail. If you requested printed copies of these materials, by completing, signing, dating and promptly returning the proxy card in the postage-paid return envelope provided with the proxy materials for receipt prior to the Annual Meeting.

If you submit a valid proxy to us before the Annual Meeting, we will vote your shares as you direct (unless your proxy is subsequently revoked in the manner described below).

If your shares are held in “street name,” your broker, dealer, bank or other nominee will provide you with instructions on how to vote your shares. To be sure your shares are voted in the manner you desire, you should instruct your broker, dealer, bank or other nominee on how to vote your shares.

Instructing your broker, dealer, bank or other nominee how to vote your shares is important due to the stock exchange rule that prohibits your broker, dealer, bank or other nominee from voting your shares with respect to certain proposals without your express voting instructions.

If you hold your shares in “street name” and wish to attend the Annual Meeting and vote your shares virtually, you must obtain a valid proxy from your broker, dealer, bank or other nominee.

How can I attend the Annual Meeting?

The Annual Meeting will be a completely virtual meeting of stockholders, which will be conducted exclusively by webcast. You are entitled to participate in the Annual Meeting only if you were a stockholder of the Company as of the close of business on the Record Date, or if you hold a valid proxy for the Annual Meeting. No physical meeting will be held.

You will be able to attend the Annual Meeting online and submit your questions during the meeting by visiting meetnow.global/MH5U72N. You also will be able to vote your shares online by attending the Annual Meeting by webcast.

To participate in the Annual Meeting, you will need to review the information included on your Notice, on your proxy card or on the instructions that accompanied your proxy materials. The password for the meeting is INSG2022.

If you hold your shares through an intermediary, such as a broker, dealer, bank or other nominee you must register in advance using the instructions below.

The online meeting will begin promptly at 7:00 a.m., Pacific Time. We encourage you to access the meeting prior to the start time leaving ample time for the check in. Please follow the registration instructions as outlined in this proxy statement.

How do I register to attend the Annual Meeting virtually on the Internet?

If you are a registered stockholder (i.e., you hold your shares through our transfer agent, Computershare), you do not need to register to attend the Annual Meeting virtually on the Internet. Please follow the instructions on the notice or proxy card that you received.

If you hold your shares through an intermediary, such as a broker, dealer, bank or other nominee you must register in advance to attend the Annual Meeting virtually on the Internet.

To register to attend the Annual Meeting online by webcast you must submit proof of your proxy power (legal proxy) reflecting your Inseego holdings along with your name and email address to Computershare. Requests for registration must be labeled as “Legal Proxy” and be received no later than 5:00 p.m., Eastern Time, on July 26, 2022.

You will receive a confirmation of your registration by email after we receive your registration materials.

Requests for registration should be directed to Computershare using one of the following methods:

By email

Forward the email from your broker, or attach an image of your legal proxy, to legalproxy@computershare.com.

By mail

Computershare
Inseego Legal Proxy
P.O. Box 43001
Providence, RI 02940-3001

Can I revoke my proxy?

Yes. However, your presence at the Annual Meeting will not automatically revoke your proxy. If you are a registered stockholder, you may change or revoke your proxy during the Annual Meeting by attending the Annual Meeting and voting during the live webcast or in advance of the Annual Meeting by executing and forwarding to the Company’s Secretary a later-dated proxy or by voting a later proxy over the telephone or the Internet. If your shares are held in “street name,” you should check with the broker, dealer, bank or other nominee that holds your shares to determine how to change or revoke your vote.

What if I return a signed proxy card but do not provide voting instructions?

All properly submitted proxies, unless revoked in the manner described above, will be voted at the Annual Meeting in accordance with your instructions on the proxy. If a properly executed proxy gives no specific voting instructions, the shares of common stock represented by such proxy will be voted:

- **FOR** the election of the two director nominees to serve until the 2024 annual meeting of stockholders;
- **FOR** the ratification of the appointment of Marcum LLP as the Company’s independent registered public accounting firm for the fiscal year ended December 31, 2022;
- **FOR** the approval of the compensation of our named executive officers, as presented in this Proxy Statement;
- **FOR** the approval of the amendment to the Incentive Plan;
- **FOR** the approval of the amendment and restatement to the ESPP; and

- at the discretion of the proxy holders with respect to any other matter that is properly presented at the Annual Meeting.

What will constitute a quorum at the Annual Meeting?

Holders of a majority of the shares of our outstanding common stock entitled to vote at the Annual Meeting must be present at the Annual Meeting, virtually or by proxy, to constitute a quorum, which is necessary to conduct the Annual Meeting. Your shares will be counted toward the quorum if you submit a properly executed proxy or are present and vote at the Annual Meeting. In addition, votes withheld from the director nominees, abstentions and broker non-votes will be treated as present for the purpose of determining the presence of a quorum for the transaction of business at the Annual Meeting. A broker non-vote occurs when a broker, dealer, bank or other nominee holding shares for a beneficial owner submits a proxy for a meeting but does not vote on a particular proposal because that holder does not have discretionary voting power with respect to that proposal and has not received instructions from the beneficial owner. If there is no quorum, then either the chairman of the meeting or the holders of a majority in voting power of the shares of common stock that are entitled to vote at the meeting, present virtually or by proxy, may adjourn the meeting until a quorum is present or represented.

How many votes are required to approve each proposal?

Proposal 1. Assuming that a quorum is present, each director will be elected by a plurality of the votes cast by holders of shares of our outstanding common stock present, virtually or by proxy, and entitled to vote at the Annual Meeting. This means that nominees with the most “FOR” votes will be elected. Shares subject to a “WITHHOLD” vote will have no effect on the election’s outcome, because the candidates who receive the highest number of “FOR” votes are elected, and when candidates run unopposed, they only need a single “FOR” vote to be elected. However, under our Corporate Governance Guidelines, in an uncontested election, the Board will nominate for election or re-election as a director only candidates who agree to tender, prior to being nominated, irrevocable resignations that will be effective if such director nominee receives more “WITHHOLD” votes than “FOR” votes at the Annual Meeting. If a director nominee receives more “WITHHOLD” votes than “FOR” votes at the Annual Meeting, the remaining Board members will determine whether to accept the resignation. See *Corporate Governance — Plurality Plus Voting for Directors; Director Resignation Policy* below. Broker non-votes will have no effect on Proposal 1.

Proposal 2. Assuming that a quorum is present, the ratification of the appointment of Marcum LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2022 will require the affirmative vote of the holders of a majority of the shares of our outstanding common stock present, virtually or by proxy, and entitled to vote at the Annual Meeting. Abstentions will have the same effect as votes against Proposal 2. Proposal 2 is considered a routine matter under applicable rules. A broker, dealer, bank or other nominee may generally vote on routine matters, and therefore no broker non-votes are expected in connection with Proposal 2.

Proposal 3. Assuming that a quorum is present, the advisory vote to approve the compensation of our named executive officers, as presented in this Proxy Statement, will require the affirmative vote of the holders of a majority of the shares of our outstanding common stock present, virtually or by proxy, and entitled to vote at the Annual Meeting. Abstentions will have the same effect as votes against Proposal 3. Broker non-votes will have no effect on Proposal 3.

Proposal 4. Assuming that a quorum is present, the approval of the amendment of the Incentive Plan to increase the number of shares issuable under the Incentive Plan by 8,000,000 shares will require the affirmative vote of the holders of a majority of the shares of our outstanding common stock present, virtually or by proxy, and entitled to vote at the Annual Meeting. Abstentions will have the same effect as votes against Proposal 4. Broker non-votes will have no effect on Proposal 4.

Proposal 5. Assuming that a quorum is present, the approval of the amendment and restatement of the ESPP to, among other things, increase the number of shares issuable under the ESPP by 1,250,000 shares will require the affirmative vote of the holders of a majority of the shares of our outstanding common stock present, virtually or by proxy, and entitled to vote at the Annual Meeting. Abstentions will have the same effect as votes against Proposal 5. Broker non-votes will have no effect on Proposal 5.

What happens when multiple stockholders share an address?

A number of brokers with account holders who are stockholders of the Company will be “householding” our proxy materials. A single copy of the proxy materials will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that they will be “householding” communications to your address, “householding” will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in “householding” and would prefer to receive a separate copy of the proxy materials, please notify your broker and direct a written request to Inseego Corp., 9710 Scranton Road, Suite 200, San Diego, California 92121, Attention: Secretary, or contact the Company’s Secretary by telephone at (858) 812-3400. Stockholders who currently receive multiple copies of the proxy materials at their address and would like to request “householding” of future communications should contact their broker. In addition, upon written or oral request to the address or telephone number set forth above, we will promptly deliver a separate copy of the proxy materials to any stockholder at a shared address to which a single copy of the documents was delivered.

What does it mean if I received more than one proxy card?

If you requested printed copies of these materials and you received more than one proxy card, your shares are likely registered in more than one name or are held in more than one account. Please complete, sign, date and promptly return each proxy card to ensure that all of your shares are voted.

Where else are the proxy materials available?

Our Notice of Annual Meeting of Stockholders, this Proxy Statement, the 2021 Annual Report and related materials are available for your review at www.inseego.com/proxymaterials.

Who will bear the costs of soliciting votes for the Annual Meeting?

Our Board is soliciting the accompanying proxy, and the Company will pay the entire cost of preparing, assembling, printing, mailing and distributing these proxy materials and soliciting votes. We may reimburse brokerage firms, custodians, nominees, fiduciaries and other persons representing beneficial owners for their reasonable expenses in forwarding solicitation material to such beneficial owners. Our directors, officers and employees may also solicit proxies virtually or by other means of communication. Such directors, officers and employees will not be additionally compensated but may be reimbursed for reasonable out-of-pocket expenses in connection with such solicitation.

Where can I find the voting results of the Annual Meeting?

The preliminary voting results will be announced at the Annual Meeting. The final voting results will be reported in a current report on Form 8-K, which will be filed with the SEC within four business days after the Annual Meeting. If our final voting results are not available within four business days after the Annual Meeting, we will file a current report on Form 8-K reporting the preliminary voting results and subsequently file the final voting results in an amendment to the current report on Form 8-K within four business days after the final voting results are known to us.

IMPORTANT NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON AUGUST 3, 2022: The Notice of Annual Meeting of Stockholders, this Proxy Statement and the 2021 Annual Report are available at www.inseego.com/proxymaterials.

PROPOSAL 1: ELECTION OF DIRECTORS

The Board is divided into three classes. Each class consists, as nearly as possible, of one-third of the total number of directors constituting the entire Board, and each class has a three-year term. At each annual meeting of stockholders, the successors to directors whose terms then expire will be elected to serve from the time of their election and qualification until the third annual meeting of stockholders following such election. There are currently six directors serving on the Board and two directors whose terms of office are scheduled to expire at the upcoming Annual Meeting. Dan Mondor, our Executive Chairman, has decided not to stand for re-election at the Annual Meeting. Accordingly, effective as of the Annual Meeting, the size of the Board will be reduced to five and one nominee will be submitted for reelection at the Annual Meeting.

The Nominating and Corporate Governance Committee of our Board (the “Nominating and Corporate Governance Committee”) has recommended that Stephanie Bowers be elected to serve a three-year term expiring at the 2025 annual meeting of stockholders. Ms. Bowers is an incumbent director, and no arrangement or understanding exists between her and any other person, pursuant to which she was selected as a director nominee.

Assuming that a quorum is present, directors are elected by a plurality of the votes cast by holders of shares of our outstanding common stock present, virtually or by proxy, and entitled to vote at the Annual Meeting. In accordance with our Corporate Governance Guidelines, director nominees agree to tender an irrevocable resignation that will be effective only if such director nominee receives more “WITHHOLD” votes than “FOR” votes at the Annual Meeting. If a director nominee receives more “WITHHOLD” votes than “FOR” votes at the Annual Meeting, the remaining Board members will determine whether to accept the resignation. Broker non-votes will have no effect on this proposal. Proxies cannot be voted for a greater number of persons than two, the number of nominees named above.

This section contains information about the director nominee and the directors whose terms of office continue after the Annual Meeting.

Nominee to be Elected for a Term Expiring at the 2025 Annual Meeting of Stockholders

Stephanie Bowers

Director since June 2021

Ms. Bowers, age 42, was appointed to the Board in June 2021. Ms. Bowers has two decades of U.S. government experience at the White House and with the U.S. Department of State. Ms. Bowers led the U.S. Embassy in The Bahamas as Chargé d’Affaires from 2018 to 2020. Prior to that, Ms. Bowers held senior positions in both Democratic and Republican administrations, including serving as chief of staff for the Western Hemisphere at the State Department from 2016 to 2018, as Deputy Director of Central America Affairs at the State Department from 2015 to 2016 and as a National Security Council Director at the White House from 2013 to 2014. Her previous foreign service experience includes acting as an Economic Officer in South Africa and Spain and overseeing some of the U.S. government’s largest foreign assistance initiatives and budgets, including in the Middle East and throughout the Americas and the Caribbean.

Ms. Bowers received bachelor degrees in International Affairs and French Language and Literature from The George Washington University. She received a Master of Science degree in National Security Strategy from the National War College, where she was named Distinguished Graduate. Ms. Bowers’ substantial experience in international relations and government affairs provide valuable perspective and expertise as a member of our Board. Ms. Bowers’ term as a director will expire at the 2022 annual meeting of stockholders of the Company.

Directors with Terms Expiring at the 2023 Annual Meeting of Stockholders

James B. Avery

Director since August 2018

Mr. Avery, age 58, was appointed to the Board in August 2018 pursuant to the terms of that certain Securities Purchase Agreement, dated August 6, 2018, by and among the Company, North Sound Trading, L.P. and Golden Harbor Ltd. (the “Purchase Agreement Mr. Avery joined Tavistock Group in July 2014 and is currently a Senior Managing Director. From 2003 to June 2014, Mr. Avery was a Managing Director and Co-Founder of GCA Savvian, a boutique investment bank, in addition to holding the position of Representative Director for GCA Corporation, GCA Savvian’s parent company publicly traded on the Tokyo Stock Exchange. Prior to GCA Savvian, Mr. Avery spent 10 years at Morgan Stanley, working in the New York and Silicon Valley offices where he advised clients across a number of industries on strategic, merger & acquisitions and capital market transactions. Mr. Avery has also held roles at Edward M. Greenberg Associates, Burson-Marsteller, Westdeutsche Landesbank, and Republic National Bank of New York. Mr. Avery is currently a member of the board of directors of FrontWell Capital Partners. Mr. Avery received his Bachelor of Science in Finance from Miami University. Mr. Avery’s management background and expertise in strategic corporate matters and capital markets provide a valuable background for him to serve as a member of our Board, as Chairman of our Nominating and Corporate Governance Committee, and as a member of the Compensation Committee of the Board (the “Compensation Committee”) and the Audit Committee of the Board (the “Audit Committee”). Mr. Avery’s term as a director will expire at the 2023 annual meeting of stockholders of the Company.

Jeffrey Tudor

Director since June 2017

Mr. Tudor, age 49, was appointed to the Board in June 2017. Mr. Tudor is the Founder and Managing Member of Tremson Capital Management, LLC since April 2015. Mr. Tudor is also Chief Executive Officer of Concord Acquisition Corp. Prior to founding Tremson, he held investment roles at KSA Capital Management, LLC from 2012 until April 2015 and at JHL Capital Group, LLC during 2011. From 2007 until 2010, Mr. Tudor was a Managing Director of CapitalSource Finance, LLC, where he analyzed and underwrote special situation credit investments in the leveraged loan and securitized bond markets. From 2005 until 2007, Mr. Tudor was a member of the private

equity investment team at Fortress Investment Group, LLC. Mr. Tuder began his career in various investment capacities at Nassau Capital, a private investment firm that managed the private portion of Princeton University's endowment and ABS Capital Partners, a private equity firm affiliated with Alex Brown & Sons. Mr. Tuder currently serves on the board of directors of SeaChange International Inc. (NASDAQ: SEAC) and Unico American. (NASDAQ: UNAM). Mr. Tuder previously served on the board of directors of MRV Communications, Inc., a communications equipment and services company, until August 2017 prior to its sale to Adva Optical Networking. Mr. Tuder also serves as a director of a number of privately held companies. Mr. Tuder received a Bachelor of Arts degree from Yale College. Mr. Tuder's private equity and hedge fund investment experience, his expertise in evaluating both public and private investment opportunities across numerous industries, and his ability to think creatively in considering ways to maximize long-term shareholder value provide a valuable background for him to serve as a member of our Board, as Chair of our Audit Committee, Chair of the Compensation Committee, and as a member of the Nominating and Corporate Governance Committee. Mr. Tuder's term as a director will expire at the 2023 annual meeting of stockholders of the Company.

Directors with Terms Expiring at the 2024 Annual Meeting of Stockholders

Christopher Harland

Director since October 2019

Mr. Harland, age 64, was appointed to the Board in October 2019. Mr. Harland is a Partner in the Strategic Advisory Group at PJT Partners, based in New York. Prior to joining PJT Partners, Mr. Harland spent 32 years at Morgan Stanley. From 2008 to March 2015, Mr. Harland served as Chairman and Regional Head of Morgan Stanley Latin America and was also a member of the Management Committee and International Operating Committee. Under his leadership, Morgan Stanley significantly expanded the scope of its operations in Brazil and Mexico and opened new offices in Peru, Colombia and Chile. Before assuming responsibility for Latin America, Mr. Harland was Global Head of the Media and Communications Investment Banking Group from 1996 to 2007. In this capacity he advised many leading media and communications companies on a variety of acquisitions, divestitures and corporate financings. He is a trustee of the New York Studio School, a director of Round Hill Developments and a member of the Council on Foreign Relations. Mr. Harland graduated magna cum laude from Harvard College, attended Oxford University and received a Master of Business Administration from Harvard Business School where he was a George F. Baker Scholar. Mr. Harland's experience with international expansion and expertise in capital markets provide a valuable background for him to serve as a member of our Board, and as a member of the Audit Committee. Mr. Harland's term as a director will expire at the 2024 annual meeting of stockholders of the Company.

Christopher Lytle

Director since October 2020

Mr. Lytle, age 52, was appointed to the Board in October 2020. Mr. Lytle has been president of Longfellow Capital, a private investment firm, since January 2009. He served in a consulting capacity as the Company's Head of Government Affairs from April 2020 to October 2020 and has been providing strategic consulting services to the Company since 2018. Mr. Lytle previously served as the Company's Chief Strategy Officer and Executive Vice President of Enterprise SaaS Solutions from August 2017 to October 2018. Prior to joining the Company, Mr. Lytle was President of Cavulus, a privately-held SaaS-based technology provider in the healthcare industry. Before joining Cavulus, Mr. Lytle was a Managing Director at Morgan Stanley from July 2006 to December 2008 and previously was Lead Portfolio Manager of RCL Capital, a hedge fund focused on small and mid-cap telecom and wireless technology businesses from July 2006 to December 2008. He also recently became Chairman of Prolifiq, a leading cloud-native provider of sales- enablement applications to Salesforce customers. Mr. Lytle holds a Bachelor of Arts degree in Economics from Lafayette College. Mr. Lytle's knowledge of the Company and experience with enterprise SaaS software solutions provide valuable background for him to serve as a member of our Board. Mr. Lytle's term as a director will expire at the 2024 annual meeting of stockholders of the Company.

In the vote on the election of each director nominee, stockholders may:

- Vote **FOR** the nominee; or
- **WITHHOLD** authority to vote for the nominee.



THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THE ELECTION OF EACH OF THE ABOVE-NAMED DIRECTOR NOMINEES.

CORPORATE GOVERNANCE

Director Independence

Under the NASDAQ listing requirements, a majority of the members of our Board must be independent. The Board has determined that Ms. Bowers and Messrs. Avery, Harland and Tuder, are each “independent” of the Company and management within the meaning of the NASDAQ listing requirements. Mr. Lytle is not “independent” under the NASDAQ listing requirements because he is a former employee of and consultant to the Company.

Director Nominations

Qualifications. The Nominating and Corporate Governance Committee considers a number of factors in its evaluation of director candidates, including the members of the Board eligible for re-election. These factors include relevant business experience, expertise, character, judgment, length of potential service, diversity, independence, other commitments and the current needs of the Board and its committees. In the case of incumbent directors, the Nominating and Corporate Governance Committee also considers a director’s overall service to the Company during his or her term, including the number of meetings attended, level of participation and quality of performance.

While the Nominating and Corporate Governance Committee has not established specific criteria related to a director candidate’s education, experience level or skills, it expects qualified candidates will have appropriate experience and a proven record of business success and leadership.

Diversity. The Nominating and Corporate Governance Committee believes the Board should be comprised of a diverse group of individuals with significant and relevant senior management and leadership experience, an understanding of technology relevant to the Company and its business, a long-term and strategic perspective and the ability to advance constructive debate and a global perspective. The Nominating and Corporate Governance Committee believes in seeking nominees who contribute to the diversity of the Board, considered from a number of aspects, including but not limited to gender, age, race, ethnicity, nationality, cultural background, education, professional experience, skills, and industry knowledge.

Our Corporate Governance Guidelines provide that in any formal search for Board candidates, the Nominating and Corporate Governance Committee should request that any search firm that it engages include qualified candidates that would contribute to the diversity of the Board (taking into account the current composition of the Board) in the initial pool from which the committee selects director candidates.

Retirement Policy. The Nominating and Corporate Governance Committee has adopted a retirement policy that provides that a non-management director will not be nominated for a term that would begin after such director’s 72nd birthday. The policy enables the Board to approve the nomination of a non-management director after the age of 72 if, due to special or unique circumstances, it is in the best interest of the Company and its stockholders that such director continue to be nominated for re-election to the Board.

Stockholder Recommendations and Nominations. The Nominating and Corporate Governance Committee considers recommendations of potential director candidates from stockholders based on the same criteria as a candidate identified by an individual director or the Nominating and Corporate Governance Committee.

In order to nominate a person for election at our next annual meeting of stockholders, a stockholder must provide timely notice in proper form and delivered to, or mailed and received at, the principal executive offices of the Company not earlier than the 120th day nor later than the close of business on the 90th day prior to the one-year anniversary of the preceding year’s annual meeting; provided, however, that if the date of the annual meeting of

stockholders is more than 30 days before or more than 60 days after such anniversary date, the recommendation must be delivered, or mailed and received, not earlier than the close of business on the 120th day prior to such annual meeting of stockholders and not later than the close of business on the 90th day prior to such annual meeting of stockholders or, if later, the 10th day following the day on which public disclosure of the date of such annual meeting of stockholders was first made. A stockholder's notice recommending a candidate must include the following:

- As to each Nominating Person (as defined below):
 - (i) the name and address of such Nominating Person (including, if applicable, the name and address that appear on the Company's books and records); and
 - (ii) the class or series and number of shares of the Company's common stock that are, directly or indirectly, owned of record or beneficially owned (within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (as so amended and inclusive of such rules and regulations, the "Exchange Act")) by such Nominating Person;
- As to each Nominating Person, any Disclosable Interests (as defined in Section 5(c)(ii) of the Amended and Restated Bylaws of the Company (the "Bylaws"));
- As to each Nominating Person:
 - (i) a representation that the Nominating Person is a holder of record of stock of the Company entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose the recommendation; and
 - (ii) a representation as to whether the Nominating Person intends or is part of a group which intends (1) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Company's outstanding capital stock required to approve or adopt the recommendation and/or (2) otherwise to solicit proxies or votes from stockholders in support of the recommendation; and
- As to each person whom a Nominating Person proposes to nominate for election as a director:
 - (i) all information relating to such proposed nominee that is required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14(a) under the Exchange Act (including such proposed nominee's written consent to being named in the proxy statement as a nominee and to serving as a director if elected);
 - (ii) a description of all direct and indirect compensation and other material agreements, arrangements, and understandings during the past three years, and any other material relationships, between or among any Nominating Person, on the one hand, and each proposed nominee, his or her respective associates or any other participants in such solicitation, and any other persons with whom such proposed nominee (or any of his or her respective associates or other participants in such solicitation) is Acting in Concert (as defined in Section 5(c) of the Bylaws), on the other hand; and
 - (iii) a completed and signed questionnaire, representation, and agreement as provided in Section 6(h) of the Bylaws.

For purposes of this Proxy Statement, the term “Nominating Person” shall mean:

- (i) the stockholder providing the notice of the nomination proposed to be made at the meeting;
- (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the nomination proposed to be made at the meeting is made;
- (iii) any participant with such stockholder or beneficial owner in such solicitation or associate of such stockholder or beneficial owner; and
- (iv) any other person with whom such stockholder or such beneficial owner (or any of their respective associates or other participants in such solicitation) is Acting in Concert (as defined in Section 5(c) of the Bylaws).

The Nominating Person’s notice must be signed and delivered to the following address:

Inseego Corp.
c/o Secretary
9710 Scranton Road, Suite 200
San Diego, California 92121

Plurality Plus Voting for Directors; Director Resignation Policy

Our Corporate Governance Guidelines contain a “plurality plus” voting standard for the election of directors. Pursuant to our Bylaws, directors are elected by a plurality of the votes cast at a meeting of stockholders. However, the “plurality plus” voting standard provides that, in an uncontested election (that is, an election where the number of persons properly nominated to serve as directors does not exceed the number of directors to be elected), the Board will nominate for election or re-election as a director only candidates who agree to tender, prior to being nominated, irrevocable resignations that will be effective if (i) the candidate receives more “WITHHOLD” votes than “FOR” votes at an annual meeting at which they are elected, and (ii) the Board accepts the resignation.

If a director receives more “WITHHOLD” votes than “FOR” votes at an annual meeting at which he or she is elected, the Nominating and Corporate Governance Committee will act on an expedited basis to consider whether the Board should accept or reject such director’s resignation and will submit a recommendation to the Board for prompt consideration by the Board. The Nominating and Corporate Governance Committee will consider all factors deemed relevant by the members of such committee when considering whether the Board should accept or reject such director’s resignation. The Board then is required to act on the committee’s recommendation no later than ninety (90) days after certification of stockholder vote for the election, provided that the period may be extended by an additional ninety (90) days if the Board determines that such an extension is in the best interest of the Company and its stockholders. A director whose resignation is under consideration is expected to abstain from any decisions by either the Nominating and Corporate Governance Committee or the Board regarding such director’s resignation.

Following the Board’s decision, we will promptly disclose the Board’s decision to accept or reject the resignation by filing a Current Report on Form 8-K, including a full explanation of the process by which the decision was reached and, if applicable, the reasons for rejecting the tendered resignation.

Code of Conduct and Ethics

The Board has adopted a Code of Conduct and Ethics that is applicable to all of our directors, officers and employees. The purpose of the Code of Conduct and Ethics is to, among other things, focus our directors, officers and employees on areas of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report concerns regarding possible unethical or unlawful conduct and to help enhance and formalize our culture of integrity, respect and accountability. We distribute copies of the Code of Conduct and Ethics

to, and conduct periodic training sessions regarding its content for, our newly elected directors and newly hired officers and employees. We will post information regarding any amendment to, or waiver from, our Code of Conduct and Ethics on our website as required by applicable law. A copy of our Code of Conduct and Ethics is available on our website at *investor.inseego.com* under “Corporate Governance”.

Anti-hedging and Pledging Policy

The Company’s Insider Trading Policy prohibits any pledging or hedging activities in the Company’s stock by the Company’s executive officers, members of the Board and certain other Company employees. The prohibited activities include any pledge of Company stock as well as transactions such as short sales, puts or calls.

Communications with the Board

Stockholders and other interested parties may communicate with the Board, the non-management directors or specific directors by mail addressed to:

Inseego Corp.
c/o Secretary
9710 Scranton Road, Suite 200
San Diego, California 92121

The communication should clearly indicate whether it is intended for the Board, the non-management directors or a specific director. Our Secretary will review all communications and will, on a periodic basis, forward all communications to the appropriate director or directors, other than those communications that are merely solicitations for products or services or that relate to matters that are clearly improper or irrelevant to the functioning of the Board.

INFORMATION REGARDING THE BOARD AND ITS COMMITTEES

The Board currently consists of five members. The Board is divided into three classes with each class serving a three-year term. The term of one class expires at each annual meeting of stockholders of the Company.

There are no family relationships among any of our directors and/or executive officers. There are currently no legal proceedings, and during the past 10 years there have been no legal proceedings, that are material to the evaluation of the ability or integrity of any of our directors.

Board Meetings and Director Attendance

Each director is expected to devote sufficient time, energy and attention to ensure diligent performance of his duties and to attend all meetings of the Board and the committees on which he serves. In 2021, the Board met five times and each incumbent Board member attended at least 75% of the meetings of the Board and the committees on which he served during the period for which he was a director or committee member.

Annual Meeting of Stockholders

While we encourage our directors to attend our annual meetings of stockholders, we do not have a formal policy regarding their attendance. All of our then-current directors attended the 2021 annual meeting of stockholders.

Board Committees

The Board currently has three standing committees: an Audit Committee; a Compensation Committee; and a Nominating and Corporate Governance Committee. Each committee operates under a written charter adopted by the Board. All of the charters are publicly available on our website at investor.inseego.com under "Corporate Governance." You may also obtain a copy of these charters by sending a written request to our Secretary at our principal executive offices.

Upon the recommendation of the Nominating and Corporate Governance Committee, the Board appoints committee members annually. The table below sets forth the current composition of our Board committees:

Name	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
James B. Avery	✓	✓	<input checked="" type="checkbox"/>
Stephanie Bowers			✓
Christopher Harland	✓		
Jeffrey Tudor	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	✓

Chair ✓ Member

Audit Committee

The Audit Committee oversees our accounting and financial reporting processes and the audits of our financial statements and internal control over financial reporting.

The functions and responsibilities of the Audit Committee include:

- engaging our independent registered public accounting firm and conducting an annual review of the independence of that firm;

- reviewing with management and the independent registered public accounting firm the scope and the planning of the annual audit;
- reviewing the annual audited financial statements and quarterly unaudited financial statements with management and the independent registered public accounting firm;
- reviewing the findings and recommendations of the independent registered public accounting firm and management's response to the recommendations of that firm;
- discussing with management and the independent registered public accounting firm, as appropriate, the Company's policies with respect to financial risk assessment and financial risk management;
- overseeing compliance with applicable legal and regulatory requirements, including ethical business standards;
- establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- establishing procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters;
- preparing the Audit Committee Report to be included in our annual proxy statement;
- monitoring ethical compliance, including review of related party transactions; and
- periodically reviewing the adequacy of the Audit Committee charter.

In 2021, the Audit Committee met four times.

Our independent registered public accounting firm reports directly to the Audit Committee. Each member of the Audit Committee must have the ability to read and understand fundamental financial statements and at least one member must have past employment experience in finance or accounting, and the requisite professional certification in accounting or another comparable experience or background. The Board has determined that each member of the Audit Committee is "independent" as defined by the NASDAQ listing requirements and SEC rules. The Board has also determined that Mr. Tuder, the Chair of the Audit Committee, meets the requirements of an "audit committee financial expert" as defined by SEC rules.

Compensation Committee

The Compensation Committee establishes, administers and oversees compliance with our policies, programs and procedures for compensating our executive officers and the Board.

The functions and responsibilities of the Compensation Committee include:

- establishing and reviewing our general compensation policies and levels of compensation applicable to our executive officers and our non-management directors;
- evaluating the performance of, and determining the compensation for, our executive officers, including our Chief Executive Officer;
- reviewing regional and industry-wide compensation practices in order to assess the adequacy and competitiveness of our executive compensation programs;
- administering our employee benefits plans, including approving awards of stock, restricted stock units ("RSUs") and stock options to employees and other parties under our equity incentive compensation plans; and

- periodically reviewing the adequacy of the Compensation Committee charter.

In 2021, the Compensation Committee met six times. The Board has determined that each member of the Compensation Committee is “independent” as defined by the NASDAQ listing requirements and SEC rules.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee considers, evaluates and nominates director candidates, including the members of the Board eligible for re-election and the recommendations of potential director candidates from stockholders.

The functions and responsibilities of the Nominating and Corporate Governance Committee include:

- developing and recommending a set of corporate governance guidelines applicable to the Company;
- identifying and evaluating candidates to serve on the Board, including determining whether incumbent directors should be nominated for re-election to the Board, and reviewing and evaluating director nominees submitted by stockholders;
- reviewing possible conflicts of interest of prospective Board members;
- recommending director nominees;
- establishing procedures and guidelines for individuals to be considered to become directors;
- recommending the appropriate size and composition of the Board and each of its committees;
- overseeing periodic evaluations of the performance of the Board, the Board committees and the directors;
- monitoring the continued legal compliance of our established principles and policies; and
- periodically reviewing the adequacy of the Nominating and Corporate Governance Committee charter.

In 2021, the Nominating and Corporate Governance Committee met four times. The Board has determined that each member of the Nominating and Corporate Governance Committee is “independent” as defined by the NASDAQ listing requirements.

Board Leadership Structure

Our Board is currently chaired by Dan Mondor who is currently our Executive Chairman and served as our Chief Executive Officer until February 2022. Mr. Mondor has decided not to stand for re-election the Annual Meeting. Accordingly, his term will expire at the Annual Meeting, at which time he will cease serving as an employee and as member of the Board. The Board intends to appoint an independent director to serve as Chairman of the Board following the Annual Meeting.

Advisory Board

In 2021, the Board established an Advisory Board to enhance the Company’s strategic development, acquire additional expertise of industry leaders, and enable former members of the Board or the Company’s management to continue to make significant contributions to the Company. One of our former directors, Brian Miller, currently serves as a member of the Advisory Board.

Board’s Role in Risk Oversight

The Board plays an active role in the Company’s risk oversight and is responsible for overseeing the processes established to report and monitor systems that mitigate material risks applicable to the Company. The Board

delegates certain risk management responsibilities to the committees of the Board. The Audit Committee reviews and discusses with management the Company's policies regarding risk assessment and risk management and the Company's significant financial risk exposures and the actions that management has taken to limit, monitor or control those exposures. The Compensation Committee reviews the compensation of the Company's executive officers at least annually and considers the design of compensation programs and arrangements and potential risks presented thereby. The Nominating and Corporate Governance Committee considers potential risks presented by corporate governance issues affecting the Company and makes recommendations to the Board as appropriate. Each of these committees regularly reports to the Board on matters that involve the specific areas of risk that each committee oversees. The Board also receives regular reports on the Company's risk management from senior representatives of the Company's independent registered public accounting firm.

Compensation Committee Interlocks and Insider Participation

Messrs. Avery and Tudor served on our Compensation Committee during 2021. None of the members of our Compensation Committee during 2021 has ever been one of our officers or employees. None of our executive officers currently serves, or has served during the last completed fiscal year, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our Board or Compensation Committee.

Director Compensation

We use a combination of cash and equity-based incentive compensation to attract and retain qualified candidates to serve on the Board. Upon the recommendation of the Compensation Committee, the Board makes all compensation decisions for our non-management directors. In recommending director compensation, the Compensation Committee considers, among other things, the amount of time required of directors to fulfill their duties. A director who is also an employee of the Company does not receive additional compensation for serving as a director.

Cash Compensation. The Board has approved the following components of the annual cash retainer fee to our non-management directors for Board and Board committee service in 2021 (which amounts are prorated for directors who only served for a portion of the year):

	Chair	Member
Board of Directors	\$ 80,000 ⁽¹⁾	\$ 40,000
Audit Committee	\$ 20,000	\$ 10,000
Compensation Committee	\$ 14,000	\$ 6,000
Nominating and Corporate Governance Committee	\$ 10,000	\$ 5,000

(1) As our Chief Executive Officer and Executive Chairman, Mr. Mondor did not receive retainers for his service on the Board. Mr. Mondor's term is expiring at the Annual Meeting, at which time he will cease serving as an employee and as member of the Board. The Board intends to appoint Mr. Avery to serve as Chairman of the Board following the Annual Meeting.

Equity-Based Compensation. The Board approved the following components for equity compensation to be awarded to each non-management director of the Company for fiscal 2021.

- An initial equity award upon joining the Board in the form of RSUs with an economic value of \$145,000. The RSUs vest in three equal annual installments beginning with the first anniversary of the grant date.

- Thereafter, an annual equity award in the form of RSUs with an economic value of \$125,000 that vests in full on the first anniversary of the grant date.

Based on the foregoing policy, the Compensation Committee awarded non-management directors 6,242 RSUs in May 2021 as compensation for Board service from February 2020 to February 2021, and 14,221 RSUs in July 2021 for Board service from July 2021 until the 2022 annual meeting of stockholders. The non-management directors will be eligible for annual awards during 2022 as described above.

Director Compensation Table. The table below summarizes the compensation paid to our non-management directors for service on the Board for the fiscal year ended December 31, 2021. In addition to the payments below, the Company reimburses directors for reasonable out-of-pocket expenses incurred in connection with attending Board and Board committee meetings.

Name	Fees Earned		All Other Compensation (\$)	Total (\$)
	in Cash (\$)	Stock Awards (\$) ⁽¹⁾⁽²⁾		
James B. Avery ⁽³⁾	56,000	176,936	–	255,936
Stephanie Bowers ⁽⁴⁾	14,835	262,385 ⁽⁵⁾	–	277,220
Christopher Harland	50,000	176,936	–	226,936
Christopher Lytle	40,000	176,936	–	216,936
Brian Miller ⁽⁶⁾	20,833	–	–	20,833
Jeffrey Tudor	79,000	176,936	–	255,936

- (1) Represents the aggregate grant date fair value of the equity awards granted in 2021 as computed in accordance with Accounting Standards Codification (“ASC”) Topic 718, excluding the effect of estimated forfeitures. Assumptions used in the calculation of these amounts are included in Note 9, *Share-based Compensation*, in the 2021 Annual Report.
- (2) The following table shows, for each of our non-management directors, the aggregate number of shares subject to stock and option awards outstanding as of December 31, 2021.

Name	Stock Awards (#)	Option Awards (#)
James B. Avery (issued to Tavistock Financial LLC)	14,221	–
Stephanie Bowers	28,070	–
Christopher Harland	22,555	–
Christopher Lytle	24,810	–
Brian Miller	–	–
Jeffrey Tudor	14,221	56,912

- (3) As required by the terms of his employment with Tavistock Financial, LLC, all cash director fees earned by Mr. Avery are paid to Tavistock Foundation, Inc., a non-profit incorporated and existing under the laws of the State of Florida, and all equity awards to which he would be entitled for service as a director of the Company are issued to Tavistock Financial LLC.
- (4) Ms. Bowers was appointed to the Board effective as of June 15, 2021.
- (5) Includes both the initial grant made to Ms. Bowers with three-year vesting and an annual grant.
- (6) Mr. Miller resigned from the Board effective March 1, 2021.

INFORMATION REGARDING OUR EXECUTIVE OFFICERS

The following table sets forth certain information with respect to our current executive officers:

<u>Executive</u>	<u>Age</u>	<u>Title</u>
Ashish Sharma	49	Chief Executive Officer & President
Robert Barbieri	66	Chief Financial Officer
Doug Kahn	63	Executive Vice President of Operations

Ashish Sharma has served as the Company's Chief Executive Officer and President since March 2022. He previously served as the Company's President from June 2021 to March 2022 and as President of IoT & Mobile Solutions from February 2020 to June 2021. Prior to that, he had served as the Company's Executive Vice President IoT & Mobile Solutions since joining the Company in September 2017. Prior to joining the Company, Mr. Sharma was Chief Marketing Officer at Spectralink Corporation, a provider of enterprise grade mobile solutions, from December 2015 to September 2017. Prior to that, Mr. Sharma served as Senior Vice President and General Manager, Americas for Graymatics, Inc. a cognitive media processing company, from January 2015 to December 2015 and as Chief Marketing Officer at FreeWave Technologies, an industrial wireless networking company, from November 2010 to January 2015. Mr. Sharma holds a Bachelor of Science in Electrical Engineering from the University of District of Columbia, a Master of Science in Electrical Engineering from George Mason University and a Master of Business Administration from the UCLA Anderson School of Management in Finance, Marketing and Strategy.

Robert Barbieri has served as the Company's Chief Financial Officer since October 2021, and served as the Company's interim Chief Financial Officer from April 2021 to October 2021. He was a Partner with TechCXO, LLC ("TechCXO"), a professional services firm that provides experienced, C-Suite professionals to deliver strategic and functional consulting services, from 2019 to 2021. Before joining TechCXO, Mr. Barbieri led his own firm, CxO Advisory Services, which provided similar strategic and functional consulting services, from 2010 to 2019. Mr. Barbieri has more than 30 years of experience as a senior executive, strategic partner, and management advisor. Mr. Barbieri has served in senior financial leadership positions with a number of companies, including Chief Financial Officer at ABILITY Network, Inc., a leading healthcare technology company; Chief Financial Officer at Converge One, a leader in telecommunication technology; Executive Vice President and Chief Financial Officer at TriZetto, a publicly traded healthcare IT company; Chief Financial Officer at Textura, a cloud collaboration company; Chief Financial Officer at Apogee Enterprises, a publicly traded glass and coatings technologies company; Chief Financial and Performance Officer at Lawson Software, Inc., a publicly traded international technology, software and e-commerce solution company; and a senior executive with Air Products, a global manufacturing and services company. Mr. Barbieri is a Certified Management Accountant and holds both a Bachelor of Science in Business Administration and Accounting and a Master of Business Administration in Financial Management from Drexel University.

Doug Kahn joined the Company in February 2019 as Executive Vice President of Operations. Prior to joining the Company, Mr. Kahn was Vice President of Global Supply Chain at Vispero, Inc., a provider of assistive technology solutions for the visually impaired, from 2018 to 2019. Mr. Kahn was Executive Vice President of Global Operations and Customer Support for Tintri, Inc., a virtualized storage company from 2014 to 2018. Prior to that, he was Vice President of Global Purchasing and Vice President of Operations for TomTom International BV, a global GPS company, from 2012 to 2014. Mr. Kahn has held several additional leadership roles in all major supply chain

functions, including Vice President of Supply Chain and IT for Synaptics Inc. Earlier in his career, Mr. Kahn spent 17 years with Hewlett Packard in roles of increasing responsibility in Supply Chain Development and Operations. Mr. Kahn earned a Bachelor of Art from the University of California, Berkeley, a Master of Science in Geophysics and an Master of Business Administration in finance and statistics from the University of Chicago.

There are no family relationships among any of our executive officers and/or directors. There are currently no legal proceedings, and during the past 10 years there have been no legal proceedings, that are material to the evaluation of the ability or integrity of any of our current executive officers.

COMPENSATION OF NAMED EXECUTIVE OFFICERS

Compensation Discussion and Analysis for Named Executive Officers

The following Compensation Discussion and Analysis describes the material elements of compensation for the Company's named executive officers, which consist of: (1) our former Chief Executive Officer, (2) our President and Chief Executive Officer, (3) our Chief Financial Officer, (4) our Executive Vice President of Operations, (5) our former Chief Financial Officer, and (6) our Vice President and Corporate Controller, who served as our principal financial officer and principal accounting officer for a portion of 2021.

Objectives of Compensation Program

The primary objectives of the Company's compensation program, including our executive compensation program, are to maintain a pay-for-performance compensation program that will fairly compensate our executives and employees, attract and retain qualified executives and employees who are able to contribute to our long-term success, induce performance consistent with clearly defined corporate goals and align our executives' long-term interests with those of our stockholders. To that end, the Company's compensation practices are intended to:

- provide overall compensation (assuming that targeted levels of performance are achieved) that is sufficient to attract and retain executives and key employees;
- tie total compensation to Company performance and individual performance in achieving financial and non-financial objectives; and
- closely align senior management's interests with stockholders' interests through long-term equity incentive compensation.

How the Compensation Committee Determines the Forms and Amounts of Compensation

The Compensation Committee structures our compensation programs and establishes compensation levels for our executives and senior officers. The Compensation Committee annually determines the compensation levels for our executive officers by considering several factors, including competitive market data, each executive officer's roles and responsibilities, how the executive officer is performing those responsibilities and our historical financial performance.

The Compensation Committee considers the recommendations from our Chief Executive Officer in determining executive compensation. In making his recommendations, the Chief Executive Officer receives input from our Human Resources Department.

The Compensation Committee makes all decisions for the total direct compensation, which includes base salary, bonus compensation based upon annual incentive goals and objectives and long-term stock-based awards, of the Company's executive officers and other members of the Company's senior management team, including the named executive officers.

The Compensation Committee engages independent compensation consultants from time-to-time to assist the Compensation Committee in its duties, including providing advice regarding industry trends relating to the form and amount of compensation provided to executives by companies with which we

compete for executive talent and other similarly situated companies. The Compensation Committee retained Compensia during 2021 to provide competitive compensation data and analysis. The Compensation Committee considers available market data as one factor in making executive compensation decisions, but has not adopted a specific benchmark or peer group as a guideline in its determination of compensation.

The Compensation Committee annually reviews and approves corporate goals and objectives relevant to the Chief Executive Officer's compensation, evaluates the Chief Executive Officer's performance in light of those goals and objectives, and determines the Chief Executive Officer's compensation levels based on this evaluation. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee considers corporate performance, the impact of incentive awards on the Chief Executive Officer's total compensation and the awards given to the Chief Executive Officer in past years. For the other named executive officers, the Compensation Committee receives a performance assessment and compensation recommendation from the Chief Executive Officer and also exercises its judgment based on the Board's interactions with the named executive officers. As with the Chief Executive Officer, the performance evaluation of these executives is based on his or her contributions to the Company's performance and other leadership accomplishments.

Components of Executive Compensation

The elements of the Company's compensation program are base salaries, bonus compensation based upon incentive goals and objectives and stock-based equity awards. Our compensation program is designed to balance our need to provide our named executive officers with incentives to achieve our short- and long-term performance goals with the need to pay competitive base salaries. There is no pre-established policy for allocating between cash and non-cash or short-term or long-term compensation. Each named executive officer's current and prior compensation is considered in setting future compensation.

Base Salaries. Base salary is the guaranteed element of employees' annual cash compensation. Base salaries are generally based on relative responsibility and are targeted to provide competitive guaranteed cash compensation. The value of base salary reflects the employee's long-term performance, skill set and the market value of that skill set. Base salaries for our named executive officers are reviewed on an annual basis and adjustments are made to reflect performance-based factors, as well as competitive conditions. The Company does not apply specific formulas to determine increases. In setting base salaries, the Compensation Committee considers the following factors:

- The Company's overall financial condition;
- Internal relativity, meaning the relative pay differences for different job levels;
- Individual performance;
- Overall economic conditions and market factors; and
- Consideration of the mix of overall compensation.

In June 2021, the Compensation Committee increased the base salary of Mr. Sharma in connection with his promotion to President of Inseego Corp. Mr. Sharma's base salary was again increased in March 2022 in connection with his appointment as Chief Executive Officer. These decisions were based upon Mr. Sharma's increase in responsibilities, salary history and internal relativity.

In June 2021, the Compensation Committee also increased the base salary of Mr. Kahn based upon his individual performance contributions, salary history and internal relativity, as well as consideration of overall market conditions.

Mr. Barbieri's 2021 base salary was established in October 2021 at the time of his commencement of employment with us based on the Compensation Committee's consideration of the factors described above.

The fiscal 2021 base salaries for each of the named executive officers are shown in the following table.

Name	2021 Base Salary ⁽¹⁾
Ashish Sharma	\$ 400,000
Robert Barbieri	\$ 400,000
Doug Kahn	\$ 325,000
Dan Mondor	\$ 550,000
Craig Foster	\$ 375,000
Wei Ding	\$ 250,000

(1) Reflects base salaries effective December 31, 2021.

Annual Incentive Bonuses

The Company believes that as an employee's level of responsibility increases, a greater portion of the individual's cash compensation should be variable and linked to both quantitative and qualitative expectations, including key financial, operational and strategic metrics. To that end, the Company awards annual bonuses in order to align employees' goals with the Company's financial, strategic and tactical objectives for the current year.

Executive Bonuses for 2021. For 2021, the Compensation Committee established the Senior Management Bonus Program for the year ended December 31, 2021 (the "2021 Bonus Program"). Under the 2021 Bonus Program, bonus target amounts, expressed as a percentage of base salary, were established for participants. Bonus payouts for the year were then determined by (a) the achievement by the Company of certain financial goals and/or targets set forth in the 2021 Bonus Program related to the Company's revenue performance and cash flow; and (b) each participating employee's individual performance. Satisfactory individual performance is a condition to payment.

The Compensation Committee considered the following when establishing the awards for 2021:

- *Bonus Targets.* Target bonuses are expressed as a percentage of the participant's base salary earned during the plan year. Bonus targets were based on job responsibilities and internal relativity. Consistent with the Company's executive compensation policy, individuals with greater job responsibilities had a greater proportion of their total compensation tied to Company

performance in the 2021 Bonus Program. With the exception of Mr. Mondor, bonus targets for the named executive officers were unchanged for 2021 compared to prior years. Prior to 2021, Mr. Mondor had an annual target bonus equal to 65% of his annual base salary. In addition, he had the potential to receive up to an additional 65% of his base salary (for an aggregate annual bonus of up to 130% of his annual base salary) upon the achievement of certain “stretch goals” established by the Compensation Committee from time-to-time. For 2021, Mr. Mondor’s target bonus was set at 130% based upon the same goals as applicable to the rest of the management team. The schedule below shows the target incentives for the 2021 awards for each of the named executive officers as a percentage of 2021 base salary:

Name	Target Bonus		2021 Bonus
	% of Salary	Dollars	Earned ⁽¹⁾
Ashish Sharma	50%	\$ 200,000	\$ 270,000
Robert Barbieri	50%	\$ 200,000	\$ 225,000
Doug Kahn	40%	\$ 120,000	\$ 200,000
Dan Mondor	130%	\$ 715,000	\$ 950,000
Craig Foster	50%	\$ 187,500	\$ 63,094 ⁽²⁾
Wei Ding	25%	\$ 62,500	\$ 110,000

- (1) Bonuses were paid in March 2022 in the form of fully vested shares based upon Company and individual performance during 2021, except for Mr. Foster, who received a cash payment. Represents the aggregate bonus amount payable to each named executive officer, which is also the grant date fair value of the fully vested shares granted in satisfaction of such bonuses as computed in accordance with ASC Topic 718, excluding the effect of estimated forfeitures.
- (2) For Mr. Foster, the 2021 bonus award is pro-rated to reflect the portion of the year for which he was employed.
- *Company performance measures.* For all participants in the 2021 Bonus Program, including the named executive officers, the Compensation Committee established performance measures based upon total revenue, cash flow and specific product line revenues. Payouts could range from zero to 160% of target depending on the Company’s performance. The bonuses earned by the named executive officers for 2021 relating to corporate performance were 135% of target as a result of achieving sales in excess of the established target for 2021.
 - *Personal performance.* Based on individual performance, the Compensation Committee uses its discretion to adjust bonus payouts – either up or down – to reflect the individual performance of each named executive officer during the year.

Long-Term Incentives. Long-term incentive awards are a key element of the Company’s total compensation package for the named executive officers. We also have adopted an equity incentive approach intended to reward longer-term performance and to help align the interest of our named executive officers with those of our stockholders. We believe that long-term performance is achieved through an ownership culture that rewards performance by our named executive officers through the use of equity incentives. Our equity incentive plans have been established to provide our employees, including our named executive officers, with incentives to help align those employees’ interests with the interests of our stockholders. Our equity incentive plans have provided the principal method for our named executive officers to acquire equity interests in the Company.

The size and terms of the awards for an individual recipient will depend upon the level of responsibility of the recipient; the expected future contributions to the growth and development of the Company; the value of past service; and the number of options and restricted shares owned by other executives in comparable positions within the Company. The Company's 2018 Omnibus Incentive Compensation Plan provides for a variety of long-term awards including stock options, restricted stock, restricted share units and performance awards.

Stock Options and RSU Awards

The Compensation Committee continually evaluates its equity compensation program to determine whether to issue either restricted stock units ("RSUs"), stock options or a combination thereof. In making such determinations, the Compensation Committee considers the accounting treatment, the retention and the number of shares available for grant under the Company's equity incentive plan and the potential dilutive impact on the Company's stockholders.

The Compensation Committee primarily relies on stock options as the main equity vehicle for our named executive officers. Stock options provide for financial gain derived from the potential appreciation in stock price from the date that the option is granted until the date that the option is exercised. The grant date is established when the Compensation Committee approves the grant and all key terms have been determined. The exercise price of stock option grants is set at the fair market value on the date of grant, which is the closing price on the NASDAQ Stock Market. Under the stockholder-approved 2018 Omnibus Incentive Compensation Plan, the Company may not grant stock options at a discount to the fair market value or reduce the exercise price of outstanding options, except with the approval of the stockholders or except in the case of a stock split or other similar event. The Company does not grant stock options with "reload" features and it does not loan funds to employees to enable them to exercise stock options.

From time to time, our Compensation Committee may also issue RSUs to our named executive officers. RSUs are generally less dilutive to our stockholders, as fewer shares of our common stock are granted to achieve an equivalent value relative to stock options, and because RSU awards are an effective retention tool that maintain value even in cases where the share price is trading lower than the initial grant price.

The equity awards granted to our named executive officers during 2021 are reflected in the "Grants of Plan-Based Awards Table" below.

Other Elements of Compensation

Perquisites and Other Benefits. The Company does not provide significant perquisites or personal benefits to our named executive officers. Our named executive officers are eligible to participate in our health and welfare plans to the same extent as all full-time employees generally.

Retirement Plans. We currently maintain a 401(k) retirement savings plan that allows eligible employees to defer a portion of their compensation, within limits prescribed by the Internal Revenue Code, on a pre-tax or after-tax basis through contributions to the plan. Our named executive officers are eligible to participate in the 401(k) plan on the same terms as other full-time employees generally. Currently, we match contributions made by participants in the 401(k) plan at \$0.50 for each \$1.00 contributed, up to 6% of an employee's eligible compensation. We believe that providing a vehicle for retirement savings through our 401(k) plan adds to the overall desirability of our executive compensation package and further incentivizes our employees, including our named executive officers, in accordance with our compensation policies.

Severance and Change-in-Control Arrangements

We generally enter into offer letters, rather than formal employment agreements, with our named executive officers. The letters set forth the initial salary and bonus terms for each named executive officer. The current base salaries and bonus targets for the named executive officers are set forth above.

In addition, each of the named executive officers (other than Ms. Ding), as well as certain other key employees, is a party to an change in control and severance agreement with the Company. The principal purpose of the agreements is to protect the Company from certain business risks (e.g., threats from loss of confidentiality or trade secrets, disparagement, solicitation of customers and employees) and to define the Company's right to terminate the employment relationship. In return, the executive officers are provided assurances with regard to salary and other compensation and benefits, as well as certain severance benefits.

For a description of these agreements and the severance benefits provided under these arrangements, see *–Potential Payments Upon Termination or Change-in-Control– Severance Agreements*.

2021 Say-On-Pay Vote

At our 2021 annual meeting of stockholders, our stockholders approved, on a non-binding, advisory basis, the compensation paid to our named executive officers described in our 2021 proxy statement. Approximately 94% of the votes cast on the matter were voted in favor of this “say-on-pay” approval. The Board and the Compensation Committee considered the voting results and high level of stockholder support when establishing our executive compensation programs for fiscal 2022.

Clawback Guidelines

Our Corporate Governance Guidelines provide that in the event of any accounting restatement of the financial statements of the Company, the Board will review the incentive compensation and awards made to the executive officers based on the financial results during the period covered by the restatement and, in appropriate circumstances and to the extent permitted by applicable law and the Company's policies and plans, seek to recover or cancel the portion of any such compensation or awards in excess of what would have been received under the restated financial statements. Among the key factors that the Board will consider in determining whether seeking recovery is appropriate is whether the executive officer engaged in fraud or willful misconduct that resulted in the need for a restatement.

Tax Considerations

Section 162(m) of the Internal Revenue Code generally prohibits a publicly-held company from deducting compensation paid to a current or former named executive officer that exceeds \$1 million during the tax year. Certain awards granted before November 2, 2017 that were based upon attaining pre-established performance measures that were set by the Compensation Committee under a plan approved by our stockholders, as well as amounts payable to former executives pursuant to a written binding contract that was in effect on November 2, 2017, may qualify for an exception to the \$1 million deductibility limit.

The Compensation Committee notes this deductibility limitation as one of the factors in its consideration of compensation matters. However, the Compensation Committee generally has the

flexibility to take any compensation-related actions that it determines are in the Company's and its stockholders' best interest, including designing and awarding compensation for our executive officers that is not fully deductible for tax purposes.

Stock Ownership Requirements

The Board has historically encouraged its members and members of senior management to acquire and maintain stock in the Company to link the interests of such persons to the stockholders. However, neither the Board nor the Compensation Committee has established stock ownership guidelines for members of the Board or the executive officers of the Company.

Securities Trading Policy/Hedging Prohibition

Officers and other employees may not engage in any transaction in which they may profit from short-term speculative swings in the value of the Company's securities. This includes "short sales" (selling borrowed securities which the seller hopes can be purchased at a lower price in the future) or "short sales against the box" (selling owned, but not delivered securities), "put" and "call" options (publicly available rights to sell or buy securities within a certain period of time at a specified price) and hedging transactions, such as zero-cost collars and forward sale contracts. In addition, this policy is designed to ensure compliance with all insider trading rules.

Indemnification Agreements

The Company has entered into indemnification agreements with each of its directors and executive officers (each, an "Indemnitee"). In general, the indemnification agreements provide that, subject to certain limitations, the Company will indemnify and hold harmless each Indemnitee against all expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by such Indemnitee or on such Indemnitee's behalf, in connection with certain pending, completed or threatened proceedings, as defined in the indemnification agreements, if the Indemnitee acted in good faith and reasonably in the best interests of the Company and, with respect to any criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

Risk Assessment of Compensation Program

In April 2022, management assessed our compensation program for the purpose of reviewing and considering any risks presented by our compensation policies and practices that are reasonably likely to have a material adverse effect on us. As part of that assessment, management reviewed the primary elements of our compensation program, including base salary, short-term incentive compensation and long-term incentive compensation. Management's risk assessment included a review of the overall design of each primary element of our compensation program, and an analysis of the various design features, controls and approval rights in place with respect to compensation paid to management and other employees that mitigate potential risks to us that could arise from our compensation program. Following the assessment, management determined that our compensation policies and practices did not create risks that were reasonably likely to have a material adverse effect on us and reported the results of the assessment to our compensation committee.

Compensation Committee Report

The Compensation Committee of our Board of Directors has submitted the following report for inclusion in this proxy statement:

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis set forth above. Based on such review and discussions, the Compensation Committee has recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Annual Report on Form 10-K for the year ended December 31, 2021 and this Proxy Statement, filed by us with the SEC.

This report of the Compensation Committee is not “soliciting material,” shall not be deemed “filed” with the SEC and shall not be incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under such acts.

The foregoing report has been furnished by the Compensation Committee.

Respectfully submitted,

The Compensation Committee of the Board of Directors
Jeffrey Tuder (Chairman)
James B. Avery

Summary Compensation Table

The following table sets forth information regarding the compensation of our named executive officers for the years ended December 31, 2021, 2020 and 2019.

Name and Principal Position	Year	Salary (\$)	Bonus (\$) ⁽¹⁾	Stock Awards (\$) ⁽²⁾	Option Awards (\$) ⁽²⁾	All Other Compensation (\$) ⁽³⁾	Total (\$)
Ashish Sharma	2021	388,128	175,056 ⁽⁴⁾	–	2,415,000	9,626	2,987,810
Chief Executive Officer & President	2020	317,153	81,985 ⁽⁵⁾	–	1,415,375	7,929	1,822,442
Robert Barbieri ⁽⁶⁾	2021	69,231	–	–	2,456,250	405,694 ⁽⁷⁾	2,931,175
Chief Financial Officer							
Doug Kahn	2021	311,762	182,597 ⁽⁴⁾	282,600	857,650	8,228	1,642,837
Executive Vice President, Operations	2020	299,776	66,480 ⁽⁵⁾	–	272,295	8,250	646,801
Dan Mondor	2021	550,411	469,333 ⁽⁴⁾	–	4,830,000	12,750	5,862,494
Former Chief Executive Officer	2020	549,589	199,522 ⁽⁵⁾	–	–	75,251	824,362
	2019	550,000	563,251 ⁽⁸⁾	–	–	99,331	1,212,582
Craig Foster ⁽⁹⁾	2021	115,485	84,162	–	–	187,500	387,147
Former Chief Financial Officer	2020	141,907	–	399,995	2,380,540	–	2,922,442
Wei Ding ⁽¹⁰⁾	2021	250,000	–	117,680	–	3,243	370,923
Former Vice President and Corporate Controller							

(1) Represents bonus payments made for performance during the applicable year. Bonus payments were made through an award of fully vested shares under the 2018 Omnibus Incentive Compensation Plan, except for Mr. Foster’s bonus for 2021, which was paid in cash. The number of RSUs issued was determined by dividing the amount of the bonus award by the 5-day weighted average sales price for the Company’s common

stock. Represents the aggregate grant date fair value of the shares issued in the respective fiscal year as computed in accordance with ASC Topic 718, excluding the effect of estimated forfeitures. Assumptions used in the calculation of these amounts are included in Note 9, *Share-based Compensation*, in the 2021 Annual Report.

- (2) Represents the aggregate grant date fair value of the stock and option awards granted in the respective fiscal year as computed in accordance with ASC Topic 718, excluding the effect of estimated forfeitures. Assumptions used in the calculation of these amounts are included in Note 9, *Share-based Compensation*, in the 2021 Annual Report.
- (3) See the *All Other Compensation* table below for additional information.
- (4) Represents a bonus payment made during fiscal 2021 based on individual and Company performance during 2020.
- (5) Represents a bonus payment made during fiscal 2020 based on individual and Company performance during 2019.
- (6) Mr. Barbieri joined as the Company's permanent Chief Financial Officer starting October 25, 2021.
- (7) Mr. Barbieri served on a consulting basis as Interim Chief Financial Officer from March 2021 to October 2021 and amounts reflect compensation paid to the consulting firm, TechCXO, LLC, for Mr. Barbieri's services.
- (8) Represents a bonus payment made during fiscal 2019 based on individual and Company performance during 2018.
- (9) Mr. Foster served as the Company's Chief Financial Officer from August 14, 2020 through April 5, 2021.
- (10) Ms. Ding served as the Company's principal financial officer and principal accounting officer from April 5, 2021 to October 25, 2021. Ms. Ding is no longer employed by the Company.

All Other Compensation

The following table sets forth information concerning *All Other Compensation* in the table above:

Name	Year	401(k) Employer Match (\$)	Other Compensation (\$)	Total (\$)
Ashish Sharma	2021	9,626	–	9,626
	2020	7,929	–	7,929
Robert Barbieri	2021	–	405,694 ⁽¹⁾	405,694
Doug Kahn	2021	8,228	–	8,228
	2020	8,250	–	8,880
Dan Mondor	2021	12,750	–	12,750
	2020	8,550	66,701 ⁽²⁾	75,251
	2019	8,400	90,931 ⁽²⁾	99,331
Craig Foster	2021	–	187,500 ⁽³⁾	187,500
	2020	–	–	–
Wei Ding	2021	3,243	–	3,243

- (1) Represents compensation paid to TechCXO, LLC for consulting services provided by Mr. Barbieri as interim Chief Financial Officer.
- (2) Represents a living expense allowance plus tax gross-up.
- (3) Represents severance pay.

Grants of Plan-Based Awards

The table below sets forth information on grants of options, stock awards and other plan-based awards to the named executive officers in 2021. Mr. Foster did not receive equity awards during 2021.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Option (#)	Exercise or Base Price of Option Awards (\$/share)	Grant Date Fair Value of Stock and Option Awards (\$)(1)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)				
Mr. Sharma	3/9/2021	-	-	-	-	-	-	17,062 ⁽²⁾	-	-	175,056
	6/6/2021	-	-	-	-	-	-	-	250,000 ⁽³⁾	\$ 9.66	2,415,000
Mr. Barbieri	10/25/2021	-	-	-	-	-	-	-	375,000 ⁽³⁾	6.55	2,456,250
Mr. Kahn	3/9/2021	-	-	-	-	-	-	17,797 ⁽²⁾	-	-	182,597
	6/30/2021	-	-	-	-	-	-	-	45,000 ⁽³⁾	\$ 10.09	857,650
	12/15/2021	-	-	-	-	-	-	45,000 ⁽⁴⁾	-	-	282,600
Mr. Mondor	3/9/2021	-	-	-	-	-	-	45,744 ⁽²⁾	-	-	469,333
	6/6/2021	-	-	-	-	-	-	-	500,000 ⁽⁵⁾	\$ 9.66	4,830,000
Mr. Foster	3/9/2021	-	-	-	-	-	-	8,203 ⁽²⁾	-	-	84,162
Ms. Ding	5/7/2021	-	-	-	-	-	-	5,000 ⁽⁴⁾	-	-	41,600
	10/27/2021	-	-	-	-	-	-	12,000 ⁽⁴⁾	-	-	76,080

- (1) Represents the aggregate grant date fair value of the stock and option awards granted in the respective fiscal year as computed in accordance with ASC Topic 718, excluding the effect of estimated forfeitures. Assumptions used in the calculation of these amounts are included in Note 9, *Share-based Compensation*, in the 2021 Annual Report.
- (2) Bonuses paid in March 2021 in the form of immediately vesting RSUs, based upon Company and individual performance during 2020. For Mr. Foster, the bonus award was pro-rated to reflect the portion of the year for which he was employed.
- (3) Represents stock options that are scheduled to vest over a four-year period, with one-fourth vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the fourth anniversary of the grant date.
- (4) Represents RSU awards. RSUs are scheduled to vest over a four-year period, with one-fourth vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the fourth anniversary of the grant date.
- (5) Represents stock options that are scheduled to vest over a three-year period, with one-third vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the third anniversary of the grant date.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information regarding the stock options and RSUs held by our named executive officers that were outstanding at December 31, 2021. Mr. Foster did not hold any outstanding equity awards at December 31, 2021.

Name	Grant Date	Option Awards				Stock Awards	
		Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#) ⁽¹⁾	Option Exercise Price (\$)	Option Expiration Date	Number of shares of stock that have not vested (#) ⁽²⁾	Market value of shares of stock that have not vested (\$) ⁽³⁾
Ashish Sharma	6/6/2021	–	250,000	9.66	6/6/2031		
	2/5/2020	114,583	135,417	7.70	2/5/2030		
	7/30/2018	213,542	36,458	1.80	7/30/2028		
	9/25/2017	150,000	–	1.38	9/25/2027		
Robert Barbieri	10/25/2021	–	375,000	6.55	10/25/2031		
Doug Kahn	12/15/2021					45,000	262,350
	06/30/2021	–	85,000	10.09	06/30/2031		
	7/29/2020	8,854	16,146	13.72	7/29/2030		
	10/4/2019	10,416	22,917	4.78	10/4/2029		
	2/13/2019	41,667	58,333	4.84	2/13/2029		
Dan Mondor	6/6/2021	–	500,000 ⁽⁴⁾	9.66	6/6/2031		
	6/6/2018	1,250,000	–	2.00	6/6/2028		
	6/6/2017	600,000	–	0.94	6/6/2027		
Wei Ding	10/27/2021					12,000	69,960
	11/09/2020					15,000	87,450

- (1) Unless otherwise indicated, stock options are scheduled to vest over a four-year period, with one-fourth vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the fourth anniversary of the grant date.
- (2) Represents RSU awards. RSUs are scheduled to vest over a four-year period, with one-fourth vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the fourth anniversary of the grant date.
- (3) Calculated based on the closing price per share of our common stock on December 31, 2021 (\$5.83).
- (4) Stock options are scheduled to vest over a three-year period, with one-third vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the third anniversary of the grant date.

Option Exercises and Stock Vested

The following table sets forth information regarding option exercises and stock awards that vested during 2021 with respect to our named executive officers.

Name and Position	Option Awards		Stock Awards	
	Number of Shares Acquired On Exercise (#)	Value Realized on Exercise (\$)(1)	Number of Shares Acquired On Vesting (#)	Value Realized on Vesting \$(2)
Ashish Sharma	–	\$ –	17,062	\$ 175,056
Robert Barbieri	–	\$ –	–	\$ –
Doug Kahn	10,417	\$ 116,692	17,797	\$ 182,597
Dan Mondor	150,000	\$ 2,728,500	45,744	\$ 469,333
Craig Foster	–	\$ –	15,081	\$ 149,366
Wei Ding	–	\$ –	15,000	\$ 113,500

Potential Payments Upon Termination or Change-in-Control

Change-in-Control and Severance Agreements

The Company has entered into Change-in-Control and Severance Agreements with Messrs. Sharma, Barbieri and Kahn - all with substantially identical provisions - to provide severance benefits in the event the executive's employment is terminated. A description of the material terms of the agreements, including the severance benefits payable under these agreements is set forth below.

In addition, prior to his transition to Executive Chairman on March 1, 2022, the Company was a party to a Change-in-Control and Severance Agreement with Mr. Mondor, which agreement terminated effective upon his transition.

Under the terms of the agreements, if the employment of a named executive officer is terminated by the Company without cause or by the named executive officer for good reason not in connection with a Change-in-Control, then the named executive officer is entitled to the following severance benefits:

- an amount equal to the named executive officer's unpaid base salary and incentive pay through the date of termination and any other amounts owed to the named executive officer under our compensation plans;
- an amount equal to six months of the named executive officer's base salary (12 months for Mr. Mondor), payable in cash in the form of salary continuation;
- immediate vesting of the portion of the named executive officer's outstanding equity awards under our compensation plans that would have vested or become exercisable had his employment continued through the next vesting date (or within 12 months of the date of termination for Mr. Mondor);
- a lump-sum bonus payment equal to the pro-rated portion of the target bonus in the year of termination based on actual achievement of corporate performance goals and assumed full achievement of any individual performance goals; and
- continued participation for up to nine months (18 months for Mr. Mondor) by the named executive officer and his dependents in our group health plan, at the same benefit and contribution levels in effect immediately prior to the termination;

provided, however, that in order to receive the aforementioned severance benefits (other than the named executive officer's unpaid base salary and incentive pay through the date of termination and any other amounts owed to the named executive officer under our compensation plans), the named executive officer must execute a general release of claims.

Under the agreements, subject to the executive's execution of a general release of claims (other than with respect to the first severance benefit noted below), the named executive officer is entitled to the following severance

benefits, in lieu of the benefits described above, if the named executive officer's employment is terminated by the Company without cause or by the named executive officer for good reason during a Change-in-Control Period:

- an amount equal to the named executive officer's unpaid base salary and incentive pay through the date of termination and any other amounts owed to the named executive officer under our compensation plans;
- an amount equal to the sum of 18 months of the named executive officer's base salary;
- an amount equal to 12 months of the named executive officer's target annual bonus opportunity;
- immediate vesting of outstanding equity awards under our compensation plans; and
- continued participation for up to 18 months by the named executive officer and his dependents in our group health plan, at the same benefit and contribution levels in effect immediately before the termination.

The Change-in-Control and Severance Agreements described above utilize the following definitions:

"Cause" means:

- any act of material misconduct or material dishonesty by the named executive officer in the performance of his or her duties;
- any willful failure, gross neglect or refusal by the named executive officer to attempt in good faith to perform his or her duties to the Company or to follow the lawful instructions of the Board (except as a result of physical or mental incapacity or illness) which is not promptly cured after written notice;
- the named executive officer's commission of any fraud or embezzlement against the Company (whether or not a misdemeanor);
- any material breach of any written agreement with the Company, which breach has not been cured by the named executive officer (if curable) within 30 days after written notice thereof to the named executive officer by the Company;
- the named executive officer's being convicted of (or pleading guilty or nolo contendere to) any felony or misdemeanor involving theft, embezzlement, dishonesty or moral turpitude; and/or
- the named executive officer's failure to materially comply with the material policies of the Company in effect from time to time relating to conflicts of interest, ethics, codes of conduct, insider trading, or discrimination and harassment, or other breach of the named executive officer's fiduciary duties to the Company, which failure or breach is or could reasonably be expected to be materially injurious to the business or reputation of the Company.

"Good Reason" means the occurrence, without the named executive officer's consent, for more than thirty days after such named executive officer provides the Company a written notice detailing such conditions of:

- a material diminution in his or her base compensation;
- a material diminution in his or her job responsibilities, duties or authorities; or
- a relocation of his or her principal place of work by more than 50 miles.

"Change-in-Control" means:

- a transaction after which an individual, entity or group owns 50% or more of the outstanding shares of our common stock, subject to limited exceptions;

- a sale of all or substantially all of the Company's assets; or
- a merger, consolidation or similar transaction, unless immediately following such transaction (a) the holders of our common stock immediately prior to the transaction continue to beneficially own more than 50% of the combined voting power of the surviving entity in substantially the same proportion as their ownership immediately prior to the transaction, (b) no person becomes the beneficial owner, directly or indirectly, of more than 50% of the total voting power of the outstanding shares of the voting securities eligible to elect directors of the surviving entity and (c) at least a majority of the members of the board of directors of the surviving entity immediately following the transaction were also members of the Board at the time the Board approved the transaction.

"Change-in-Control Period" means the period commencing 30 days prior to a Change-in-Control and ending on the 12-month anniversary of such Change-in-Control.

Equity Award Agreements

The following is a summary of the material terms applicable to the outstanding equity awards held by our named executive officers as of December 31, 2021.

2018 Omnibus Incentive Compensation Plan. The award agreements covering grants of stock options and RSUs made to our named executive officers under our 2018 Incentive Plan provide that the Board, in its discretion, may accelerate the vesting of any unvested stock options or RSUs in the event of a change-in-control.

Under our 2018 Omnibus Incentive Compensation Plan, a "change-in-control" is defined as:

- any person becoming the beneficial owner of 50% or more of the combined voting power of the then-outstanding shares of our common stock, subject to certain exceptions;
- a majority of the Board ceasing to be comprised of directors who (a) were serving as members of the Board on May 11, 2018 or (b) became members of the Board after May 11, 2018 and whose nomination, election or appointment was approved by a vote of two-thirds of the then-incumbent directors;
- a reorganization, merger, consolidation, sale of all or substantially all of the assets of the Company or similar transaction, unless the holders of our common stock immediately prior to the transaction beneficially own more than 50% of the combined voting power of the shares of the surviving entity and certain other conditions are satisfied; or
- a liquidation or dissolution of the Company approved by the Company's stockholders.

Mondor Transition Agreement

Effective March 1, 2022, Mr. Mondor transitioned from the role of Chief Executive Officer of the Company to Executive Chairman, to serve in such capacity until the Annual Meeting, pursuant to the terms of a transition agreement between Mr. Mondor and the Company (the "Transition Agreement"). Pursuant to the Transition Agreement, Mr. Mondor's base salary as Executive Chairman will be \$100,000 per year, until his employment with the Company ceases at the Annual Meeting. Mr. Mondor will also be entitled to a cash success fee, payable upon the last day of his employment, determined by multiplying \$50,000 by the number of employees successfully recruited by him during his transition period that are employed by the Company. On March 1, 2022, the vesting of 25% of the options granted to Mr. Mondor on June 6, 2021 accelerated and became immediately exercisable, and the remaining options under such grant were cancelled. On June 21, 2022, the Transition Agreement was amended to (i) provide that the Company will pay for COBRA coverage for Mr. Mondor through December 31, 2022, and (ii) to extend the post-termination exercise period for Mr. Mondor's vested stock options to 12 months following the termination of his employment with the Company.

Potential Payments Upon Termination or Change in Control Table

The following table summarizes the potential payments to our named executive officers in two scenarios: (1) upon termination by us without cause or the executive's resignation for good reason apart from a change in control; or (2) upon termination by us without cause or the executive's resignation for good reason within 30 days prior to or 12 months following a Change-in-Control. The table assumes that the termination of employment or Change-in-Control, as applicable, occurred on December 31, 2021. The value of the accelerated vesting of stock and option awards was computed using \$5.83, which was the price of our common stock at December 31, 2021 (less, in the case of option awards, the exercise price per share of such option awards).

The employment of Mr. Foster terminated effective April 5, 2021 to pursue other interests. Accordingly, he is not included in the table below as he would not have been entitled to any benefits in the event of the occurrence of any of the triggering events described in the table on December 31, 2021. In connection with his termination, Mr. Foster received severance in the amount of \$187,500 as provided for under his Change-in-Control and Severance Agreement, as described above. Mr. Mondor transitioned from his role as Chief Executive Officer to Executive Chairman effective March 1, 2022. A description of the Transition Agreement with Mr. Mondor is provided above. Ms. Ding was not eligible for severance benefits and therefore is not included in the table below as she would not have been entitled to any benefits in the event of the occurrence of any of the triggering events described in the table on December 31, 2021.

Name/Benefit	Involuntary Termination Without Cause/Resignation for Good Reason Apart from a Change in Control (\$) ⁽¹⁾	Involuntary Termination Without Cause/Resignation for Good Reason in Connection with a Change in Control (\$) ⁽²⁾
<i>Ashish Sharma</i>		
Cash severance	400,000	800,000
Accelerated Vesting of Equity	125,938	146,926
Health Benefits	18,000	36,000
Total	537,938	982,926
<i>Robert Barbieri</i>		
Cash severance	400,000	800,000
Accelerated Vesting of Equity	—	—
Health Benefits	13,500	27,000
Total	409,000	827,000
<i>Doug Kahn</i>		
Cash severance	292,500	617,500
Accelerated Vesting of Equity	18,938	344,163
Health Benefits	13,500	27,000
Total	320,438	988,663
<i>Dan Mondor</i>		
Cash severance	1,265,000	1,540,000
Accelerated Vesting of Equity	—	—
Health Benefits	13,500	27,000
Total	1,274,000	1,567,000

- (1) Represents base salary for 6 months (12 months in the case of Mr. Mondor), a prorated target annual bonus for the year of termination, and continued health plan coverage for up to 9 months (18 months for Mr. Mondor) at our expense. Also includes the value the equity awards eligible for accelerated vesting upon such termination.

- (2) Represents base salary for 18 months, payable in a lump sum, the executive's target annual bonus for the year of termination, and continued health plan coverage for up to 18 months at our expense. Also reflects the value of the accelerated vesting of all outstanding stock and option awards.

CEO Pay Ratio

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, we are providing disclosure regarding the ratio of the annual total compensation of Mr. Mondor, who was our CEO during fiscal 2021, to the median of the total annual compensation of our employees other than Mr. Mondor. We identified our employee with the median annual compensation using total cash compensation for calendar year 2021 of all employees who were employed by us on December 31, 2021, at which date our global workforce consisted of 508 employees, of which 292 were U.S. employees and 216 were non-U.S. employees. We did not include any contractors or other non-employee workers in our employee population. We annualized the compensation for any employees who commenced work during calendar 2021. We believe total cash compensation for all employees is reasonable to use as a consistently applied compensation measure because we do not have a broad-based equity award plan. We selected December 31, 2021, which is within the last three months of our fiscal 2021, for the date as of when we would identify the employee with the median annual compensation, because it enabled us to make such identification in a reasonably efficient and economical manner.

After identifying the employee with the median total cash compensation for the 12 months ended December 31, 2021, we calculated total compensation for this employee for the fiscal year ended December 31, 2021 using the same methodology that we use for our named executive officers in the Summary Compensation Table above.

For fiscal 2021, the total compensation of Mr. Mondor was \$5,862,494, and the total compensation of our employee with median annual compensation was \$133,330. Accordingly, we estimated our CEO pay ratio for fiscal 2021 to be 44 to 1.

Equity Compensation Plan Information

As of December 31, 2021, the Company's Amended and Restated 2000 Employee Stock Purchase Plan (the "Purchase Plan") and the 2018 Incentive Plan were the only compensation plans under which securities of the Company were authorized for grant. The Purchase Plan and the 2018 Incentive Plan were approved by our stockholders. In 2019, the Board terminated the Company's 2015 Incentive Compensation Plan (the "2015 Incentive Plan"), which was adopted by the Board without stockholder approval pursuant to NASDAQ Listing Rule 5635. The following table provides information as of December 31, 2021 regarding the Company's existing and predecessor plans:

Plan category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of options outstanding	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	7,512,670	\$ 4.77 ⁽¹⁾	3,481,834 ⁽²⁾
Equity compensation plans not approved by security holders	573,123 ⁽³⁾	\$ 5.33	–

- (1) Amount is based on the weighted-average exercise price of vested and unvested stock options outstanding under the 2018 Incentive Plan and predecessor plans. RSUs, which have no exercise price, are excluded from this calculation.
- (2) Represents shares available for future issuance under the Purchase Plan and the 2018 Incentive Plan. As of December 31, 2021, there were 170,811 shares of our common stock available for issuance under the Purchase Plan (all of which were eligible to be purchased during the offering period in effect on such date) and 3,311,023 shares of our common stock available for issuance under the 2018 Incentive Plan.
- (3) Represents outstanding options under the 2015 Incentive Plan and the Inducement Options (as defined below) issued to our Chief Financial Officer. The 2015 Incentive Plan, which includes the same material terms as the 2018 Incentive Plan, could only be used for inducement grants to individuals to induce them to become employees of the Company or any of its subsidiaries, or, in conjunction with a merger or acquisition, to convert, replace or adjust outstanding stock options or other equity compensation awards, or for any other reason for which there is an applicable exception from the stockholder approval requirements of NASDAQ Listing Rule 5635, in each such case, subject to the applicable requirements of the NASDAQ Listing Rules.

In October 2021, as an inducement to accepting the appointment as the Company's new Chief Financial Officer, Mr. Barbieri received a one-time stock option award to purchase 375,000 shares of common stock, with an exercise price equal to the closing trading price of the Company's common stock on October 25, 2021 (the "Inducement Options"). The Inducement Options vest according to the following schedule: one-fourth of the Inducement Options shall vest on October 25, 2022 and the remaining Inducement Options vest ratably each month thereafter for a period of 36 months. The Inducement Options were issued as an employment inducement award in accordance with NASDAQ Listing Rule 5635(c)(4). The Inducement Options are subject to the same material terms as options awarded under the 2018 Incentive Plan.

TRANSACTIONS WITH RELATED PERSONS

Pursuant to the Audit Committee charter, the Audit Committee is responsible for implementing the Company's written policies and procedures regarding transactions with a related person (as defined in SEC regulations). In

considering related person transactions, the Audit Committee takes into account the relevant available facts and circumstances, including:

- the risks, costs and benefits to the Company;
- the impact on a director's independence in the event the related person is a director, immediate family member of a director or an entity with which a director is affiliated;
- the terms of the transaction;
- the availability of other sources for comparable services or products; and
- the terms available to or from, as the case may be, unrelated third parties or to or from employees generally.

In the event a director has an interest in the proposed transaction, the director must recuse himself from the deliberations. When reviewing a related person transaction, the Audit Committee determines in good faith whether the transaction is in, or is not inconsistent with, the best interests of the Company and its stockholders.

Series E Preferred Exchanges

On September 3, 2021, the Company entered into separate privately-negotiated exchange agreements (each, an "Exchange Agreement") with Golden Harbor Ltd. and North Sound Trading, L.P. (the "Participating Stockholders"), holders of the Company's outstanding Series E Fixed-Rate Cumulative Perpetual Preferred Stock, par value \$0.001 per share (the "Series E Preferred Stock"). Pursuant to each respective Exchange Agreement, each of the Participating Stockholders agreed to exchange Series E Preferred Stock that they currently held (representing an aggregate of \$13,180,539 base amount of Series E Preferred Stock and accrued dividends) for an aggregate of 1,525,207 shares of Common Stock, par value \$0.001 ("Common Stock"), of the Company (the "Private Exchange Transactions"). The Company did not receive any cash proceeds from the Participating Stockholders in connection with the Private Exchange Transactions. Mr. Avery is a Vice President of Golden Harbor Ltd.

In connection with the Private Exchange Transactions, the Company agreed to file a registration statement with the Securities and Exchange Commission in order to effect a registration for the resale by the Participating Stockholders of the shares of Common Stock exchanged through the Private Exchange Transactions.

The Private Exchange Transactions were negotiated, reviewed and approved by a committee of our Board comprised solely of directors disinterested in the Private Exchange Transactions.

Interest Payments on Convertible Notes

During fiscal 2021, the Company made interest payments to Golden Harbor, North Sound and an individual retirement account held by Mr. Lytle's mother, over which Mr. Lytle has investment discretion in the amounts of \$794,820, \$1,805,180, and \$12,188 respectively, pursuant to the Company's 3.25% Convertible Senior Notes due 2025.

Parents of the Company

The Company has no parents except to the extent that either of the Investors may be deemed a parent by virtue of their ownership of the Company's outstanding shares of Common Stock, and their Board nomination and

appointment rights under the Securities Purchase Agreement, dated August 6, 2018, by and among the Company, Golden Harbor Ltd. and North Sound Trading, L.P.

SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN BENEFICIAL OWNERS

The tables below provide information regarding the beneficial ownership of our common stock as of June 1, 2022 by: (i) each of our directors; (ii) each of our NEOs; (iii) all current directors and executive officers as a group; and (iv) each beneficial owner of more than five percent of our common stock.

Beneficial ownership is determined in accordance with SEC rules and regulations, and generally includes voting power or investment power with respect to securities held. Unless otherwise indicated and subject to applicable community property laws, we believe that each of the stockholders named in the table below has sole voting and investment power with respect to the shares shown as beneficially owned. Securities that may be beneficially acquired within 60 days after June 1, 2022 are deemed to be beneficially owned by the person holding such securities for the purpose of computing the ownership of such person, but are not treated as outstanding for the purpose of computing the ownership of any other person.

The address for directors and executive officers is 9710 Scranton Road, Suite 200, San Diego, California 92121. The tables below list the number and percentage of shares beneficially owned based on 107,624,671 shares of common stock outstanding as of June 1, 2022. The Company is not aware of any arrangements that have resulted, or may at a subsequent date result, in a change of control of the Company.

Directors and Named Executive Officers

Name of Beneficial Owner	Shares Owned (#)	Right to Acquire (#) ⁽¹⁾	Total Shares of Common Stock Beneficially Owned (#)	Percentage
Dan Mondor	243,040	1,881,116	2,124,156	1.9%
Ashish Sharma	282,861	618,750	901,611	*
Robert Barbieri	35,414	—	35,414	*
Doug Kahn	46,380	124,062	170,442	*
Craig Foster	10,163	—	10,163	*
James B. Avery	— ⁽²⁾	— ⁽²⁾	— ⁽²⁾	*
Stephanie Bowers	524	18,837	19,361	*
Christopher Harland	42,281	14,221	56,502	*
Christopher Lytle	269,627	43,955	313,582 ⁽³⁾	*
Jeffrey Tudor	151,048	71,133	222,181	*
Wei Ding	18,939	—	18,939	*
All directors and executive officers as a group (nine persons)	1,090,114	2,772,074	3,862,188	3.5%

* Represents beneficial ownership of less than 1% of the outstanding shares of our common stock.

(1) Represents shares of common stock that may be acquired pursuant to stock options or warrants that are or will become exercisable within 60 days after June 1, 2022.

(2) Does not include shares of common stock or warrants held by Braslyn, Ltd., Golden Harbor Ltd. or Tavistock Financial, LLC, in which Mr. Avery disclaims beneficial ownership, which are reported in the table below under

Five Percent Holders. Mr. Avery is obligated to transfer any shares issued pursuant to any equity awards made to him by the Company, or the economic benefits thereof, to Tavistock Financial, LLC.

- (3) Includes 29,722 shares of common stock issuable upon the conversion outstanding convertible notes held in an individual retirement for the benefit of Mr. Lytle's mother. Mr. Lytle has investment power with respect to such shares and may be deemed to be the beneficial owner thereof. Mr. Lytle disclaims beneficial ownership of such shares.

Five Percent Holders

The following table sets forth information regarding the number and percentage of shares of common stock held by all persons and entities known by us to beneficially own five percent or more of our outstanding common stock. The information regarding beneficial ownership of the persons and entities identified below is included in reliance on reports filed by the persons and entities with the SEC, except for modifications that are disclosed below and except that the percentage is based upon our calculations made in reliance upon the number of shares reported to be beneficially owned by such person or entity in such report and the number of shares of common stock outstanding on June 1, 2022.

Name and Address of Beneficial Owner	Shares Owned (#)	Right to Acquire (#)	Total Shares of Common Stock Beneficially Owned (#)	Percentage
Golden Harbor Ltd. ⁽¹⁾ Cay House EP Taylor Drive N7776 Lyford Cay New Providence C5	21,019,191	3,814,106	24,833,297	22.3%
North Sound Management, Inc. ⁽²⁾ c/o Edward E. Murphy 115 East Putnam Avenue Greenwich, CT 06830	4,220,133	5,029,758	9,249,891	8.2%
BlackRock, Inc. ⁽³⁾ 55 East 52nd Street New York, NY 10055	6,125,749	–	6,125,749	5.7%

(1) According to a Schedule 13D/A filed by Golden Harbor Ltd., Braslyn Ltd., Tavistock Financial, LLC and Joe Lewis with the SEC on September 24, 2021, Golden Harbor Ltd. has shared voting and dispositive power over 14,908,149 shares of common stock, Braslyn Ltd. has shared voting and dispositive power over 7,908,678 shares of common stock, Tavistock Financial, LLC has shared voting and dispositive power over 77,364 shares of common stock and Joe Lewis has shared voting and dispositive power over 22,894,191 shares of common stock. Includes (a) 1,875,000 shares of the Company's common stock issuable upon exercise of warrants and (b) 1,939,106 shares of common stock issuable upon the conversion outstanding convertible notes that were not included in the beneficial ownership amounts disclosed in the Schedule 13D/A filed on September 24, 2021 but are currently exercisable because the ownership limitation in the convertible notes has terminated.

(2) According to a Schedule 13D/A filed by North Sound Management, Inc., North Sound Trading, LP and Brian Miller with the SEC on March 2, 2021, North Sound Management, Inc. has sole voting and dispositive power over 4,788,213 shares of common stock, North Sound Trading, LP has sole voting and dispositive power over 4,788,213 shares of common stock and Mr. Miller has shared voting and dispositive power over 4,845,133 shares of common stock. Includes (a) 56,920 shares of common stock held directly by Mr. Miller and (b) 625,000 shares of common stock that may be acquired pursuant to outstanding warrants. Also included 4,404,758 shares of common stock issuable upon the conversion outstanding convertible notes that were not included in the beneficial ownership amounts disclosed in the Schedule 13D/A filed on March 2, 2021 but are currently exercisable because the ownership limitation in the convertible notes has terminated.

(3) Based on a Schedule 13G filed with the SEC on February 4, 2022.

PROPOSAL 2: RATIFICATION OF THE APPOINTMENT OF THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has appointed Marcum LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2022. The Board is asking stockholders to ratify this appointment. Although SEC regulations require the Company's independent registered public accounting firm to be engaged, retained and supervised by the Audit Committee, the Board considers the selection of an independent registered public accounting firm to be an important matter to stockholders and considers a proposal for stockholders to ratify such appointment to be an opportunity for stockholders to provide input to the Audit Committee and the Board on a key corporate governance issue. In the event that our stockholders do not ratify the appointment, it will be considered as a direction to our Audit Committee to consider the selection of a different firm.

Marcum LLP has been the Company's independent registered public accounting firm since 2018. Representatives of Marcum LLP are expected to be present at the Annual Meeting and will be offered the opportunity to make a statement if they so desire. They will also be available to answer questions.

Principal Accountant Fees and Services

The following table sets forth fees for services rendered by Marcum LLP for 2021 and 2020.

	2021	2020
Audit Fees ⁽¹⁾	\$ 870,865	\$ 868,290
Audit-Related Fees ⁽²⁾	\$ 26,368	\$ 86,906
Tax Fees	—	—
All Other Fees	—	—
Total	\$ 897,233	\$ 955,196

- (1) Audit fees consist principally of fees for the audits of our annual consolidated financial statements and internal control over financial reporting, and review of our interim consolidated financial statements.
- (2) Audit-related fees consist primarily of fees for accounting consultations, comfort letters, consents and any other audit attestation services.

Pre-Approval Policies and Procedures

The Audit Committee annually reviews and pre-approves certain audit and non-audit services that may be provided by our independent registered public accounting firm and establishes and pre-approves the aggregate fee level for these services. Any proposed services that would cause us to exceed the pre-approved aggregate fee amount must be pre-approved by the Audit Committee. All audit and non-audit services for 2020 and 2021 were pre-approved by the Audit Committee.

Recommendation and Vote Required

Assuming that a quorum is present, the affirmative vote of the holders of a majority of the shares of our outstanding common stock present, virtually or represented by proxy, and entitled to vote at the Annual Meeting is required to ratify the appointment of Marcum LLP. Abstentions will have the same effect as votes AGAINST this proposal. The ratification of the appointment of Marcum LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2022, is considered a routine matter under applicable rules. A broker, dealer, bank or other nominee may generally vote on routine matters, and therefore no broker non-votes are expected in connection with this proposal.



THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THIS PROPOSAL.

PROPOSAL 3: ADVISORY VOTE TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

In accordance with Section 14A of the Exchange Act, we are asking stockholders to approve an advisory resolution on our executive compensation as reported in this Proxy Statement.

In making decisions with respect to compensation for our executive officers, the Compensation Committee is guided by a pay-for-performance philosophy. The Compensation Committee believes that a significant portion of each executive's total compensation opportunity should vary with achievement of the Company's annual and long-term financial, operational and strategic goals. In designing the compensation program for our executive officers, the Compensation Committee seeks to achieve the following key objectives:

Motivate Executives. The compensation program should encourage our executive officers to achieve the Company's annual and long-term goals.

Align Interests with Stockholders. The compensation program should align the interests of our executive officers with those of our stockholders, promoting actions that will have a positive impact on total stockholder return over the long term.

Attract and Retain Talented Executives. The compensation program should provide each executive officer with a total compensation opportunity that is market competitive. This objective is intended to ensure that we are able to attract and retain qualified executives while maintaining an appropriate cost structure for the Company.

We believe our executive compensation is structured in the manner that best serves the interests of the Company and its stockholders.

Accordingly, we are asking stockholders to approve the following advisory resolution at the Annual Meeting:

“RESOLVED, that the stockholders of Inseego Corp. (the “Company”) approve, on an advisory and non-binding basis, the compensation of the Company's named executive officers, as disclosed in this Proxy Statement.”

Effect of Proposal

The result of the say-on-pay vote is non-binding on us and our Board and Compensation Committee. As a result, the Board and Compensation Committee retain discretion to change executive compensation from time to time if they conclude that such a change would be in the best interest of the Company. No determination has been made as to what action, if any, would be taken if our stockholders fail to approve our executive compensation. However, our Board and Compensation Committee value the opinions of stockholders and will carefully consider the result of the say-on-pay vote. We currently conduct say-on-pay votes on an annual basis.

We are also required to hold an advisory vote on the frequency of the Say-on-Pay Votes (the “Frequency of Say-on-Pay Vote”) at least once every six years, pursuant to Rule 14a-21(a) of the Exchange Act. We held our last Frequency of Say-on-Pay Vote at our annual meeting of stockholders in June 2017 and a majority of the votes were cast in favor of holding Say-on-Pay Votes every year. In line with the preference of our stockholders, our Board determined that it will include the Say-on-Pay Vote in our proxy materials each year until the next Frequency of Say-on-Pay Vote, which will occur no later than our 2023 annual meeting of stockholders.

Recommendation and Vote Required

Assuming that a quorum is present, approval of this proposal requires the affirmative vote of the holders of a majority of the shares of our outstanding common stock present virtually or represented by proxy and entitled to vote on this proposal at the Annual Meeting. Because abstentions are counted as present for purposes of the vote on this matter but are not votes FOR this proposal, they have the same effect as votes AGAINST this proposal. Broker non-votes will not have any effect on this proposal.



THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THIS PROPOSAL.

PROPOSAL 4: APPROVAL OF THE AMENDMENT OF THE 2018 OMNIBUS INCENTIVE COMPENSATION PLAN

Overview

The 2018 Omnibus Incentive Compensation Plan was initially adopted by our predecessor issuer, Novatel Wireless, Inc., in April 2009. In July 2018, the Incentive Plan was amended and restated and among other things, was renamed as the Inseego Corp. 2018 Omnibus Incentive Plan. In June 2019, the Incentive Plan was amended to transfer into the Incentive Plan the 2,053,085 shares that remained available for issuance under the Company's 2015 Incentive Compensation Plan, which was terminated. In July 2020, the Incentive Plan was amended to increase the number of shares authorized for issuance under the Incentive Plan by 1,500,000 shares. In July 2021, the Incentive Plan was amended to increase the number of shares authorized for issuance under the Incentive Plan by 3,000,000 shares.

The Incentive Plan affords the Board the ability to design compensatory awards that are responsive to the Company's needs, and includes authorization for a variety of awards designed to advance the Company's interests and long-term success by encouraging stock ownership among our directors, officers, employees and consultants. The Incentive Plan currently authorizes the issuance of up to 24,753,085 shares of our common stock, of which 608,490 shares were available for issuance as of June 1, 2022.

The Board has approved an amendment of the Incentive Plan, subject to stockholder approval at the Annual Meeting, to increase the number of shares authorized for issuance under the Incentive Plan by 8,000,000 shares. The Board has determined that the amendment of the Incentive Plan is advisable and in the best interests of the Company and its stockholders and has submitted the amendment for approval by our stockholders at the Annual Meeting. The amendment of the Incentive Plan will be effective as of the date it is approved by our stockholders. In approving this amendment, the Board considered information related to the Incentive Plan including burn rate, overhang and forecasts for share usage.

As of June 1, 2022, under the Incentive Plan and its predecessor equity compensation plans, there were outstanding RSUs for 1,393,984 shares of our common stock and outstanding stock options for 8,579,940 shares of our common stock. These outstanding options have a weighted-average exercise price of \$4.62 and a weighted-average term of 2.9 years. On June 1, 2022, the closing market price of a share of our common stock was \$2.03.

A summary of the Incentive Plan, as proposed to be amended, appears below and is qualified by the full text of the Incentive Plan, as proposed to be amended, a copy of which is attached as Appendix A to this Proxy Statement.

Administration

The Incentive Plan is administered by the Board, which may delegate all or any part of its authority under the Incentive Plan to a committee of one or more members of the Board. This authority includes, among other things, selecting award recipients, establishing award terms and conditions, granting awards, construing any ambiguous provision of the Incentive Plan or in any award agreement, and adopting modifications and amendments to the Incentive Plan or any award agreement, subject to the terms of the Incentive Plan.

To the extent permitted by applicable law, the Board may also delegate its duties under the Incentive Plan to one or more senior officers of the Company, referred to as a secondary committee. This delegation of authority is subject

to any conditions and limitations set by the Board or set forth in the Incentive Plan and may not include the authority to grant an award to any participant that is subject to Section 16 of the Exchange Act.

Awards

The Incentive Plan provides for grants of both equity and cash awards, including stock options, stock appreciation rights, restricted stock, RSUs, annual incentive awards, performance shares, performance units and other forms of awards. The principal terms and features of the various forms of awards are set forth below:

Stock Options. Stock options entitle the participant to purchase shares of our common stock at a price not less than the market value per share on the grant date. Stock options may be incentive stock options under Section 422 of the Code or non-qualified stock options. Each grant will specify whether the exercise price is payable in cash or by check, by a cashless broker-assisted exercise, by the transfer to the Company of shares of our common stock owned by the participant, by the Company withholding shares of our common stock otherwise deliverable to the participant upon the exercise of the stock option, by a combination of these payment methods, or by any other methods that the Board may approve.

Each grant will specify the periods of continuous service by the participant with the Company necessary before the stock options become exercisable. Stock option grants may specify management objectives that must be achieved as a condition to exercise. No stock option will be exercisable more than 10 years after the grant date. No stock option will include terms entitling the participant to a grant of stock options or stock appreciation rights on exercise of the stock option.

The Board may substitute, without the participant's permission, stock appreciation rights for outstanding stock options. However, the terms of the substituted stock appreciation rights must be substantially the same as the terms of the stock options at the date of substitution. Additionally, the difference between the market value of the underlying shares of our common stock and the base price of the stock appreciation rights must be equivalent to the difference between the market value of the underlying shares of our common stock and the exercise price of the stock options.

Limitations on Incentive Stock Options. Incentive stock options may only be granted to employees of the Company or a subsidiary of the Company. Subject to certain limited exceptions, incentive stock options may not be granted to any person who, at the time of grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any affiliate unless the following conditions are satisfied:

- the exercise price of the incentive stock options must be at least 110% of the fair market value of the common stock subject to the incentive stock options on the date of grant; and
- the term of the incentive stock options must not exceed five years from the date of grant.

Subject to adjustment for certain changes in our capitalization, the aggregate maximum number of shares of our common stock that may be issued pursuant to the exercise of incentive stock options under the Incentive Plan is 7,000,000 shares.

Stock Appreciation Rights. A stock appreciation right is a right to receive from the Company a dollar amount up to the spread between a base price (which may not be less than the market value per share of our common stock on the grant date or, for a stock appreciation right substituted for an option, on the option grant date) and the market value of the shares of our common stock on the exercise date. The amount payable by the Company on exercise of a stock appreciation right may be paid in cash, shares of our common stock, or any combination of the two. Any

grant of stock appreciation rights may specify that the amount payable on exercise may not exceed a maximum specified by the Board. Any grant may also specify management objectives that must be achieved as a condition to exercise, waiting periods before exercise and permissible exercise dates or periods. Each grant will specify the periods of continuous service by the participant with the Company that are necessary before the stock appreciation rights become exercisable. No stock appreciation right will be exercisable more than 10 years after the grant date. No stock appreciation right will include terms entitling the participant to a grant of stock options or stock appreciation rights on exercise of the stock appreciation right.

Restricted Stock. A grant of restricted stock constitutes an immediate transfer to the participant of the ownership of shares of our common stock in consideration for the performance of services. Restricted stock entitles a participant to voting, dividend and other ownership rights. However, these rights will be subject to any restrictions and conditions, such as the achievement of management objectives, during the restriction period as determined by the Board. Each grant will provide that transfer of the restricted stock will be prohibited or restricted during the restricted period in the manner and to the extent prescribed by the Board on the date of grant, and may provide for such prohibitions and restrictions after the restricted period.

Each grant will provide that the restricted stock will be subject to a “substantial risk of forfeiture” within the meaning of Section 83 of the Code for a period to be determined by the Board on the grant date with respect to restricted stock that vests upon the passage of time, or upon achievement of management objectives that, if achieved, will result in termination or early termination of the restriction applicable to the restricted stock. Each grant will provide that so long as the award is subject to a substantial risk of forfeiture, the transfer of the restricted stock will be prohibited or restricted in the manner and to the extent prescribed by the Board on the grant date.

Grants of restricted stock may require that any or all dividends or other distributions paid during the period of the restrictions be automatically deferred and reinvested in additional shares of restricted stock or paid in cash, which may be subject to the same restrictions as the underlying award. Dividends or other distributions on restricted stock subject to management objectives will be deferred and paid in cash upon the achievement of the management objectives and the lapse of all restrictions.

Restricted Stock Units. A grant of RSUs is an agreement by the Company to deliver shares of our common stock or cash equal to the value of such shares to the participant at the end of a specified period, subject to transfer restrictions and other conditions as determined by the Board. During the restriction period, the participant may not transfer any rights under his or her award and will have no rights of ownership, including voting rights, in the RSUs. However, on the grant date, the Board may authorize the payment of dividend equivalents on the RSUs on either a current, deferred or contingent basis, either in cash, in additional RSUs or in shares of our common stock. Dividend equivalents on RSUs subject to management objectives will be deferred and paid in cash upon the achievement of the management objectives and the lapse of all restrictions. A grant of RSUs may provide for the earlier lapse or modification of the restriction period in the event of the retirement, death or disability, or other termination of employment of the participant, or on a change in control of the Company.

Performance Shares and Performance Units. A performance share is the equivalent of one share of our common stock. A performance unit is the equivalent of \$1.00 or such other value as determined by the Board. Each grant of performance shares or performance units will specify either the number of shares, or amount of cash, payable with respect to the performance shares or performance units to which the grant pertains. Any grant of performance shares or performance units may specify that the amount payable may be paid in cash, in shares of our common stock or in any combination of the two.

Any grant of performance shares or performance units will specify the management objectives that, if achieved, will result in payment or early payment of the award and may set forth a formula for determining the number of shares, or amount of cash, payable with respect to the performance shares or performance units that will be earned if performance is at or above threshold levels. Any grant of performance shares or performance units may specify that the amount payable or the number of shares issued with respect thereto may not exceed a maximum specified by the Board. The performance period will be determined by the Board at the time of grant, but may not be less than one year, and may be subject to earlier lapse or other modification in the event of the retirement, death or disability, or other termination of employment of the participant, or a change in control of the Company.

The Board may, on the grant date, provide for the payment of dividend equivalents to the holder of the performance shares on either a current, deferred or contingent basis, either in cash or in additional shares of our common stock. Dividend equivalents on performance shares subject to management objectives will be deferred and paid in cash upon the achievement of the applicable management objectives.

Annual Incentive Awards. An annual incentive award is a cash award based on the achievement of management objectives with a performance period of one year or less, which will be determined by the Board at the time of grant. The performance period determined by the Board at the time of grant may be subject to earlier lapse or other modification in the event of the retirement, death or disability, or other termination of employment of the participant, or a change in control of the Company. Any grant of an annual incentive award will specify management objectives that, if achieved, will result in payment or early payment of the award and may set forth a formula for determining the amount payable if performance is at or above threshold levels. Each grant will specify the time and manner of payment of annual incentive awards that have been earned. The Board may establish a maximum amount payable under any annual incentive award on the grant date.

Other Awards. The Board may, subject to limitations under applicable law, grant to any participant other awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of our common stock. These awards may include convertible or exchangeable securities, purchase rights or awards with value and payment contingent upon performance of the Company, the book value of our shares, or any other factors designated by the Board.

Except as otherwise provided in the Incentive Plan, cash awards, as independent awards or as an element of or supplement to any other award granted under the Incentive Plan, also may be granted. The Board may grant shares of our common stock as a bonus, or may grant other awards in lieu of obligations of the Company to pay cash or deliver other property under the Incentive Plan or under other plans or compensatory arrangements, subject to terms that will be determined by the Board in a manner intended to comply with Section 409A of the Code.

Eligibility

Subject to the terms of the Incentive Plan, the Board may grant awards to any of our employees, directors, consultants or any other person that is expected to become an employee, director, or consultant. In addition, the Board may grant awards to any investor in the Company (or the affiliate of an investor in the Company) that has an employee, direct or indirect owner, or service provider of such investor serving on the Board as a director, provided that such director has agreed with the investor that such investor or its affiliate will receive any awards that the director otherwise would receive. Currently, approximately 650 persons are eligible to receive awards under the Incentive Plan, consisting of approximately 500 employees, 5 non-employee directors and 145 consultants, were eligible to receive awards under the Incentive Plan.

Shares Available for Grants

If Proposal 4 is approved by the Company's stockholders at the Annual Meeting, 32,753,085 shares of our common stock will be authorized under the Incentive Plan. Shares of our common stock issued in connection with inducement grants pursuant to Nasdaq Listing Rule 5635 or under any plan assumed by the Company in any corporate transaction will not count against this share limit.

Shares of our common stock covered by an award under the Incentive Plan are not counted against the aggregate share limit until issued and delivered to a participant. As a result, the total number of shares of our common stock available under the Incentive Plan is not reduced by any shares of our common stock relating to prior awards that have expired or have been forfeited or cancelled. To the extent of payment in cash of the benefit provided by any award granted under the Incentive Plan, any shares of our common stock that were covered by that award will again be available for issue or transfer under the Incentive Plan. In addition, shares delivered or relinquished to pay the exercise or purchase price of an award or to satisfy tax withholding obligations will also be available for future awards under the Incentive Plan, as will shares subject to restricted stock awards that never vest.

Management Objectives

The Incentive Plan requires that the Board establish management objectives for awards of performance shares, performance units and annual incentive awards. The Board may also establish management objectives for stock options, stock appreciation rights, restricted stock, RSUs or other awards. These management objectives may be described in terms of Company-wide objectives or objectives related to performance of an individual participant or a subsidiary, division, business unit, region or function of the Company, and may be made relative to the performance of other companies. The management objectives may be based on any criteria selected by the Board.

The Board will have the authority to make equitable adjustments to the management objectives, including the related minimum, target and maximum levels of achievement or performance, for specified events set forth in the Incentive Plan.

Amendment and Termination

The Board may amend the Incentive Plan in whole or in part, except that any amendment to the Incentive Plan that requires stockholder approval under applicable law will not be effective until we obtain stockholder approval. No grant will be made under the Incentive Plan after May 11, 2028, but all grants made on or prior to such date will continue in effect thereafter subject to the terms of the applicable award agreement and of the Incentive Plan.

Except in connection with certain corporate transactions or a change in control, the terms of outstanding awards may not be amended to reduce the exercise price of outstanding stock options or the base price of outstanding stock appreciation rights, and no outstanding stock options or stock appreciation rights may be cancelled in exchange for other awards, cash, or stock options or stock appreciation rights with an exercise price or base price, as applicable, that is less than the exercise price of the original stock options or base price of the original stock appreciation rights, as applicable, without stockholder approval. The plan prohibits all repricings of underwater stock options or stock appreciation rights without shareholder approval, regardless of whether an amendment is considered a repricing under generally accepted accounting principles.

Grants of restricted stock, RSUs, performance shares, performance units and annual incentive awards may provide for earlier termination of restrictions in the event of the retirement, death or disability, or other termination of employment, of a participant, or a change in control of the Company. In addition, if permitted by Section 409A of the Code, the Board may accelerate the vesting of or waive any other requirements under any outstanding award in the event of the retirement, death or disability, or other termination of employment, of a participant, or in the case of unforeseeable emergency or other special circumstances.

The Board may amend the terms of any award granted under the Incentive Plan prospectively or retroactively, provided that such an amendment does not constitute a repricing prohibited by the Incentive Plan. However, no amendment may impair the rights of any participant without his or her consent, except as necessary to comply with changes in law or accounting rules applicable to the Company. The Board may terminate the Incentive Plan at any time. Termination of the Incentive Plan will not affect the rights of participants or their successors under any awards outstanding on the date of termination.

Change in Control

In the event a change in control of the Company occurs, the Board may substitute each award outstanding under the Incentive Plan immediately prior to the change in control with such alternative consideration (including cash), if any, as it may determine to be equitable in the circumstances and may require the surrender of all awards so replaced in a manner that complies with Section 409A of the Code. In addition, for each stock option or stock appreciation right with an exercise price or base price greater than the consideration offered in connection with any change in control, the Board may elect to cancel the stock option or stock appreciation right without any payment to the person holding the stock option or stock appreciation right. The Board may also adjust the aggregate number of shares available under the Incentive Plan and the individual participant limits as the Board deems appropriate to reflect a change in control of the Company. However, any adjustment to the number of shares available for incentive stock options will be made only if, and to the extent that, the adjustment would not cause any stock option intended to qualify as an incentive stock option to fail to qualify.

U.S. Federal Income Tax Consequences

The material federal income tax consequences of the Incentive Plan under current U.S. federal income tax law are summarized in the following discussion, which deals with the general tax principles applicable to the Incentive Plan. The following discussion is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change. Foreign, state and local tax laws, and employment, estate and gift tax considerations are not discussed due to the fact that they may vary depending on individual circumstances and from locality to locality. **Tax Consequences to Participants**

Incentive Stock Options. No income generally will be recognized by an optionee upon the grant or exercise of an incentive stock option. The exercise of an incentive stock option, however, may result in alternative minimum tax liability. If shares of our common stock are issued to the optionee pursuant to the exercise of an incentive stock option, and if no disqualifying disposition of such shares is made by such optionee within two years after the date of grant nor within one year after the transfer of such shares to the optionee, then upon the sale of such shares, any amount realized in excess of the exercise price will be taxed to the optionee as a long-term capital gain and any loss sustained will be a long-term capital loss.

If shares of our common stock acquired upon the exercise of an incentive stock option are disposed of prior to the expiration of either holding period described above, the optionee generally will recognize ordinary income in the year of disposition in an amount equal to the excess, if any, of the market value of such shares at the time of exercise (or, if less, the amount realized on the disposition of such shares if a sale or exchange) over the exercise price. Any further gain (or loss) realized by the participant generally will be taxed as short-term or long-term capital gain (or loss) depending on how long the shares have been held.

Non-Qualified Stock Options. In general,

- no income will be recognized by an optionee at the time a non-qualified option right is granted;
- at the time of exercise, ordinary income will be recognized by the optionee in an amount equal to the difference between the exercise price and the market value of the shares, if unrestricted, on the date of exercise; and
- at the time of sale of shares acquired pursuant to the exercise of a non-qualified option right, appreciation (or depreciation) in value of the shares after the date of exercise will be realized by the optionee as either short-term or long-term capital gain (or loss) depending on how long the shares have been held.

Stock Appreciation Rights. No income will be recognized by a participant in connection with the grant of a stock appreciation right. When the stock appreciation right is exercised, the participant normally will recognize ordinary income in the year of exercise in an amount equal to the amount of cash received and the market value of any unrestricted shares of our common stock received on the exercise, and, if settled in unrestricted shares, the capital gain/loss holding period for such shares generally will commence on the date the participant receives the shares.

Restricted Stock. The recipient of restricted stock generally will be subject to tax at ordinary income rates on the market value of the restricted stock (reduced by any amount paid by the participant for such restricted stock) at such time as the shares are no longer subject to forfeiture or restrictions on transfer for purposes of Section 83 of the Code (the “Restrictions”), which is also generally when the capital gain/loss holding period for such shares will commence. However, a recipient who so elects under Section 83(b) of the Code within 30 days of the date of grant of the shares will recognize ordinary income on the date of grant of the shares equal to the excess of the market value of such shares (determined without regard to the Restrictions) over the purchase price, if any, of such restricted stock and the capital gain/loss holding period for such shares generally will commence on the grant date. Any dividends received with respect to restricted stock that is subject to the Restrictions generally will be treated as compensation that is taxable as ordinary income to the participant.

Restricted Stock Units. No income generally will be recognized upon the award of RSUs. The recipient of an RSU award generally will recognize ordinary income on the market value of unrestricted shares of our common stock on the date that such shares are transferred to the participant or settled in cash, as the case may be, under the award (reduced by any amount paid by the participant for such RSU), and the capital gain/loss holding period for such shares will also commence on such date.

Performance Shares, Performance Units and Annual Incentive Awards. No income generally will be recognized upon the grant of performance shares, performance units or annual incentive awards. Upon payment in respect of performance shares, performance units or annual incentive awards, the recipient generally will recognize ordinary income in the year of receipt in an amount equal to the amount of cash received and the market value of any unrestricted shares of our common stock received and, if settled in unrestricted shares, the capital gain/loss holding period for such shares generally will commence on the date the participant receives the shares.

Tax Consequences to the Company

To the extent that a participant recognizes ordinary income in the circumstances described above, the Company generally will be entitled to a corresponding deduction, provided that, among other things, the income meets the test of reasonableness, is an ordinary and necessary business expense, is not an “excess parachute payment” within

the meaning of Section 280G of the Code and is not disallowed by the \$1 million limitation on certain executive compensation under Section 162(m) of the Code.

Equity Compensation Plan Information

Please refer to the table above under the heading *Compensation of Named Executive Employees—Equity Compensation Plan Information* for information regarding the awards our named executive officers received by or during our last completed fiscal year.

New Plan Benefits

Because future benefits under the Incentive Plan depend upon the Board's actions, the market value of the shares of our common stock in the future and/or the future performance of the Company, it is not possible to determine the value of the benefits that will be received by participants in the Incentive Plan with respect to any awards made in the future.

Recommendation and Vote Required

Assuming that a quorum is present, the affirmative vote of the holders of a majority of the shares of our outstanding common stock present, virtually or represented by proxy, and entitled to vote at the Annual Meeting, is required to approve the amendment of the Incentive Plan. Because abstentions are counted as present for purposes of the vote on this matter but are not votes FOR this proposal, they have the same effect as votes AGAINST this proposal. Broker non-votes will not have any effect on this proposal.



THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THIS PROPOSAL.

PROPOSAL 5: APPROVAL OF THE AMENDMENT AND RESTATEMENT OF THE EMPLOYEE STOCK PURCHASE PLAN

Introduction

Our stockholders are being asked to approve an amendment and restatement of our Employee Stock Purchase Plan, or the Existing ESPP. The proposed amended and restated plan is referred to herein as the "Restated ESPP." The Board approved the Restated ESPP effective May 16, 2022, subject to stockholder approval.

The Restated ESPP is being submitted for stockholder approval in order to ensure that the Section 423 Component of the Restated ESPP (as described below) meets the requirements of Section 423 of the Internal Revenue Code (the "Code"). If the Restated ESPP is not approved by our stockholders, the Restated ESPP will have no further force or effect, the Existing ESPP will continue in full force and effect, although there will no longer be any shares remaining available for issuance under the Existing ESPP.

Overview of Proposed Amendments

Increase in Share Reserve; Elimination of Evergreen Provision. We strongly believe that an employee stock purchase program is a necessary and important incentive and retention tool. As of May 15, 2022, following the purchase on such date under the Existing ESPP, no shares of common stock remained available under the Existing ESPP for future issuance.

An additional 1,250,000 shares will be reserved for issuance under the Restated ESPP over the current share reserve under the Existing ESPP, all of which may be issued under the Section 423 Component or the Non-Section 423 Component (each as further described below).

All of the foregoing share numbers may be adjusted for changes in our capitalization and certain corporate transactions, as described below under the heading "Adjustments."

Removal of Fixed Term. The Restated ESPP will not have a fixed term and will continue until terminated by the Board or the share reserve thereunder is exhausted.

Addition of Non-Section 423 Component. The Restated ESPP will have two components in order to give us increased flexibility in the granting of purchase rights under the Restated ESPP to U.S. and to non-U.S. employees. Specifically, the Restated ESPP authorizes the grant of options that are intended to qualify for favorable U.S. federal tax treatment (the "Section 423 Component") under Section 423 of the Code. To facilitate participation for employees located outside of the U.S. in light of non-U.S. law and other considerations, the Restated ESPP also provides for the grant of options that are not intended to be tax-qualified under Code Section 423 (the "Non-Section 423 Component"). The plan administrator will designate offerings made under the Non-Section 423 Component and, except as otherwise noted below or provided in the Restated ESPP, the Section 423 Component and the Non-Section 423 Component generally will be operated and administered in the same way.

The Restated ESPP is not being amended in any material respect other than to reflect the changes described above.

Determination to Approve Restated ESPP

The table below presents information about the number of shares that were subject to outstanding equity awards under our equity incentive plans and the shares remaining available for issuance under those plans, each at May 16, 2022, and the proposed increase in shares authorized for issuance under the Restated ESPP.

The table below presents information about the number of shares remaining available for issuance under the Existing ESPP and the proposed increase in shares authorized for issuance under the Restated ESPP, each at May 16, 2022. The table below does not include information about the number of shares that were subject to

outstanding equity awards or that may be available for future issuance under our other equity compensation plans. Information related to our other equity compensation plans is further described in the table under the heading "Equity Compensation Plan Information" above.

	Number of Shares	As a % of Shares Outstanding ⁽¹⁾	Dollar Value ⁽²⁾
Employee Stock Purchase Plan			
Shares available for grant under the Existing ESPP	—	—	—
Proposed increase to share reserve pursuant to Restated ESPP	1,250,000	1.2%	\$2,862,500

* Less than 1% of outstanding shares of our Common Stock outstanding as of May 16, 2022.

(1) Based on 107,444,347 shares of our Common Stock outstanding as of May 16, 2022.

(2) Based on the closing price of our Common Stock on May 16, 2022, of \$2.29 per share.

In determining whether to approve the Restated ESPP, the Board considered that:

- **Unless the ESPP Amendment is authorized and approved by our stockholders, we will no longer have any shares available for issuance under the Existing ESPP.** As a result, we will be unable to use the Existing ESPP as an incentive and retention tool for employees that benefits all of our stockholders. The increase will enable us to continue our policy of equity ownership by employees as an incentive to contribute to our success.
- We expect the proposed aggregate share reserve under the Restated ESPP to provide us with enough shares for the next 3 years, assuming employee participation in the Restated ESPP consistent with historical levels, as reflected in our three-year burn rate for the Existing ESPP, and further dependent on the price of our shares and hiring activity during the next few years. We cannot predict our future share usage under the Restated ESPP, the future price of our shares or future hiring activity with any degree of certainty at this time, and the share reserve under the Restated ESPP could last for a shorter or longer time.
- In setting the size of the share reserve under the Restated ESPP, as described above, the Board also considered the number of shares issued by our company under the Existing ESPP in the past three years. In 2019, 2020 and 2021, a total of 203,061 shares, 231,275 shares, and 220,390 shares, respectively, were issued under the Existing ESPP
- In light of the factors described above, and the fact that the ability to continue to grant equity compensation is vital to our ability to continue to attract and retain employees in the extremely competitive labor markets in which we compete, the Board has determined that the size of the share reserve under the Restated ESPP is reasonable and appropriate at this time. The Board will not create a subcommittee to evaluate the risk and benefits for issuing shares under the Restated ESPP.

Summary of the Restated ESPP

The principal features of the Restated ESPP are summarized below, but the summary is qualified in its entirety by reference to the Restated ESPP itself, which is attached as Appendix B to this proxy statement.

Purpose

The purpose of the Restated ESPP is to assist our eligible employees in acquiring a stock ownership interest in our company and to help our eligible employees provide for their future security and to encourage them to remain in our employment.

Securities Subject to the Restated ESPP

A total of 2,222,798 shares of our common stock are authorized for issuance under the Restated ESPP (consisting of the 972,798 shares authorized for issuance under the Existing ESPP plus the increase of 1,250,000 shares added in connection with this amendment and restatement). Of these shares, only the 1,250,000 shares added in connection with this amendment and restatement are available for future issuance under the Restated ESPP. All of the foregoing share numbers may be adjusted for changes in our capitalization and certain corporate transactions, as described below under the heading "Adjustments."

Administration

The Board administers the Restated ESPP and has the final power to construe and interpret both the Restated ESPP and the rights granted under it. The Board has delegated administration of the Restated ESPP to our compensation committee. The Board or compensation committee (the "plan administrator") has the power, subject to the provisions of the Restated ESPP, to determine when and how rights to purchase shares of common stock will be granted and the provisions of each offering of such rights (which need not be identical); provided, however, that all participants granted purchase rights in an offering which are intended to comply with Section 423 of the Code will have the same rights and privileges within the meaning of Section 423 of the Code. For purposes of the Restated ESPP, the plan administrator may designate separate offerings under the Restated ESPP, the terms of which need not be identical, in which eligible employees of one or more participating companies will participate, even if the dates of the applicable offering periods in each such offering are identical, provided that the terms of participation are the same within each separate offering as determined under Section 423 of the Code. In addition, the plan administrator have the power to settle all controversies regarding the Restated ESPP and purchase rights granted under it.

The plan administrator may adopt sub-plans, appendices, rules and procedures relating to the operation and administration of the Restated ESPP to facilitate participation in the Restated ESPP by employees who are foreign nationals or employed outside the U.S. To the extent any sub-plan is inconsistent with the requirements of Section 423 of the Code, it will be considered part of the Non-Section 423 Component. The provisions of the Restated ESPP will govern any sub-plan unless superseded by the terms of such sub-plan.

Eligibility

Only employees of Inseego Corp. (or any of its subsidiaries designated by the plan administrator) may participate in the Restated ESPP. Only employees of majority-owned subsidiary corporations may participate in the Section 423 Component. The plan administrator has the authority to limit participation to those individuals who have been customarily employed more than 20 hours per week and more than five months per calendar year on the first day of an offering. In addition, the plan administrator may require that each employee has been continuously employed for such period preceding the grant as the plan administrator may require, but in no event will the required period of continuous employment be greater than two years. Finally, the plan administrator also has the power to exclude our officers who are "highly compensated" as defined in the Code. No employee is eligible to participate in the Restated ESPP if, immediately after the grant of purchase rights, the employee would own, directly or indirectly, stock possessing 5% or more of the total combined voting power or value of all classes of stock of Inseego Corp. or any of its parent or subsidiary corporations. Participation in the Section 423 Component is further subject to the eligibility requirements of Section 423 of the Code.

If the grant of a purchase right under the Restated ESPP to any employee of a participating company who is a citizen or resident of a foreign jurisdiction would be prohibited under the laws of such foreign jurisdiction or the grant of a purchase right to such employee in compliance with the laws of such foreign jurisdiction would cause the

Restated ESPP to violate the requirements of Section 423 of the Code, as determined by the plan administrator in its sole discretion, such employee will not be permitted to participate in the Section 423 Component of the Restated ESPP. In addition, with respect to the Non-Section 423 Component, all of the foregoing rules will apply in determining who is an eligible employee, except the plan administrator may limit eligibility further within a participating company so as to only designate some employees of a participating company as eligible employees, and to the extent the foregoing eligibility rules are not consistent with applicable local laws.

Eligible employees become participants in the Restated ESPP by enrolling and authorizing payroll deductions by the deadline established by the administrator prior to the relevant offering date. Directors who are not employees are not eligible to participate. Employees who choose not to participate, or are not eligible to participate at the start of an offering period but who become eligible thereafter, may enroll in any subsequent offering period.

As of May 16, 2022, the most recent enrollment date, there were 300 employees who were eligible to participate in the Restated ESPP, 140 of whom had elected to participate.

Participation in an Offering

Offering Periods and Purchase Periods. The Restated ESPP is implemented by offerings of rights to all eligible employees from time to time. Under applicable law and the terms of the Restated ESPP, the maximum length for an offering under the Restated ESPP is 27 months. Each offering period consists of one or more purchase dates as determined by the plan administrator. The provisions of separate offerings need not be identical. Pursuant to the terms of our current offerings under the Restated ESPP, a new offering will automatically begin on each May 16 and November 16 over the term of the Restated ESPP and will be 6 months in duration.

Enrollment in the Restated ESPP. Eligible employees enroll in the Restated ESPP by delivering to us an agreement authorizing payroll deductions in an amount up to the maximum amount approved by the plan administrator (unless payroll deductions are not permitted in a jurisdiction outside the U.S., in which case contributions may be permitted). Pursuant to the Restated ESPP, such payroll deductions will be limited to up to 10% of an employee's eligible cash compensation during the offering. A participant may increase or decrease his or her participation level at any time with such change to be effective commencing as of the next purchase period. A participant may also increase or decrease his or her participation level to be effective in a subsequent purchase period of an ongoing offering in accordance with procedures established by us. All payroll deductions made for a participant are credited to the participant's account under the Restated ESPP and are included with the general funds of the Company, unless the funds for non-U.S. participants must be segregated and held in a separate account. Funds received upon sales of stock under the Restated ESPP are used for general corporate purposes. In general, no interest will be paid on participant accounts. With respect to the Non-Section 423 Component, interest may apply to participant accounts to the extent required by applicable law and approved by the plan administrator. The Restated ESPP allows for concurrent offerings, but an eligible employee may enroll in only one offering at a time.

Purchase Price. The purchase price of the shares will be 85% of the lower of the fair market value of our common stock on the first day of the offering period or on the applicable purchase date. The fair market value per share of our common stock under the Restated ESPP is generally is the closing sale price of our common stock on the Nasdaq Stock Market on the date for which fair market value is being determined, or if there is no closing sales price for a share of our common stock on the date in question, the closing sales price for a share of common stock on the last preceding date for which such quotation exists. The closing price per share of our common stock on the Nasdaq Stock Market on May 16, was \$2.29.

Purchase of Stock. In connection with offerings made under the Restated ESPP, the plan administrator may specify from time to time a maximum number of shares of common stock an employee may be granted the right to purchase and the maximum aggregate number of shares of common stock that may be purchased pursuant to such offering by all participants. In addition, no employee may purchase more than \$25,000 worth of common stock (determined at the fair market value of the shares at the time such rights are granted) under all employee stock purchase plans (intended to qualify as such under Section 423(b) of the Code) of our company and its parent and subsidiary corporations for each calendar year in which the purchase rights are outstanding at any time. Pursuant to the Restated ESPP, the maximum number of shares that may be purchased by any single participant during any

offering period or purchase period is 5,000 shares. If the aggregate number of shares to be purchased upon exercise of all outstanding purchase rights would exceed the foregoing limits, the plan administrator may make a uniform and equitable allocation of available shares.

Participation in and Withdrawal from the Restated ESPP. Enrolled employees will automatically participate in subsequent offerings, provided the participant has not withdrawn from the Restated ESPP, continues to meet the eligibility requirements, and has not terminated employment with us. A participant may withdraw from a given offering without affecting his or her eligibility to participate in future offerings under the Restated ESPP. Upon any withdrawal from an offering by the participant, we will distribute to the participant his or her accumulated payroll deductions without interest, less any accumulated deductions previously applied to the purchase of shares of common stock on the participant's behalf during such offering, and such employee's rights in the offering will be automatically terminated.

Termination of Employment. Unless otherwise specified by the plan administrator, a participant's rights under any offering under the Restated ESPP terminate immediately upon cessation of an employee's employment for any reason (subject to any post-employment participation period required by law), and we will distribute to such employee all of his or her accumulated payroll deductions, without interest.

Adjustments

In the event of any dividend or other distribution, , stock split, combination or exchange of shares, merger, consolidation, spin-off, recapitalization, distribution of company assets to stockholders (other than normal cash dividends), or any other corporate event affecting our common stock, the number of shares reserved under the Restated ESPP, the per offering period and per purchase period share limits and the price per share and number of shares of our common stock covered by each outstanding right will be adjusted equitably. Such adjustments will be made by the administrator of the Restated ESPP, whose determination in that respect will be final, binding and conclusive.

In the event of certain significant transactions or a change in control (as defined in the Restated ESPP), the administrator of the Restated ESPP may provide for (1) either the replacement or termination of outstanding rights in exchange for cash, (2) the assumption or substitution of outstanding rights by the successor or survivor corporation or parent or subsidiary thereof, if any, (3) the adjustment in the number and type of shares of stock subject to outstanding rights, (4) the use of participants' accumulated payroll deductions to purchase stock on a new purchase date prior to the next purchase date and termination of any rights under ongoing offering periods or (5) the termination of all outstanding rights. Under the Restated ESPP, a change in control has the same definition as given to such term in the Existing ESPP.

Transferability. A participant may not transfer rights granted under the Restated ESPP other than by will, the laws of descent and distribution or as otherwise provided under the Restated ESPP.

Amendment and Termination. The administrator of the Restated ESPP may amend, suspend or terminate the Restated ESPP. However, stockholder approval of any amendment to the Restated ESPP will be obtained for any amendment which changes the aggregate number or type of shares that may be sold pursuant to rights under the Restated ESPP or changes the corporations or classes of corporations whose employees are eligible to participate in the Restated ESPP. The Restated ESPP will continue in effect until terminated by the Board or the share reserve is exhausted.

U.S. Federal Income Tax Consequences

The material federal income tax consequences of the Restated ESPP under current U.S. federal income tax law are summarized in the following discussion, which deals with the general tax principles applicable to the Restated ESPP. The following discussion is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change. Foreign, state and local tax laws, and employment, estate and gift tax considerations are not discussed due to the fact that they may vary depending on individual circumstances and from locality to locality.

As described above, the Restated ESPP has a Section 423 Component and a Non-Section 423 Component. The tax consequences for a U.S. taxpayer will depend on whether he or she participates in the Section 423 Component or the Non-Section 423 Component.

Tax Consequences to U.S. Participants in the Section 423 Component. The Section 423 Component of the Restated ESPP, and the right of participants to make purchases thereunder, is intended to qualify under the provisions of Section 423 of the Code. Under the applicable Code provisions, no income will be taxable to a participant until the sale or other disposition of the shares purchased under the Section 423 Component of the Restated ESPP. This means that an eligible employee will not recognize taxable income on the date the employee is granted an option under the Section 423 Component of the Restated ESPP (i.e., the first day of the offering period). In addition, the employee will not recognize taxable income upon the purchase of shares. Upon such sale or disposition, the participant will generally be subject to tax in an amount that depends upon the length of time such shares are held by the participant prior to disposing of them. If the shares are sold or disposed of more than two years from the first day of the offering period during which the shares were purchased and more than one year from the date of purchase, or if the participant dies while holding the shares, the participant (or his or her estate) will recognize ordinary income measured as the lesser of (1) the excess of the fair market value of the shares at the time of such sale or disposition over the purchase price or (2) an amount equal to 15% of the fair market value of the shares as of the first day of the offering period. Any additional gain will be treated as long-term capital gain. If the shares are held for the holding periods described above but are sold for a price that is less than the purchase price, there is no ordinary income and the participating employee has a long-term capital loss for the difference between the sale price and the purchase price.

If the shares are sold or otherwise disposed of before the expiration of the holding periods described above, the participant will recognize ordinary income generally measured as the excess of the fair market value of the shares on the date the shares are purchased over the purchase price and we will be entitled to a tax deduction for compensation expense in the amount of ordinary income recognized by the employee. Any additional gain or loss on such sale or disposition will be long-term or short-term capital gain or loss, depending on how long the shares were held following the date they were purchased by the participant prior to disposing of them. If the shares are sold or otherwise disposed of before the expiration of the holding periods described above but are sold for a price that is less than the purchase price, the participant will recognize ordinary income equal to the excess of the fair market value of the shares on the date of purchase over the purchase price (and we will be entitled to a corresponding deduction), but the participant generally will be able to report a capital loss equal to the difference between the sales price of the shares and the fair market value of the shares on the date of purchase.

We are not entitled to a deduction for amounts taxed as ordinary income or capital gain to a participant except to the extent of ordinary income recognized upon a sale or disposition of shares prior to the expiration of the holding periods described above.

Tax Consequences to U.S. Participants in the Non-Section 423 Component. A U.S. participant in the Non-Section 423 Component will have compensation income equal to the value of the common stock on the day he or she purchased the common stock less the purchase price.

When the participant sells the common stock he or she purchased under the Non-Section 423 Component of the Restated ESPP, he or she also will have a capital gain or loss equal to the difference between the sales proceeds and the value of the common stock on the day he or she purchased it. This capital gain or loss will be long-term if the participant held the common stock for more than one year and otherwise will be short-term.

Any compensation income that the participant receives upon the purchase of shares of common stock under the Non-Section 423 Component of the Restated ESPP is subject to applicable tax withholding. In addition, the compensation income is required to be reported as ordinary income to the participant on his or her annual Form W-2, and the participant is responsible for ensuring that this income is reported on his or her individual income tax return.

With respect to U.S. participants, we are entitled to a deduction for amounts taxed as ordinary income to a participant to the extent of ordinary income recognized upon a purchase made under the Non-Section 423 Component.

New Plan Benefits

Because the number of shares that may be purchased under the Restated ESPP will depend on each employee's voluntary election to participate and on the fair market value of our common stock at various future dates, the actual number of shares that may be purchased by any individual cannot be determined in advance. No shares of common stock have been issued with respect to the 1,250,000 share increase for which stockholder approval is sought under this Proposal 5.

Plan Benefits under the Existing ESPP

During 2021, each of our named executive officers and the other groups identified below have purchased the following shares under the Existing ESPP:

	Shares Purchased (#)	Aggregate Purchase Price (\$)
Ashish Sharma <i>Chief Executive Officer and President</i>	—	—
Robert Barbieri <i>Chief Financial Officer</i>	—	—
Doug Kahn <i>Executive Vice President, Operations</i>	3,819	\$ 23,382
Dan Mondor <i>Former Chief Executive Officer</i>	2,553	\$ 15,654
Craig Foster <i>Former Chief Financial Officer</i>	—	—
Wei Ding <i>Former Vice President and Corporate Controller</i>	4,043	\$ 24,832
All current executive officers as a group (5 persons)	7,862	\$ 48,214
All employees who are not executive officers as a group	212,528	\$ 1,306,411

Recommendation and Vote Required

Assuming that a quorum is present, the affirmative vote of the holders of a majority of the shares of our outstanding common stock present, virtually or represented by proxy, and entitled to vote at the Annual Meeting, is required to approve the amendment of the Incentive Plan. Because abstentions are counted as present for purposes of the vote on this matter but are not votes FOR this proposal, they have the same effect as votes AGAINST this proposal. Broker non-votes will not have any effect on this proposal.



THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THIS PROPOSAL.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee assists the Board in fulfilling its responsibility to oversee management's implementation of the Company's financial reporting process. The Audit Committee Charter can be viewed on the Company's website at investor.inseego.com under "Corporate Governance" and is available in print upon request. In discharging its oversight role, the Audit Committee reviewed and discussed the audited financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 with the Company's management and its independent registered public accounting firm. Management is responsible for the financial statements and the reporting process, including the system of disclosure controls and procedures and internal control over financial reporting. The independent registered public accounting firm is responsible for expressing an opinion on the conformity of the Company's financial statements with accounting principles generally accepted in the United States and on the effectiveness of the Company's internal control over financial reporting.

The Audit Committee met with the independent registered public accounting firm and discussed the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the SEC. In addition, the Audit Committee discussed with the independent registered public accounting firm its independence from the Company and its management; received the written disclosures and the letter required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence; and considered whether the provision of non-audit services was compatible with maintaining the accounting firm's independence.

In reliance on the reviews and discussions outlined above, the Audit Committee recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, for filing with the SEC.

AUDIT COMMITTEE

Jeffrey Tuder, *Chair*

James B. Avery

Christopher Harland

The foregoing Report of the Audit Committee is not "soliciting material," is not deemed "filed" with the SEC, and shall not be deemed incorporated by reference by any general statement incorporating by reference this Proxy Statement into any filing of ours under the Securities Act of 1933, as amended, or under the Securities Exchange Act of 1934, as amended, except to the extent we specifically incorporate this report by reference.

STOCKHOLDER PROPOSALS

Stockholder Proposals for Inclusion in 2023 Proxy Statement. In order to be included in our proxy materials for our 2023 annual meeting of stockholders, a stockholder proposal or information about a proposed director candidate must be timely received in writing by the Company at Inseego Corp., Attention: Secretary, 9710 Scranton Road, Suite 200, San Diego, California 92121, by February 23, 2023, and otherwise comply with all requirements of the SEC, the General Corporation Law of Delaware and the Bylaws.

Stockholder Proposals to be presented at the 2023 Annual Meeting of Stockholders. If you do not wish to submit a proposal or information about a proposed director candidate for inclusion in next year's proxy materials, but instead wish to present it directly at the 2023 annual meeting of stockholders, you must give timely written notice of the proposal to our Secretary. To be timely, the notice must be received no earlier than April 6, 2023 and no later than the close of business on May 6, 2023. The notice must describe the stockholder proposal in reasonable detail and provide certain other information required by our Bylaws, a copy of which is available upon request from our Secretary at the above address.

DELINQUENT SECTION 16(A) REPORTS

Section 16(a) of the Exchange Act requires our directors, executive officers, and anyone holding 10% or more of a registered class of our equity securities to file reports with the SEC showing their holdings of, and transactions in, these securities. Based solely on a review of copies of such reports we received, we believe that during 2021 all its reporting persons filed such reports on a timely basis, with the exception of (a) one delinquent Form 3 and Form 4 for Ms. Bowers that were filed on December 6, 2021 due to an administrative delay in receiving EDGAR filing codes, (b) one delinquent Form 3 and Form 4 for Mr. Barbieri that was filed on December 6, 2021 due to administrative delay in receiving EDGAR filing codes and (c) a delinquent Form 4 for Mr. Tuder due to administrative delay in receiving EDGAR filing codes.

ANNUAL REPORT ON FORM 10-K

The Company will furnish without charge, to each person whose proxy is solicited upon the written request of such person, a copy of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, as filed with the SEC, including the financial statements and financial statement schedules. In addition, upon request, the exhibits to that document will be furnished subject to payment of a specified fee. Requests for copies of these documents should be directed to: Inseego Corp., 9710 Scranton Road, Suite 200, San Diego, California 92121, Attention: Corporate Secretary.

MISCELLANEOUS AND OTHER MATTERS

The Board knows of no other matters to be presented for stockholder action at the Annual Meeting. However, if other matters do properly come before the Annual Meeting or any adjournment or postponements thereof, the Board intends that the persons named in the proxies will vote upon such matters in accordance with their best judgment.

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE VOTE YOUR SHARES ONLINE, BY TELEPHONE OR, IF YOU REQUESTED PRINTED COPIES OF THESE MATERIALS, BY SIGNING AND PROMPTLY RETURNING YOUR PROXY CARD IN THE POSTAGE-PAID ENVELOPE PROVIDED. YOU MAY REVOKE YOUR PROXY AT ANY TIME PRIOR TO THE ANNUAL MEETING. THANK YOU FOR YOUR ATTENTION TO THIS MATTER. YOUR PROMPT RESPONSE WILL GREATLY FACILITATE ARRANGEMENTS FOR THE ANNUAL MEETING.

INSEEGO CORP.**2018 Omnibus Incentive Compensation Plan**

1. **Purpose.** Inseego Corp. hereby amends and restates the Inseego Corp. 2009 Omnibus Incentive Compensation Plan into this Inseego Corp. 2018 Omnibus Incentive Compensation Plan. The purpose of the Plan is to promote the long-term success of the Company and the creation of stockholder value by offering directors, officers, employees and consultants of the Company an opportunity to acquire a proprietary interest in the success of the Company, or to increase such interest, and to encourage such selected persons to continue to provide services to the Company and to attract new individuals with outstanding qualifications.
2. **Definitions.** As used in the Plan,
 - (a) “Affiliate” means any entity other than a Subsidiary, if the Company and/or one or more Subsidiaries owns not less than 50 percent of such entity.
 - (b) “Aggregate Share Limit” means the aggregate maximum number of shares available under the Plan pursuant to Section 3(a)(i) of the Plan.
 - (c) “Annual Incentive Award” means a cash award granted pursuant to Section 8 of the Plan, where such award is based on Management Objectives and a Performance Period of one year or less.
 - (d) “Appreciation Right” means a right granted pursuant to Section 5 of the Plan.
 - (e) “Award” means any Annual Incentive Award, Option Right, Restricted Stock, Restricted Stock Unit, Appreciation Right, Performance Share, Performance Unit or Other Award granted pursuant to the terms of the Plan.
 - (f) “Base Price” means the price to be used as the basis for determining the Spread upon the exercise of an Appreciation Right.
 - (g) “Beneficial Owner” or “Beneficial Ownership” has the meaning ascribed to such term in Rule 13d-3 of the General Rules and Regulations under the Exchange Act.
 - (h) “Board” means the Board of Directors of Inseego, as constituted from time to time.
 - (i) “Change in Control” means, except as may otherwise be provided in an Evidence of Award or in a Participant’s written employment agreement, change-in-control agreement, severance agreement, or other similar written agreement or arrangement that expressly provides that such definition applies with respect to this Plan, the first to occur of the following events:
 - (i) any Person is or becomes the Beneficial Owner of 50 percent or more of the combined voting power of the then-outstanding Voting Stock of Inseego; provided, however, that:
 - (1) the following acquisitions will not constitute a Change in Control: (A) any acquisition of Voting Stock of Inseego directly from Inseego that is approved by a majority of the Incumbent Directors, (B) any acquisition of Voting Stock of Inseego by the Company, (C) any acquisition of Voting Stock of Inseego by the trustee or other fiduciary holding securities under any employee benefit plan (or related trust) sponsored or maintained by the Company, and (D) any acquisition of Voting Stock of Inseego by any Person

pursuant to a Business Transaction (as defined below) that complies with clauses (A), (B) and (C) of Section 2(i)(iii) below;

(2) if any Person is or becomes the Beneficial Owner of 50 percent or more of the combined voting power of the then-outstanding Voting Stock of Inseego as a result of a transaction described in clause (A) of Section 2(i)(i)(1) above and such Person thereafter becomes the Beneficial Owner of any additional shares of Voting Stock of Inseego representing one percent or more of the then-outstanding Voting Stock of Inseego, other than in an acquisition directly from Inseego that is approved by a majority of the Incumbent Directors or other than as a result of a stock dividend, stock split or similar transaction effected by Inseego in which all holders of Voting Stock are treated equally, such subsequent acquisition will be treated as a Change in Control;

(3) a Change in Control will not be deemed to have occurred if a Person is or becomes the Beneficial Owner of 50 percent or more of the Voting Stock of Inseego as a result of a reduction in the number of shares of Voting Stock of Inseego outstanding pursuant to a transaction or series of transactions that is approved by a majority of the Incumbent Directors unless and until such Person thereafter becomes the Beneficial Owner of any additional shares of Voting Stock of Inseego representing one percent or more of the then-outstanding Voting Stock of Inseego, other than as a result of a stock dividend, stock split or similar transaction effected by Inseego in which all holders of Voting Stock are treated equally; and

(4) if at least a majority of the Incumbent Directors determine in good faith that a Person has acquired Beneficial Ownership of 50 percent or more of the Voting Stock of Inseego inadvertently, and such Person divests as promptly as practicable but no later than the date, if any, set by the Incumbent Directors a sufficient number of shares so that such Person has Beneficial Ownership of less than 50 percent of the Voting Stock of Inseego, then no Change in Control will have occurred as a result of such Person's acquisition; or

(ii) a majority of the Board ceases to be comprised of Incumbent Directors; or

(iii) the consummation of a reorganization, merger or consolidation, or sale or other disposition of all or substantially all of the assets of Inseego or the acquisition of the stock or assets of another corporation, or other transaction (each, a "Business Transaction"), unless, in each case, immediately following such Business Transaction (A) the Voting Stock of Inseego outstanding immediately prior to such Business Transaction continues to represent (either by remaining outstanding or by being converted into Voting Stock of the surviving entity or any parent thereof), more than 50 percent of the combined voting power of the then outstanding shares of Voting Stock of the entity resulting from such Business Transaction (including, without limitation, an entity which as a result of such transaction owns Inseego or all or substantially all of Inseego's assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership, immediately prior to such Business Transaction, of the Voting Stock of Inseego, (B) no Person (other than Inseego, such entity resulting from such Business Transaction, or any employee benefit plan (or related trust) sponsored or maintained by the Company or such entity resulting from such Business Transaction) has Beneficial Ownership, directly or indirectly, of 50 percent or more of the combined voting power of the then outstanding shares of Voting Stock of the entity resulting from such Business Transaction, and (C) at least a majority of the members of the Board of Directors of the entity resulting from such Business Transaction were Incumbent Directors at the time of the execution of the initial agreement or of the action of the Board providing for such Business Transaction; or

(iv) Inseego implements a plan for liquidation or dissolution of Inseego, except pursuant to a Business Transaction that complies with clauses (A), (B) and (C) of Section 2(i)(iii).

(j) “Code” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, as such law and regulations may be amended from time to time.

(k) “Committee” means a committee consisting of one or more members of the Board that is appointed by the Board (as described in Section 12) to administer the Plan.

(l) “Company” means, collectively, Inseego and its Subsidiaries.

(m) “Consultant” means an individual who performs bona fide services to the Company or an Affiliate, other than as an Employee or Director.

(n) “Date of Grant” means the date specified by the Board on which a grant of an Award will become effective (which date will not be earlier than the date on which the Board takes action with respect thereto).

(o) “Director” means a member of the Board of Directors of Inseego.

(p) “Employee” means an individual who is an employee of the Company or an Affiliate.

(q) “Evidence of Award” means an agreement, certificate, resolution, notification or other type or form of writing or other evidence approved by the Board that sets forth the terms and conditions of the Awards granted. An Evidence of Award may be in an electronic medium, may be limited to notation on the books and records of Inseego and, unless otherwise determined by the Board, need not be signed by a representative of Inseego or a Participant.

(r) “Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, as such law, rules and regulations may be amended from time to time.

(s) “GAAP” means accounting principles generally accepted in the United States of America as in effect from time to time.

(t) “Incentive Stock Options” means Option Rights that are intended to qualify as “incentive stock options” under Section 422 of the Code or any successor provision.

(u) “Incumbent Directors” means the individuals who, as of the date this amended and restated plan was adopted by the Board, are Directors of Inseego and any individual becoming a Director subsequent to the date hereof whose election, nomination for election by Inseego’s stockholders, or appointment, was approved by a vote of at least two-thirds of the then Incumbent Directors (either by a specific vote or by approval of the proxy statement of Inseego in which such person is named as a nominee for Director, without objection to such nomination); provided, however, that an individual will not be an Incumbent Director if such individual’s election or appointment to the Board occurs as a result of an actual or threatened election contest with respect to the election or removal of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board.

(v) “Inseego” means Inseego Corp., a Delaware corporation, and any successors thereto.

(w) “Investor Director Provider” means any investor in the Company (or the Affiliate of an investor in the Company) that has an employee, direct or indirect owner, or service provider of such investor serving on the Board as a Director, provided that such Director has agreed with the investor (or Affiliate) that such investor (or Affiliate of such investor) will receive any Awards that such Director otherwise would receive.

(x) “Management Objectives” means the performance objective or objectives established pursuant to the Plan for Participants who have received grants of Annual Incentive Awards, Performance Shares or Performance Units or, when so determined by the Board, Option Rights, Appreciation Rights, Restricted Stock, Restricted Stock Units, dividend equivalents or Other Awards pursuant to the Plan. Management Objectives may be described in terms of Inseego-wide objectives or objectives that are related to the performance of the individual Participant or a Subsidiary, division, business unit, region or function within Inseego or any Subsidiary. The Management Objectives may be made relative to the performance of other companies. The Management Objectives may be based on any criteria selected by the Board.

At the Board’s discretion, any Management Objective may be measured before special items, and may or may not be determined in accordance with GAAP. The Board shall have the authority to make equitable adjustments to the Management Objectives (and to the related minimum, target and maximum levels of achievement or performance) as follows: in recognition of unusual or non-recurring events affecting Inseego or any Subsidiary or Affiliate or the financial statements of Inseego or any Subsidiary or Affiliate; in response to changes in applicable laws or regulations; to account for items of gain, loss or expense determined to be extraordinary or unusual in nature or infrequent in occurrence or related to the disposal of a segment of a business or related to a change in accounting principles; or in recognition of any events or circumstances (including, without limitation, changes in the business, operations, corporate or capital structure of the Company or the manner in which it conducts its business) that render the Management Objectives unsuitable, as determined by the Board in its sole discretion.

(y) “Market Value Per Share” means as of any particular date the closing sale price of a Share as reported on the Nasdaq Stock Market or, if not listed on such exchange, on any other national securities exchange on which the Shares are listed. If the Shares are not traded as of any given date, the Market Value Per Share means the closing price for the Shares on the principal exchange on which the Shares are traded for the immediately preceding date on which the Shares were traded. If there is no regular public trading market for the Shares, the Market Value Per Share of the Shares shall be the fair market value of the Shares as determined in good faith by the Board. The Board is authorized to adopt another fair market value pricing method, provided such method is in compliance with the fair market value pricing rules set forth in Section 409A of the Code.

(z) “Option Price” means the purchase price payable on exercise of an Option Right.

(aa) “Option Right” means the right to purchase Shares upon exercise of an option granted pursuant to Section 4 of the Plan.

(bb) “Optionee” means the optionee named in an Evidence of Award evidencing an outstanding Option Right.

(cc) “Other Award” means an Award granted pursuant to Section 9 of the Plan.

(dd) “Participant” means a person who is selected by the Board to receive Awards under the Plan and who is or is expected to become an Employee, Director, or Consultant, or an Investor Director Provider.

(ee) “Performance Period” means, in respect of an Award, a period of time within which the Management Objectives relating to such Award are to be achieved, as determined by the Board in its sole discretion. The Board may establish different Performance Periods for different Participants, and the Board may establish concurrent or overlapping Performance Periods.

(ff) “Performance Share” means an Award under the Plan equivalent to the right to receive one Share awarded pursuant to Section 8 of the Plan.

(gg) “Performance Unit” means a unit awarded pursuant to Section 8 of the Plan that is equivalent to \$1.00 or such other value as is determined by the Board.

(hh) “Person” shall have the meaning set forth in Section 3(a)(9) of the Exchange Act or any successor provision thereto, as modified and used in Sections 13(d) and 14(d) thereof and the rules thereunder.

(ii) “Plan” means this Inseego Corp. 2018 Omnibus Incentive Compensation Plan, as amended.

(jj) “Restricted Stock” means Shares granted pursuant to Section 6 of the Plan as to which neither the substantial risk of forfeiture nor the prohibition on transfers has expired.

(kk) “Restricted Stock Unit” means an Award made pursuant to Section 7 of the Plan.

(ll) “Restriction Period” means the period of time during which Restricted Stock or Restricted Stock Units may be subject to restrictions, as provided in Section 6 and Section 7 of the Plan.

(mm) “Secondary Committee” means one or more senior officers of Inseego (who need not be members of the Board), acting as a committee established by the Board pursuant to Section 12(b) of the Plan, subject to such conditions and limitations as the Board shall prescribe.

(nn) “Shares” means the shares of common stock, par value \$0.001 per share, of Inseego or any security into which such Shares may be changed by reason of any transaction or event of the type referred to in Section 11 of the Plan.

(oo) “Spread” means the excess of the Market Value Per Share on the date when an Appreciation Right is exercised, or on the date when Option Rights are surrendered in payment of the Option Price of other Option Rights, over the Option Price or Base Price provided for in the related Option Right or Appreciation Right, respectively.

(pp) “Subsidiary” means a corporation, company or other entity (i) more than 50 percent of whose outstanding shares or securities (representing the right to vote for the election of directors or other managing authority) are, or (ii) which does not have outstanding shares or securities (as may be the case in a partnership, joint venture or unincorporated association), but more than 50 percent of whose ownership interest representing the right generally to make decisions for such other entity is, now or hereafter, owned or controlled, directly or indirectly, by Inseego; except that, for purposes of determining whether any person may be a Participant for purposes of any grant of Incentive Stock Options, “Subsidiary” means any corporation in which at the time Inseego owns or controls, directly or indirectly, more than 50 percent of the total combined voting power represented by all classes of stock issued by such corporation.

(qq) “Voting Stock” means securities entitled to vote generally in the election of directors.

(rr) “10% Shareholder” means a Person who, as of a relevant date, owns or is deemed to own (by reason of the attribution rules applicable under Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company.

3. **Shares Available Under the Plan.**

(a) **Maximum Shares Available Under Plan.**

(i) Subject to adjustment as provided in Section 11 of the Plan, the maximum number of Shares that may be issued (A) upon the exercise of Option Rights or Appreciation Rights, (B) in payment or settlement of Restricted Stock and released from substantial risks of forfeiture thereof, (C) in payment or settlement of Restricted Stock Units, (D) in payment or settlement of Performance Shares or Performance Units that have been earned, (E) in payment or settlement of Other Awards, or (F) in payment of dividend equivalents paid with respect to Awards made under the Plan, in the aggregate will not exceed 32,753,085 Shares (the “Aggregate Share Limit”).

Shares that are issued in connection with inducement grants pursuant to Nasdaq Listing Rule 5635 and Shares issued under any plan assumed by Inseego in any corporate transaction will not count against the Aggregate Share Limit.

(ii) Shares covered by an Award granted under the Plan shall not be counted against the Aggregate Share Limit unless and until they are actually issued and delivered to a Participant and, therefore, the total number of Shares available under the Plan as of a given date shall not be reduced by any Shares relating to prior Awards that have expired or have been forfeited or cancelled or terminated for any other reason other than being exercised or settled, and to the extent of payment in cash of the benefit provided by any Award granted under the Plan, any Shares that were covered by that Award will be available for issue or transfer hereunder. In addition, upon the full or partial payment of any Option Price by the transfer to the Company of Shares or upon satisfaction of tax withholding provisions in connection with any such exercise or any other payment made or benefit realized under this Plan by the transfer or relinquishment of Shares, there shall be deemed to have been issued under this Plan only the net number of Shares actually issued by the Company.

(iii) Subject to adjustment as provided in Section 11 of the Plan, the aggregate number of Shares actually issued by the Company upon the exercise of Incentive Stock Options will not exceed 7,000,000 Shares.

4. **Option Rights.** The Board may, from time to time, authorize the granting to Participants of Option Rights upon such terms and conditions consistent with the following provisions as it may determine:

(a) Each grant will specify the number of Shares to which it pertains subject to the limitations set forth in Section 3 of the Plan.

(b) Each grant will specify an Option Price per share, which may not be less than (i) the Market Value Per Share on the Date of Grant or (ii) if the Person to whom an Incentive Stock Option is granted is a 10% Shareholder on the Date of Grant, 110% of the Market Value Per Share on the Date of Grant. However, an Incentive Stock Option may be granted with an exercise price lower than that set forth in the preceding sentence if such Incentive Stock Option is granted pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Section 424 of the Code or if the Award is designated as a “Section 409A Award” and has either a fixed exercise date or a fixed delivery date.

(c) Each grant will specify whether the Option Price will be payable (i) in cash or by check acceptable to Inseego or by wire transfer of immediately available funds, (ii) by the actual or constructive transfer to Inseego of Shares owned by the Optionee (or other consideration authorized pursuant to Section 4(d)) having a value at the time of exercise equal to the total Option Price, (iii) by withholding by Inseego from the Shares otherwise deliverable to the Optionee upon the exercise of such Option Rights, a number of Shares having a value at the time of exercise equal to the total Option Price, (iv) by a combination of such methods of payment, or (v) by such other methods as may be approved by the Board.

(d) To the extent permitted by law, any grant may provide for deferred payment of the Option Price from the proceeds of sale through a bank or broker on a date satisfactory to Inseego of some or all of the Shares to which such exercise relates.

(e) Successive grants may be made to the same Participant whether or not any Option Rights previously granted to such Participant remain unexercised.

(f) Each grant will specify the period or periods of continuous service by the Optionee with Inseego or any Subsidiary that is necessary before the Option Rights or installments thereof will become exercisable; provided, however, that in the case of an Investor Director Provider, service will be deemed continuous as long as such Investor Director Provider has at least one representative on the Board who is an employee, direct or indirect owner, or service provider of such Investor Director Provider.

(g) Any grant of Option Rights may specify Management Objectives that must be achieved as a condition to the exercise of such rights.

(h) Option Rights granted under the Plan may be (i) Incentive Stock Options, (ii) options that are not intended to qualify as Incentive Stock Options, or (iii) combinations of the foregoing. Incentive Stock Options may only be granted to Participants who are “employees” (under Section 3401(c) of the Code) of Inseego or a subsidiary of Inseego (under Section 424 of the Code). Any Option Right designated as an Incentive Stock Option will not be an Incentive Stock Option to the extent the Option Right fails to meet the requirements of Section 422 of the Code. Each grant will specify whether the Option Right is an Incentive Stock Option or an option that is not intended to qualify as an Incentive Stock Option.

(i) The Board may substitute, without receiving Participant permission, Appreciation Rights payable only in Shares (or Appreciation Rights payable in Shares or cash, or a combination of both, at the Board’s discretion) for outstanding Option Rights; provided, however, that the terms of the substituted Appreciation Rights are substantially the same as the terms for the Option Rights at the date of substitution and the difference between the Market Value Per Share of the underlying Shares and the Base Price of the Appreciation Rights is equivalent to the difference between the Market Value Per Share of the underlying Shares and the Option Price of the Option Rights. If the Board determines, based upon advice from Inseego’s accountants, that this provision creates adverse accounting consequences for Inseego, it shall be considered null and void.

(j) No Option Right will be exercisable more than 10 years from the Date of Grant; provided, however, that with respect to Incentive Stock Options issued to 10% Shareholders, the term of each such Option Right shall not exceed five (5) years from the date it is granted.

(k) No grant of Option Rights may provide for dividends, dividend equivalents or other similar distributions to be paid on such Option Rights.

(l) No Option Right shall include terms entitling the Participant to a grant of Option Rights or Appreciation Rights on exercise of the Option Right.

5. **Appreciation Rights.** The Board may, from time to time, authorize the granting to any Participant of Appreciation Rights upon such terms and conditions consistent with the following provisions as it may determine:

(a) An Appreciation Right will be a right of the Participant to receive from Inseego an amount determined by the Board, which will be expressed as a percentage of the Spread (not exceeding 100 percent) at the time of exercise.

(b) Each grant will specify the Base Price, which may not be less than the Market Value Per Share on the Date of Grant.

(c) Any grant may specify that the amount payable on exercise of an Appreciation Right may be paid by Inseego in cash, in Shares or in any combination thereof and may retain for the Board the right to elect among those alternatives.

(d) Any grant may specify that the amount payable on exercise of an Appreciation Right may not exceed a maximum specified by the Board at the Date of Grant.

(e) Any grant may specify waiting periods before exercise and permissible exercise dates or periods.

(f) Each grant will specify the period or periods of continuous service by the Participant with Inseego or any Subsidiary that is necessary before such Appreciation Right or installments thereof will become exercisable; provided, however, that in the case of an Investor Director Provider, service will be deemed continuous as long as such Investor Director Provider has at least one representative on the Board who is an employee, direct or indirect owner, or service provider of such Investor Director Provider.

(g) Any grant of Appreciation Rights may specify Management Objectives that must be achieved as a condition of the exercise of such Appreciation Rights.

(h) Successive grants may be made to the same Participant regardless of whether any Appreciation Rights previously granted to the Participant remain unexercised.

(i) No Appreciation Right granted under the Plan may be exercised more than 10 years from the Date of Grant.

(j) No grant of Appreciation Rights may provide for dividends, dividend equivalents or other similar distributions to be paid on such Appreciation Rights.

(k) No Appreciation Right shall include terms entitling the Participant to a grant of Option Rights or Appreciation Rights on exercise of the Appreciation Right.

6. **Restricted Stock.** The Board may, from time to time, authorize the granting of Restricted Stock to Participants upon such terms and conditions consistent with the following provisions as it may determine:

(a) Each such grant will constitute an immediate transfer of the ownership of Shares to the Participant in consideration of the performance of services, entitling such Participant to voting, dividend and other ownership rights, but such rights shall be subject to such restrictions and the fulfillment of such conditions (which may include the achievement of Management Objectives) during the Restriction Period as the Board may determine.

(b) Each such grant may be made without additional consideration or in consideration of a payment by such Participant that is less than the Market Value Per Share at the Date of Grant.

(c) Each such grant will provide that the Restricted Stock covered by such grant that vests upon the passage of time will be subject to a “substantial risk of forfeiture” within the meaning of Section 83 of the Code for a Restriction Period to be determined by the Board at the Date of Grant or upon achievement of Management Objectives referred to in subparagraph (e) below.

(d) Each such grant will provide that during, and may provide that after, the Restriction Period, the transferability of the Restricted Stock will be prohibited or restricted in the manner and to the extent prescribed by the Board at the Date of Grant (which restrictions may include, without limitation, rights of repurchase or first refusal in Inseego or provisions subjecting the Restricted Stock to a continuing substantial risk of forfeiture in the hands of any transferee).

(e) Any grant of Restricted Stock may specify Management Objectives that, if achieved, will result in termination or early termination of the restrictions applicable to such Restricted Stock.

(f) Notwithstanding anything to the contrary contained in the Plan, any grant of Restricted Stock may provide for the earlier termination of restrictions on such Restricted Stock in the event of the retirement, death or disability, or other termination of employment of a Participant, or a Change in Control.

(g) Any such grant of Restricted Stock may require that any or all dividends or other distributions paid thereon during the Restriction Period be automatically deferred and reinvested in additional shares of Restricted Stock or paid in cash, which may be subject to the same restrictions as the underlying Award; provided, however, that dividends or other distributions on Restricted Stock subject to Management Objectives shall be deferred and paid in cash upon the achievement of the applicable Management Objectives and the lapse of all restrictions on such Restricted Stock.

(h) Unless otherwise directed by the Board, (i) all certificates representing shares of Restricted Stock will be held in custody by Inseego until all restrictions thereon will have lapsed, together with a stock power or powers executed by the Participant in whose name such certificates are registered, endorsed in blank and covering such Shares, or (ii) all shares of Restricted Stock will be held at Inseego's transfer agent in book entry form with appropriate restrictions relating to the transfer of such shares of Restricted Stock.

7. **Restricted Stock Units.** The Board may, from time to time, authorize the granting of Restricted Stock Units to Participants upon such terms and conditions consistent with the following provisions as it may determine:

(a) Each such grant will constitute the agreement by Inseego to deliver Shares or cash to the Participant in the future in consideration of the performance of services, but subject to such restrictions and the fulfillment of such conditions (which may include the achievement of Management Objectives) during the Restriction Period as the Board may specify.

(b) Each such grant may be made without additional consideration or in consideration of a payment by such Participant that is less than the Market Value Per Share at the Date of Grant.

(c) Notwithstanding anything to the contrary contained in the Plan, any grant of Restricted Stock Units may provide for the earlier lapse or modification of the Restriction Period in the event of the retirement, death or disability, or other termination of employment of a Participant, or a Change in Control.

(d) During the Restriction Period, the Participant will have no right to transfer any rights under his or her Award and will have no rights of ownership in the Restricted Stock Units and will have no right to vote them, but the Board may at the Date of Grant, authorize the payment of dividend equivalents on such Restricted Stock Units on either a current, deferred or contingent basis either in cash, additional Restricted Stock Units or in additional Shares; provided, however, that dividend equivalents on Restricted Stock Units subject to Management Objectives shall be deferred and paid in cash upon the achievement of the applicable Management Objectives and the lapse of all restrictions on such Restricted Stock Units.

(e) Each grant of Restricted Stock Units will specify the time and manner of payment of the Restricted Stock Units that have been earned.

8. **Annual Incentive Awards, Performance Shares and Performance Units.** The Board may, from time to time, authorize the granting of Annual Incentive Awards, Performance Shares and Performance Units that will become payable to a Participant upon achievement of specified Management Objectives during the Performance Period, upon such terms and conditions consistent with the following provisions as it may determine:

- (a) Each grant will specify either the number of shares, or amount of cash, payable with respect to Annual Incentive Awards, Performance Shares or Performance Units to which it pertains, which number or amount payable may be subject to adjustment to reflect changes in compensation or other factors.
- (b) The Performance Period with respect to each Annual Incentive Award, Performance Share or Performance Unit will be such period of time (not less than one year in the case of each Performance Share and Performance Unit), as will be determined by the Board at the time of grant, which Performance Period may be subject to earlier lapse or other modification in the event of the retirement, death or disability, or other termination of employment of a Participant, or a Change in Control.
- (c) Any grant of Annual Incentive Awards, Performance Shares or Performance Units will specify Management Objectives that, if achieved, will result in payment or early payment of the Award and may set forth a formula for determining the number of Shares, or amount of cash, payable with respect to Annual Incentive Awards, Performance Shares or Performance Units that will be earned if performance is at or above the minimum or threshold level or levels.
- (d) Each grant will specify the time and manner of payment of Annual Incentive Awards, Performance Shares or Performance Units that have been earned. Any grant of Performance Shares or Performance Units may specify that the amount payable with respect thereto may be paid by Inseego in cash, in Shares or in any combination thereof and will retain in the Board the right to elect among those alternatives.
- (e) Any grant of Annual Incentive Awards, Performance Shares or Performance Units may specify that the amount payable or the number of Shares issued with respect thereto may not exceed maximums specified by the Board at the Date of Grant.
- (f) The Board may at the Date of Grant of Performance Shares provide for the payment of dividend equivalents to the holder thereof on either a current, deferred or contingent basis, either in cash or in additional Shares; provided, however, that dividend equivalents on Performance Shares shall be deferred and paid in cash upon the achievement of the applicable Management Objectives.

9. Other Awards.

- (a) The Board may, subject to limitations under applicable law, grant to any Participant such Other Awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares or factors that may influence the value of such Shares, including, without limitation, awards consisting of securities or other rights convertible or exchangeable into Shares, purchase rights for Shares, awards with value and payment contingent upon performance of the Company or specified Subsidiaries, Affiliates or other business units thereof or any other factors designated by the Board, and awards valued by reference to the book value of Shares or the value of securities of, or the performance of specified Subsidiaries or Affiliates or other business units of Inseego. The Board shall determine the terms and conditions of such awards. Shares delivered pursuant to an Award in the nature of a purchase right granted under this Section 9 shall be purchased for such consideration, paid for at such time, by such methods, and in such forms, including, without limitation, cash, Shares, Other Awards, notes or other property, as the Board shall determine.
- (b) Except as otherwise provided in Section 15(b), cash Awards, as independent Awards or as an element of or supplement to any other Award granted under the Plan, may also be granted pursuant to this Section 9.

(c) The Board may grant Shares as a bonus, or may grant other Awards in lieu of obligations of Inseego or a Subsidiary to pay cash or deliver other property under the Plan or under other plans or compensatory arrangements, subject to such terms as shall be determined by the Board in a manner that complies with Section 409A of the Code.

10. **Transferability.**

(a) Except as otherwise determined by the Board, no Awards granted under the Plan and no rights under any such Awards shall be assignable, alienable, saleable, or transferable by the Participant except by will or the laws of descent and distribution, and in no event shall any such Award granted under the Plan be transferred for value. Except as otherwise determined by the Board, Option Rights and Appreciation Rights will be exercisable during the Participant's lifetime only by him or her or, in the event of the Participant's legal incapacity to do so, by his or her guardian or legal representative acting on behalf of the Participant in a fiduciary capacity under state law and/or court supervision.

(b) The Board may specify at the Date of Grant that part or all of the Shares that are to be issued by the Company upon the exercise of Option Rights or Appreciation Rights, upon the termination of the Restriction Period applicable to Restricted Stock or Restricted Stock Units or upon payment under any grant of Performance Shares, Performance Units or Other Awards will be subject to further restrictions on transfer.

11. **Adjustments.** The Board shall make or provide for such adjustments in the number of Shares covered by outstanding Option Rights, Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares and Performance Units granted hereunder and, if applicable, in the number of Shares covered by Other Awards, in the Option Price and Base Price provided in outstanding Option Rights or Appreciation Rights, and in the kind of Shares covered thereby, as the Board, in its sole discretion, may determine is equitably required to prevent dilution or enlargement of the rights of Participants that otherwise would result from (a) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Company, (b) any merger, consolidation, spin-off, split-off, spin-out, split-up, reorganization, partial or complete liquidation or other distribution of assets, issuance of rights or warrants to purchase securities, or (c) any other corporate transaction or event having an effect similar to any of the foregoing. Moreover, in the event of any such transaction or event or in the event of a Change in Control, the Board, in its discretion, may provide in substitution for any or all outstanding Awards under the Plan such alternative consideration (including cash), if any, as it may determine to be equitable in the circumstances and may require in connection therewith the surrender of all Awards so replaced in a manner that complies with Section 409A of the Code. In addition, for each Option Right or Appreciation Right with an Option Price or Base Price greater than the consideration offered in connection with any such transaction or event or Change in Control, the Board may in its sole discretion elect to cancel such Option Right or Appreciation Right without any payment to the person holding such Option Right or Appreciation Right. The Board shall also make or provide for such adjustments in the number of Shares specified in Section 3 of the Plan as the Board in its sole discretion, may determine is appropriate to reflect any transaction or event described in this Section 11; provided, however, that any such adjustment to the number specified in Section 3(a)(iii) will be made only if and to the extent that such adjustment would not cause any Option Right intended to qualify as an Incentive Stock Option to fail so to qualify.

12. **Administration of the Plan.**

(a) The Plan will be administered by the Board, which may from time to time delegate all or any part of its authority under the Plan to the Committee. To the extent of any such delegation, references in the Plan to the Board will be deemed to be references to such Committee. A majority of the Committee will constitute a quorum, and the action of the members of the Committee present at any meeting at which a quorum is present, or acts unanimously approved in writing, will be the acts of the Committee.

(b) To the extent permitted by applicable law, including any rule of the Nasdaq Stock Market, the Board or Committee may delegate its duties under the Plan to a Secondary Committee, subject to such conditions and limitations as the Board or Committee shall prescribe; provided, however, that: (i) only the Board or Committee may grant an Award to a Participant who is subject to Section 16 of the Exchange Act; and (ii) the Secondary Committee shall report periodically to the Board or the Committee, as the case may be, regarding the nature and scope of the Awards granted pursuant to the authority delegated. To the extent of any such delegation, references or deemed references in the Plan to the Committee will be deemed to be references to such Secondary Committee. A majority of the Secondary Committee will constitute a quorum, and the action of the members of the Secondary Committee present at any meeting at which a quorum is present, or acts unanimously approved in writing, will be the acts of the Secondary Committee.

(c) The Board shall have full and exclusive discretionary power to interpret the terms and the intent of this Plan and any Evidence of Award or other agreement or document ancillary to or in connection with this Plan, to determine eligibility for Awards and to adopt such rules, regulations, forms, instruments, and guidelines for administering this Plan as the Board may deem necessary or proper. Such authority shall include, but not be limited to, selecting Award recipients, establishing all Award terms and conditions, including the terms and conditions set forth in an Evidence of Award, granting Awards as an alternative to or as the form of payment for grants or rights earned or due under compensation plans or arrangements of the Company, construing any ambiguous provision of the Plan or any Evidence of Award, and, subject to Sections 15 and 18, adopting modifications and amendments to this Plan or any Evidence of Award, including without limitation, any that are necessary to comply with the laws of the countries and other jurisdictions in which Inseego, its Affiliates, and/or its Subsidiaries operate. The grant of any Award that specifies Management Objectives that must be achieved before such Award can be earned or paid will specify that, before such Award will be earned and paid, the Board must certify that the Management Objectives have been satisfied.

(d) The interpretation and construction by the Board of any provision of this Plan or of any Evidence of Award or other agreement or document ancillary to or in connection with this Plan and any determination by the Board pursuant to any provision of the Plan or of any such Evidence of Award or other agreement or document ancillary to or in connection with this Plan will be final and conclusive. No member of the Board will be liable for any such action or determination made in good faith.

(e) Any Participant who believes he or she is being denied any benefit or right under the Plan or under any Award or Evidence of Award may file a written claim with the Committee. Any claim must be delivered to the Committee within six month of the specific event giving rise to the claim. Untimely claims will not be processed and shall be deemed denied. The Committee, or its designee, generally will notify the Participant of its decision in writing as soon as administratively practicable. Claims shall be deemed denied if the Committee does not respond in writing within 180 days of the date the written claim is delivered to the Committee. The Committee's decision is final and conclusive and binding on all Persons. No lawsuit or arbitration relating to the Plan may be filed or commenced before a written claim is filed with the Committee and is denied or deemed denied, and any lawsuit must be filed within one year of such denial or deemed denial or be forever barred.

13. **Non U.S. Participants.** In order to facilitate the making of any grant or combination of grants under the Plan, the Board may provide for such special terms for Awards to Participants who are foreign nationals or who are employed by Inseego or any Subsidiary outside of the United States of America, as the Board may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Moreover, the Board may approve such supplements to or amendments, restatements or alternative versions of the Plan (including without limitation, sub-plans) as it may consider necessary or appropriate for such purposes, without thereby affecting the terms of the Plan as in effect for any other purpose, and the Secretary or other appropriate officer of Inseego may certify any such document as having been approved and adopted in the same manner as the Plan. No such special terms, supplements, amendments or restatements, however, will include any provisions that are inconsistent with the terms of the Plan as then in effect unless the Plan could have been amended to eliminate such inconsistency without further approval by the stockholders of Inseego.

14. **Withholding Taxes.** To the extent that the Company is required to withhold federal, state, local or foreign taxes in connection with any payment made or benefit realized by a Participant or other Person under the Plan, and the amounts available to the Company for such withholding are insufficient, it will be a condition to the receipt of such payment or the realization of such benefit that the Participant or such other Person make arrangements satisfactory to the Company for payment of the balance of such taxes required to be withheld, which arrangements (in the discretion of the Board) may include relinquishment of a portion of such benefit. If a Participant's benefit is to be received in the form of Shares, and such Participant fails to make arrangements for the payment of tax, the Company shall withhold such Shares having a value that shall not exceed the statutory maximum amount permitted to be withheld. Notwithstanding the foregoing, when a Participant is required to pay the Company an amount required to be withheld under applicable income and employment tax laws, the Participant may elect, or the Company may require the Participant, to satisfy the obligation, in whole or in part, by electing to have withheld, from the Shares required to be delivered to the Participant, Shares having a value equal to the amount required to be withheld, or by delivering to the Company other Shares held by such Participant. The Shares used for tax withholding will be valued at an amount equal to the Market Value Per Share of such Shares on the date the benefit is to be included in Participant's income. Participants shall also make such arrangements as the Company may require for the payment of any withholding tax obligation that may arise in connection with the disposition of Shares acquired upon the exercise of Option Rights.

15. **Amendments, Etc.**

(a) The Board may at any time and from time to time amend the Plan in whole or in part; provided, however, that if an amendment to the Plan must be approved by the stockholders of Inseego in order to comply with applicable law or the rules of the Nasdaq Stock Market or, if the Shares are not traded on the Nasdaq Stock Market, the principal national securities exchange upon which the Shares are traded or quoted, then, such amendment will be subject to stockholder approval and will not be effective unless and until such approval has been obtained.

(b) Except in connection with a corporate transaction or event described in Section 11 of the Plan, the terms of outstanding Awards may not be amended to reduce the Option Price of outstanding Option Rights or the Base Price of outstanding Appreciation Rights, and no outstanding Option Rights or Appreciation Rights may be cancelled in exchange for other Awards, or cancelled in exchange for Option Rights or Appreciation Rights with an Option Price or Base Price, as applicable, that is less than the Option Price of the original Option Rights or Base Price of the original Appreciation Rights, as applicable, or cancelled in exchange for cash, without stockholder approval. This Section 15(b) is intended to prohibit (without stockholder approval) the repricing of "underwater" Option Rights and Appreciation Rights and will not be construed to prohibit the adjustments provided for in Section 11 of the Plan. Notwithstanding any provision of the Plan to the contrary, this Section 15(b) may not be amended without approval by Inseego's stockholders.

(c) If permitted by Section 409A of the Code, in case of termination of employment by reason of death, disability or normal or early retirement, or in the case of unforeseeable emergency or other special circumstances, of a Participant who holds an Option Right or Appreciation Right not immediately exercisable in full, or any Restricted Stock or any Restricted Stock Units as to which the Restriction Period has not been completed, or any Annual Incentive Awards, Performance Shares or Performance Units which have not been fully earned, or any Other Awards subject to any vesting schedule or transfer restriction, or who holds Shares subject to any transfer restriction imposed pursuant to Section 10(b) of the Plan, the Board may, in its sole discretion, accelerate the time at which such Option Right, Appreciation Right or Other Award may be exercised or the time when such Restriction Period will end or the time at which such Annual Incentive Awards, Performance Shares or Performance Units will be deemed to have been fully earned or the time when such transfer restriction will terminate or may waive any other limitation or requirement under any such Award.

(d) Subject to Section 16(d) of the Plan, the Board may amend the terms of any Award theretofore granted under the Plan prospectively or retroactively, but subject to Section 11 of the Plan, no such amendment shall impair the rights of any Participant without his or her consent, except as necessary to comply with changes in law or accounting rules applicable to Inseego. The Board may, in its discretion, terminate the Plan at any time.

Termination of the Plan will not affect the rights of Participants or their successors under any Awards outstanding hereunder on the date of termination.

16. **Compliance with the Code.**

(a) To the extent applicable, it is intended that the Plan and any grants made hereunder comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A of the Code do not apply to the Participants. The Plan and any grants made hereunder shall be administered in a manner consistent with this intent. Any reference in the Plan to Section 409A of the Code will also include any regulations or any other formal guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

(b) Neither a Participant nor any of a Participant's creditors or beneficiaries shall have the right to subject any deferred compensation (within the meaning of Section 409A of the Code) payable under the Plan and grants hereunder to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A of the Code, any deferred compensation (within the meaning of Section 409A of the Code) payable to a Participant or for a Participant's benefit under the Plan and grants hereunder may not be reduced by, or offset against, any amount owing by a Participant to the Company or any of its Affiliates.

(c) If, at the time of a Participant's separation from service (within the meaning of Section 409A of the Code), (i) the Participant shall be a specified employee (within the meaning of Section 409A of the Code and using the identification methodology selected by Inseego from time to time) and (ii) Inseego shall make a good faith determination that an amount payable hereunder constitutes deferred compensation (within the meaning of Section 409A of the Code) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A of the Code in order to avoid taxes or penalties under Section 409A of the Code, then Inseego shall not pay such amount on the otherwise scheduled payment date but shall instead pay it, without interest, on the tenth business day of the month after such six-month period.

(d) Notwithstanding any provision of the Plan and grants hereunder to the contrary, in light of the uncertainty with respect to the proper application of the Code, Inseego reserves the right to make amendments to the Plan and grants hereunder as Inseego deems necessary or desirable to avoid the imposition of taxes or penalties under Section 409A of the Code, or adverse tax consequences under another Code provision, without Participant consent. In any case, a Participant shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on a Participant or for a Participant's account in connection with the Plan and grants hereunder (including any taxes, penalties, and interest under Section 409A of the Code or another Code provision), and neither the Company nor any of its Affiliates shall have any obligation to indemnify or otherwise hold a Participant nor anyone other than a Participant, including a Participant's estate or beneficiaries, harmless from any or all of such taxes or penalties.

17. **Governing Law.** The Plan and all grants and Awards and actions taken thereunder shall be governed by and construed in accordance with the internal substantive laws of the State of Delaware, without regard to principles of conflicts of laws.

18. **Effective Date/Termination.** The Plan originally became effective as of June 18, 2009. This amendment and restatement was adopted by the Board on May 11, 2018 and became effective on July 13, 2018. No grant will be made under the Plan more than 10 years after May 11, 2018, but all grants made on or prior to such date will continue in effect thereafter subject to the terms of the Evidence of Award conveying such grants and of the Plan.

19. **Miscellaneous.**

- (a) Each grant of an Award will be evidenced by an Evidence of Award and will contain such terms and provisions, consistent with the Plan, as the Board may approve.
- (b) Inseego will not be required to issue any fractional Shares pursuant to the Plan. The Board may provide for the elimination of fractional Shares or for the settlement of fractional Shares in cash.
- (c) The Plan will not confer upon any Participant any right with respect to continuance of employment or other service with Inseego or any Subsidiary or Affiliate, nor will it interfere in any way with any right Inseego or any Subsidiary or Affiliate would otherwise have to terminate such Participant's employment or other service at any time.
- (d) No person shall have any claim to be granted any Award under the Plan. Without limiting the generality of the foregoing, the fact that a target Award is established for the job value or level for an Employee shall not entitle any Employee to an Award hereunder. Except as provided specifically herein, a Participant or a transferee of an Award shall have no rights as a stockholder with respect to any Shares covered by any Award until the date as of which he or she is actually recorded as the holder of such Shares upon the stock records of the Company.
- (e) Determinations by the Board or the Committee under the Plan relating to the form, amount and terms and conditions of grants and Awards need not be uniform, and may be made selectively among persons who receive or are eligible to receive grants and Awards under the Plan, whether or not such persons are similarly situated.
- (f) To the extent that any provision of the Plan would prevent any Option Right that was intended to qualify as an Incentive Stock Option from qualifying as such, that provision will be null and void with respect to such Option Right. Such provision, however, will remain in effect for other Option Rights and there will be no further effect on any provision of the Plan.
- (g) No Award under the Plan may be exercised by the holder thereof if such exercise, and the receipt of cash or stock thereunder, would be, in the opinion of counsel selected by the Board, contrary to law or the regulations of any duly constituted authority having jurisdiction over the Plan.
- (h) Absence or leave approved by a duly constituted officer of Inseego or any of its Subsidiaries shall not be considered interruption or termination of service of any Employee for any purposes of the Plan or Awards granted hereunder.
- (i) The Board may condition the grant of any Award or combination of Awards authorized under the Plan on the surrender or deferral by the Participant of his or her right to receive a cash bonus or other compensation otherwise payable by Inseego or a Subsidiary to the Participant.
- (j) If any provision of the Plan is or becomes invalid, illegal or unenforceable in any jurisdiction, or would disqualify the Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended or limited in scope to conform to applicable laws or, in the discretion of the Board, it shall be stricken and the remainder of the Plan shall remain in full force and effect.
- (k) Any Evidence of Award may: (i) provide for recoupment by the Company of all or any portion of an Award upon such terms and conditions as the Board or Committee may specify in such Evidence of Award; or (ii) include restrictive covenants, including, without limitation, non-competition, non-disparagement and confidentiality conditions or restrictions, that the Participant must comply with during employment by or service to the Company and/or within a specified period after

termination as a condition to the Participant's receipt or retention of all or any portion of an Award. This Section 19(k) shall not be the Company's exclusive remedy with respect to such matters. This Section 19(k) shall not apply after a Change in Control, unless otherwise specifically provided in the Evidence of Award.

**AMENDED AND RESTATED
INSEGO CORP.
2000 EMPLOYEE STOCK PURCHASE PLAN**

**ARTICLE I.
PURPOSE**

The purpose of this Plan is to assist Eligible Employees of the Company and its Designated Subsidiaries in acquiring a stock ownership interest in the Company.

The Plan consists of two components: (i) the Section 423 Component and (ii) the Non-Section 423 Component. The Section 423 Component is intended to qualify as an “employee stock purchase plan” under Section 423 of the Code and shall be administered, interpreted and construed in a manner consistent with the requirements of Section 423 of the Code. The Non-Section 423 Component authorizes the grant of rights which need not qualify as rights granted pursuant to an “employee stock purchase plan” under Section 423 of the Code. Rights granted under the Non-Section 423 Component shall be granted pursuant to separate Offerings containing such sub-plans, appendices, rules or procedures as may be adopted by the Administrator and designed to achieve tax, securities laws or other objectives for Eligible Employees and Designated Subsidiaries but shall not be intended to qualify as an “employee stock purchase plan” under Section 423 of the Code. Except as otherwise determined by the Administrator or provided herein, the Non-Section 423 Component will operate and be administered in the same manner as the Section 423 Component. Offerings intended to be made under the Non-Section 423 Component will be designated as such by the Administrator at or prior to the time of such Offering.

For purposes of this Plan, the Administrator may designate separate Offerings under the Plan in which Eligible Employees will participate. The terms of these Offerings need not be identical, even if the dates of the applicable Offering Period(s) in each such Offering are identical, provided that the terms of participation are the same within each separate Offering under the Section 423 Component (as determined under Section 423 of the Code). Solely by way of example and without limiting the foregoing, the Company could, but shall not be required to, provide for simultaneous Offerings under the Section 423 Component and the Non-Section 423 Component of the Plan.

This Plan constitutes an amendment and restatement of the Inseego Corp. Amended and Restated 2000 Employee Stock Purchase Plan (the “*Prior Plan*”).

**ARTICLE II.
DEFINITIONS AND CONSTRUCTION**

Wherever the following terms are used in the Plan they shall have the meanings specified below, unless the context clearly indicates otherwise.

2.1 “*Administrator*” means the entity that conducts the general administration of the Plan as provided in Article XI.

2.2 “*Agent*” means the brokerage firm, bank or other financial institution, entity or person(s), if any, engaged, retained, appointed or authorized to act as the agent of the Company or an Employee with regard to the Plan.

2.3 “**Applicable Law**” means the requirements relating to the administration of equity incentive plans under U.S. federal and state securities, tax and other applicable laws, rules and regulations, the applicable rules of any stock exchange or quotation system on which Shares are listed or quoted and the applicable laws and rules of any foreign country or other jurisdiction where rights under this Plan are granted.

2.4 “**Board**” means the Board of Directors of the Company.

2.5 “**Code**” means the U.S. Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

2.6 “**Common Stock**” means common stock of the Company and such other securities of the Company that may be substituted therefore.

2.7 “**Company**” means Inseego Corp., a Delaware corporation, or any successor.

2.8 “**Compensation**” of an Eligible Employee means, unless otherwise determined by the Administrator, the gross base compensation or wages received by such Eligible Employee as compensation for services to the Company or any Designated Subsidiary, excluding overtime payments, sales commissions, incentive compensation, bonuses, expense reimbursements, income received in connection with any compensatory equity awards, fringe benefits and other special payments.

2.9 “**Designated Subsidiary**” means any Subsidiary designated by the Administrator in accordance with Section 11.2(b), such designation to specify whether such participation is in the Section 423 Component or Non-Section 423 Component. A Designated Subsidiary may participate in either the Section 423 Component or Non-Section 423 Component, but not both; provided that a Subsidiary that, for U.S. tax purposes, is disregarded from the Company or any Subsidiary that participates in the Section 423 Component shall automatically constitute a Designated Subsidiary that participates in the Section 423 Component.

2.10 “**Eligible Employee**” means:

(a) An Employee who does not, immediately after any rights under this Plan are granted, own (directly or through attribution) stock possessing 5% or more of the total combined voting power or value of all classes of Shares and other securities of the Company, a Parent or a Subsidiary (as determined under Section 423(b)(3) of the Code). For purposes of the foregoing, the rules of Section 424(d) of the Code with regard to the attribution of stock ownership shall apply in determining the stock ownership of an individual, and stock that an Employee may purchase under outstanding options shall be treated as stock owned by the Employee.

(b) Notwithstanding the foregoing, the Administrator may provide in an Offering Document that an Employee shall not be eligible to participate in an Offering Period under the Section 423 Component if: (i) such Employee is a highly compensated employee within the meaning of Section 423(b)(4)(D) of the Code; (ii) such Employee has not met a service requirement designated by the Administrator pursuant to Section 423(b)(4)(A) of the Code (which service requirement may not exceed two (2) years); (iii) such Employee’s customary employment is for twenty (20) hours per week or less; (iv) such Employee’s customary employment is for less than five (5) months in any calendar year; and/or (v) such Employee is a citizen or resident of a foreign jurisdiction and the grant of a right to purchase Shares under the Plan to such Employee would be prohibited under the laws of such foreign jurisdiction or the grant of a right to purchase Shares under the Plan to such Employee in compliance with the laws of such foreign jurisdiction would cause the Plan to violate the requirements of Section 423 of the Code, as

determined by the Administrator in its sole discretion; provided, further, that any exclusion in clauses (i), (ii), (iii), (iv) or (v) shall be applied in an identical manner under each Offering Period to all Employees, in accordance with Treas. Reg. Section 1.423-2(e).

(c) Further notwithstanding the foregoing, with respect to the Non-Section 423 Component, the first sentence in this definition shall apply in determining who is an “Eligible Employee,” except (i) the Administrator may limit eligibility further within the Company or a Designated Subsidiary so as to only designate some Employees of the Company or a Designated Subsidiary as Eligible Employees, and (ii) to the extent the restrictions in the first sentence in this definition are not consistent with applicable local laws, the applicable local laws shall control.

2.11 “**Employee**” means any individual who renders services to the Company or any Designated Subsidiary in the status of an employee, and, with respect to the Section 423 Component, a person who is an employee of the Company or any Designated Subsidiary within the meaning of Section 3401(c) of the Code. For purposes of an individual’s participation in, or other rights under the Plan, all determinations by the Company shall be final, binding and conclusive, notwithstanding that any court of law or governmental agency subsequently makes a contrary determination. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Company or Designated Subsidiary and meeting the requirements of Treas. Reg. Section 1.421-1(h)(2). Where the period of leave exceeds three (3) months and the individual’s right to reemployment is not guaranteed either by statute or by contract, unless otherwise determined by the Administrator, the employment relationship shall be deemed to have terminated on the first day immediately following such three (3)-month period.

2.12 “**Enrollment Date**” means the first Trading Day of each Offering Period.

2.13 “**Fair Market Value**” means, as of any date, the value of Shares determined as follows: (i) if the Shares are listed on any established stock exchange, its Fair Market Value will be the closing sales price for such Shares as quoted on such exchange for such date, or if no sale occurred on such date, the last day preceding such date during which a sale occurred, as reported in The Wall Street Journal or another source the Administrator deems reliable; (ii) if the Shares are not traded on a stock exchange but are quoted on a national market or other quotation system, the closing sales price on such date, or if no sales occurred on such date, then on the last date preceding such date during which a sale occurred, as reported in The Wall Street Journal or another source the Administrator deems reliable; or (iii) in any case, the Administrator may determine the Fair Market Value in its discretion.

2.14 “**Non-Section 423 Component**” means those Offerings under the Plan, together with the sub-plans, appendices, rules or procedures, if any, adopted by the Administrator as a part of this Plan, in each case, pursuant to which rights to purchase Shares during an Offering Period may be granted to Eligible Employees that need not satisfy the requirements for rights to purchase Shares granted pursuant to an “employee stock purchase plan” that are set forth under Section 423 of the Code.

2.15 “**Offering**” means an offer under the Plan of a right to purchase Shares that may be exercised during an Offering Period as further described in Article IV hereof. Unless otherwise specified by the Administrator, each Offering to the Eligible Employees of the Company or a Designated Subsidiary shall be deemed a separate Offering, even if the dates and other terms of the applicable Offering Periods of each such Offering are identical, and the provisions of the Plan will separately apply to each Offering. To the extent permitted by Treas. Reg. Section 1.423-2(a)(1), the terms of each separate Offering under the Section 423 Component need not be identical, provided that the terms of the Section 423 Component and an Offering thereunder together satisfy Treas. Reg. Section 1.423-2(a)(2) and (a)(3).

2.16 “**Offering Document**” has the meaning given to such term in Section 4.1.

2.17 “**Offering Period**” has the meaning given to such term in Section 4.1.

2.18 “**Parent**” means any corporation, other than the Company, in an unbroken chain of corporations ending with the Company if, at the time of the determination, each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

2.19 “**Participant**” means any Eligible Employee who has executed a subscription agreement and been granted rights to purchase Shares pursuant to the Plan.

2.20 “**Payday**” means the regular and recurring established day for payment of Compensation to an Employee of the Company or any Designated Subsidiary.

2.21 “**Plan**” means this amended and restated Inseego Corp. Amended and Restated 2000 Employee Stock Purchase Plan, including both the Section 423 Component and Non-Section 423 Component and any other sub-plans or appendices hereto, as amended from time to time.

2.22 “**Purchase Date**” means the last Trading Day of each Purchase Period or such other date as determined by the Administrator and set forth in the Offering Document.

2.23 “**Purchase Period**” shall refer to one or more periods within an Offering Period, as designated in the applicable Offering Document; provided, however, that, in the event no Purchase Period is designated by the Administrator in the applicable Offering Document, the Purchase Period for each Offering Period covered by such Offering Document shall be the same as the applicable Offering Period.

2.24 “**Purchase Price**” means the purchase price designated by the Administrator in the applicable Offering Document (which purchase price, for purposes of the Section 423 Component, shall not be less than 85% of the Fair Market Value of a Share on the Enrollment Date or on the Purchase Date, whichever is lower); provided, however, that, in the event no purchase price is designated by the Administrator in the applicable Offering Document, the purchase price for the Offering Periods covered by such Offering Document shall be 85% of the Fair Market Value of a Share on the Enrollment Date or on the Purchase Date, whichever is lower; provided, further, that the Purchase Price may be adjusted by the Administrator pursuant to Article VIII and shall not be less than the par value of a Share.

2.25 “**Section 423 Component**” means those Offerings under the Plan, together with the sub-plans, appendices, rules or procedures, if any, adopted by the Administrator as a part of this Plan, in each case, pursuant to which rights to purchase Shares during an Offering Period may be granted to Eligible Employees that are intended to satisfy the requirements for rights to purchase Shares granted pursuant to an “employee stock purchase plan” that are set forth under Section 423 of the Code.

2.26 “**Securities Act**” means the U.S. Securities Act of 1933, as amended.

2.27 “**Share**” means a share of Common Stock.

2.28 “**Subsidiary**” means any corporation, other than the Company, in an unbroken chain of corporations beginning with the Company if, at the time of the determination, each of the corporations other than the last corporation in an unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain; provided, however, that a limited liability company or partnership may be treated as a Subsidiary to the extent either (a) such entity

is treated as a disregarded entity under Treas. Reg. Section 301.7701-3(a) by reason of the Company or any other Subsidiary that is a corporation being the sole owner of such entity, or (b) such entity elects to be classified as a corporation under Treas. Reg. Section 301.7701-3(a) and such entity would otherwise qualify as a Subsidiary. In addition, with respect to the Non-Section 423 Component, Subsidiary shall include any corporate or non-corporate entity in which the Company has a direct or indirect equity interest or significant business relationship that constitutes a “parent” or “subsidiary” of the Company for purposes of Form S-8 of the Securities Act and whose employees are eligible to be offered securities registrable on Form S-8 of the Securities Act.

2.29 “*Trading Day*” means a day on which national stock exchanges in the United States are open for trading.

2.30 “*Treas. Reg.*” means U.S. Department of the Treasury regulations.

ARTICLE III. SHARES SUBJECT TO THE PLAN

3.1 Number of Shares. Subject to Article VIII, the aggregate number of Shares that may be issued pursuant to rights granted under the Plan shall be 2,222,798 Shares. If any right granted under the Plan shall for any reason terminate without having been exercised, the Shares not purchased under such right shall again become available for issuance under the Plan.

3.2 Shares Distributed. Any Shares distributed pursuant to the Plan may consist, in whole or in part, of authorized and unissued Shares, treasury shares or Shares purchased on the open market.

ARTICLE IV. OFFERING PERIODS; OFFERING DOCUMENTS; PURCHASE DATES

4.1 Offering Periods. The Administrator may from time to time grant or provide for the grant of rights to purchase Shares under the Plan to Eligible Employees during one or more periods (each, an “*Offering Period*”) selected by the Administrator. The terms and conditions applicable to each Offering Period shall be set forth in an “*Offering Document*” adopted by the Administrator, which Offering Document shall be in such form and shall contain such terms and conditions as the Administrator shall deem appropriate and shall be incorporated by reference into and made part of the Plan and shall be attached hereto as part of the Plan. The Administrator shall establish in each Offering Document one or more Purchase Periods during such Offering Period during which rights granted under the Plan shall be exercised and purchases of Shares carried out during such Offering Period in accordance with such Offering Document and the Plan. The provisions of separate Offerings or Offering Periods under the Plan need not be identical.

4.2 Offering Documents. Each Offering Document with respect to an Offering Period shall specify (through incorporation of the provisions of this Plan by reference or otherwise):

(a) the length of the Offering Period, which period shall not exceed twenty-seven (27) months;

(b) the length of the Purchase Period(s) within the Offering Period;

(c) the maximum number of Shares that may be purchased by any Eligible Employee during such Offering Period, which, in the absence of a contrary designation by the Administrator, shall be 5,000 Shares;

(d) in connection with each Offering Period that contains more than one Purchase Period, the maximum aggregate number of shares which may be purchased by any Eligible Employee during each Purchase Period, which, in the absence of a contrary designation by the Administrator, shall be 5,000 Shares; and

(e) such other provisions as the Administrator determines are appropriate, subject to the Plan.

ARTICLE V. ELIGIBILITY AND PARTICIPATION

5.1 Eligibility. Any Eligible Employee who shall be employed by the Company or a Designated Subsidiary on a given Enrollment Date for an Offering Period shall be eligible to participate in the Plan during such Offering Period, subject to the requirements of this Article V and, for the Section 423 Component, the limitations imposed by Section 423(b) of the Code.

5.2 Enrollment in Plan.

(a) Except as otherwise set forth in an Offering Document or determined by the Administrator, an Eligible Employee may become a Participant in the Plan for an Offering Period by delivering a subscription agreement to the Company by such time prior to the Enrollment Date for such Offering Period (or such other date specified in the Offering Document) designated by the Administrator and in such form as the Company provides.

(b) Except as otherwise determined by the Administrator, each subscription agreement shall designate a whole percentage of such Eligible Employee's Compensation to be withheld by the Company or the Designated Subsidiary employing such Eligible Employee on each Payday during the Offering Period as payroll deductions under the Plan. The percentage of Compensation designated by an Eligible Employee may not be less than 1% and may not be more than the maximum percentage specified by the Administrator in the applicable Offering Document (which percentage shall be 10% in the absence of any such designation) as payroll deductions. The payroll deductions made for each Participant shall be credited to an account for such Participant under the Plan and shall be deposited with the general funds of the Company.

(c) A Participant may increase or decrease the percentage of Compensation designated in his or her subscription agreement, subject to the limits of this Section 5.2, or may suspend his or her payroll deductions, at any time during an Offering Period; provided, however, that the Administrator may limit the number of changes a Participant may make to his or her payroll deduction elections during each Offering Period in the applicable Offering Document (and in the absence of any specific designation by the Administrator, a Participant shall be allowed to decrease (but not increase) or suspend his or her payroll deduction elections one time during each Offering Period). Any such change or suspension of payroll deductions shall be effective with the first full payroll period following five (5) business days after the Company's receipt of the new subscription agreement (or such shorter or longer period as may be specified by the Administrator in the applicable Offering Document). In the event a Participant suspends his or her payroll deductions, such Participant's cumulative payroll deductions prior to the suspension shall remain in his or her account and shall be applied to the purchase of Shares on the next occurring Purchase Date and shall not be paid to such Participant unless he or she withdraws from participation in the Plan pursuant to Article VII.

(d) Except as otherwise set forth in an Offering Document or determined by the Administrator, a Participant may participate in the Plan only by means of payroll deduction and may not make contributions by lump sum payment for any Offering Period.

5.3 Payroll Deductions. Except as otherwise provided in the applicable Offering Document or determined by the Administrator, payroll deductions for a Participant shall commence on the first Payday following the Enrollment Date and shall end on the last Payday in the Offering Period to which the Participant's authorization is applicable, unless sooner terminated by the Participant as provided in Article VII or suspended by the Participant or the Administrator as provided in Section 5.2 and Section 5.6, respectively. Notwithstanding any other provisions of the Plan to the contrary, in non-U.S. jurisdictions where participation in the Plan through payroll deductions is prohibited, the Administrator may provide that an Eligible Employee may elect to participate through contributions to the Participant's account under the Plan in a form acceptable to the Administrator in lieu of or in addition to payroll deductions; provided, however, that, for any Offering under the Section 423 Component, the Administrator shall take into consideration any limitations under Section 423 of the Code when applying an alternative method of contribution.

5.4 Effect of Enrollment. A Participant's completion of a subscription agreement will enroll such Participant in the Plan for each subsequent Offering Period on the terms contained therein until the Participant either submits a new subscription agreement, withdraws from participation under the Plan as provided in Article VII or otherwise becomes ineligible to participate in the Plan.

5.5 Limitation on Purchase of Shares. An Eligible Employee may be granted rights under the Section 423 Component only if such rights, together with any other rights granted to such Eligible Employee under "employee stock purchase plans" of the Company, any Parent or any Subsidiary, as specified by Section 423(b)(8) of the Code, do not permit such employee's rights to purchase stock of the Company or any Parent or Subsidiary to accrue at a rate that exceeds \$25,000 of the fair market value of such stock (determined as of the first day of the Offering Period during which such rights are granted) for each calendar year in which such rights are outstanding at any time. This limitation shall be applied in accordance with Section 423(b)(8) of the Code.

5.6 Suspension of Payroll Deductions. Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 5.5 (with respect to the Section 423 Component) or the other limitations set forth in this Plan, a Participant's payroll deductions may be suspended by the Administrator at any time during an Offering Period. The balance of the amount credited to the account of each Participant that has not been applied to the purchase of Shares by reason of Section 423(b)(8) of the Code, Section 5.5 or the other limitations set forth in this Plan shall be paid to such Participant in one lump sum in cash as soon as reasonably practicable after the Purchase Date.

5.7 Foreign Employees. In order to facilitate participation in the Plan, the Administrator may provide for such special terms applicable to Participants who are citizens or residents of a foreign jurisdiction, or who are employed by a Designated Subsidiary outside of the United States, as the Administrator may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Except as permitted by Section 423 of the Code, with respect to the Section 423 Component, such special terms may not be more favorable than the terms of rights granted under the Section 423 Component to Eligible Employees who are residents of the United States. Such special terms may be set forth in an addendum to the Plan in the form of an appendix or sub-plan (which appendix or sub-plan may be designed to govern Offerings under the Section 423 Component or the Non-Section 423 Component, as determined by the Administrator). To the extent that the terms and conditions set forth in an appendix or sub-plan conflict with any provisions of the Plan, the provisions of the appendix or sub-plan shall govern.

The adoption of any such appendix or sub-plan shall be pursuant to Section 11.2(g). Without limiting the foregoing, the Administrator is specifically authorized to adopt rules and procedures, with respect to Participants who are foreign nationals or employed in non-U.S. jurisdictions, regarding the exclusion of particular Subsidiaries from participation in the Plan, eligibility to participate, the definition of Compensation, handling of payroll deductions or other contributions by Participants, payment of interest, conversion of local currency, data privacy security, payroll tax, withholding procedures, establishment of bank or trust accounts to hold payroll deductions or contributions.

ARTICLE VI. GRANT AND EXERCISE OF RIGHTS

6.1 Grant of Rights. On the Enrollment Date of each Offering Period, each Eligible Employee participating in such Offering Period shall be granted a right to purchase the maximum number of Shares specified under Section 4.2, subject to the limits in Section 5.5, and shall have the right to buy, on each Purchase Date during such Offering Period (at the applicable Purchase Price), such number of whole Shares as is determined by dividing (a) such Participant's payroll deductions accumulated prior to such Purchase Date and retained in the Participant's account as of the Purchase Date, by (b) the applicable Purchase Price (rounded down to the nearest Share). The right shall expire on the earliest of: (x) the last Purchase Date of the Offering Period, (y) the last day of the Offering Period, and (z) the date on which the Participant withdraws in accordance with Section 7.1 or Section 7.3.

6.2 Exercise of Rights. On each Purchase Date, each Participant's accumulated payroll deductions and any other additional payments specifically provided for in the applicable Offering Document will be applied to the purchase of whole Shares, up to the maximum number of Shares permitted pursuant to the terms of the Plan and the applicable Offering Document, at the Purchase Price. No fractional Shares shall be issued upon the exercise of rights granted under the Plan, unless the Offering Document specifically provides otherwise. Any cash in lieu of fractional Shares remaining after the purchase of whole Shares upon exercise of a purchase right will be credited to a Participant's account and carried forward and applied toward the purchase of whole Shares for the next following Offering Period, unless the Administrator provides that such amounts should be returned to the Participant in one lump sum payment in a subsequent payroll check. Shares issued pursuant to the Plan may be evidenced in such manner as the Administrator may determine and may be issued in certificated form or issued pursuant to book-entry procedures.

6.3 Pro Rata Allocation of Shares. If the Administrator determines that, on a given Purchase Date, the number of Shares with respect to which rights are to be exercised may exceed (a) the number of Shares that were available for issuance under the Plan on the Enrollment Date of the applicable Offering Period, or (b) the number of Shares available for issuance under the Plan on such Purchase Date, the Administrator may in its sole discretion provide that the Company shall make a pro rata allocation of the Shares available for purchase on such Enrollment Date or Purchase Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants for whom rights to purchase Shares are to be exercised pursuant to this Article VI on such Purchase Date, and shall either (i) continue all Offering Periods then in effect, or (ii) terminate any or all Offering Periods then in effect pursuant to Article IX. The Company may make pro rata allocation of the Shares available on the Enrollment Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional Shares for issuance under the Plan by the Company's stockholders subsequent to such Enrollment Date. The balance of the amount credited to the account of each Participant that has not been applied to the purchase of Shares shall be paid to such Participant without interest in one lump sum in cash as soon as reasonably practicable after the Purchase Date, or such earlier date as determined by the Administrator.

6.4 Withholding. At the time a Participant's rights under the Plan are exercised, in whole or in part, or at the time some or all of the Shares issued under the Plan is disposed of, the Participant must make adequate provision for the Company's federal, state, or other tax withholding obligations, if any, that arise upon the exercise of the right or the disposition of the Shares. At any time, the Company may, but shall not be obligated to, withhold from the Participant's compensation or Shares received pursuant to the Plan the amount necessary for the Company to meet applicable withholding obligations, including any withholding required to make available to the Company any tax deductions or benefits attributable to sale or early disposition of Shares by the Participant.

6.5 Conditions to Issuance of Shares. The Company shall not be required to issue or deliver any certificate or certificates for, or make any book entries evidencing, Shares purchased upon the exercise of rights under the Plan prior to fulfillment of all of the following conditions: (a) the admission of such Shares to listing on all stock exchanges, if any, on which the Shares are then listed; (b) the completion of any registration or other qualification of such Shares under any state or federal law or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body, that the Administrator shall, in its absolute discretion, deem necessary or advisable; (c) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable; (d) the payment to the Company of all amounts that it is required to withhold under federal, state or local law upon exercise of the rights, if any; and (e) the lapse of such reasonable period of time following the exercise of the rights as the Administrator may from time to time establish for reasons of administrative convenience.

ARTICLE VII. WITHDRAWAL; CESSATION OF ELIGIBILITY

7.1 Withdrawal. A Participant may withdraw all but not less than all of the payroll deductions credited to his or her account and not yet used to exercise his or her rights under the Plan at any time by giving written notice to the Company in a form acceptable to the Company no later than one (1) week prior to the end of the Offering Period (or such shorter or longer period as may be specified by the Administrator in the applicable Offering Document). All of the Participant's payroll deductions credited to his or her account during an Offering Period shall be paid to such Participant as soon as reasonably practicable after receipt of notice of withdrawal and such Participant's rights for the Offering Period shall be automatically terminated, and no further payroll deductions for the purchase of Shares shall be made for such Offering Period. If a Participant withdraws from an Offering Period, payroll deductions shall not resume at the beginning of the next Offering Period unless the Participant is an Eligible Employee and timely delivers to the Company a new subscription agreement.

7.2 Future Participation. A Participant's withdrawal from an Offering Period shall not have any effect upon his or her eligibility to participate in any similar plan that may hereafter be adopted by the Company or a Designated Subsidiary or in subsequent Offering Periods that commence after the termination of the Offering Period from which the Participant withdraws.

7.3 Cessation of Eligibility. Upon a Participant's ceasing to be an Eligible Employee for any reason, he or she shall be deemed to have elected to withdraw from the Plan pursuant to this Article VII and the payroll deductions credited to such Participant's account during the Offering Period shall be paid to such Participant or, in the case of his or her death, to the person or persons entitled thereto under Section 12.4, as soon as reasonably practicable, and such Participant's rights for the Offering Period shall be automatically terminated. If a Participant transfers employment from the Company or any Designated Subsidiary participating in the Section 423 Component to any Designated Subsidiary participating in the Non-Section 423 Component, such transfer shall not be treated as a termination of employment under the

Plan, but the Participant shall immediately cease to participate in the Section 423 Component; however, any contributions made for the Offering Period in which such transfer occurs shall be transferred to the Non-Section 423 Component, and such Participant shall immediately join the then-current Offering under the Non-Section 423 Component upon the same terms and conditions in effect for the Participant's participation in the Section 423 Component, except for such modifications otherwise applicable for Participants in such Offering. A Participant who transfers employment from any Designated Subsidiary participating in the Non-Section 423 Component to the Company or any Designated Subsidiary participating in the Section 423 Component shall not be treated as terminating the Participant's employment under the Plan and shall remain a Participant in the Non-Section 423 Component until the earlier of (i) the end of the current Offering Period under the Non-Section 423 Component or (ii) the Enrollment Date of the first Offering Period in which the Participant is eligible to participate following such transfer. Notwithstanding the foregoing, the Administrator may establish different rules to govern transfers of employment between entities participating in the Section 423 Component and the Non-Section 423 Component, consistent with the applicable requirements of Section 423 of the Code.

ARTICLE VIII. ADJUSTMENTS UPON CHANGES IN SHARES

8.1 Changes in Capitalization. Subject to Section 8.3, in the event that the Administrator determines that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), change in control, reorganization, merger, amalgamation, consolidation, combination, repurchase, redemption, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event, as determined by the Administrator, affects the Shares such that an adjustment is determined by the Administrator to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the Plan or with respect to any outstanding purchase rights under the Plan, the Administrator shall make equitable adjustments, if any, to reflect such change with respect to (a) the aggregate number and type of Shares (or other securities or property) that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Section 3.1 and the limitations established in each Offering Document pursuant to Section 4.2 on the maximum number of Shares that may be purchased); (b) the class(es) and number of Shares and price per Share subject to outstanding rights; and (c) the Purchase Price with respect to any outstanding rights.

8.2 Other Adjustments. Subject to Section 8.3, in the event of any transaction or event described in Section 8.1 or any unusual or nonrecurring transactions or events affecting the Company, any affiliate of the Company, or the financial statements of the Company or any affiliate, or of changes in Applicable Law or accounting principles, the Administrator, in its discretion, and on such terms and conditions as it deems appropriate, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any right under the Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

(a) To provide for either (i) termination of any outstanding right in exchange for an amount of cash, if any, equal to the amount that would have been obtained upon the exercise of such right had such right been currently exercisable or (ii) the replacement of such outstanding right with other rights or property selected by the Administrator in its sole discretion;

(b) To provide that the outstanding rights under the Plan shall be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar rights covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(c) To make adjustments in the number and type of Shares (or other securities or property) subject to outstanding rights under the Plan and/or in the terms and conditions of outstanding rights and rights that may be granted in the future;

(d) To provide that Participants' accumulated payroll deductions may be used to purchase Shares prior to the next occurring Purchase Date on such date as the Administrator determines in its sole discretion and the Participants' rights under the ongoing Offering Period(s) shall be terminated; and

(e) To provide that all outstanding rights shall terminate without being exercised.

8.3 No Adjustment Under Certain Circumstances. Unless determined otherwise by the Administrator, no adjustment or action described in this Article VIII or in any other provision of the Plan shall be authorized to the extent that such adjustment or action would cause the Section 423 Component of the Plan to fail to satisfy the requirements of Section 423 of the Code.

8.4 No Other Rights. Except as expressly provided in the Plan, no Participant shall have any rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend, any increase or decrease in the number of shares of stock of any class or any dissolution, liquidation, merger, or consolidation of the Company or any other corporation. Except as expressly provided in the Plan or pursuant to action of the Administrator under the Plan, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number of Shares subject to outstanding rights under the Plan or the Purchase Price with respect to any outstanding rights.

ARTICLE IX. AMENDMENT, MODIFICATION AND TERMINATION

9.1 Amendment, Modification and Termination. The Administrator may amend, suspend or terminate the Plan at any time and from time to time; provided, however, that approval of the Company's stockholders shall be required to amend the Plan to: (a) increase the aggregate number, or change the type, of shares that may be sold pursuant to rights under the Plan under Section 3.1 (other than an adjustment as provided by Article VIII) or (b) change the corporations or classes of corporations whose employees may be granted rights under the Plan.

9.2 Certain Changes to Plan. Without stockholder consent and without regard to whether any Participant rights may be considered to have been adversely affected (and, with respect to the Section 423 Component of the Plan, after taking into account Section 423 of the Code), the Administrator shall be entitled to change or terminate the Offering Periods, limit the frequency and/or number of changes in the amount withheld from Compensation during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the Company's processing of payroll withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Shares for each Participant properly correspond with amounts withheld from the Participant's Compensation, and establish such other limitations or procedures as the Administrator determines in its sole discretion to be advisable that are consistent with the Plan.

9.3 Actions In the Event of Unfavorable Financial Accounting Consequences. In the event the Administrator determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Administrator may, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

- (a) altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price;
- (b) shortening any Offering Period so that the Offering Period ends on a new Purchase Date, including an Offering Period underway at the time of the Administrator action; and
- (c) allocating Shares.

Such modifications or amendments shall not require stockholder approval or the consent of any Participant.

9.4 Payments Upon Termination of Plan. Upon termination of the Plan, the balance in each Participant's Plan account shall be refunded as soon as practicable after such termination, without any interest thereon, or the Offering Period may be shortened so that the purchase of Shares occurs prior to the termination of the Plan.

ARTICLE X. TERM OF PLAN

This amended and restated Plan shall become effective on the date it is approved by the Board (the "**Restatement Effective Date**"). The Plan shall remain in effect until terminated under Section 9.1. No rights may be granted under the Plan during any period of suspension of the Plan or after termination of the Plan. This amended and restated Plan will be submitted for the approval of the Company's stockholders within twelve (12) months after the Restatement Effective Date. No rights under this amended and restated Plan shall be exercised, and no Shares shall be issued hereunder, until this amended and restated Plan shall have been approved by the stockholders of the Company. If this amended and restated Plan is not approved by the Company's stockholders within twelve (12) months following the Restatement Effective Date, all rights granted under this amended and restated Plan shall be canceled and become null and void without being exercised, and the Prior Plan will continue in full force and effect on its terms and conditions in effect immediately prior to the Restatement Effective Date.

ARTICLE XI. ADMINISTRATION

11.1 Administrator. Unless otherwise determined by the Board, the Administrator of the Plan shall be the Compensation Committee of the Board (or another committee or a subcommittee of the Board to which the Board delegates administration of the Plan). The Board may at any time vest in the Board any authority or duties for administration of the Plan. The Administrator may delegate administrative tasks under the Plan to the services of an Agent or Employees to assist in the administration of the Plan, including establishing and maintaining an individual securities account under the Plan for each Participant.

11.2 Authority of Administrator. The Administrator shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

- (a) To determine when and how rights to purchase Shares shall be granted and the provisions of each offering of such rights (which need not be identical).
- (b) To designate from time to time which Subsidiaries of the Company shall be Designated Subsidiaries, which designation may be made without the approval of the stockholders of the Company.
- (c) To impose a mandatory holding period pursuant to which Employees may not dispose of or transfer Shares purchased under the Plan for a period of time determined by the Administrator in its discretion.
- (d) To construe and interpret the Plan and rights granted under it, and to establish, amend and revoke rules and regulations for its administration. The Administrator, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it shall deem necessary or expedient to make the Plan fully effective.
- (e) To amend, suspend or terminate the Plan as provided in Article IX.
- (f) Generally, to exercise such powers and to perform such acts as the Administrator deems necessary or expedient to promote the best interests of the Company and its Subsidiaries and to carry out the intent that the Plan be treated as an “employee stock purchase plan” within the meaning of Section 423 of the Code for the Section 423 Component.
- (g) The Administrator may adopt sub-plans applicable to particular Designated Subsidiaries or locations, which sub-plans may be designed to be outside the scope of Section 423 of the Code. The rules of such sub-plans may take precedence over other provisions of this Plan, with the exception of Section 3.1 hereof, but unless otherwise superseded by the terms of such sub-plan, the provisions of this Plan shall govern the operation of such sub-plan.

11.3 Decisions Binding. The Administrator’s interpretation of the Plan, any rights granted pursuant to the Plan, any subscription agreement and all decisions and determinations by the Administrator with respect to the Plan are final, binding, and conclusive on all parties.

ARTICLE XII. MISCELLANEOUS

12.1 Restriction upon Assignment. A right granted under the Plan shall not be transferable other than by will or the Applicable Laws of descent and distribution, and is exercisable during the Participant’s lifetime only by the Participant. Except as provided in Section 12.4 hereof, a right under the Plan may not be exercised to any extent except by the Participant. The Company shall not recognize and shall be under no duty to recognize any assignment or alienation of the Participant’s interest in the Plan, the Participant’s rights under the Plan or any rights thereunder.

12.2 Rights as a Stockholder. With respect to Shares subject to a right granted under the Plan, a Participant shall not be deemed to be a stockholder of the Company, and the Participant shall not have any of the rights or privileges of a stockholder, until such Shares have been issued to the Participant or his or her nominee following exercise of the Participant’s rights under the Plan. No adjustments shall be made for dividends (ordinary or extraordinary, whether in cash securities, or other property) or distribution or other rights for which the record date occurs prior to the date of such issuance, except as otherwise expressly provided herein or as determined by the Administrator.

12.3 Interest. No interest shall accrue on the payroll deductions or contributions of a Participant under the Plan.

12.4 Designation of Beneficiary.

(a) A Participant may, in the manner determined by the Administrator, file a written designation of a beneficiary who is to receive any Shares and/or cash, if any, from the Participant's account under the Plan in the event of such Participant's death subsequent to a Purchase Date on which the Participant's rights are exercised but prior to delivery to such Participant of such Shares and cash. In addition, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant's account under the Plan in the event of such Participant's death prior to exercise of the Participant's rights under the Plan. If the Participant is married and resides in a community property state, a designation of a person other than the Participant's spouse as his or her beneficiary shall not be effective without the prior written consent of the Participant's spouse.

(b) Such designation of beneficiary may be changed by the Participant at any time by written notice to the Company. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Company shall deliver such Shares and/or cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such Shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

12.5 Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

12.6 Equal Rights and Privileges. Subject to Section 5.7, all Eligible Employees will have equal rights and privileges under the Section 423 Component so that the Section 423 Component of this Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 of the Code. Subject to Section 5.7, any provision of the Section 423 Component that is inconsistent with Section 423 of the Code will, without further act or amendment by the Company, the Board or the Administrator, be reformed to comply with the equal rights and privileges requirement of Section 423 of the Code. Eligible Employees participating in the Non-Section 423 Component need not have the same rights and privileges as other Eligible Employees participating in the Non-Section 423 Component or as Eligible Employees participating in the Section 423 Component.

12.7 Use of Funds. All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions.

12.8 Reports. Statements of account shall be given to Participants at least annually, which statements shall set forth the amounts of payroll deductions, the Purchase Price, the number of Shares purchased and the remaining cash balance, if any.

12.9 No Employment Rights. Nothing in the Plan shall be construed to give any person (including any Eligible Employee or Participant) the right to remain in the employ of the Company or any Parent or Subsidiary or affect the right of the Company or any Parent or Subsidiary to terminate the employment of any person (including any Eligible Employee or Participant) at any time, with or without cause.

12.10 Notice of Disposition of Shares. Each Participant shall give prompt notice to the Company of any disposition or other transfer of any Shares purchased upon exercise of a right under the Section 423 Component of the Plan if such disposition or transfer is made: (a) within two (2) years from the Enrollment Date of the Offering Period in which the Shares were purchased or (b) within one (1) year after the Purchase Date on which such Shares were purchased. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the Participant in such disposition or other transfer.

12.11 Governing Law. The Plan and any agreements hereunder shall be administered, interpreted and enforced in accordance with the laws of the State of Delaware, disregarding any state's choice of law principles requiring the application of a jurisdiction's laws other than the State of Delaware.

12.12 Electronic Forms. To the extent permitted by Applicable Law and in the discretion of the Administrator, an Eligible Employee may submit any form or notice as set forth herein by means of an electronic form approved by the Administrator. Before the commencement of an Offering Period, the Administrator shall prescribe the time limits within which any such electronic form shall be submitted to the Administrator with respect to such Offering Period in order to be a valid election.

12.13 Section 409A. The Section 423 Component of the Plan and the rights to purchase Shares granted pursuant to Offerings thereunder are intended to be exempt from the application of Section 409A of the Code and the U.S. Department of Treasury Regulations and other interpretive guidance issued thereunder (collectively, "**Section 409A**"). Neither the Non-Section 423 Component nor any right to purchase Shares granted pursuant to an Offering thereunder is intended to constitute or provide for "nonqualified deferred compensation" within the meaning of Section 409A. Notwithstanding any provision of the Plan to the contrary, if the Administrator determines that any right to purchase Shares granted under the Plan may be or become subject to Section 409A or that any provision of the Plan may cause a right to purchase Shares granted under the Plan to be or become subject to Section 409A, the Administrator may adopt such amendments to the Plan and/or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions as the Administrator determines are necessary or appropriate to avoid the imposition of taxes under Section 409A, either through compliance with the requirements of Section 409A or with an available exemption therefrom.

* * * * *

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
FORM 10-K

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

For fiscal year ended December 31, 2021

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

INSEGO CORP.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation or Organization)

81-3377646
(I.R.S. Employer
Identification No.)

12600 Deerfield Parkway, Suite 100

Alpharetta, Georgia

(Address of Principal Executive Offices)

30004

(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, \$0.001 par value	INSG	Nasdaq Global Select Market

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issue its audit report.

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

The aggregate market value of the voting common stock held by non-affiliates of the registrant, based on the closing price of the registrant's common stock on June 30, 2021, as reported by The Nasdaq Global Select Market, was approximately \$853.3 million. For the purposes of this calculation, shares owned by officers and directors (and their affiliates) have been excluded. This exclusion is not intended, nor shall it be deemed, to be an admission that such persons are affiliates of the registrant. The registrant does not have any non-voting common stock outstanding.

The number of shares of the registrant's common stock outstanding as of February 22, 2022 was 105,387,038.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement for the 2022 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission pursuant to Regulation 14A are incorporated by reference into Part III of this Form 10-K to the extent stated herein.

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Forward-Looking Statements

This Annual Report on Form 10-K 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”), in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. You should not place undue reliance on these statements. These forward-looking statements include, without limitation, statements that reflect the views of our senior management with respect to our current expectations, assumptions, estimates and projections about Inseego Corp. (the “Company” or “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 (although not all forward-looking statements contain these words). Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified; therefore, our actual results may 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 manufacturers’ 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;
- 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;
- 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 the Securities and Exchange Commission (the “SEC”), including the information in “Item 1A. Risk Factors” in Part I of this report. 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. Unless the context requires otherwise, in this Annual Report on Form 10-K 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.

PART I

Item 1. *Business*

Overview

Inseego Corp. is a leader in the design and development of fixed and mobile wireless solutions (advanced 4G and 5G NR), IIoT and cloud solutions for Fortune 500 enterprises, service providers, small and medium-sized businesses, governments, and consumers around the globe. Our product portfolio consists of fixed and mobile device-to-cloud solutions that provide compelling, intelligent, reliable and secure end-to-end IoT services with deep business intelligence. Inseego's products and solutions, designed and developed in the U.S., power mission critical applications with a "zero unscheduled downtime" mandate, such as our 5G fixed wireless access ("FWA") gateway solutions, 4G and 5G mobile broadband, IIoT applications such as SD WAN failover management, asset tracking and fleet management services. Our solutions are powered by our key wireless innovations in mobile and FWA technologies, including a suite of products employing the 5G NR standards, and purpose-built SaaS cloud platforms.

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.

Inseego Corp. is a Delaware corporation formed in 2016 as the successor to Novatel Wireless, Inc., a Delaware corporation formed in 1996, resulting from an internal reorganization that was completed in November 2016. Our principal executive office is located at 12600 Deerfield Parkway, Suite 100, Alpharetta, GA 30004, our corporate offices are located at 9710 Scranton Road, Suite 200, San Diego, CA 92121 and our sales and engineering offices are located throughout the world. Inseego's common stock trades on The NASDAQ Global Select Market under the trading symbol "INSG".

Industry Trends

For over two decades, the mobile industry has experienced tremendous advancements and growth. As the largest technology platform in the world, mobile connectivity has changed the way we work, the way we live and the way we connect with each other. The scale and pace of innovation in mobile technology, especially around connectivity and computing capabilities, is also impacting industries beyond traditional wireless.

We are working with leading global service providers and enterprises in the mobile and FWA ecosystems to further develop, commercialize and accelerate the availability of 5G-based solutions, which represent the next generation of mobile technology. 5G enables intelligent connectivity and is a catalyst for innovation and acceleration of the fourth industrial revolution across a wide range of vertical markets, including manufacturing, agriculture, utilities, industrial automation, retail, education, government, and healthcare. The widespread adoption of the Internet of Things (IoT) and advancements in enterprise applications along with an increasing dependence on mobile applications and always-connected machines and operations have become impacted by the constraints of 4G LTE technology. Addressing these needs is the primary driver for mobile network operators to accelerate the rollout of 5G communications in order to keep pace with expected network demands.

5G addresses the constraints of 4G LTE technology with wider spectrum bandwidths, multi-gigabit speeds, and ultra-reliable low latency, in addition to other advancements. As the fifth-generation wireless broadband technology, 5G is based on the Release 15 standard defined by the Generation Partnership Project ("3GPP"), an international consortium responsible for the development of mobile standards. The key operating ranges for 5G spectrum globally are in the sub-6 GHz (below 6 GHz), and millimeter wave (28 GHz and 39 GHz) bands, with speed offerings greater than 1 Gigabit ("Gb") per second and sub-millisecond latency, providing better coverage and signaling efficiency.

The technological advancements of 5G technology, combined with many of the innovations developed for 4G LTE, provide a scalable and adaptable solution for a variety of use cases, which enable the creation of new industries and services, such as autonomous vehicles, telemedicine, live ultra-high-definition video streaming, cloud gaming, edge computing, and countless industrial applications such as augmented reality and robotics for smart manufacturing.

The development of these new services and applications results in a growing demand for high-speed data, increased capacity, and low latency requirements which are key factors contributing to the accelerated growth and roll-out of 5G networks. 4G LTE is expected to continue to operate alongside 5G as a major part of the wireless ecosystem. Based on industry reports, such as the Global System for Mobile Communications Association ("GSMA") Intelligence's report *The Mobile*

Economy, and the biannual Ericsson *Mobility Report* we believe that 4G and 5G networks will coexist and remain complementary for many years. This means that operators will be able to service a significant share of the data traffic on 4G networks, leaving 5G with the dual remit of absorbing overflow capacity and underpinning consumer and enterprise services that require higher speeds and/or lower latency. As such, most 5G devices are expected to include multimode support for 4G and Wi-Fi, enabling service continuity where 5G has yet to be deployed and simultaneous connectivity across 4G and Wi-Fi technologies, while also allowing mobile operators to utilize current network deployments. At the same time, 4G is expected to continue to evolve in parallel with the development of 5G and become fundamental to many of the key 5G technologies, such as support for unlicensed spectrum, gigabit LTE user data rates (currently available from Inseego) and cellular IoT with connectivity designed to meet the needs of ultra-low-power and low-cost applications.

Further, based on reports from analyst firms including GSMA Intelligence and IoT Analytics, we expect that the number of IoT connections could grow to 27 billion by 2025. As of September 30, 2021, there were approximately 2 billion IoT devices using cellular connectivity worldwide (IoT Analytics, 2021). By 2023, global 4G connections will reach just under 60% of total connections (GSMA, 2021). Meanwhile, 5G migration is gaining pace. According to Ericsson's *Mobility Report*, November 2021 Edition, this migration to 5G is expected to be faster than that of 4G following its launch in 2009, reaching 1 billion subscriptions over 2 years sooner than the 4G rate of adoption. By the end of 2027, Ericsson's *Mobility Report* forecasts 4.4 billion 5G subscriptions globally, accounting for 49% of all mobile subscriptions, which means that 5G is expected to become the dominant mobile access technology by subscriptions in 2027.

As a core member of the 5G ecosystem, we continue to work closely with wireless operators, chipset suppliers, and infrastructure vendors around the world on 5G developments and trials in preparation for the roll-out of commercial network launches. As of December 2021, the Global mobile Suppliers Association (GSA) reported 464 operators in 139 countries/territories had confirmed investments in 5G networks. Based on reports such as those by GSMA Intelligence, we believe that 5G will bring a number of enhanced benefits not available using 4G networks including massive numbers of both fixed and mobile wireless devices with differing speed, bandwidth and quality of service demands, allowing the networks to provide support for "massive numbers of IoT devices and wireless edge technologies" for use cases including manufacturing, augmented and virtual reality, and autonomous vehicles. We are increasingly diversifying our business as this 5G opportunity comes into realization and our addressable market expands.

The adoption of IoT technology continues to grow as companies across a wide range of industries are leveraging cellular IoT technologies to increase efficiency, gain better customer insights, facilitate compliance and build new business models. IoT growth is expanding broadly, and adoption is particularly strong in the telematics and transportation industries and in industrial IoT markets such as smart city infrastructure, utilities and energy management. We are building IoT capabilities by leveraging business models that monetize usage on most major carrier networks. We have developed IoT solutions that address key market needs for asset tracking applications, telematics, SD WAN failover management, retail, remote monitoring and various other industrial automation applications. In addition, our cloud solutions can turn the data that our solutions provide into actionable insights for our customers so they can develop new services and create revenue growth.

Our Strategy

Our objective is to be a leader in high performance 5G fixed, mobile, and IIoT device-to-cloud solutions for large enterprise verticals, service providers and small and medium-sized businesses around the globe. We will meet this objective through innovations we are driving in IIoT, fixed, mobile and SaaS technologies. In furtherance of that objective, we will continue to focus on developing mission critical enterprise applications with a "zero unscheduled downtime" mandate, such as mobile and fixed broadband, industrial IoT, SD WAN failover management, asset tracking and fleet management services. Our solutions will be powered by our key innovations in IoT, purpose-built SaaS platforms and advanced mobile technologies, including emerging 5G NR.

The key elements of our strategy are to:

- *Capitalize on our direct relationships with wireless operators, infrastructure providers, original equipment manufacturers ("OEMs") and component suppliers.* We intend to continue to capitalize on our direct and long-standing relationships with wireless operators, infrastructure providers, OEMs and component suppliers in order to strengthen our worldwide market position, using these long-standing relationships to springboard both the expansion of the 4G LTE and 5G platforms globally, and influence the adoption of our 5G solutions around the world.
- *Expand our IoT solutions portfolio by leveraging our core mobile technologies and platforms developed for our mobile portfolio.* We intend to expand our IoT solutions portfolio with 5G device-to-cloud solutions for the enterprise in North America and focused international markets that include edge devices based on the latest mobile technologies and cloud solutions.

- *Aggressively expand our go-to-market offerings through sales and marketing expansion, channel development and strategic partnerships.* We intend to expand our go-to-market IoT, mobile and cloud offerings in North America as well as in focused international markets.
- *Improve SaaS solution penetration.* Through our telematics and asset tracking platform solutions, we provide customers in our current target markets throughout Europe, the United Kingdom, Australia and New Zealand with actionable insights and workflow efficiencies with highly secure intelligent device-to-cloud platforms. We also intend to roll out our Inseego Manage cloud-based SaaS portfolio with enhancements in the areas of device management and security in our target markets, and we continue to offer the subscription management solution in North America.
- *Increase the value of our offerings.* As we seek to capitalize on potential growth opportunities, we continue to develop cutting edge IoT, mobile and cloud solutions, with specific focus on end-to-end solutions that enable the best connected experiences for our customers. In addition, our complete portfolio of advanced 4G and 5G solutions opens us up to larger worldwide potential markets. Finally, continued investment within both edge devices and cloud platform solutions in predictive analytics, machine learning, and edge intelligence should expand our market opportunities.

Our Sources of Revenue

We provide intelligent 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, Swisscom in Switzerland, as well as other international wireless operators, distributors and various companies in other vertical markets and geographies.

We sell our wireless routers for IIoT, integrated telematics and mobile tracking hardware devices through our direct sales force, value-added resellers and through distributors. The customer base for our IIoT products is comprised of transportation companies, industrial enterprises, 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 also sold under our Ctrack brand and provided as part of our integrated SaaS solutions.

We sell SaaS, software and services solutions across multiple mobile and IIoT 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, 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.

For the years ended December 31, 2021, 2020 and 2019, our total net revenues were \$262.4 million, \$313.8 million and \$219.5 million, respectively.

Our Business

IoT and Mobile Solutions

Our IoT business focuses on addressing applications for a variety of markets including large enterprise verticals and IIoT markets. These applications include, among others, smart city infrastructure management, remote monitoring and control, SD WAN failover and enterprise connectivity. Our Skyus branded wireless gateways, routers and modems serve as connectivity solutions for the rapidly growing and underpenetrated IoT market segments. Worldwide IoT spending is expected to increase at a 26.7% compound annual growth rate beyond 2021 (as reported by IoT Analytics, 2021). With many enterprise customers using our solutions, we believe that we already have a solid footing in this market. We are continuing to invest and grow our product portfolio to realize the opportunities in the growing IoT market.

Our mobile business has been driving advanced mobile technologies for a multitude of consumer and enterprise applications for over 20 years. In the 2000s, Inseego invented mobile hotspots sold under the MiFi brand. During the 2010s, Inseego was a leader in the 4G mobile hotspot market—delivering the highest 4G mobile hotspot performance in the market. In 2019, Inseego developed and produced the world’s first 5G mobile hotspot, which provides download speeds at least 58% faster than those of our competitors, according to internal testing results.

Our mobile business product portfolio consists of intelligent mobile broadband solutions, HD quality VoLTE products, residential 4G gateways and an advanced 5G portfolio of products (currently in various stages of development). Our mobile broadband solutions, sold under the MiFi brand, are actively used by millions of end users annually to provide secure and convenient high-speed access to corporate, public and personal information through the Internet and enterprise networks. The introduction of 5G technology is rapidly expanding new enterprise and consumer market use cases and opportunities, including residential broadband gateways, industrial automation, massive machine connectivity and autonomous vehicles. We believe we are strategically well placed to realize the opportunity for 5G and we are focused on developing a comprehensive portfolio of 5G products for fixed and mobile wireless applications.

IoT & Mobile Solutions also includes Inseego Subscribe™ which helps organizations manage the selection, deployment and spend of their customer’s wireless assets, helping them save money on personnel and telecom expenses.

Telematics and Asset Tracking Business/Enterprise SaaS Solutions

Inseego entered the telematics software and services industry through the acquisition of DigiCore Holdings Limited (which was renamed Ctrack Holdings (Pty) Ltd (“Ctrack”) in October 2015). Ctrack was founded in South Africa in 1985, and today Ctrack operations span over 50 countries on six continents. Through a series of global acquisitions and mergers, the Ctrack group broadened its international reach by expanding into the United Kingdom, Europe, and Australia/New Zealand, and using distributors in emerging markets such as Asia.

On February 24, 2021, we entered into a Share Purchase Agreement (the “Purchase Agreement”) with an affiliate of Convergence Partners (“Convergence”), an investment management firm in South Africa, to sell our Ctrack business operations in Africa, Pakistan and the Middle East (together, “Ctrack South Africa”), in an all-cash transaction for 528.9 million South African Rand (“ZAR”) (approximately \$36.6 million U.S. Dollars). On July 30, 2021, we completed the sale of Ctrack South Africa (the “Ctrack Transaction”). See Part IV Item 15 Note 5. *Business Divestiture* for additional information about the divestiture of Ctrack South Africa.

Following the Ctrack Transaction, we continue to provide telematics solutions in the rest of the world including in Europe and Australia. With more than 30 years of experience, we are recognized as a leading global provider of advanced fleet management telematics and asset tracking solutions that add value to a global base of customers. We design, develop and sell a robust range of asset management and monitoring systems using GPS satellite positioning, advanced cellular communications and advanced sensory technologies. The result is innovative solutions ranging from basic track-and-trace, with stolen vehicle response services, to complete integrated enterprise-level solutions for large fleet owners across the globe.

We believe that our continued emphasis on development of next-generation products keeps Ctrack ahead of the market, meeting demands for value-added, flexible, feature-rich and cost-effective technology across multiple market verticals. Our solutions, coupled with a proven track record in the successful implementation and support of projects of all sizes worldwide, provide Ctrack with a competitive edge with respect to attracting and retaining customers.

Sales and Marketing

We engage in a wide variety of sales and marketing activities, driving market leadership and global demand through integrated marketing campaigns. This includes product marketing, corporate communications, brand marketing and demand generation.

Competition

The market for our mobile, IoT and asset tracking/telematics services and solutions is rapidly evolving and highly competitive. It is likely to continue to be affected by new product introductions and industry participants.

We believe the principal competitive factors impacting the market for our products are features and functionality, performance, quality and brand. To maintain and improve our competitive position, we must continue to expand our customer base, invest in research and development, grow our distribution network, and leverage our strategic relationships.

Our products compete with a variety of telematics solutions providers and IoT solutions suppliers. Our current competitors include:

- Fleet management SaaS and services providers, such as Lytx, Sierra Wireless, Samsara and Cartrack;
- Fixed wireless, mobile hotspot and wireless data modem providers, such as NETGEAR, Franklin Wireless, WNC, Nokia, TCL, ZTE and Huawei;
- IoT solution providers, such as Cradlepoint and Sierra Wireless; and
- Customer experience software solutions and services providers, such as Amdocs.

We believe that we have advantages over our primary competitors due in varying measure to the broad range of customized solutions that we offer, the ease-of-use of our products and our ability to adapt our products to specific customer needs. As the market for our solutions and services expands, other entrants may seek to compete with us either directly or indirectly.

Research and Development

Our research and development efforts are focused on developing innovative mobile devices, including IoT and advanced gateway solutions in both the 4G LTE and 5G markets, and telematics solutions and services, while improving the functionality, design and performance of our current products and solutions.

We intend to continue to identify and respond to our customers' needs by introducing new SaaS, IoT and mobile solutions and product designs that meet the needs of the market and our customers, with an emphasis on creating next generation wireless product platforms targeting mass market initiatives in high growth verticals and technologies such as 5G NR and easy-to-use products and services that enable customers to connect, track, and manage their business systems and assets.

We manage our research and development through a structured life-cycle process, from identifying initial customer requirements through development and commercial introduction to eventual phase-out. During product development, emphasis is placed on quality, reliability, performance, time-to-market, meeting industry standards and customer-product specifications, ease of integration, cost reduction, and manufacturability.

Intellectual Property

Our solutions rely on and benefit from our portfolio of intellectual property, including patents and trademarks. We currently own 46 patents and have 20 patent applications pending. The patents that we currently own will expire at various times between 2021 and 2040.

We, along with our subsidiaries, also hold a number of trademarks or registered trademarks including "Inseego", "Inseego Subscribe", "Inseego Manage", "Inseego Secure", "Inseego Vision", the Inseego logo, "MiFi", "MiFi Intelligent Mobile Hotspot", "Wavemaker", "Clarity" and "Skyus".

Key Partners and Customers

We have strategic technology, development and marketing relationships with several of our customers and partners. Our strong customer and partner relationships provide us with the opportunity to expand our market reach and sales. We partner with leading OEMs, wireless telecom service providers, wireless network infrastructure providers such as Ericsson and Nokia, value-added resellers and distributors which allows us to offer customers integrated and holistic solutions. Our telematics platform uses leading cellular providers such as Vodafone, Telstra and Optus to ensure the optimal real-time visibility of tracked vehicles and systems, supported by accurate and sophisticated mapping services such as the HERE Open Location Platform.

Customers for our products include transportation companies, industrial companies, governmental agencies, manufacturers, application service providers, system integrators, distributors, and enterprises in various industries, including fleet and vehicle transportation, finance, accounting, legal, insurance, energy and industrial automation, security and safety, medical monitoring and government.

Our telematics customer base is comprised of wireless operators, distributors, OEMs and various companies in other vertical markets. Fleet management customers include global enterprises such as BHP Billiton, Super Group, Mammoet and Australia Post. Our customers for our business connectivity products include EnerNOC, Thermo Fisher Scientific, US Army, Fastenal, T-Mobile and Verizon Wireless, amongst others. Customers for our device management solutions include carriers such as T-Mobile.

A significant portion of our revenue during the year ended December 31, 2021 came from two customers, Verizon and T-Mobile, which together represented approximately 70.3% of our total revenues for the year ended December 31, 2021. It is our intention to continue to diversify our customer base.

Manufacturing and Operations

The hardware used in our solutions is produced by contract manufacturers. Our primary contract manufacturers include Hon Hai Precision Industry Co., Ltd. (“Foxconn”) and Inventec Appliance Corporation (IAC), each of whom manufactures our product outside of mainland China. Under our manufacturing agreements, such contract manufacturers provide us with services including component procurement, product manufacturing, final assembly, testing, quality control and fulfillment. These contract manufacturers are located in Asia and are able to produce our products using modern state-of-the-art equipment and facilities with relatively low-cost labor.

We outsource our manufacturing in an effort to:

- focus on our core competencies of design, development and marketing;
- minimize our capital expenditures and lease obligations;
- realize manufacturing economies of scale;
- achieve production scalability by adjusting manufacturing volumes to meet changes in demand; and
- access best-in-class component procurement and manufacturing resources.

Our operations team manages our relationships with the contract manufacturers as well as other key suppliers. Our operations team focuses on supply chain management and logistics, product quality, inventory and cost optimization, customer fulfillment and new product introduction. We develop and control the software that goes on our devices.

Employees

At December 31, 2021, we had 507 employees of which 500 were full-time employees. We also use the services of consultants and temporary workers from time to time. Our employees are not represented by any collective bargaining unit and we consider our relationship with our employees to be good.

Human Capital Resources

Our Culture: Culture is critically important to our growth and performance. We are driven by our values of Accountability, Sense of Urgency, Market Driven Innovation, Customer Focus, and Integrity. We are committed to creating a world class employee experience through leadership development, career planning, open two-way communications, total compensation, and positive work environment.

In our latest engagement survey, our employees answered favorably to questions on Work Environment & Communications where the average score was over 90%.

Diversity & Inclusion: Our Come Together initiative was launched in 2020. Come Together gives employees the opportunity to participate in workstreams whose goals are to create a culture of belonging. Each workstream is led by employee volunteers with a passion for diversity and inclusion and reach beyond Inseego team members. The different workstreams are: Community Engagement, Employee Development, Recruiting, Women in Technology, and Affinity Groups. In 2021, we launched our first global mentoring program, connecting employees across the globe in a meaningful and productive way.

Talent: We believe that Talent is key to our success. It starts with finding and placing the right Talent for the right jobs at the right time. We communicate our value proposition in a clear and concise manner. The expected growth in the 5G market creates a unique opportunity for candidates and employees of Inseego to have a career at the forefront of a dynamic industry. Our company size and culture allows employees to build and expand their skill set in ways that will enrich their careers. In 2020, we initiated Talent Reviews with Senior Leaders to holistically evaluate the talent across the company. This will enable the company to focus on accelerating development for those who are top performers and strengthen the talent pipeline. In 2021, we piloted a Manager Forum to build leadership capability in order to motivate and retain critical talent at Inseego.

Work Life Harmony: We believe that it is important to provide Work Life Harmony and our practices can vary globally. In the U.S., employees have Friday ‘summer hours’ where two hours in the afternoon are blocked from meetings to ensure that there is “work” and “think” time. This time can be used to catch up on tasks, conduct a review of the past week, and plan for the following week. During 2020, we launched an Unlimited Paid Time Off program for exempt employees in the U.S. This program gives team members the flexibility to take time off that makes sense for them and frees employees from the confines of traditional accrued time off policies.

In 2020, we also launched the Health & Wellness Initiative in the U.S. to help employees find ways to create more balance in their lives. As part of this initiative, all employees were given a complimentary Calm App membership that includes useful resources designed to strengthen mental fitness and provide tools to tackle stress. Recognizing that burnout was becoming a global issue, we launched several company-wide events in 2021 to enhance wellness. These include providing complimentary self-care kits to employees, fitness challenges and a virtual company 5/10K.

Data & Insights: In 2020, we consolidated multiple human resource systems to a common platform. This will allow us to deliver real time employee self-service and data and insights to management. The migration to one platform will enable the human resources team to obtain valuable employee insights and enact changes more quickly.

Governmental Regulations

Environmental Laws: Our products and manufacturing process are subject to numerous governmental regulations, which cover both the use of various materials as well as environmental concerns. Environmental issues such as pollution and climate change have had significant legislative and regulatory effects on a global basis, and there are expected to be additional changes to the regulations in these areas. These changes could directly increase the cost of energy, which may have an impact on the way we manufacture products or utilize energy to produce our products. In addition, any new regulations or laws in the environmental area might increase the cost of raw materials we use in our products and the cost of compliance. Other regulations in the environmental area may require us to continue to monitor and ensure proper disposal or recycling of our products. To the best of our knowledge, we maintain compliance with all current government regulations concerning our production processes for all locations in which we operate. Since we operate on a global basis, this is a complex process that requires continual monitoring of regulations and compliance effort to ensure that we and our suppliers are in compliance with all existing regulations.

Other Regulations: As a company with global operations, we are subject to complex foreign and U.S. laws and regulations, including trade regulations, tariffs, import and export regulations, anti-bribery and corruption laws, antitrust or competition laws, data privacy laws, such as the EU General Data Protection Regulation (the “GDPR”), and environmental regulations, among others. We have policies and procedures in place to promote compliance with these laws and regulations. To date, our compliance actions and costs relating to these laws, rules and regulations have not resulted in a material cost or effect on our capital expenditures, earnings or competitive position. Government regulations are subject to change, and accordingly we are unable to assess the possible effect of compliance with future requirements or whether our compliance with such regulations will materially impact our business in the future.

Website Access to SEC Filings

We file annual, quarterly and special reports, proxy statements and other information with the SEC. The SEC maintains an Internet website at <http://www.sec.gov> that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including Inseego. We maintain an Internet website at www.inseego.com. The information contained on our website or that can be accessed through our website does not constitute a part of this report. We make available, free of charge through our Internet website, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after we electronically file or furnish this information to the SEC.

Item 1A. Risk Factors

The risks and uncertainties described below are those that we currently deem to be material, and do not represent all of the risks that we face. Additional risks and uncertainties not presently known to us or that we currently do not consider material may in the future become material and impair our business operations. Some of the risks and uncertainties described herein have been grouped so that related risks can be viewed together. You should not draw conclusions regarding the relative magnitude or likelihood of any risk based on the order in which risks or uncertainties are presented herein. If any of the following risks actually occur, our business could be materially harmed, and our financial condition and results of operations could be materially and adversely affected. As a result, the trading price of our securities could decline. You should also refer to the other information contained in this Annual Report on Form 10-K, including our consolidated financial statements and the related notes.

SUMMARY OF RISK FACTORS

Risks Related to Our Business

- Our quarterly operating results have fluctuated in the past and may fluctuate in the future, which could cause declines or volatility in the price of our common stock.
- We have an accumulated deficit and may not be able to achieve or sustain profitability, which may negatively impact our ability to achieve our business objectives.
- The 5G market may take longer to materialize than we expect or, if it does materialize rapidly, we may not be able to meet the development schedule and other customer demands.
- Our plan to position ourselves as a leading provider of industrial IoT products and services to our customer base could subject us to increased costs and related risks and may not achieve the intended results.
- If we fail to develop and timely introduce new products and services or enter new markets for our products and services successfully, we may not achieve our revenue targets, or we may lose key customers or sales and our business could be harmed.
- An assertion by a third party that we are infringing its intellectual property could subject us to costly and time-consuming litigation or expensive licenses and our business could be harmed.
- If we are unable to protect our intellectual property and proprietary rights, our competitive position and our business could be harmed.
- The mobile hotspot business is subject to a number of challenges that are difficult to overcome.
- Our future capital needs are uncertain, and we may need to raise additional funds in the future. We may not be able to raise such additional funds on acceptable terms or at all.
- Our debt service requirements are significant, and we may not have sufficient cash flow from our business to pay our substantial debt.
- Uncertainties relating to recent changes in our management team may adversely affect our operations.

Risks Related to Corporate Development Activities

- If we do not properly manage the development of our business, we may experience significant strains on our management and operations and disruptions in our business.
- We may, as part of our growth strategy, acquire companies and businesses, and/or divest assets or businesses. The completion of acquisition or divestiture transactions could have an adverse effect on our financial condition.
- Following acquisitions and/or divestitures, our reorganized business may not perform as we or the market expects, which could have an adverse effect on the price of our common stock.
- If our goodwill and acquired intangible assets become impaired, we may be required to record a significant charge to earnings.

Risks Related to Competition

- The market for the products and services that we offer is rapidly evolving and highly competitive. We may be unable to compete effectively.
- The market for asset management and fleet management solutions and the markets for telemetry and tracking solutions are all highly fragmented and competitive, with low barriers to entry. If we do not compete effectively, our operating results may be harmed.
- Industry consolidation may result in increased competition, which could result in a loss of customers or a reduction in revenue.

Risks Related to Our Customers and Demand for Our Solutions

- Our inability to adapt to rapid technological change in our markets could impair our ability to remain competitive and adversely affect our results of operations.
- If we fail to develop and maintain strategic relationships, we may not be able to penetrate new markets.
- We depend upon Verizon Wireless and T-Mobile for a substantial portion of our revenues, and our business would be negatively affected by an adverse change in our dealings with either of these customers.
- We may not be able to retain and increase sales to our existing customers, which could negatively impact our financial results.
- Loss of, or a significant reduction in business from, one or more enterprise or government customers could adversely affect our revenue and profitability.

- Adverse economic conditions or reduced spending on information technology solutions may adversely impact our revenue and profitability.
- The marketability of our products may suffer if wireless telecommunications operators do not deliver acceptable wireless services.
- Changes in practices of insurance companies in the markets in which we provide our solutions could materially and adversely affect demand for products and services.
- Reduction in regulation in certain markets may adversely impact demand for certain of our solutions by reducing the necessity for, or desirability of, our solutions.

Risks Related to Developing, Manufacturing and Delivering Our Solutions

- We currently rely on third parties to manufacture and warehouse many of our products, which exposes us to a number of risks and uncertainties outside our control.
- We depend on sole source suppliers for some products used in our services. The availability and sale of those services would be harmed if any of these suppliers is not able to meet our demand and alternative suitable products are not available on acceptable terms, or at all.
- Natural disasters, public health crises, political crises and other catastrophic events or other events outside of our control could damage our facilities or the facilities of third parties on which we depend, and could impact consumer spending.
- The effects of COVID-19 and other potential future public health crises, epidemics, pandemics or similar events on our business, operating results and cash flows are uncertain.
- If disruptions in our transportation network occur or our shipping costs substantially increase, we may be unable to sell or timely deliver our products, and our operating expenses could increase.
- We may be unable to adequately control the costs or maintain adequate supply of components and raw materials associated with our operations.
- If we do not effectively manage our sales channel inventory and product mix, we may incur costs associated with excess inventory or lose sales from having too few products.
- Product liability, product replacement or recall costs could adversely affect our business and financial performance.
- Our solutions integrate with third-party technologies and if our solutions become incompatible with these technologies, our solutions would lose functionality and our customer acquisition and retention could be adversely affected.
- Our software may contain undetected errors, defects or other software problems, and if we fail to correct any defect or other software problems, we could lose customers or incur significant costs, which could result in damage to our reputation or harm to our operating results.
- Our “over-the-air” transmission of firmware updates could permit a third party to disable our customers’ in-vehicle devices or introduce malware into our customers’ in-vehicle devices, which could expose us to widespread loss of service and customer claims.
- Any significant disruption in service on our websites or in our computer systems could damage our reputation and result in a loss of customers, which would harm our business and operating results.
- We provide minimum service level commitments to certain of our customers, and our failure to meet them could require us to issue credits for future subscriptions or pay penalties, which could harm our results of operations.
- Failure to maintain the security of our information and technology networks, including information relating to our customers and employees, could adversely affect us. Furthermore, if security breaches in connection with the delivery of our services allow unauthorized third parties to obtain control or access of our asset management, fleet management and telemetry solutions, our reputation, business, results of operations and financial condition could be harmed.

Risks Related to International Operations

- Due to the global nature of our operations, we are subject to political and economic risks of doing business internationally.
- Weakness or deterioration in global economic or political conditions in jurisdictions where we have significant foreign operations could have a material adverse effect on our results of operations and financial condition.
- Fluctuations in foreign currency exchange rates could adversely affect our results of operations.

Risks Related to Regulations, Taxation and Accounting Matters

- A governmental challenge to our transfer pricing policies or practices could impose significant costs on us.
- Evolving regulations and changes in applicable laws relating to data privacy may increase our expenditures related to compliance efforts or otherwise limit the solutions we can offer, which may harm our business and adversely affect our financial condition.
- Enhanced United States fiscal, tax and trade restrictions and executive and legislative actions could adversely affect our business, financial condition, and results of operations.

Risks Related to Owning Our Securities

- Our share price has been highly volatile in the past and could be highly volatile in the future.
- Future settlements of any conversion obligations with respect to the 2025 Notes may result in dilution to existing stockholders, lower prevailing market prices for our common stock or require a significant cash outlay.
- Future issuances of our common stock to holders of warrants may materially and adversely affect the price of our common stock and cause dilution to our existing stockholders.
- Ownership of our common stock is concentrated, and as a result, certain stockholders may exercise significant influence over us.
- Our outstanding Series E Preferred Stock or future equity offerings could adversely affect the holders of our common stock in some circumstances.

RISKS RELATED TO OUR BUSINESS

Our quarterly operating results have fluctuated in the past and may fluctuate in the future, which could cause declines or volatility in the price of our common stock.

Our quarterly operating results have fluctuated in the past and may fluctuate in the future as a result of a variety of factors, many of which are outside of our control. If our quarterly operating results or guidance fall below the expectations of research analysts or investors, the price of our common stock could decline substantially. The following factors, among others, could cause fluctuations in our quarterly operating results:

- our ability to attract new customers and retain existing customers;
- our ability to accurately forecast revenue and appropriately plan our expenses;
- our ability to accurately predict changes in customer demand due to matters beyond our control;
- our ability to introduce new features, including integration of our existing solutions with third-party software and devices;
- the actions of our competitors, including consolidation within the industry, pricing changes or the introduction of new services;
- our ability to effectively manage our growth;
- our ability to attract and retain key employees, given intense competition for qualified personnel;
- our ability to successfully manage and realize the anticipated benefits of any future divestitures or acquisitions of businesses, solutions or technologies;
- our ability to successfully launch new services or solutions or sell existing services or solutions into additional geographies or vertical markets;
- the timing and cost of developing or acquiring technologies, services or businesses;
- the timing, operating costs, and capital expenditures related to the operation, maintenance and expansion of our business;
- service outages or security breaches and any related occurrences which could impact our reputation;
- the impact of worldwide economic, industry, and market conditions, including disruptions in financial markets and the deterioration of the underlying economic conditions in some countries, and those conditions specific to Internet usage and online businesses;
- the emergence of global public health emergencies, such as the outbreak of COVID-19, which could extend lead times in our supply chain and lengthen sales cycles with our customers;
- fluctuations in currency exchange rates;
- trade protection measures (such as tariffs and duties) and import or export licensing requirements;
- costs associated with defending intellectual property infringement and other claims;
- changes in laws and regulations affecting our business; and
- provision of fleet management solutions or asset management solutions from cellular carrier-controlled or OEM-controlled channels from which Inseego may be excluded.

We believe that our quarterly revenue and operating results may vary significantly in the future and that period-to-period comparisons of our operating results may not be meaningful. You should not rely on the results of any quarter as an indication of future performance.

We have an accumulated deficit and may not be able to achieve or sustain profitability, which may negatively impact our ability to achieve our business objectives.

We have reported net losses in each of the last five fiscal years, and we cannot predict when we will become profitable or if such profitability can be sustained. We expect to continue making significant expenditures to develop and expand our business. Any growth in our revenue or customer base may not be sustainable, and we may not generate sufficient revenue to become profitable. We may incur significant losses in the future for a number of reasons, including the other risks described in this section, and we may encounter unforeseen expenses, difficulties, complications and delays and other unknown events. Accordingly, we may not be able to achieve or sustain profitability, and the failure to fund our capital requirements may negatively impact our ability to achieve our business objectives.

The 5G market may take longer to materialize than we expect or, if it does materialize rapidly, we may not be able to meet the development schedule and other customer demands.

Growth of the 5G market and its emerging standards, including the newly defined 5G NR standard, is accelerating and we believe that we are at the forefront of this newly emerging standard. However, this market may take longer to materialize than we expect which could delay important commercial network launches. Even if the market does materialize at the rapid pace that we are expecting, we may have difficulties meeting aggressive timing expectations of our current customers and getting our target products to market on time to meet the demands of our target customers. The 5G market requires us to design routers and antennas that meet certain technical specifications. We may have difficulties meeting the market and technical specifications and timelines. Additionally, our target customers have no guarantee that the configurations of their respective target products will be successful or that they can reach the appropriate target client base to provide a positive return on the research and development investments we are making in the 5G market. We are pursuing 5G opportunities in the United States and abroad. 5G markets outside of the United States will develop at different rates and we will encounter these challenges to varying degrees in different countries. Failure to manage challenges related to 5G markets and opportunities could have a material adverse effect on our financial condition and results of operations.

Our plan to position ourselves as a leading provider of industrial IoT products and services to our customer base could subject us to increased costs and related risks and may not achieve the intended results.

Our strategic plan to position ourselves as a leading provider of high value industrial IoT products and services could subject us to unexpected costs and risks. Such activities could subject us to increased operating costs, product liability, regulatory requirements and reputational risks. Our expansion into new and existing markets and implementation of our strategic plan may present competitive and distribution challenges that differ from those of our historical business model. We may be less familiar with the target customers and may face different or additional risks, as well as increased or unexpected costs, compared to existing operations. Growth into new markets may also bring us into direct competition with companies with whom we have little or no past experience as competitors. To the extent we are reliant upon expansion into new product markets and implementation of our strategic plan for growth and do not meet the new challenges posed by such expansion and implementation, our future sales growth could be negatively impacted, our operating costs could increase, and our business operations and financial results could be negatively affected. Implementing our plan to position the Company as a leading provider of industrial IoT products and solutions has required, and is expected to continue to require, additional investments by us in both product development and go-to-market resources and additional attention from management, and if not successful, we may not realize the return on our investments as anticipated or our operating results could be adversely affected by slower than expected sales growth or additional costs.

If we fail to develop and timely introduce new products and services or enter new markets for our products and services successfully, we may not achieve our revenue targets, or we may lose key customers or sales and our business could be harmed.

The development of new solutions for mobile broadband data, vehicle tracking, asset management, fleet management and telemetry applications can be difficult, time-consuming and costly. There are inherent risks and uncertainties associated with offering new products and services, especially when new markets are not fully developed, related technology standards are not mature, or when the laws and regulations regarding a new product or solution are not mature. Factors outside of our control, such as developing laws and regulations, regulatory orders, competitive product offerings and changes in commercial and consumer demand for products or services may also materially impact the successful implementation of new products or services. As we introduce new products or solutions, our current customers may not require or desire the features of these new offerings and may not purchase them or might purchase them in smaller quantities than we had expected. We may face similar risks that our products or solutions will not be accepted by customers as we enter new markets for our solutions, both in the United States and international markets.

Further, as part of our business, we may enter into contracts with some customers in which we would agree to develop products or solutions that we would sell to such customers. Our ability to generate future revenue and operating income under any such contracts would depend upon, among other factors, our ability to timely and profitably develop products or solutions that can be cost-effectively deployed and that meet required design, technical and performance specifications.

If we are unable to successfully manage these risks or meet required delivery specifications or deadlines in connection with one or more of our key contracts, we may lose key customers or orders and our business could be harmed.

An assertion by a third party that we are infringing its intellectual property could subject us to costly and time-consuming litigation or expensive licenses and our business could be harmed.

The technology industries involving mobile data communications, IoT devices, software and services are characterized by the existence of a large number of patents, copyrights, trademarks and trade secrets and by frequent litigation based on

allegations of infringement or other violations of intellectual property rights. Much of this litigation involves patent holding companies or other adverse patent owners who have no relevant product revenues of their own, and against whom our own patent portfolio may provide little or no deterrence. One or more patent infringement lawsuits from non-practicing entities are brought against us or our subsidiaries each year in the ordinary course of business.

We cannot assure you that we or our subsidiaries will prevail in any current or future intellectual property infringement or other litigation given the complex technical issues and inherent uncertainties in such litigation. Defending such claims, regardless of their merit, could be time-consuming and distracting to management, result in costly litigation or settlement, cause development delays, or require us or our subsidiaries to enter into royalty or licensing agreements. In addition, we or our subsidiaries could be obligated to indemnify our customers against third parties' claims of intellectual property infringement based on our products or solutions. If our products or solutions violate any third-party intellectual property rights, we could be required to withdraw them from the market, re-develop them or seek to obtain licenses from third parties, which might not be available on reasonable terms or at all. Any efforts to re-develop our products or solutions, obtain licenses from third parties on favorable terms or license a substitute technology might not be successful and, in any case, might substantially increase our costs and harm our business, financial condition and operating results. Withdrawal of any of our products or solutions from the market could harm our business, financial condition and operating results.

In addition, we incorporate open source software into our products and solutions. Given the nature of open source software, third parties might assert copyright and other intellectual property infringement claims against us based on our use of certain open source software programs. The terms of many open source licenses to which we are subject have not been interpreted by U.S. courts or courts of other jurisdictions, and there is a risk that those licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to commercialize our products and solutions. In that event, we could be required to seek licenses from third parties in order to continue offering our products and solutions, to re-develop our solutions, to discontinue sales of our solutions, or to release our proprietary software source code under the terms of an open source license, any of which could adversely affect our business.

If we are unable to protect our intellectual property and proprietary rights, our competitive position and our business could be harmed.

We rely on a combination of patent laws, trademark laws, copyright laws, trade secrets, confidentiality procedures and contractual provisions to protect our intellectual property and proprietary rights. However, our issued patents and any future patents that may be issued may not survive a legal challenge to their scope, validity or enforceability, or provide significant protection for us. The failure of our patents to adequately protect our technology might make it easier for our competitors to offer similar products or technologies. In addition, patents may not issue from any of our current or any future applications and significant portions of our intellectual property are held in the form of trade secrets which are not protected by patents.

Monitoring unauthorized use of our intellectual property is difficult and costly. The steps we have taken to protect our proprietary rights may not be adequate to prevent misappropriation of our intellectual property. We may not be able to detect unauthorized use of, or take appropriate steps to enforce, our intellectual property rights. Our competitors may also independently develop similar technology. In addition, the laws of many countries do not protect our proprietary rights to as great an extent as do the laws of the United States. Any failure by us to meaningfully protect our intellectual property could result in competitors offering products that incorporate our most technologically advanced features, which could seriously reduce demand for our products and solutions. In addition, we may in the future need to initiate infringement claims or litigation. Litigation, whether we are a plaintiff or a defendant, can be expensive, time consuming and may divert the efforts of our technical staff and managerial personnel, which could harm our business, whether or not such litigation results in a determination favorable to us.

We may not be able to maintain and expand our business if we are not able to hire, retain and manage additional qualified personnel.

Our success in the future depends in part on the continued contribution of our executive, technical, engineering, sales, marketing, operations and administrative personnel. Recruiting and retaining skilled personnel in the industries in which we operate, including engineers and other technical staff and skilled sales and marketing personnel, is highly competitive. In addition, in the event that we acquire another business or company, the success of any acquisition will depend in part on our retention and integration of key personnel from the acquired company or business.

Although we may enter into employment agreements with members of our senior management and other key personnel, these arrangements do not prevent any of our management or key personnel from leaving the Company. If we are not able to attract or retain qualified personnel in the future, or if we experience delays in hiring required personnel, particularly qualified technical and sales personnel, we may not be able to maintain and expand our business.

The mobile hotspot business is subject to a number of challenges that are difficult to overcome.

The mobile hotspot business has relatively low gross margins and operates in a very competitive market environment. While our mobile hotspot products tend to have advanced features which often enable them to be sold at premium prices when they are first introduced, we also have higher costs than most of our competitors due to our small scale and heavy use of U.S. based engineers in product development. Many of our competitors have substantially greater resources and scale, as would be expected in the relatively mature, consumer electronics product categories which comprise our mobile hotspot business. Our wireless data modem and mobile hotspots, for example, compete against similar products offered by Huawei, ZTE, Sierra Wireless, TCL, Franklin Wireless, WNC, Nokia and NETGEAR. More broadly, those products also compete against wireless handset manufacturers such as HTC, Apple, LG and Samsung, which all offer mobile hotspot capability as a feature of their cellular smartphones. Failure to manage these challenges, or failure of our hotspot product or service offerings to be successful and profitable, could have a material adverse effect on our financial condition and results of operations.

Our future capital needs are uncertain, and we may need to raise additional funds in the future. We may not be able to raise such additional funds on acceptable terms or at all.

We may need to raise substantial additional capital in the future to fund our operations, develop and commercialize new products and solutions or acquire companies. If we require additional funds in the future, we may not be able to obtain those funds on acceptable terms, or at all. If we raise additional funds by issuing equity securities, our stockholders may experience dilution. Debt financing, if available, may involve covenants restricting our operations or our ability to incur additional debt. Any debt or additional equity financing that we raise may contain terms that are not favorable to us or our stockholders. In addition, restrictions in our existing debt agreements may limit the amount and/or type of indebtedness that we are able to incur.

If we do not have, or are not able to obtain, sufficient funds, we may have to delay development or commercialization of our products and solutions, liquidate some or all of our assets, or delay, reduce the scope of or eliminate some or all of our sales and marketing expansion programs. Any of these actions could harm our operating results.

Our debt service requirements are significant, and we may not have sufficient cash flow from our business to pay our substantial debt.

During the second quarter of 2020, we issued \$180.4 million of 3.25% convertible senior notes due 2025 (the “2025 Notes”) and used a portion of the proceeds to repay our previous term loan in full and retire the 5.5% convertible senior notes due 2022 (the “2022 Notes” formerly referred to as the “Insego Notes”). The principal amount of 2025 Notes outstanding at December 31, 2021 is \$161.9 million. Our ability to make scheduled payments on, or to refinance our indebtedness, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not generate cash flow from operations in the future sufficient to service our debt and other fixed charges, fund working capital needs and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, refinancing or restructuring debt or obtaining additional equity capital on terms that may be onerous or dilutive. Our ability to refinance or restructure our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on favorable terms, which could result in a default on our debt obligations. Any default under such indebtedness could have a material adverse effect on our business, results of operations and financial condition.

Uncertainties relating to recent changes in our management team may adversely affect our operations.

Over the last three years, we have experienced significant turnover and additions to our senior management. While we expect to engage in an orderly transition process as we integrate newly appointed officers and managers, we face a variety of risks and uncertainties relating to the lack of management continuity, including diversion of management attention from business concerns, failure to retain other key personnel or inability to hire new key personnel. These risks and uncertainties could result in operational and administrative inefficiencies and added costs, which could adversely impact our results of operations, stock price and customer relationships.

RISKS RELATED TO CORPORATE DEVELOPMENT ACTIVITIES

If we do not properly manage the development of our business, we may experience significant strains on our management and operations and disruptions in our business.

Various risks arise if companies and industries quickly grow or evolve. If our business or industry develops more quickly than our ability to respond, our ability to meet customer demand in a timely and efficient manner could be challenged. We may also experience development, certification or production delays as we seek to meet demand for our products or unanticipated product requirements. Our failure to properly manage the developments that we or our industry might experience could

negatively impact our ability to execute on our operating plan and, accordingly, could have an adverse impact on our business, our cash flow and results of operations and our reputation with our current or potential customers.

We may, as part of our growth strategy, acquire companies and businesses, and/or divest assets or businesses. The completion of acquisition or divestiture transactions could have an adverse effect on our financial condition.

As part of our business strategy, we may review acquisition and divestiture opportunities that we believe would be advantageous or complementary to the development of our business. Based on these opportunities, we may acquire additional businesses, assets or technologies in the future. Alternatively, we may divest businesses, assets or technologies. All of these activities are subject to risks and uncertainties and could disrupt or harm our business. For example, if we make an acquisition, we could take any or all of the following actions, any one of which could adversely affect our business, financial condition, results of operations or stock price:

- use a substantial portion of our available cash;
- incur substantial debt, which may not be available to us on favorable terms and may adversely affect our liquidity;
- issue equity or equity-based securities that would dilute the percentage ownership of existing stockholders;
- assume contingent liabilities; and
- take substantial charges in connection with acquired assets.

Acquired businesses may have liabilities or adverse operating issues that we fail to discover through due diligence prior to the acquisition, such as:

- failure by previous management to comply with applicable laws or regulations;
- inaccurate representations; and
- unfulfilled contractual obligations to customers or vendors.

Following acquisitions and/or divestitures, our reorganized business may not perform as we or the market expects, which could have an adverse effect on the price of our common stock.

The reorganized company resulting from any acquisitions and/or divestitures we pursue and consummate may not perform as we or the market expect. Risks associated with such acquisitions and divestitures, including the Ctrack Transaction, include the following:

- integrating new business acquisitions and divesting existing lines of business is a difficult, expensive and time-consuming process and will divert management's attention from existing operations, and the failure to successfully manage such transitions could adversely affect our financial condition and results of operations;
- acquisitions and divestitures may change the nature of the business in which we have historically operated, including entering markets in which we have limited or no prior experience, and if we are not able to effectively adjust to such changes in the fundamental nature of our business, our financial condition and results of operations may be adversely affected;
- our assumptions with respect to future revenue, growth rates, expense rates and synergies resulting from acquisitions and/or divestitures may prove to be inaccurate, which may adversely affect the price of our common stock;
- it is possible that our key employees might decide not to remain with us as a result of these changes in our business or for other reasons, and the loss of such personnel could have a material adverse effect on our financial condition, results of operations and growth prospects;
- relationships with third parties, including key vendors and customers, may be affected by changes in our business resulting from these acquisitions and divestitures, and any adverse changes in these third party relationships could adversely affect our business, financial condition and results of operations; and
- the price of our common stock may be affected by factors different from those that affected the price of our common stock prior to such acquisitions and/or divestitures.

As a result, if we fail to properly evaluate or implement acquisitions or divestitures, we may not achieve the anticipated benefits of any such transactions, and we may incur unanticipated costs, either of which could harm our business and operating results.

If our goodwill and acquired intangible assets become impaired, we may be required to record a significant charge to earnings.

Goodwill is required to be tested for impairment at least annually. Factors that may be considered when determining if the carrying value of our goodwill or intangible assets may not be recoverable include a significant decline in our expected future cash flows or a sustained, significant decline in our stock price and market capitalization.

As a result of our acquisition strategy, we may have significant goodwill and intangible assets recorded on our balance sheets. In addition, significant negative industry or economic trends, such as those that have occurred as a result of the recent economic downturn, including reduced estimates of future cash flows or disruptions to our business could indicate that goodwill and intangible assets might be impaired. If, in any period our stock price decreases to the point where our market capitalization is less than our book value, this too could indicate a potential impairment and we may be required to record an impairment charge in that period. Our valuation methodology for assessing impairment requires management to make judgments and assumptions based on projections of future operating performance. The estimates used to calculate the fair value of a reporting unit change from year to year based on operating results and market conditions. Changes in these estimates and assumptions could materially affect the determination of fair value and goodwill impairment for each reporting unit. We operate in highly competitive environments and projections of future operating results and cash flows may vary significantly from actual results. As a result, we may incur substantial impairment charges to earnings in our financial statements should an impairment of our goodwill and intangible assets be determined resulting in an adverse impact on our results of operations.

RISKS RELATED TO COMPETITION

The market for the products and services that we offer is rapidly evolving and highly competitive. We may be unable to compete effectively.

The market for the products and services that we offer is rapidly evolving and highly competitive. We expect competition to continue to increase and intensify, especially in the 5G market. Many of our competitors or potential competitors have significantly greater financial, technical, operational and marketing resources than we do. These competitors, for example, may be able to respond more rapidly or more effectively than we can to new or emerging technologies, changes in customer requirements, supplier-related developments, or a shift in the business landscape. They also may devote greater or more effective resources than we do to the development, manufacture, promotion, sale, and post-sale support of their respective products and services.

Many of our current and potential competitors have more extensive customer bases and broader customer, supplier and other industry relationships that they can leverage to establish competitive dealings with many of our current and potential customers. Some of these companies also have more established and larger customer support organizations than we do. In addition, these companies may adopt more aggressive pricing policies or offer more attractive terms to customers than they currently do, or than we are able to do. They may bundle their competitive products with broader product offerings and may introduce new products, services and enhancements. Current and potential competitors might merge or otherwise establish cooperative relationships among themselves or with third parties to enhance their products, services or market position. In addition, at any time any given customer or supplier of ours could elect to enter our then existing line of business and thereafter compete with us, whether directly or indirectly. As a result, it is possible that new competitors or new or otherwise enhanced relationships among existing competitors may emerge and rapidly acquire significant market share to the detriment of our business.

Our products compete with a variety of solutions, including other wireless modems and mobile hotspots, wireless handsets, wireless handheld computing devices, IoT wireless solutions and enterprise software solutions. Our current competitors include:

- fleet management SaaS and services providers, such as Fleetmatics, Masternaut, Telogis, MiX Telematics and Cartrack;
- mobile hotspot providers, such as NETGEAR, Franklin Wireless, WNC, Sierra Wireless, Nokia, TCL, ZTE and Huawei;
- IoT solution providers, such as Cradlepoint and Sierra Wireless; and
- customer experience software solutions and services providers, such as Amdocs.

We expect our competitors to continue to improve the features and performance of their current products and to introduce new products, services and technologies which, if successful, could reduce our sales and the market acceptance of our products, generate increased price competition and make our products obsolete. For our products to remain competitive, we must, among other things, continue to invest significant resources (financial, human and otherwise) in, among other things, research and development, sales and marketing, and customer support. We cannot be sure that we will have or will continue to have sufficient resources to make these investments or that we will be able to make the technological advances in the marketplace, meet changing customer requirements, achieve market acceptance and respond to our competitors' products.

The 5G fixed wireless access gateway business is subject to a number of challenges that will be difficult to overcome.

The developing market for 5G fixed wireless access devices is very competitive. In addition to other challenges, our fixed wireless access gateway products compete against similar products offered by mature companies, including Samsung, Ericsson, Nokia and Wistron NeWeb Corporation. Failure to manage these challenges, or failure of our fixed wireless access business to grow to become successful and profitable, could have a material adverse effect on our financial condition and results of operations.

The market for asset management and fleet management solutions and the markets for telemetry and tracking solutions are all highly fragmented and competitive, with low barriers to entry. If we do not compete effectively, our operating results may be harmed.

The market for asset management and fleet management solutions and the markets for telemetry and tracking solutions are all highly fragmented, consisting of a large number of vendors, competitive and rapidly changing product and service offerings, with relatively low barriers to entry. Competition in all these markets is based primarily on the level of difficulty in installing, using and maintaining solutions, total cost of ownership, product performance, functionality, interoperability, brand and reputation, distribution channels, industries and the financial resources of the vendor. We expect competition to intensify in the future with the introduction of new technologies and market entrants. For example, in the telematics market, mobile service and software providers, such as Google and makers of GPS navigation devices, such as Garmin, provide limited services at lower prices or at no charge, such as basic GPS-based mapping, tracking and turn-by-turn directions that could be expanded or further developed to more directly compete with our fleet management solutions. In addition, wireless carriers, such as Verizon Wireless, offer fleet management solutions that benefit from the carrier's scale and cost advantages which we are unable to match. Similarly, vehicle OEMs may provide factory-installed devices and effectively compete against us directly or indirectly by partnering with other fleet management suppliers. We can provide no assurances that we will be able to compete effectively in this ecosystem as the competitive landscape continues to develop. Competition could result in reduced operating margins, increased sales and marketing expenses and the loss of market share, any of which would likely cause serious harm to our operating results.

Industry consolidation may result in increased competition, which could result in a loss of customers or a reduction in revenue.

Some of our competitors have made or may make acquisitions or may enter into partnerships or other strategic relationships to offer more comprehensive services than they individually had offered or achieve greater economies of scale. In addition, new entrants not currently considered to be competitors may enter our market through acquisitions, partnerships or strategic relationships. We expect these trends to continue as companies attempt to strengthen or maintain their market positions. Many of the potential entrants may have competitive advantages over us, such as greater name recognition, longer operating histories, more varied services and larger marketing budgets, as well as greater financial, technical and other resources. These pressures could result in a substantial loss of our customers, a reduction in our revenue or increased costs as we seek ways to become more competitive.

RISKS RELATED TO OUR CUSTOMERS AND DEMAND FOR OUR SOLUTIONS

Our inability to adapt to rapid technological change in our markets could impair our ability to remain competitive and adversely affect our results of operations.

All of the markets in which we operate are characterized by rapid technological change, frequent introductions of new products, services and solutions and evolving customer demands. In addition, we are affected by changes in the many industries related to the products or services we offer, including the aviation, automotive, telematics, wireless telemetry, GPS navigation device and work flow software industries. As the technologies used in each of these industries evolves, we will face new integration and competition challenges. For example, as automobile manufacturers evolve in-vehicle technology, GPS tracking devices may become standard equipment in new vehicles and compete against some segments of our telematics or asset tracking service offerings. If we are unable to adapt to rapid technological change, it could adversely affect our results of operations and our ability to remain competitive.

If we fail to develop and maintain strategic relationships, we may not be able to penetrate new markets.

A key element of our business strategy is to penetrate new markets by developing new service offerings through strategic relationships with industry participants. We are currently investing, and plan to continue to invest, significant resources to develop these relationships. We believe that our success in penetrating new markets for our products will depend, in part, on our ability to develop and maintain these relationships and to cultivate additional or alternative relationships. There can be no assurance, however, that we will be able to develop additional strategic relationships, that existing relationships will survive and

successfully achieve their purposes or that the companies with whom we have strategic relationships will not form competing arrangements with others or determine to compete with us.

We depend upon Verizon Wireless and T-Mobile for a substantial portion of our revenues, and our business would be negatively affected by an adverse change in our dealings with either of these customers.

As a result of the significant revenues associated with our MiFi business, sales to Verizon Wireless and T-Mobile collectively accounted for 70%, 55% and 53% of our consolidated net revenues for each of the years ended December 31, 2021, 2020 and 2019, respectively. While we have accelerated our engagements with prospective new MiFi customers and continue to focus on growing revenue in other parts of our business, we expect that Verizon Wireless and T-Mobile will continue to account for a substantial portion of our net revenues, and any impairment of our relationship with Verizon Wireless or T-Mobile would adversely affect our business. Additionally, any change in the forecasted or actual product sell-through of Verizon Wireless or T-Mobile could have a detrimental impact on our revenue, bottom line and cash position.

We may not be able to retain and increase sales to our existing customers, which could negatively impact our financial results.

We generally seek to license our software and enterprise solutions pursuant to customer agreements with multi-year terms and subscriptions. However, our customers have no obligation to renew these agreements after their initial terms expire. We also actively seek to sell additional solutions to our existing customers. If our efforts to satisfy our existing customers are not successful, we may not be able to retain them or sell additional functionality to them and, as a result, our revenue and ability to grow could be adversely affected. Customers may choose not to renew their subscriptions for many reasons, including the belief that our service is not required for their business needs or is otherwise not cost-effective, a desire to reduce discretionary spending, or a belief that our competitors' services provide better value. Additionally, our customers may not renew for reasons entirely out of our control, such as the dissolution of their business or an economic downturn in their industry. A significant increase in our churn rate would have an adverse effect on our business, financial condition, and operating results.

A part of our growth strategy is to sell additional new features and solutions to our existing customers. Our ability to sell new features to customers will depend in significant part on our ability to anticipate industry evolution, practices and standards and to continue to enhance existing solutions or introduce or acquire new solutions on a timely basis to keep pace with technological developments both within our industry and in related industries, and to remain compliant with any regulations mandated by federal agencies or state-mandated or foreign government regulations as they pertain to our customers. However, we may prove unsuccessful either in developing new features or in expanding the third-party software and products with which our solutions integrate. In addition, the success of any enhancement or new feature depends on several factors, including the timely completion, introduction and market acceptance of the enhancement or feature. Any new solutions we develop or acquire might not be introduced in a timely or cost-effective manner and might not achieve the broad market acceptance necessary to generate significant revenue. If any of our competitors implement new technologies before we are able to implement them or better anticipate the innovation and integration opportunities in related industries, those competitors may be able to provide more effective or cheaper solutions than ours.

Another part of our growth strategy is to sell additional subscriptions to existing customers as their fleet sizes or asset portfolios increase. We cannot be assured that our customers' fleet sizes or asset portfolios will continue to increase. A significant decrease in our ability to sell additional functionality or subscriptions to existing customers could have an adverse effect on our business, financial condition, and operating results.

Loss of, or a significant reduction in business from, one or more enterprise or government customers could adversely affect our revenue and profitability.

Loss of one or more of our large enterprise or government customers could result in a meaningful decrease in revenue and profitability, as well as a material increase in our customer churn rate. Because of the variability of industries in which our enterprise and government customers operate and the unpredictability of economic conditions in any particular industry which comprises a significant number of our enterprise or government customers, the composition of, and the volume of business from, our enterprise and government customers is likely to change over time. If we lose one or more large enterprise or government customers, or if we experience a significant reduction in business from one or more large enterprise or government customers, there is no assurance that we would be able to replace those customers to generate comparable revenue over a short time period, which could harm our operating results and profitability.

Adverse economic conditions or reduced spending on information technology solutions may adversely impact our revenue and profitability.

Uncertainty about future economic conditions makes it difficult for us to forecast operating results and to make decisions about future investments. We are unable to predict the likely duration and severity of adverse economic conditions in the United

States and other countries, but the longer the duration, the greater risks we face in operating our business. We cannot assure you that current economic conditions, worsening economic conditions or prolonged poor economic conditions will not have a significant adverse impact on the demand for our solutions, and consequently on our results of operations and prospects.

The marketability of our products may suffer if wireless telecommunications operators do not deliver acceptable wireless services.

The success of our business depends, in part, on the capacity, affordability, reliability and prevalence of wireless data networks provided by wireless telecommunications operators and on which our products and solutions operate. Currently, various wireless telecommunications operators, either individually or jointly with us, sell our products in connection with the sale of their wireless data services to their customers. Growth in demand for wireless data access may be limited if, for example, wireless telecommunications operators cease or materially curtail operations, fail to offer services that customers consider valuable at acceptable prices, fail to maintain sufficient capacity to meet demand for wireless data access, delay the expansion of their wireless networks and services, fail to offer and maintain reliable wireless network services or fail to market their services effectively.

Changes in practices of insurance companies in the markets in which we provide our solutions could materially and adversely affect demand for products and services.

We depend in part on the practices of insurance companies in some of our markets to support demand for certain of our products and services. In certain markets, these practices include: (i) accepting mobile asset location technologies such as ours as a preferred security product; (ii) providing premium discounts for using location and recovery products and services such as ours; and/or (iii) mandating the use of our products and services, or similar products and services, for certain vehicles. If any of these policies or practices change, revenues from sale of our products and services could decline, which would materially and adversely affect our business, results of operations and financial condition.

Reduction in regulation in certain markets may adversely impact demand for certain of our solutions by reducing the necessity for, or desirability of, our solutions.

Regulatory compliance and reporting is driven by legislation and requirements, which are often subject to change, from regulatory authorities in nearly every jurisdiction globally. For example, in the United States, fleet operators can face numerous complex regulatory requirements, including mandatory Compliance, Safety and Accountability driver safety scoring, hours of service, compliance and fuel tax reporting. The reduction in regulation in certain markets may adversely impact demand for certain of our solutions, which could materially and adversely affect our business, financial condition and results of operations.

RISKS RELATED TO DEVELOPING, MANUFACTURING AND DELIVERING OUR SOLUTIONS

We currently rely on third parties to manufacture and warehouse many of our products, which exposes us to a number of risks and uncertainties outside our control.

We currently outsource the manufacturing of many of our products to companies including Foxconn and AsiaTelco Technologies Co. If one of these third-party manufacturers were to experience delays, disruptions, capacity constraints or quality control problems in its manufacturing operations, product shipments to our customers could be delayed or rejected or our customers could consequently elect to change product demand or cancel the underlying subscription or service. These disruptions would negatively impact our revenues, competitive position and reputation. Further, if we are unable to manage successfully our relationship with a manufacturer, the quality and availability of products used in our services and solutions may be harmed. None of our third-party manufacturers is obligated to supply us with a specific quantity of products, except as may be provided in a particular purchase order that we have submitted to, and that has been accepted by, such third-party manufacturer. Our third-party manufacturers could, under some circumstances, decline to accept new purchase orders from us or otherwise reduce their business with us. If a manufacturer stopped manufacturing our products for any reason or reduced manufacturing capacity, we may be unable to replace the lost manufacturing capacity on a timely and comparatively cost-effective basis, which would adversely impact our operations. In addition, we generally do not enter into long-term contracts with our manufacturers. As a result, we are subject to price increases due to availability, and subsequent price volatility, in the marketplace of the components and materials needed to manufacture our products. If a third-party manufacturer were to negatively change the product pricing and other terms under which it agrees to manufacture for us and we were unable to locate a suitable alternative manufacturer, our manufacturing costs could increase.

Because we outsource the manufacturing of our products, the cost, quality and availability of third-party manufacturing operations is essential to the successful production and sale of our products. Our reliance on third-party manufacturers exposes us to a number of risks which are outside our control, including:

- unexpected increases in manufacturing costs;

- interruptions in shipments if a third-party manufacturer is unable to complete production in a timely manner;
- inability to control quality of finished products;
- inability to control delivery schedules;
- inability to control production levels and to meet minimum volume commitments to our customers;
- inability to control manufacturing yield;
- inability to maintain adequate manufacturing capacity; and
- inability to secure adequate volumes of acceptable components at suitable prices or in a timely manner.

Although we promote ethical business practices and our operations personnel periodically visit and monitor the operations of our manufacturers, we do not control the manufacturers or their labor and other legal compliance practices. If our current manufacturers, or any other third-party manufacturer which we may use in the future, violate U.S. or foreign laws or regulations, we may be subjected to extra duties, significant monetary penalties, adverse publicity, the seizure and forfeiture of products that we are attempting to import or the loss of our import privileges. The effects of these factors could render the conduct of our business in a particular country undesirable or impractical and have a negative impact on our operating results.

We depend on sole source suppliers for some products used in our services. The availability and sale of those services would be harmed if any of these suppliers is not able to meet our demand and alternative suitable products are not available on acceptable terms, or at all.

Our services use hardware and software from various third parties, some of which are procured from single suppliers. For example our MiFi mobile hotspots rely substantially on chipsets from Qualcomm. From time to time, certain components used in our products or solutions have been in short supply or their anticipated commercial introduction has been delayed or their availability has been interrupted for reasons outside our control. If there is a shortage or interruption in the availability to us of any such components or products and we cannot timely obtain a commercially and technologically suitable substitute or make sufficient and timely design or other modifications to permit the use of such a substitute component or product, we may not be able to timely deliver sufficient quantities of our products or solutions to satisfy our contractual obligations and may not be able to meet particular revenue expectations. Moreover, even if we timely locate a substitute part or product, but its price materially exceeds the original cost of the component or product, then our results of operations could be adversely affected.

Natural disasters, public health crises, political crises and other catastrophic events or other events outside of our control could damage our facilities or the facilities of third parties on which we depend, and could impact consumer spending.

Our corporate offices are located in San Diego, California near major earthquake faults and fire zones. If any of our facilities or the facilities of our third-party service providers, dealers or partners is affected by natural disasters, such as earthquakes, tsunamis, wildfires, power shortages, floods, public health crises (such as pandemics and epidemics), political crises (such as terrorism, war, political instability or other conflict) or other events outside our control, including a cyberattack, our critical business or IT systems could be destroyed or disrupted and our ability to conduct normal business operations and our revenues and operating results could be adversely affected. Moreover, these types of events could negatively impact consumer spending in the impacted regions or, depending upon the severity, globally, which could adversely impact our operating results.

The effects of COVID-19 and other potential future public health crises, epidemics, pandemics or similar events on our business, operating results and cash flows are uncertain.

The global outbreak of COVID-19 was declared a pandemic by the World Health Organization and a national emergency by the U.S. Government in March 2020 and has negatively impacted the U.S. and global economy, disrupted global supply chains, resulted in significant travel and transport restrictions, including mandated closures and orders to “shelter-in-place,” and created significant disruption of the financial markets. The extent of the impact of the COVID-19 pandemic on our operational and financial performance will depend on future developments, including the duration and spread of the pandemic and related actions taken by the U.S. government, state and local government officials, and international governments to prevent disease spread, all of which are uncertain and cannot be predicted.

While the COVID-19 pandemic has led to an increase in demand for our products, particularly our MiFi and mobile wireless devices, relative to historic trends, this increased demand, as well as the revenues, net income and other financial and operating data associated therewith, may not be indicative of results for future periods. Temporary precautionary measures intended to help minimize the risk of the pandemic to our employees and to comply with government mandated closures and “shelter-in-place” orders have been put in place, including temporarily requiring most employees to work remotely, suspending all non-essential travel worldwide for our employees, and suspending employee attendance at industry events and in-person work-related meetings. These efforts could negatively affect our business. While most of our global operations have continued to operate, facility closures or work slowdowns or temporary stoppages could occur.

Logistics has emerged as a new challenge, as globally the transportation industry restricted the frequency of departures and increased logistics costs. We have experienced increased costs in freight as well as direct labor costs as we continue to work in serving our customers. We expect this trend to continue for the duration of the COVID-19 pandemic. In addition, we rely on contract manufacturers and other companies to provide materials, components and products that we sell to our customers. The continued spread of COVID-19 could negatively affect the operations at our third-party manufacturers, which could result in delays or disruptions in the supply of our products and could impact our ability to meet customer demand. If we are not able to implement alternatives or other mitigations with respect to suppliers that may have potential delivery impacts due to COVID-19, our sales and financial results could be adversely impacted.

The effects of COVID-19 have increased competition for qualified personnel in the industries in which we operate. Additionally, changes we make to our current and future work environments may not meet the needs or expectations of our employees or may be perceived as less favorable compared to other companies' policies, which could negatively impact our ability to hire and retain qualified personnel.

The COVID-19 outbreak is a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect longer-term demand for our products and likely impact our operating results. The impact of COVID-19 could worsen if there is an extended duration of any COVID-19 outbreak or a resurgence of COVID-19 infection in affected regions after they have begun to experience improvement. Prolonged impacts of COVID-19 could result in delays in payment by customers, the speed of regulatory approvals such as FCC and other licenses that are needed for releases of new products, and delays in new 5G network rollouts. Current limitations on travel to customer locations could impact international orders. Accordingly, recent growth in our business may not continue into the future, and you should not rely on our revenue or key business metrics for any previous quarterly or annual period as any indication of our revenue, revenue growth, key business metrics, or key business metrics growth in future periods.

If disruptions in our transportation network occur or our shipping costs substantially increase, we may be unable to sell or timely deliver our products, and our operating expenses could increase.

We are highly dependent upon the transportation systems we use to ship our products, including surface and air freight. Our attempts to closely match our inventory levels to our product demand intensify the need for our transportation systems to function effectively and without delay. For example, the outbreak of the COVID-19 pandemic has led to significant limitations on the availability of key transportation resources and an increase in the cost of air and ocean freight. These developments negatively impact our profitability as we seek to transport an increased number of products from manufacturing locations in Asia to other markets around the world as quickly as possible.

The transportation network is subject to disruption or congestion from a variety of causes, including labor disputes or port strikes, acts of war or terrorism, natural disasters, pandemics like COVID-19 and congestion resulting from higher shipping volumes. Labor disputes among freight carriers and at ports of entry are common, particularly in Europe, and we expect labor unrest and its effects on shipping our products to be a continuing challenge for us. A port worker strike, work slow-down or other transportation disruption in the ports of Los Angeles or Long Beach, California, could significantly disrupt our business. Additionally, our international freight is regularly subjected to inspection by governmental entities. If our delivery times increase unexpectedly for these or any other reasons, our ability to deliver products on time would be materially adversely affected and result in delayed or lost revenue as well as customer imposed penalties. In addition, if increases in fuel prices continue to occur, our transportation costs would likely increase. Moreover, the cost of shipping our products by air freight is greater than other methods. From time to time in the past, we have shipped products using extensive air freight to meet unexpected spikes in demand, shifts in demand between product categories, to bring new product introductions to market quickly and to timely ship products previously ordered. If we rely more heavily upon air freight to deliver our products, our overall shipping costs will increase. A prolonged transportation disruption or a significant increase in the cost of freight could severely disrupt our business and harm our operating results.

We may be unable to adequately control the costs or maintain adequate supply of components and raw materials associated with our operations.

From time to time, we may experience increases in the cost or a sustained interruption in the supply or shortage of components or raw materials associated with our operations. We expect to incur significant costs related to procuring raw materials required to manufacture and assemble our products. The prices for and availability of these raw materials fluctuate depending on factors beyond our control. For example, our business depends on the continued supply of semiconductor chips, which are integral components for our 5G and 4G products. A global semiconductor supply shortage is having wide-ranging

effects across the technology industry and may negatively impact the supply of semiconductors needed for our testing and production timeline.

Any reduced availability of these raw materials or substantial increases in the prices for such materials may increase the cost of our components and consequently, the cost of our products. There can be no assurance that we will be able to recoup increasing costs of our components by increasing prices, which in turn could have a material adverse impact on our financial condition, results of operations and cash flows.

We continue to work closely with suppliers and customers to minimize the potential adverse impact of the semiconductor supply shortage and monitor the availability of semiconductor chips and other component parts and raw materials. However, if we are not able to mitigate the semiconductor shortage impact, any direct or indirect supply chain disruptions may have a material adverse impact on our financial condition, results of operations and cash flows.

If we do not effectively manage our sales channel inventory and product mix, we may incur costs associated with excess inventory, or lose sales from having too few products.

If we are unable to properly monitor and manage our sales channel inventory and maintain an appropriate level and mix of products with our distributors and within our sales channels, we may incur increased and unexpected costs associated with this inventory. We determine production levels based on our forecasts of demand for our products. Actual demand for our products depends on many factors, which makes it difficult to forecast. We have experienced differences between our actual and our forecasted demand in the past and expect differences to arise in the future. If we improperly forecast demand for our products, we could end up with too many products and be unable to sell the excess inventory in a timely manner, if at all, or, alternatively we could end up with too few products and not be able to satisfy demand. This problem is exacerbated because we attempt to closely match inventory levels with product demand leaving limited margin for error. If these events occur, we could incur increased expenses associated with writing off excessive or obsolete inventory, lose sales, incur penalties for late delivery or have to ship products by air freight to meet immediate demand incurring incremental freight costs above the sea freight costs, a preferred method, and suffering a corresponding decline in gross margins.

Product liability, product replacement or recall costs could adversely affect our business and financial performance.

We are subject to product liability and product recall claims if any of our products and services are alleged to have resulted in injury to persons or damage to property. If any of our products proves to be defective, we may need to recall and/or redesign them. In addition, any claim or product recall that results in significant adverse publicity may negatively affect our business, financial condition, or results of operations. We maintain product liability insurance, but this insurance may not adequately cover losses related to product liability claims brought against us. We may also be a defendant in class action litigation, for which no insurance is available. Product liability insurance could become more expensive and difficult to maintain and may not be available on commercially reasonable terms, if at all. In addition, we do not maintain any product recall insurance, so any product recall we are required to initiate could have a significant impact on our financial position, results of operations or cash flows.

We rely on third-party software and other intellectual property to develop and provide our solutions and significant increases in licensing costs or defects in third-party software could harm our business.

We rely on software and other intellectual property licensed from third parties to develop and offer our solutions. In addition, we may need to obtain future licenses from third parties to use software or other intellectual property associated with our solutions. We cannot assure you that these licenses will be available to us on acceptable terms, without significant price increases or at all. Any loss of the right to use any such software or other intellectual property required for the development and maintenance of our solutions could result in delays in the provision of our solutions until equivalent technology is either developed by us, or, if available from others, is identified, obtained, and integrated, which could harm our business. Any errors or defects in third-party software could result in errors or a failure of our solutions, which could harm our business.

Our solutions integrate with third-party technologies and if our solutions become incompatible with these technologies, our solutions would lose functionality and our customer acquisition and retention could be adversely affected.

Our solutions integrate with third-party software and devices to allow our solutions to perform key functions. Errors, viruses or bugs may be present in third-party software that our customers use in conjunction with our solutions. Changes to third-party software that our customers use in conjunction with our solutions could also render our solutions inoperable. Customers may conclude that our software is the cause of these errors, bugs or viruses and terminate their subscriptions. The inability to easily integrate with, or any defects in, any third-party software could result in increased costs, or in delays in software releases or updates to our products until such issues have been resolved, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and future prospects and could damage our reputation.

Our software may contain undetected errors, defects or other software problems, and if we fail to correct any defect or other software problems, we could lose customers or incur significant costs, which could result in damage to our reputation or harm to our operating results.

Although we warrant that our software will be free of defects for various periods of time, our software platform and its underlying infrastructure are inherently complex and may contain material defects or errors. We must update our solutions quickly to keep pace with the rapidly changing market and the third-party software and devices with which our solutions integrate. We have from time to time found defects in our software and may discover additional defects in the future, particularly as we continue to migrate our product offerings to new platforms or use new devices in connection with our services and solutions. We may not be able to detect and correct defects or errors before customers begin to use our platform or its applications. Consequently, our solutions could contain undetected errors or defects, especially when first introduced or when new versions are released or when new hardware or software is integrated into our solutions. We implement bug fixes and upgrades as part of our regular system maintenance, which may lead to system downtime. Even if we are able to implement the bug fixes and upgrades in a timely manner, any history of defects or inaccuracies in the performance of our software for our customers could result in damage to our reputation or harm to our operating results.

Our “over-the-air” transmission of firmware updates could permit a third party to disable our customers’ in-vehicle devices or introduce malware into our customers’ in-vehicle devices, which could expose us to widespread loss of service and customer claims.

“Over-the-air” transmission of our firmware updates may provide the opportunity for a third party, who has deep inside knowledge of our systems, to modify or disable our customers’ in-vehicle systems or introduce malware into our customers’ in-vehicle systems. No such incidents have occurred to date, but there can be no assurance that they will not occur in the future. Damage to our customers’ in-vehicle devices as a result of such incidents could only be remedied through direct servicing of their installed in-vehicle devices by trained personnel, which would impose a very significant cost on us, particularly if the incidents are widespread. Moreover, such incidents could expose us to widespread loss of service and claims by our customers under various theories of liability, the outcome of which would be uncertain. Third party interference with our over-the-air transmission of firmware, or with our customers’ in-vehicle devices during such process, could materially and adversely affect our business, financial condition and results of operations

Our solutions rely on cellular and GPS networks and any disruption, failure or increase in costs could impede our profitability and harm our financial results.

Two critical links in our current solutions are between in-vehicle devices and GPS satellites and between in-vehicle devices or customer premise equipment and cellular networks, which allow us to obtain location data and transmit it to our system. Increases in the fees charged by cellular carriers for data transmission or changes in the cellular networks, such as a cellular carrier discontinuing support of the network currently used by our in-vehicle devices or customer premise equipment, requiring retrofitting of our devices could increase our costs and impact our profitability. In addition, technologies that rely on GPS depend on the use of radio frequency bands and any modification of the permitted uses of these bands may adversely affect the functionality of GPS and, in turn, our solutions.

The mobile carriers can and will discontinue radio frequency technologies as they become obsolete. If we are unable to design our solutions into new technologies such as 4G, 4G LTE and 5G or 5G NR, our future prospects and revenues could be limited.

Any significant disruption in service on our websites or in our computer systems could damage our reputation and result in a loss of customers, which would harm our business and operating results.

Our brand, reputation, and ability to attract, retain, and serve our customers are dependent upon the reliable performance of our services and our customers’ ability to access our solutions at all times. Our customers rely on our solutions to make operating decisions related to their businesses, as well as to measure, store and analyze valuable data regarding their businesses. Our solutions are vulnerable to interruption and our data centers are vulnerable to damage or interruption from human error, intentional bad acts, computer viruses or hackers, earthquakes, hurricanes, floods, fires, war, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures, and similar events, any of which could limit our customers’ ability to access our solutions. Prolonged delays or unforeseen difficulties in connection with adding capacity or upgrading our network architecture may cause our service quality to suffer. Any event that significantly disrupts our service or exposes our data to misuse could damage our reputation and harm our business and operating results, including reducing our revenue, causing us to issue credits to customers, subjecting us to potential liability, harming our churn rates, or increasing our cost of acquiring new customers.

We host our solutions and serve our customers from network servers hosted by third parties, which are located at data

center facilities in the United States, Europe and Australia. If these data centers are unable to keep up with our growing needs for capacity, this could have an adverse effect on our business. Our disaster recovery systems are located at third-party hosting facilities. While we are increasing redundancy, our systems have not been tested under actual disaster conditions and may not have sufficient capacity to recover all data and services in the event of an outage. In the event of a disaster in which our disaster recovery systems are irreparably damaged or destroyed, we would experience interruptions in access to our products. Any changes in third-party service levels at our data centers or any errors, defects, disruptions, or other performance problems with our solutions could harm our reputation and may damage our data. Interruptions in our services might reduce our revenue, cause us to issue credits or refunds to customers, subject us to potential liability, or harm our churn rates.

We provide minimum service level commitments to certain of our customers, and our failure to meet them could require us to issue credits for future subscriptions or pay penalties, which could harm our results of operations.

Certain of our customer agreements currently, and may in the future, provide minimum service level commitments regarding items such as system availability, functionality or performance. If we are unable to meet the stated service level commitments for these customers or suffer extended periods of service unavailability, we are or may be contractually obligated to provide these customers with credits for future subscriptions, provide services at no cost, or pay other penalties which could adversely impact our revenue. We do not currently have any reserves on our balance sheet for these commitments.

Failure to maintain the security of our information and technology networks, including information relating to our customers and employees, could adversely affect us. Furthermore, if security breaches in connection with the delivery of our services allow unauthorized third parties to obtain control or access of our asset management, fleet management and telemetry solutions, our reputation, business, results of operations and financial condition could be harmed.

We are dependent on information technology networks and systems, including the Internet, to process, transmit and store electronic information and, in the normal course of our business, we collect and retain certain information pertaining to our customers and employees. The protection of customer and employee data is critical to us. We devote significant resources to addressing security vulnerabilities in our products and information technology systems, however, the security measures put in place by us cannot provide absolute security, and our information technology infrastructure may be vulnerable to criminal cyber-attacks or data security incidents due to employee or customer error, malfeasance, or other vulnerabilities. Cybersecurity attacks are increasingly sophisticated, change frequently, and often go undetected until after an attack has been launched. We may fail to identify these new and complex methods of attack or fail to invest sufficient resources in security measures. We cannot be certain that advances in cyber-capabilities or other developments will not compromise or breach the technology protecting the networks that access our services.

As cyber-attacks become more sophisticated, the need to develop our infrastructure to secure our business and customer data can lead to increased cybersecurity protection costs. Such costs may include making organizational changes, deploying additional personnel and protection technologies, training employees, and engaging third party experts and consultants. These efforts come at the potential cost of revenues and human resources that could be utilized to continue to enhance our product offerings.

If a security breach occurs, our reputation, business, results of operations and financial condition could be harmed. We may also be subject to costly notification and remediation requirements if we, or a third party, determines that we have been the subject of a data breach involving personal information of individuals. Though it is difficult to determine what harm may directly result from any specific interruption or security breach, any failure or perceived failure to maintain performance, reliability, security and availability of systems or the actual or potential theft, loss, fraudulent use or misuse of our products or the personally identifiable data of a customer or employee, could result in harm to our reputation or brand, which could lead some customers to seek to stop using certain of our services, reduce or delay future purchases of our services, use competing services, or materially and adversely affect the overall market perception of the security and reliability of our services. A security breach also exposes us to litigation and legal risks, including regulatory actions by state and federal governmental authorities and non-U.S. authorities. We may not have adequate insurance coverages for a cybersecurity breach or may realize increased insurance premiums as a result of a security breach. Ultimately, a security breach exposes us to potential reputational harm among our customers and investors, along with uncertain damages to our competitiveness, stock price, and long-term shareholder value.

RISKS RELATED TO INTERNATIONAL OPERATIONS

Due to the global nature of our operations, we are subject to political and economic risks of doing business internationally.

International revenue represents a significant percentage of our worldwide revenue. The risks inherent in global operations include:

- difficulty managing sales, product development and logistics and support across continents;

- limitations on ownership or participation in local enterprises;
- lack of familiarity with, and unexpected changes in, foreign laws, regulations and legal standards, including employment laws, product liability laws, privacy laws and environmental laws, which may vary widely across the countries in which we operate;
- increased expense to comply with U.S. laws that apply to foreign operations, including the U.S. Foreign Corrupt Practices Act (the “FCPA”) and Office of Foreign Assets Control regulations;
- compliance with, and potentially adverse tax consequences of, foreign tax regimes;
- fluctuations in currency exchange rates, currency exchange controls, price controls and limitations on repatriation of earnings;
- transportation delays and interruptions;
- local labor laws;
- local economic conditions;
- political, social and economic instability and disruptions;
- acts of terrorism and other security concerns;
- government embargoes or foreign trade restrictions such as tariffs, duties, taxes or other controls;
- import and export controls;
- increased product development costs due to differences among countries’ safety regulations and radio frequency allocation schemes and standards;
- longer warranty terms and broader product warranty requirements;
- increased expense related to localization of products and development of foreign language marketing and sales materials;
- longer sales cycles;
- longer accounts receivable payment cycles and difficulty in collecting accounts receivable in foreign countries;
- increased financial accounting and reporting burdens and complexities;
- workforce reorganizations in various locations;
- restrictive employment regulations;
- difficulties in staffing and managing multi-national operations;
- difficulties and increased expense in implementing corporate policies and controls;
- international intellectual property laws, which may be more restrictive or offer lower levels of protection than U.S. law;
- compliance with differing and changing local laws and regulations in multiple international locations, including regional data privacy laws, as well as compliance with U.S. laws and regulations where applicable in these international locations; and
- limitations on our ability to enforce legal rights and remedies.

If we are unable to successfully manage these and other risks associated with managing and expanding our international business, the risks could have a material adverse effect on our business, results of operations or financial condition.

Weakness or deterioration in global economic conditions or jurisdictions where we have significant foreign operations could have a material adverse effect on our results of operations and financial condition.

As a result of weak or deteriorating economic conditions globally, or in certain jurisdictions where we have significant foreign operations, we could experience lower demand for our products, which could adversely impact our results of operations. Additionally, there could be a number of related effects on our business resulting from weak economic conditions, including the insolvency of one or more of our suppliers resulting in product launch or product delivery delays, customer insolvencies resulting in that customer’s inability to order products from us or pay for already delivered products, and reduced demand by the ultimate end-users of our products. Although we continue to monitor market conditions, we cannot predict future market conditions or their impact on demand for our products.

Weakness or deterioration in global political conditions where we have significant business interests could have a material adverse effect on our business, results of operations and financial condition.

We sell to customers throughout the world and we currently have operations and activities in Europe, China and other Asian countries. The political risks associated with the our global operations include:

- economic and commercial instability risks, corruption and changes in local government laws, regulations and policies, such as those related to tariffs and trade barriers, taxation, exchange controls, employment regulations and repatriation of earnings;
- political instability, civil unrest, expropriation, nationalization of properties by a government, imposition of sanctions and changes to import or export regulations and fees;
- conflicts, territorial disputes, war or terrorist activities;
- major public health issues, such as an outbreak of a pandemic or epidemic, which could cause disruptions in our operations or workforce, or the supply of products; and
- difficulties enforcing intellectual property and contractual rights in certain jurisdictions.

The impact of any of the foregoing factors is difficult to predict, and any one or more of them could adversely affect our business, operating results and financial condition. Existing insurance arrangements may not provide protection for the costs that may arise from such events.

Fluctuations in foreign currency exchange rates could adversely affect our results of operations.

A significant portion of our revenues are generated from sales agreements denominated in foreign currencies, and we expect to enter into additional such agreements as we expand our international customer base. In addition, we employ a significant number of employees outside the United States, and the associated employment and facilities costs are denominated in foreign currencies. As a result, we are exposed to changes in foreign currency exchange rates. Fluctuations in the value of foreign currencies will create greater uncertainty in our revenues and can significantly and adversely affect our operating results.

We do not currently employ any vehicles as a hedge against currency fluctuations, however, we may decide to use hedging vehicles in the future. At times, we may attempt to manage the risk associated with currency changes, in part, by minimizing the effects of volatility on cash flows by identifying forecasted transactions exposed to these risks, or we may decide to use hedging vehicles such as foreign exchange forward contracts. Since there is a high correlation between the hedging instruments and the underlying exposures, the gains and losses on these underlying exposures are generally offset by reciprocal changes in the value of the hedging instruments. We may use derivative financial instruments as risk management tools and not for trading or speculative purposes. Nevertheless, there can be no assurance that we will not incur foreign currency losses or that foreign exchange forward contracts we may enter into to reduce the risk of such losses will be successful.

Unionization efforts in certain countries in which we operate could materially increase our costs or limit our flexibility.

Efforts may be made from time to time to unionize portions of our global workforce. In addition, we may be subject to strikes or work stoppages and other labor disruptions in the future. Unionization efforts, collective bargaining agreements or work stoppages could materially increase our costs, reduce our net revenues or limit our operational flexibility.

RISKS RELATED TO REGULATIONS, TAXATION AND ACCOUNTING MATTERS

Our substantial international operations may increase our exposure to potential liability under anti-corruption, trade protection, tax and other laws and regulations.

The FCPA and other anti-corruption laws and regulations (“Anti-Corruption Laws”) prohibit corrupt payments by our employees, vendors or agents. From time to time, we may receive inquiries from authorities in the United States and elsewhere about our business activities outside of the United States and our compliance with Anti-Corruption Laws. While we devote substantial resources to our global compliance programs and have implemented policies, training and internal controls designed to reduce the risk of corrupt payments, our employees, vendors or agents may violate our policies.

Our failure to comply with Anti-Corruption Laws could result in significant fines and penalties, criminal sanctions against us, our officers or our employees, prohibitions on the conduct of our business, and damage to our reputation. Operations outside of the United States may be affected by changes in trade protection laws, policies and measures, and other regulatory requirements affecting trade and investment.

As a result of our international operations we are subject to foreign tax regulations. Such regulations may not be clear, not consistently applied and subject to sudden change, particularly with regard to international transfer pricing. Our earnings could be reduced by the uncertain and changing nature of such tax regulations.

Our software contains encryption technologies, certain types of which are subject to U.S. and foreign export control regulations and, in some foreign countries, restrictions on importation and/or use. Any failure on our part to comply with encryption or other applicable export control requirements could result in financial penalties or other sanctions under the U.S. or foreign export regulations, including restrictions on future export activities, which could harm our business and operating results. Regulatory restrictions could impair our access to technologies needed to improve our solutions and may also limit or reduce the demand for our solutions outside of the United States.

A governmental challenge to our transfer pricing policies or practices could impose significant costs on us.

Our company has intercompany transactions with our subsidiaries and consequently closely monitors the appropriateness of our transfer pricing policies and compliance therewith. The global transfer pricing environment, including with respect to operational and reporting requirements, is continuously evolving and subject to input from multiple sources and jurisdictions. These complexities require management to closely monitor new developments, which it does.

Many countries routinely examine transfer pricing policies of taxpayers subject to their jurisdiction, and authorities challenge transfer pricing policies aggressively where there is potential non-compliance and impose interest and penalties where non-compliance is determined. Although the documentation of and support for our transfer pricing policies has not been the subject of a governmental proceeding beyond examination to date, there can be no assurance that a governmental authority will not challenge these policies more aggressively in the future or, if challenged, that we will prevail. We could suffer costs related to one or more challenges to our transfer pricing policies.

Evolving regulations and changes in applicable laws relating to data privacy may increase our expenditures related to compliance efforts or otherwise limit the solutions we can offer, which may harm our business and adversely affect our financial condition.

Our products and solutions enable us to collect, manage and store a wide range of data related to vehicle tracking and fleet management such as vehicle location and fuel usage, speed and mileage. Some of the data we collect or use in our business is subject to data privacy laws, which are complex and increase our cost of doing business. The U.S. federal government and various state governments have adopted or proposed limitations on the collection, distribution and use of personal information. Many foreign jurisdictions, including the European Union and the United Kingdom, have adopted legislation (including directives or regulations) that increase or change the requirements governing data collection and storage in these jurisdictions. In addition, the California Consumer Privacy Act, which took effect on January 1, 2020, provides new data privacy rights for California consumers, including the right to know what personal information is being collected about them and how it is being used. We market our products in over 50 countries, and accordingly, we are subject to many different, and potentially conflicting, privacy laws. If our privacy or data security measures fail to comply, or are perceived to fail to comply, with current or future laws and regulations, we may be subject to litigation, regulatory investigations or other liabilities.

Furthermore, there can be no assurance that our employees, contractors and agents will comply with the policies and procedures we establish regarding data privacy and data security, particularly as we expand our operations through organic growth and acquisitions. While our employees may violate our policies and procedures, we remain responsible for, and obligated to implement, policies and procedures and enter into contracts with service providers that require appropriate protection. Any violations could subject us to civil or criminal penalties, including substantial fines or prohibitions on our ability to offer our products in one or more countries, and could also materially damage our reputation, our brand, our international expansion efforts, our business, results of operations and financial condition.

The transmission of data over the Internet and cellular networks is a critical component of our SaaS business model. Additionally, as cloud computing continues to evolve, increased regulation by federal, state or foreign agencies becomes more likely, particularly in the areas of data privacy and data security. In addition, taxation of services provided over the Internet or other charges imposed by government agencies, or by private organizations for accessing the Internet, may be imposed. Any regulation imposing greater fees for Internet use or restricting information exchange over the Internet, could result in a decline in the use of the Internet and the viability of Internet-based services, which could harm our business.

Our solutions and products enable us to collect, manage and store a wide range of data related to fleet management such as mobile asset location and fuel usage, speed and mileage. We obtain our data from a variety of sources, including our customers and third-party providers. The United States and various state governments have adopted or proposed limitations on the collection, distribution and use of personal data, as well as requirements that must be followed if a breach of such personal data occurs. The European Union and the United Kingdom have adopted legislation (including directives, national laws and regulations) that increase or change the requirements governing data collection, use, storage and disclosure of personal data in these jurisdictions. The current European Union legislation related to data protection is the GDPR, which came into effect on May 25, 2018. We have updated and will continue to evaluate our group data protection and security policies, charters, and

procedures to assist in maintaining data privacy and data security in line with international practices.

We may also be subject to costly notification and remediation requirements if we, or a third party, determines that we have been the subject of a data breach involving personal data of individuals. Data breach notification regulations vary among the countries where we conduct business, and also vary among the states of the United States, and any breach of personal data could be subject to any number of these requirements.

As noted above, we have sought to implement internationally recognized practices regarding data privacy and data security. If our privacy or data security measures fail to comply, or are perceived to fail to comply, with current or future laws and regulations, we may be subject to litigation, regulatory investigations or other liabilities. Moreover, if future laws and regulations limit our customers' ability to use and share this data or our ability to store, process and share data with our customers over the Internet, demand for our solutions could decrease and our costs could increase. We might also have to limit the manner in which we collect data, the types of personal data that we collect, or the solutions we offer. Any of these risks would materially and adversely affect our business, results of operations and financial condition.

Enhanced United States fiscal, tax and trade restrictions and executive and legislative actions could adversely affect our business, financial condition, and results of operations.

There is currently significant uncertainty about the future relationship between the United States and various other countries, most significantly China, with respect to trade policies, treaties, tariffs and taxes. The current and former U.S. administrations have called for substantial changes to U.S. foreign trade policy with respect to China and other countries, including significant new and increased tariffs on goods imported into the United States. In 2018, the Office of the U.S. Trade Representative (the "USTR") enacted tariffs on imports into the U.S. from China, including communications equipment products and components manufactured and imported from China. The tariff became effective in September 2018, with an initial rate of 10% that increased to 25% in May 2019. The current U.S. administration has kept the tariffs in place, however trade negotiations between the U.S. and China continue and there is a possibility that certain product exclusions from the tariffs may be reinstated at some point in the future. Our business may also be affected by tariffs set by countries into which we sell our products, whether as a response to U.S. foreign trade policy or otherwise. In addition, changes in international trade agreements, regulations, restrictions and tariffs, including new tariffs, may increase our operating costs, reduce our margins and make it more difficult for us to compete in the U.S. and overseas markets, and our business, financial condition and results of operations could be adversely impacted.

We have taken actions to mitigate the impact of such tariffs, however, there is no assurance that all such efforts will be successful. These actions include moving our contract manufacturing out of mainland China and working directly with U.S. Customs and Border Protection ("CBP") to address the harmonized tariff codes used for our products. The majority of our move out of mainland China has been completed in prior years. The inability to mitigate the impact of the recently enacted tariffs, including the inability to obtain favorable results from our efforts with CBP, or any similar future increases in tariffs would increase our costs, and our business, financial condition and results of operations could be adversely affected.

In some cases, the U.S. government's imposition of trade restrictions involving products sold by certain Chinese manufacturers has caused U.S. wireless carriers to divert business from international providers to us, and accordingly, we have invested resources in satisfying the needs of such customers. If the U.S. government were to remove or reduce such trade restrictions, it could cause such carriers to reduce their business with us and we may be unable to recoup or attain a return on such investments.

On October 28, 2021, the House Rules Committee, under the Biden Administration released new proposed tax legislation under the "Build Back Better Act" ("BBBA") which contains potential reversals and revisions of key provisions of the 2017 Tax Cuts and Jobs Act. As the BBBA, which was passed by the U.S. House of Representatives in November 2021, is proposed legislation that has not yet been enacted into law, we have not yet determined the impact on our effective tax rate, though we continue to monitor the Biden Administration's proposals. We are currently unable to predict whether any future changes will occur or the impact of such changes if the legislation is passed into law, including on the U.S. federal income tax considerations relating to the purchase, ownership, and disposition of our common stock.

RISKS RELATED TO OWNING OUR SECURITIES

Our share price has been highly volatile in the past and could be highly volatile in the future.

The market price of our common stock can be highly volatile due to the risks and uncertainties described in this report, as well as other factors, including: comments by securities analysts; announcements by us or others regarding, among other things,

operating results, additions or departures of key personnel, and acquisitions or divestitures; additional equity or debt financing; technological innovations; introductions of new products; litigation; price and volume fluctuations in the overall stock market; the level of demand for our stock, including the amount of short interest in our stock, and particularly with respect to market prices and trading volumes of other high technology stocks; and our failure to meet market expectations.

In addition, the stock market has from time to time experienced extreme price and volume fluctuations that were unrelated to the operating performance of particular companies. In the past, some companies have experienced volatility that subsequently resulted in securities class action litigation. If litigation were instituted on this basis, it could result in substantial costs and a diversion of management's attention and resources.

The price of our stock may be vulnerable to manipulation, including through short sales.

We believe there has been and may continue to be substantial off-market transactions in derivatives of our stock, including short selling activity or related similar activities, which are beyond our control and which may be beyond the full control of the SEC and Financial Institutions Regulatory Authority ("FINRA"). Short sales are transactions in which a market participant sells a security that it does not own. To complete the transaction, the market participant must borrow the security to make delivery to the buyer. The market participant is then obligated to replace the security borrowed by purchasing the security at the market price at the time of required replacement. If the price at the time of replacement is lower than the price at which the security was originally sold by the market participant, then the market participant will realize a gain on the transaction. Thus, it is in the market participant's interest for the market price of the underlying security to decline as much as possible during the period prior to the time of replacement. While SEC and FINRA rules prohibit some forms of short selling and other activities that may result in stock price manipulation, such activity may nonetheless occur without detection or enforcement. Significant short selling or other types of market manipulation could cause our stock trading price to decline, to become more volatile, or both.

Previous short selling efforts have impacted, and may in the future continue to impact, the value of our stock in an extreme and volatile manner to our detriment and the detriment of our stockholders. In addition, market participants with admitted short positions in our stock have published, and may in the future continue to publish, negative information regarding us and our management team on internet sites or blogs that we believe is inaccurate and misleading. We believe that the publication of this negative information may in the future lead to significant downward pressure on the price of our stock to our detriment and the further detriment of our stockholders. These and other efforts by certain market participants to manipulate the price of our common stock for their personal financial gain may cause our stockholders to lose a portion of their investment, may make it more difficult for us to raise equity capital when needed without significantly diluting existing stockholders, and may reduce demand from new investors to purchase shares of our stock.

Future settlements of any conversion obligations with respect to the 2025 Notes may result in dilution to existing stockholders, lower prevailing market prices for our common stock or require a significant cash outlay.

The 2025 Notes are currently convertible at the option of the holders at any time until close of business on the business day immediately preceding the maturity date. The 2025 Notes are convertible into shares of the Company's common stock at a conversion rate of 79.2896 shares of common stock per \$1,000 principal amount of 2025 Notes (which is equivalent to an initial conversion price of \$12.61 per share of common stock). The conversion rate is subject to adjustment if certain events occur, but in no event will the conversion rate exceed 95.1474 shares of common stock per \$1,000 principal amount of 2025 Notes (which is equivalent to a conversion price of \$10.51 per share of common stock). Holders of the 2025 Notes who convert may also be entitled to receive, under certain circumstances, an interest make-whole payment payable in, at our election, either cash or shares of common stock. Approximately \$18.5 million of 2025 Notes have been converted as of December 31, 2021. If additional holders of the 2025 Notes elect to convert their 2025 Notes into common stock, or if we elect to settle any interest make-whole payments due upon conversion of the 2025 Notes with shares of common stock, this may cause significant dilution to our existing stockholders. Any sales in the public market of the common stock issued upon such conversion could adversely affect prevailing market prices of our common stock. If we do elect to settle any interest make-whole payments due upon conversion of the 2025 Notes with cash, such payments could adversely affect our liquidity.

Certain provisions in the indenture governing the 2025 Notes (as amended or supplemented, the "Indenture") could make it more difficult or more expensive for a third party to acquire us and could delay or prevent an otherwise beneficial takeover or takeover attempt. For example, if a takeover would constitute a fundamental change (as defined in the Indenture), holders of the 2025 Notes will have the right to require us to repurchase their notes in cash. In addition, if a takeover constitutes a make-whole fundamental change, we may be required to increase the conversion rate for holders who convert their 2025 Notes in connection with such takeover. In either case, and in other cases, our obligations under the 2025 Notes and the related Indenture could increase the cost of acquiring us or otherwise discourage a third party from acquiring us.

Future issuances of our common stock to holders of warrants may materially and adversely affect the price of our common stock and cause dilution to our existing stockholders.

As of December 31, 2021, we had outstanding warrants to purchase 2,500,000 shares of our common stock. These warrants are generally only exercisable on a cash basis but may be exercised on a cashless basis if and only if a registration statement relating to the issuance of the shares underlying the warrants is not then effective or an exemption from registration is not available for the resale of such shares. Any such net exercise will dilute the ownership interests of existing stockholders without any corresponding benefit to the Company of a cash payment for the exercise price of such warrant.

Ownership of our common stock is concentrated, and as a result, certain stockholders may exercise significant influence over us.

As of December 31, 2021, North Sound Trading, L.P. and Golden Harbor Ltd. (together the “Investors”) and their affiliates own an aggregate of approximately 25.7% of the outstanding shares of our common stock. The Investors and their affiliates also hold approximately \$80.4 million of the 2025 Notes (49.7% of the outstanding principal amount). The Indenture relating to the 2025 Notes includes a Section 382 conversion blocker that may prevent the Investors from converting their 2025 Notes unless they receive the prior written approval of our Board of Directors. Assuming the conversion of the 2025 Notes owned by the Investors and their affiliates and the exercise of the warrants also owned by the Investors and their affiliates, the Investors and their affiliates would own approximately 31.4% of the outstanding shares of our common stock. As a result, the Investors have the ability to significantly influence the outcome of any matter submitted for the vote of the holders of our common stock.

The concentration of voting power could exert substantial influence over our business. For example, the concentration of voting power could delay, defer or prevent a change of control, entrench our management and the board of directors or delay or prevent a merger, consolidation, takeover or other business combination involving us on terms that other security holders may desire. In addition, conflicts of interest could arise in the future between us on the one hand, and either or both of the Investors on the other hand, concerning potential competitive business activities, business opportunities, capital financing, the issuance of additional securities and other matters.

In addition, pursuant to that certain Securities Purchase Agreement, dated August 6, 2018, by and among Inseego and the Investors (the “Purchase Agreement”), each of the Investors has the right to nominate a director so long as such Investor and its affiliates beneficially own at least 5% of the issued and outstanding shares of common stock of the Company, subject to satisfaction of reasonable qualification standards. The Purchase Agreement further provides that, at any time at which either Investor, together with its affiliates, beneficially owns more than 20% of the issued and outstanding common shares of stock of the Company, such Investor shall be entitled to appoint a second director, and the size of our Board of Directors shall not be increased to exceed seven directors. Notwithstanding the fact that all directors will be subject to fiduciary duties to the Company and to applicable law, the interests of the directors designated by the Investors may differ from the interests of our security holders as a whole or of our other directors.

Our outstanding Series E Preferred Stock or future equity offerings could adversely affect the holders of our common stock in some circumstances.

As of December 31, 2021, there were 25,000 shares of Series E Fixed-Rate Cumulative Perpetual Preferred Stock, par value \$0.001 per share (the “Series E Preferred Stock”) outstanding with an aggregate liquidation preference of \$25 million. The Series E Preferred Stock is senior to our shares of common stock in right of payment of dividends and other distributions. In the event of a liquidation, dissolution or winding up of the Company, the holders of the Series E Preferred Stock will be entitled to receive, after satisfaction of liabilities to creditors and subject to the rights of holders of any senior securities, but before any distribution of assets is made to holders of common stock or any other junior securities, the Series E Base Amount (as defined below) plus (without duplication) any accrued and unpaid dividends. In the future, we may offer additional shares of Series E Preferred Stock or other equity, equity-linked or debt securities, which may have rights, preferences or privileges senior to our common stock. Because our decision to issue debt or equity securities or incur other borrowings in the future will depend on market conditions and other factors beyond our control, the amount, timing, nature or success of our future capital raising efforts is uncertain. Thus, holders of our common stock bear the risk that our future issuances of debt or equity securities or our incurrence of other borrowings may negatively affect the market price of our common stock.

GENERAL RISK FACTORS

If financial or industry analysts do not publish research or reports about our business, or if they issue negative or misleading evaluations of our stock, our stock price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or financial analysts publish about us or our business. We do not control these analysts, or the content and opinions included in their reports. If one or more of the analysts who cover us were to adversely change their recommendation regarding our stock, or provide more favorable relative recommendations about our competitors, our stock price could decline. If one or more of the analysts who cover us cease coverage of our Company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

If we fail to maintain an effective system of internal controls over financial reporting, we may not be able to report our financial results timely and accurately, which could adversely affect investor confidence in us, and in turn, our results of operations and our stock price.

Effective internal controls are necessary for us to provide reliable financial reports and operate successfully as a public company. Section 404 of the Sarbanes-Oxley Act of 2002 requires that companies evaluate and report on their systems of internal control over financial reporting. In addition, our independent registered public accounting firm must report on its evaluation of those controls.

Any failure to maintain effective internal controls could cause a delay in compliance with our reporting obligations, SEC rules and regulations or Section 404 of the Sarbanes-Oxley Act of 2002, which could subject us to a variety of administrative sanctions, including, but not limited to, SEC enforcement action, ineligibility for short form registration, the suspension or delisting of our common stock from the stock exchange on which it is listed and the inability of registered broker-dealers to make a market in our common stock, which could adversely affect our business and the trading price of our common stock.

If the accounting estimates we make, and the assumptions on which we rely, in preparing our financial statements prove inaccurate, our actual results may be adversely affected.

Our financial statements have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments about, among other things, allowance for credit losses, provision for excess and obsolete inventory, valuation of intangible and long-lived assets, valuation of goodwill, royalty costs, accruals relating to litigation and restructuring, income taxes, share-based compensation expense and our ability to continue as a going concern. These estimates and judgments affect the reported amounts of our assets, liabilities, revenues and expenses, the amounts of charges accrued by us, and related disclosure of contingent assets and liabilities. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances and at the time they are made. If our estimates or the assumptions underlying them are not correct, actual results may differ materially from our estimates and we may need to, among other things, accrue additional charges that could adversely affect our results of operations, which in turn could adversely affect our stock price. In addition, new accounting pronouncements and interpretations of accounting pronouncements have occurred and may occur in the future that could adversely affect our reported financial results.

Any changes to the accounting systems or new accounting system implementations may be ineffective or cause delays in our ability to provide timely financial results.

A change in our accounting systems or new accounting system implementations could cause trial balances to be out of balance or hinder the reconciliation of items which are time consuming to diagnose, impacting our ability to provide timely audited and unaudited financial results. Any such change could have a significant impact on the effectiveness of our system of internal controls and could cause a delay in compliance with our reporting obligations, which could adversely affect our business and the trading price of our common stock.

Any changes to existing accounting pronouncements or taxation rules or practices may cause adverse fluctuations in our reported results of operations or affect how we conduct our business.

A change in accounting pronouncements or taxation rules or practices can have a significant effect on our reported results and may affect our reporting of transactions completed before the change is effective. New accounting pronouncements, taxation rules and varying interpretations of accounting pronouncements or taxation rules have occurred in the past and may occur in the future. The change to existing rules, future changes, if any, or the need for us to modify a current tax position may adversely affect our reported financial results or the way we conduct our business.

We may be exposed to risks related to litigation and administrative proceedings that could materially and adversely affect our business, results of operations and financial condition.

In addition to intellectual property and other claims mentioned above, our business may expose us to litigation and administrative proceedings relating to labor, regulatory, tax proceedings, governmental investigations, tort claims, contractual

disputes and criminal prosecution, among other matters, that could materially and adversely affect our business, results of operations, and financial condition. In the context of these proceedings, we may not only be required to pay fines or monetary damages but also be subject to sanctions or injunctions affecting our ability to continue our operations. While we may contest these matters vigorously and make insurance claims when appropriate, litigation and other proceedings are inherently costly and unpredictable, making it difficult to accurately estimate the outcome of actual or potential litigation or proceedings. Although we will establish provisions in accordance with the requirements of GAAP, the amounts that we reserve could vary significantly from any amounts we actually pay due to the inherent uncertainties in the estimation process. In addition, litigation and administrative proceedings can involve significant management time and attention and be expensive, regardless of outcome. During the course of any litigation and administrative proceedings, there may be announcements of the results of hearings and motions and other interim developments. If securities analysts or investors regard these announcements as negative, the trading price of our common stock may decline.

Item 1B. *Unresolved Staff Comments*

None.

Item 2. *Properties*

Our principal executive office is located in Alpharetta, Georgia. Our corporate offices are located in San Diego, California where we lease approximately 25,000 square feet under an arrangement that expires in July 2027 and approximately 13,000 square feet under an arrangement that expires in July 2027. We also currently lease approximately 14,000 square feet in Eugene, Oregon under a lease arrangement that expires in January 2023. We further lease space in various geographic locations abroad primarily for sales and support personnel, for research and development, or for temporary facilities. We believe that our existing facilities are adequate to meet our current needs and that we can renew our existing leases or obtain alternative space on terms that would not have a material impact on our financial condition.

Item 3. *Legal Proceedings*

We are engaged in legal actions that arise in the ordinary course of our business. In general, while there can be no assurance, we believe that the ultimate outcome of these legal actions will not have a material adverse effect on our business, results of operations, financial condition or cash flows.

The disclosure in Part IV Item 15 Note 11. *Commitments and Contingencies*, in the accompanying consolidated financial statements includes a discussion of our legal proceedings and is incorporated herein by reference.

Item 4. *Mine Safety Disclosures*

None.

PART II

Item 5. *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*

Common Stock Data

Shares of our common stock are currently quoted and traded on The Nasdaq Global Select Market under the symbol "INSG".

Number of Stockholders of Record

As of February 22, 2022, there were approximately 20 holders of record of our common stock. Because many of the shares of our common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of stockholders represented by these record holders.

Dividends

We have never declared or paid cash dividends on any shares of our capital stock. We currently intend to retain all available funds for use in the operation and development of our business and, therefore, do not anticipate paying any cash dividends in the foreseeable future. Any future determination relating to our dividend policy will be made at the discretion of our Board of Directors and will depend on a number of factors, including future earnings, capital requirements, financial condition and future prospects and other factors the Board of Directors may deem relevant.

Unregistered Sales of Equity Securities

None, except as previously disclosed in our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Purchases of Equity Securities

None.

Item 6. *Reserved*

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion of our consolidated financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this report. This report contains certain forward-looking statements relating to future events or our future financial performance. These statements are subject to risks and uncertainties which could cause actual results to differ materially from those discussed in this report. You are cautioned not to place undue reliance on this information which speaks only as of the date of this report. Except as required by law, we assume no responsibility for updating any forward-looking statements, whether as a result of new information, future events or otherwise. For a discussion of the important risks related to our business and future operating performance, see the discussion under the caption "Item 1A. Risk Factors" and under the caption "Factors Which May Influence Future Results of Operations" below.

Overview

Inseego Corp. is a leader in the design and development of fixed and mobile wireless solutions (advanced 4G and 5G NR), IIoT and cloud solutions for Fortune 500 enterprises, service providers, small and medium-sized businesses, governments, and consumers around the globe. Our product portfolio consists of fixed and mobile device-to-cloud solutions that provide compelling, intelligent, reliable and secure end-to-end IoT services with deep business intelligence. Inseego's products and solutions, designed and developed in the U.S., power mission critical applications with a "zero unscheduled downtime" mandate, such as our 5G FWA gateway solutions, 4G and 5G mobile broadband, IIoT applications such as SD WAN failover management, asset tracking and fleet management services. Our solutions are powered by our key wireless innovations in mobile and FWA technologies, including a suite of products employing the 5G NR standards, and purpose-built SaaS cloud platforms.

We have been at the forefront of the ways in which the world stays connected and accesses information, and 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.

On July 30, 2021, we completed the sale of Ctrack South Africa. Initial cash proceeds of \$36.6 million were received. Final cash proceeds were subject to certain post-closing working capital adjustments which totaled \$2.6 million, \$2.2 million of which was received on October 29, 2021, and the remaining \$0.4 million was offset with our existing accounts payable balance to Convergence.

Business Segment Reporting

We do not provide separate segment reporting for our various lines of business. Our Chief Executive Officer, who is also our Chief Operating Decision Maker, evaluates the business as a single entity and reviews financial information and makes business decisions based on the overall results of the business. As such, our operations constitute a single operating segment and one reportable segment.

Factors Which May Influence Future Results of Operations

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

- economic environment and related market conditions;
- 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;
- product pricing; and
- changes in technologies.

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

We anticipate introducing additional products during the next twelve months, 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.

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.

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 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.

Results of Operations

The following table sets forth our consolidated statements of operations in dollars (in thousands) and expressed as a percentage of net revenues, derived from the accompanying consolidated financial statements for the periods indicated.

	Year Ended December 31,					
	2021		2020		2019	
Net revenues:						
IoT & Mobile Solutions	\$ 217,984	83.1 %	\$ 261,169	83.2 %	\$ 160,873	73.3 %
Enterprise SaaS Solutions	44,415	16.9 %	52,663	16.8 %	58,623	26.7 %
Total net revenues	262,399	100.0 %	313,832	100.0 %	219,496	100.0 %
Cost of net revenues:						
IoT & Mobile Solutions	168,604	64.3 %	202,421	64.5 %	132,980	60.6 %
Enterprise SaaS Solutions	17,870	6.8 %	20,568	6.6 %	22,545	10.3 %
Total cost of net revenues	186,474	71.1 %	222,989	71.1 %	155,525	70.9 %
Gross profit	75,925	28.9 %	90,843	28.9 %	63,971	29.1 %
Operating costs and expenses:						
Research and development	52,673	20.1 %	44,953	14.3 %	23,853	10.9 %
Sales and marketing	38,234	14.6 %	35,750	11.4 %	28,914	13.2 %
General and administrative	28,250	10.8 %	30,689	9.8 %	27,327	12.4 %
Amortization of purchased intangible assets	2,092	0.8 %	3,175	1.0 %	3,421	1.6 %
Impairment of capitalized software	1,197	0.5 %	1,410	0.4 %	—	— %
Total operating costs and expenses	122,446	46.7 %	115,977	37.0 %	83,515	38.0 %
Operating loss	(46,521)	(17.7)%	(25,134)	(8.0)%	(19,544)	(8.9)%
Other income (expense):						
Gain on sale of Ctrack South Africa	5,262	2.0 %	—	— %	—	— %
Loss on debt conversion and extinguishment, net	(432)	(0.2)%	(76,354)	(24.3)%	—	— %
Interest expense, net	(6,874)	(2.6)%	(9,942)	(3.2)%	(20,381)	(9.3)%
Other income, net	845	0.3 %	992	0.3 %	351	0.2 %
Loss before income taxes	(47,720)	(18.2)%	(110,438)	(35.2)%	(39,574)	(18.0)%
Income tax provision	191	0.1 %	748	0.2 %	536	20.0 %
Net loss	(47,911)	(18.3)%	(111,186)	(35.4)%	(40,110)	(18.2)%
Less: Net income attributable to noncontrolling interests	(214)	(0.1)%	(29)	— %	(15)	— %
Net loss attributable to Inseego Corp.	(48,125)	(18.3)%	(111,215)	(35.4)%	(40,125)	(18.2)%
Series E preferred stock dividends	(4,243)	(1.6)%	(2,904)	(0.9)%	(361)	(0.2)%
Net loss attributable to common stockholders	\$ (52,368)	(20.0)%	\$ (114,119)	(36.4)%	\$ (40,486)	(18.4)%

Year Ended December 31, 2021 Compared to Year Ended December 31, 2020

Net revenues. Net revenues for the year ended December 31, 2021 were \$262.4 million, a decrease of \$51.4 million, or 16.4%, compared to the same period in 2020.

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

Product Category	Year Ended December 31,		Change	
	2021	2020	\$	%
IoT & Mobile Solutions	\$ 217,984	\$ 261,169	\$ (43,185)	(16.5)%
Enterprise SaaS Solutions	44,415	52,663	(8,248)	(15.7)%
Total	\$ 262,399	\$ 313,832	\$ (51,433)	(16.4)%

IoT & Mobile Solutions. The decrease in IoT & Mobile Solutions net revenues is primarily due to decreases in our enterprise and carrier offerings, and lower sales of LTE gigabit hotspots as the COVID-19 pandemic demand eased, partially offset by increased sales of our second-generation 5G hotspot related to our MiFi business and increased revenues in our Inseego Subscribe business due to subscriber growth.

Enterprise SaaS Solutions. Enterprise SaaS Solutions net revenues decreased year-over-year as a result of the divestiture of Ctrack South Africa as of July 30, 2021. SaaS revenue was no longer generated in Africa, Pakistan or the Middle East beginning in August 2021. See Part IV Item 15 Note 5. *Business Divestiture*. Following the divestiture of Ctrack South Africa, we continue to provide telematics solutions in the rest of the world, including in Europe and Australia. Such impact was partially offset by an 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 during fiscal 2021.

Cost of net revenues. Cost of net revenues for the year ended December 31, 2021 was \$186.5 million, or 71.1% of net revenues, compared to \$223.0 million, or 71.1% of net revenues, for the same period in 2020.

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

Product Category	Year Ended December 31,		Change	
	2021	2020	\$	%
IoT & Mobile Solutions	\$ 168,604	\$ 202,421	\$ (33,817)	(16.7)%
Enterprise SaaS Solutions	17,870	20,568	(2,698)	(13.1)%
Total	\$ 186,474	\$ 222,989	\$ (36,515)	(16.4)%

IoT & Mobile Solutions. The decrease in IoT & Mobile Solutions cost of net revenues is primarily a result of lower sales of LTE gigabit hotspots.

Enterprise SaaS Solutions. Enterprise SaaS Solutions cost of net revenues decreased as a result of the divestiture of Ctrack South Africa on July 30, 2021. See Part IV Item 15 Note 5. *Business Divestiture*.

Gross profit. Gross profit for the year ended December 31, 2021 was \$75.9 million, or a gross margin of 28.9%, compared to \$90.8 million, or a gross margin of 28.9%, for the same period in 2020. The gross margin percentage remained stable due to an unfavorable product mix and a decrease in Enterprise SaaS Solutions as a result of the divestiture of Ctrack South Africa which has a higher gross margin, offset by higher Inseego Subscribe revenue.

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

Operating costs and expenses	Year Ended December 31,		Change	
	2021	2020	\$	%
Research and development	\$ 52,673	\$ 44,953	\$ 7,720	17.2 %
Sales and marketing	38,234	35,750	2,484	6.9 %
General and administrative	28,250	30,689	(2,439)	(7.9)%
Amortization of purchased intangible assets	2,092	3,175	(1,083)	(34.1)%
Impairment of capitalized software	1,197	1,410	(213)	(15.1)%
Total	\$ 122,446	\$ 115,977	\$ 6,469	5.6 %

Research and development expenses. Research and development expenses for the year ended December 31, 2021 were \$52.7 million, or 20.1% of net revenues, compared to \$45.0 million, or 14.3% of net revenues, for the same period in 2020. The increase was primarily a result of increased staffing, test units, and other development spending related to 5G product programs.

Sales and marketing expenses. Sales and marketing expenses for the year ended December 31, 2021 were \$38.2 million, or 14.6% of net revenues, compared to \$35.8 million, or 11.4% of net revenues, for the same period in 2020. The increase was primarily a result of higher spend on the marketing of our 5G products. The increase in sales and marketing expenses was partially offset by a decrease in payroll costs for Ctrack South Africa employees, given the divestiture that was completed on July 30, 2021. See Part IV Item 15. Note 5. *Business Divestiture*.

General and administrative expenses. General and administrative expenses for the year ended December 31, 2021 were \$28.3 million, or 10.8% of net revenues, compared to \$30.7 million, or 9.8% of net revenues, for the same period in 2020. The decrease was primarily due to the decrease in payroll costs for Ctrack South Africa employees, given the divestiture that was completed on July 30, 2021. See Part IV Item 15. Note 5. *Business Divestiture*. The decrease in general and administrative expenses was partially offset by the impact of bonus grants to employees who contributed to completion of the Ctrack South Africa sale. See Part IV Item 15. Note 9. *Share-based Compensation* in the accompanying consolidated financial statements for further information.

Amortization of purchased intangible assets. The amortization of purchased intangible assets for the years ended December 31, 2021 and 2020 was \$2.1 million and \$3.2 million, respectively. The decrease was related to the divestiture of Ctrack South Africa as well as certain purchased intangibles becoming fully amortized for the year ended December 31, 2021.

Impairment of capitalized software. For the years ended December 31, 2021 and 2020, we recorded losses of \$1.2 million and \$1.4 million, respectively, on capitalized software development costs related to an internal enterprise resource planning project.

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

Other income (expense)	Year Ended December 31,		Change	
	2021	2020	\$	%
Gain on sale of Ctrack South Africa	\$ 5,262	\$ —	\$ 5,262	100.0 %
Loss on debt conversion and extinguishment, net	(432)	(76,354)	75,922	(99.4)%
Interest expense, net	(6,874)	(9,942)	3,068	(30.9)%
Other income, net	845	992	(147)	(14.8)%
Total	\$ (1,199)	\$ (85,304)	\$ 84,105	(98.6)%

Gain on sale of Ctrack South Africa. Gain on sale of Ctrack South Africa during the year ended December 31, 2021 was \$5.3 million, related to the gain recognized on sale of Ctrack South Africa, while there was no such gain for the same period in fiscal 2020.

Loss on debt conversion and extinguishment, net. The loss on debt conversion and extinguishment, net for each of the years ended December 31, 2021 and 2020 was \$0.4 million and \$76.4 million, respectively. These amounts represent the loss on debt conversion of the 2025 Notes during fiscal 2021 and the debt conversion and extinguishment of the 2022 Notes during fiscal 2020, respectively.

Interest expense, net. Interest expense, net, for the years ended December 31, 2021 and 2020 was \$6.9 million and \$9.9 million, respectively. The decrease in interest expense was primarily due to the lower interest rate on the 2025 Notes, as compared to the 2022 Notes and our previous term loan, partially offset by the higher principal amount of the 2025 Notes.

Other income, net. Other income, net, for the year ended December 31, 2021 was \$0.8 million, which primarily included the fair value adjustment related to our interest make-whole payment on the 2025 Notes as well as foreign currency transaction gains and losses. Other income, net for the same period in 2020 was \$1.0 million, which primarily consisted of the fair value adjustment related to our interest make-whole payment on the 2025 Notes as well as foreign currency transaction gains and losses.

The following table summarizes income tax provision, net income attributable to noncontrolling interests, and Series E preferred stock dividends and deemed dividends from the preferred stock exchange (dollars in thousands):

	Year Ended December 31,		Change	
	2021	2020	\$	%
Income tax provision	\$ 191	\$ 748	\$ (557)	(74.5)%
Net income attributable to noncontrolling interests	(214)	(29)	(185)	637.9 %
Series E preferred stock dividends and deemed dividends from the preferred stock exchange	(4,243)	(2,904)	(1,339)	46.1 %

Income tax provision. Income tax provision for the years ended December 31, 2021 and 2020 was \$0.2 million and \$0.7 million, respectively, which, in each case, primarily related to certain of our profitable subsidiaries in foreign jurisdictions. The effective tax rate for the year ended December 31, 2021 is different than the U.S. statutory rate primarily due to a valuation allowance recorded against additional tax assets generated during the year and certain profitable foreign subsidiaries.

Net income attributable to noncontrolling interests. For the years ended December 31, 2021 and 2020 there was \$214,000 and \$29,000, respectively, of net income attributable to noncontrolling interests.

Series E Preferred Stock dividends and deemed dividend from the preferred stock exchange. During the years ended December 31, 2021 and 2020, we recorded dividends of \$4.2 million and \$2.9 million, respectively, on our Series E Preferred Stock. The increase was primarily attributable to the impact of the deemed dividend of \$1.1 million as part of the preferred stock exchange, offset by a decrease in the recurring preferred stock dividends as 10,000 shares of Series E Preferred Stock were extinguished in September 2021, resulting in a lower preferred stock dividends accrued through the end of 2021. See Part IV Item 15. Note 8. *Stockholders' Equity* in the accompanying consolidated financial statements for further information.

Year Ended December 31, 2020 Compared to Year Ended December 31, 2019

Net revenues. Net revenues for the year ended December 31, 2020 were \$313.8 million, an increase of \$94.3 million, or 43.0%, compared to the same period in 2019.

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

Product Category	Year Ended December 31,		Change	
	2020	2019	\$	%
IoT & Mobile Solutions	\$ 261,169	\$ 160,873	\$ 100,296	62.3 %
Enterprise SaaS Solutions	52,663	58,623	(5,960)	(10.2)%
Total	\$ 313,832	\$ 219,496	\$ 94,336	43.0 %

IoT & Mobile Solutions. The increase in IoT & Mobile Solutions net revenues is primarily a result of increased sales in our LTE gigabit hotspots, the introduction of our second-generation 5G hotspot related to our MiFi business, and increased revenues in our Inseego Subscribe business due to subscriber growth. As a result of the COVID-19 pandemic, there has been an increase in demand for our products due to a dramatic increase around the world in remote or tele-working and learning.

Enterprise SaaS Solutions. Enterprise SaaS Solutions net revenues were down year-over-year due to the effects of strengthening U.S. Dollar foreign exchange rates on international sales and the effect of COVID-19.

Cost of net revenues. Cost of net revenues for the year ended December 31, 2020 was \$223.0 million, or 71.1% of net revenues, compared to \$155.5 million, or 70.9% of net revenues, for the same period in 2019.

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

Product Category	Year Ended December 31,		Change	
	2020	2019	\$	%
IoT & Mobile Solutions	\$ 202,421	\$ 132,980	\$ 69,441	52.2 %
Enterprise SaaS Solutions	20,568	22,545	(1,977)	(8.8)%
Total	\$ 222,989	\$ 155,525	\$ 67,464	43.4 %

IoT & Mobile Solutions. The increase in IoT & Mobile Solutions cost of net revenues is primarily a result of increased sales of our LTE gigabit hotspots, and 5G hotspots, as well as associated expenses such as freight and royalties. As a result of the COVID-19 pandemic, there has been an increase in demand in our products due to a dramatic increase around the world in remote or tele-working and learning.

Enterprise SaaS Solutions. Enterprise SaaS Solutions cost of net revenues decreased as a result of lower Ctrack system revenue, partially offset by the effect of strengthening U.S. Dollar foreign exchange rates on international costs.

Gross profit. Gross profit for the year ended December 31, 2020 was \$90.8 million, or a gross margin of 28.9%, compared to \$64.0 million, or a gross margin of 29.1%, for the same period in 2019. The slight decrease in the gross profit percentage was primarily attributable to an unfavorable product mix offset by improvements in IoT & Mobile Solutions gross margin.

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

Operating costs and expenses	Year Ended December 31,		Change	
	2020	2019	\$	%
Research and development	\$ 44,953	\$ 23,853	\$ 21,100	88.5 %
Sales and marketing	35,750	28,914	6,836	23.6 %
General and administrative	30,689	27,327	3,362	12.3 %
Amortization of purchased intangible assets	3,175	3,421	(246)	(7.2)%
Impairment of capitalized software	1,410	—	1,410	100.0 %
Total	\$ 115,977	\$ 83,515	\$ 32,462	38.9 %

Research and development expenses. Research and development expenses for the year ended December 31, 2020 were \$45.0 million, or 14.3% of net revenues, compared to \$23.9 million, or 10.9% of net revenues, for the same period in 2019. The increase was primarily a result of increased staffing, test units, and other development spending related to 5G product programs.

Sales and marketing expenses. Sales and marketing expenses for the year ended December 31, 2020 were \$35.8 million, or 11.4% of net revenues, compared to \$28.9 million, or 13.2% of net revenues, for the same period in 2019. The increase was primarily a result of an increase in headcount.

General and administrative expenses. General and administrative expenses for the year ended December 31, 2020 were \$30.7 million, or 9.8% of net revenues, compared to \$27.3 million, or 12.4% of net revenues, for the same period in 2019. The increase was primarily a result of an increase in employment costs attributable to an increase in headcount and non-recurring legal expenses.

Amortization of purchased intangible assets. The amortization of purchased intangible assets for the years ended December 31, 2020 and 2019 was \$3.2 million and \$3.4 million, respectively.

Impairment of capitalized software. During the year ended December 31, 2020, we recorded a loss of \$1.4 million on capitalized software development costs. There was no such expense for the same period in 2019.

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

Other income (expense)	Year Ended December 31,		Change	
	2020	2019	\$	%
Loss on debt conversion and extinguishment, net	\$ (76,354)	\$ —	\$ (76,354)	100.0 %
Interest expense, net	(9,942)	(20,381)	10,439	(51.2)%
Other income, net	992	351	641	182.6 %
Total	\$ (85,304)	\$ (20,030)	\$ (65,274)	325.9 %

Loss on debt conversion and extinguishment, net. During the year ended December 31, 2020, we recorded a loss of \$76.4 million, which primarily represents the loss on debt conversion and extinguishment of the 2022 Notes, including a \$7.9 million inducement expense incurred in connection with certain conversions of the 2022 Notes, and a \$67.2 million loss recorded on debt conversion of the 2025 Notes. There was no such expense for the same period in 2019.

Interest expense, net. Interest expense, net, for the years ended December 31, 2020 and 2019 was \$9.9 million and \$20.4 million, respectively. Interest expense was primarily a result of the interest expense and amortization of the debt discount and debt issuance costs related to our previous term loan, the 2022 Notes and the 2025 Notes. The decrease in interest expense was due to the conversion of debt into equity in 2020, payment in full of our previous term loan during 2020, as well as a lower interest rate on the 2025 Notes, as compared to the 2022 Notes.

Other income, net. Other income, net, for the year ended December 31, 2020 was \$1.0 million, which primarily included the fair value adjustment related to our interest-make-whole payment on the 2025 Notes as well as foreign currency transaction gains and losses. Other income, net for the same period in 2019 was \$0.4 million, which primarily consisted of foreign currency transaction gains and losses.

The following table summarizes income tax provision, net income attributable to noncontrolling interests, and Series E preferred stock dividends and deemed dividends from the preferred stock exchange (dollars in thousands):

	Year Ended December 31,		Change	
	2020	2019	\$	%
Income tax provision	\$ 748	\$ 536	\$ 212	39.6 %
Net income attributable to noncontrolling interests	(29)	(15)	(14)	93.3 %
Series E preferred stock dividends and deemed dividends from the preferred stock exchange	(2,904)	(361)	(2,543)	704.4 %

Income tax provision. Income tax provision for the years ended December 31, 2020 and 2019 was \$0.7 million and \$0.5 million, respectively, which primarily related to certain of our profitable subsidiaries in foreign jurisdictions.

The effective tax rate for the year ended December 31, 2020 is different than the U.S. statutory rate primarily due to a valuation allowance recorded against additional tax assets generated during the year and certain profitable foreign subsidiaries.

Net income attributable to noncontrolling interests. For the years ended December 31, 2020 and 2019 there was \$0.03 million and \$0.02 million, respectively, of net income or loss attributable to noncontrolling interests.

Series E Preferred Stock dividends. During the year ended December 31, 2020 and 2019, we recorded \$2.9 million and \$0.4 million, respectively, of accrued Series E Preferred Stock dividends.

Liquidity and Capital Resources

Our principal sources of liquidity are our existing cash and cash equivalents and cash generated from operations. As of December 31, 2021, we had cash and cash equivalents of \$46.5 million, as well as \$3.3 million of restricted cash that will become available in July 2022, compared with cash and cash equivalents of \$40.0 million as of December 31, 2020. As of December 31, 2021, we had working capital of \$52.8 million compared to working capital as of December 31, 2020 of \$38.4 million.

On July 30, 2021, we completed the sale of our Ctrack South Africa operations in Africa, Pakistan and the Middle East. Initial cash proceeds of \$36.6 million were received. Net cash proceeds received were \$31.5 million, net of cash divested of \$5.0 million. Final cash proceeds were subject to certain post-closing working capital adjustments which totaled \$2.6 million, out of which \$2.2 million was received on October 29, 2021, and the remaining \$0.4 million was offset with our existing accounts payable balance to an affiliate of Convergence, an investment management firm in South Africa.

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), which was filed with the Securities and Exchange Commission on May 7, 2020 and amended on February 14, 2022. In January 2021, we 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 of \$0.9 million, and other offering fees, pursuant to the ATM Offering. As of December 31, 2021, there was approximately \$9.5 million of shares of our common stock available for issuance pursuant to the ATM Offering.

During the quarter ended September 30, 2020, certain holders of the 2025 Notes converted approximately \$13.5 million in principal amount of the 2025 Notes into 1,177,156 shares of the Company's common stock in accordance with the terms of such notes. As of December 31, 2021, our outstanding debt primarily consisted of \$161.9 million in principal amount of 2025 Notes.

In the first quarter of 2020, \$59.9 million of our 2022 Notes were exchanged for common stock in private exchange transactions. Additionally, in the second quarter of 2020, we restructured our outstanding debt by completing a \$100.0 million registered public offering (the “Offering”) of 2025 Notes and also entered into privately-negotiated Exchange Agreements, pursuant to which an aggregate of \$45.0 million in principal amount of the 2022 Notes were exchanged for an aggregate of \$32.0 million in cash and \$80.4 million in principal amount of the 2025 Notes (the “Private Exchange Transactions”). We also used a portion of the proceeds from the Offering to repay in full our previous term loan. In the third quarter of 2020, we redeemed the remaining \$2,000 principal amount of the 2022 Notes.

In order to make continued growth investments, on March 6, 2020, we issued and sold 25,000 shares of our Series E Preferred Stock, for an aggregate purchase price of \$25.0 million. There are currently 25,000 shares of Series E Preferred Stock outstanding with an aggregate liquidation preference of \$25 million. Each share of Series E Preferred Stock entitles the holder thereof to receive, when, as and if declared by the Company out of assets legally available therefor, cumulative cash dividends at an annual rate of 9.00% payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year, beginning on October 1, 2019. If dividends are not declared and paid in any quarter, or if such dividends are declared but holders of the Series E Preferred Stock elect not to receive them in cash, the quarterly dividend will be deemed to accrue and will be added to the Series E Base Amount. The Series E Preferred Stock has no voting rights unless otherwise required by law. The Series E Preferred Stock is perpetual and has no maturity date. However, we may, at our option, redeem shares of the Series E Preferred Stock, in whole or in part, on or after July 1, 2022, at a price equal to 110% of the Series E Base Amount plus (without duplication) any accrued and unpaid dividends. The “Series E Base Amount” means \$1,000 per share, plus any accrued but unpaid dividends, whether or not declared by the Company’s board of directors, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series E Preferred Stock. In the event of a liquidation, dissolution or winding up of the Company, the holders of the Series E Preferred Stock will be entitled to receive, after satisfaction of liabilities to creditors and subject to the rights of holders of any senior securities, but before any distribution of assets is made to holders of common stock or any other junior securities, the Series E Base Amount plus (without duplication) any accrued and unpaid dividends.

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, will be sufficient to meet our cash flow needs for the next twelve months from the filing date of this report. Our 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 our evolving cost structure. 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 additional 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. There can be no assurance that any required or desired restructuring or financing will be available on terms favorable to us, or at all. 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 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.

Settlement Agreement

Pursuant to the amended merger agreement with respect to our acquisition of R.E.R. Enterprises, Inc. (“RER”) and its wholly-owned subsidiary and principal operating asset, Feeney Wireless, LLC (which has been renamed Inseego North America, LLC), we agreed to pay a total of \$15.0 million in deferred purchase price in five cash installments over a four-year period, beginning in March 2016. We also agreed to provide earn-out consideration to the former stockholders of RER in the form of \$6.1 million in cash over a four-year period, beginning in March 2016, and issuance of up to 2,920,000 shares of our common stock in three equal annual installments, beginning in March 2016, contingent upon retention of certain key personnel of RER.

On May 11, 2017, we initiated a lawsuit against the former stockholders of RER in the Court of Chancery of the State of Delaware seeking recovery of damages for civil conspiracy, fraud in the inducement, unjust enrichment and breach of fiduciary duty. On January 16, 2018, the former stockholders of RER filed an answer and counterclaim in the matter seeking recovery of certain deferred and earn-out payments allegedly owed to them by the Company in connection with the Company's acquisition of RER. On July 26, 2018, the Company and the former stockholders of RER entered into a mutual general release and settlement agreement (the "Settlement Agreement") pursuant to which the parties agreed to release all claims against each other and we agreed to (i) pay the former stockholders of RER \$1.0 million in cash by August 17, 2018, (ii) immediately instruct our transfer agent to permit the transfer or sale of 973,333 shares of the Company's common stock that the Company had issued to the former stockholders of RER in March 2017, (iii) immediately issue 500,000 shares of the Company's common stock to the former stockholders of RER, (iv) within 12 months following the execution of the Settlement Agreement, deliver to the former stockholders of RER an additional \$1.0 million in cash, common stock, or a combination thereof, at the Company's option, (v) within 24 months following the execution of the Settlement Agreement deliver to the former stockholders of RER an additional \$1.0 million in cash, common stock, or a combination thereof, at the Company's option, and (vi) file one or more registration statements with respect to the resale of the shares of the Company's common stock issued to the former stockholders of RER pursuant to the Settlement Agreement. On July 24, 2020, the Company issued 89,928 shares in satisfaction of all remaining liabilities under the Settlement Agreement.

Historical Cash Flows

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

	Year Ended December 31,		
	2021	2020	2019
Net cash (used in) provided by operating activities	\$ (25,212)	\$ 20,050	\$ (17,999)
Net cash provided by (used in) investing activities	6,078	(34,713)	(28,213)
Net cash provided by financing activities	29,921	42,081	27,469
Effect of exchange rates on cash	(990)	523	(259)
Net increase (decrease) in cash, cash equivalents and restricted cash	9,797	27,941	(19,002)
Cash, cash equivalents and restricted cash, beginning of period	40,015	12,074	31,076
Cash, cash equivalents and restricted cash, end of period	\$ 49,812	\$ 40,015	\$ 12,074

Operating activities. Net cash used in operating activities was \$25.2 million for the year ended December 31, 2021 compared to net cash provided by operating activities of \$20.1 million for the same period in 2020. Net cash used in operating activities for the year ended December 31, 2021 was primarily attributable to the net cash used by changes in working capital, and the adjustments to the net loss such as share-based compensation expense, depreciation and amortization, including the amortization of debt discount and debt issuance costs, partially offset by the gain on sale of Ctrack South Africa and a non-cash fair value adjustment on derivative instrument. Net cash provided by operating activities for the year ended December 31, 2020 was primarily attributable to non-cash charges for depreciation and amortization, including the amortization of debt discount and debt issuance costs, and share-based compensation expense as add backs to the net loss incurred during the period. Net cash used in operating activities for the year ended December 31, 2019 was primarily attributable to the net losses incurred during the period, partially offset by non-cash charges for depreciation and amortization, including the amortization of debt discount and debt issuance costs, and share-based compensation expense.

Investing activities. Net cash provided by investing activities during the year ended December 31, 2021 was \$6.1 million compared to \$34.7 million used in investing activities for the same period in 2020. Cash provided by investing activities during the year ended December 31, 2021 was primarily from the proceeds from sale of Ctrack South Africa, partially offset by purchases of intangible assets and additions to capitalized software, as well as purchases of property, plant and equipment. Cash used in investing activities during the year ended December 31, 2020 was primarily related to the purchases of property, plant and equipment and capitalization of certain costs related to the development of software to be sold in our products, in large part due to the increase in development in support of 5G products and services as well as certain internally developed software projects. Cash used in investing activities during the same period in 2019 was primarily attributable to the purchases of property, plant and equipment and the capitalization of certain costs related to the development of software to be sold in our products.

Financing activities. Net cash provided by financing activities during the year ended December 31, 2021 was \$29.9 million, compared to net cash provided by financing activities of \$42.1 million for the same period in 2020. Net cash provided by financing activities during the year ended December 31, 2021 was primarily related to net proceeds received from the ATM Offering, stock option exercises and purchases through our employee stock purchase plan, partially offset by principal

payments under finance lease arrangements. Net cash provided by financing activities during the year ended December 31, 2020 was primarily attributable to the proceeds received from the issuance and sale of Series E Preferred Stock and the exercise of warrants to purchase common stock, as well as proceeds received from stock option exercises and purchases made under the employee stock purchase plan, partially offset by net repayments of bank and overdraft facilities, principal payments under our previous term loan and taxes paid on vested restricted stock units. Net cash provided by financing activities during the year ended December 31, 2019 was primarily attributable to the proceeds received from the issuance and sale of Series E Preferred Stock and the exercise of warrants to purchase common stock, as well as proceeds received from stock option exercises and purchases made under the employee stock purchase plan, partially offset by net repayments of bank and overdraft facilities, principal payments under our previous term loan and taxes paid on vested restricted stock units.

Contractual Obligations

In order 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 December 31, 2021, our material contractual obligations consisted of the following:

- \$161.9 million in outstanding principal amount of 2025 Notes with required interest payments; see Part IV Item 15 Note 6. *Debt*;
- operating lease liabilities that are included on our consolidated balance sheet; see Part IV Item 15 Note 12. *Leases*; and
- other non-cancellable unconditional purchase obligations; see Part IV Item 15 Note 11. *Commitments and Contingencies*.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, revenues, expenses and disclosures of contingent assets and liabilities. Actual results could differ from these estimates.

Software Development Costs for External Use

Software development costs for external use are expensed as incurred until technological feasibility has been established, at which time those costs are capitalized as intangible assets until the software is available for general release to customers.

The establishment of technological feasibility and the ongoing assessment for recoverability of capitalized computer software development costs require considerable judgment by management with respect to certain external factors including, but not limited to, technological feasibility, anticipated future gross revenues, estimated economic life and changes in software and hardware technologies. Capitalized software development costs are comprised primarily of salaries, other direct payroll-related costs and payments to third party vendors.

Capitalized software development costs are amortized on a straight-line basis over the estimated economic life. Costs incurred to enhance existing software or after the software is available for general release to customers are expensed in the period they are incurred and included in research and development expense in the consolidated statements of operations. The straight-line recognition method approximates the manner in which the expected benefit will be derived. At each balance sheet date, the unamortized capitalized software development costs for external use is compared to the net realizable value of that product by analyzing critical inputs such as expected future lifetime revenue. The amount by which unamortized software costs exceed the net realizable value, if any, is recognized as a charge to amortization expense in the period it is determined.

Item 7A. *Quantitative and Qualitative Disclosures About Market Risk*

Interest Rate Risk

2025 Notes and Embedded Derivative

Our total fixed-rate borrowings under the 2025 Notes as of December 31, 2021 and 2020 were \$161.9 million and \$166.9 million, respectively. We record all of our fixed-rate borrowings at amortized cost and therefore, any changes in interest

rates do not impact the values that we report for these senior notes on our consolidated financial statements. As of December 31, 2021 and 2020, we had no variable-rate borrowings.

The 2025 Notes include an embedded derivative which was marked to fair value at December 31, 2021 and 2020 of \$0.9 million and \$4.9 million, respectively. 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 Item IV Part 15 Note 4. *Fair Value Measurement of Assets and Liabilities* and Note 6. *Debt* in this Annual Report on Form 10-K.

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 fiscal year ended December 31, 2021, sales denominated in foreign currencies were approximately 17.9% 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, pound sterling, Euro, and Australian Dollar (collectively, the “Foreign Functional Currencies”). For the twelve months ended December 31, 2021, a hypothetical 10% change in Foreign Functional Currency exchange rates would have increased or decreased our revenue by approximately \$4.4 million. 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. With the completion of Ctrack South Africa divestiture in July 2021, our foreign currency transaction risk is expected to decrease.

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. With the completion of the Ctrack South Africa divestiture in July 2021, our foreign currency translation risk is expected to decrease.

Item 8. *Financial Statements and Supplementary Data*

Our consolidated financial statements and the Reports of Independent Registered Public Accounting Firms appear in Part IV of this report.

Item 9. *Changes in and Disagreements With Accountants on Accounting and Financial Disclosure*

None.

Item 9A. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) that are designed to provide reasonable assurance that information required to be disclosed in our reports to the SEC is 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 our principal financial and accounting officer, as appropriate, to allow timely decisions regarding required disclosure.

As required by SEC rules, we carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and our principal financial and accounting officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2021, the end of the period covered by this report. Based on the foregoing, our principal executive officer and principal financial and accounting officer concluded that our disclosure controls and procedures were effective as of December 31, 2021.

Management’s Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that internal controls may become inadequate because of changes in conditions, or because the degree of compliance with policies and procedures may deteriorate.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework set forth in by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) (2013 framework) in *Internal Control—Integrated Framework*. Based on our evaluation under the framework in *Internal Control—Integrated Framework*, our management concluded that our internal control over financial reporting was effective as of December 31, 2021.

Marcum LLP, the independent registered public accounting firm that audited the consolidated financial statements included in this Annual Report on Form 10-K, has also audited our internal control over financial reporting as of December 31, 2021. Their report on the effectiveness of the Company’s internal control over financial reporting is included below.

Changes in Internal Control over Financial Reporting

An evaluation was also performed under the supervision and with the participation of our management, including our principal executive officer and our principal financial and accounting officer, of any change in our internal control over financial reporting that occurred during our last fiscal quarter and that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. The evaluation did not identify any change in our internal control over financial reporting that occurred during our latest fiscal quarter and that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To the Shareholders and Board of Directors of Inseego Corp.

Opinion on Internal Control over Financial Reporting

We have audited Inseego Corp.'s (the “Company”) internal control over financial reporting as of December 31, 2021 based on criteria established in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021 based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated balance sheets as of December 31, 2021 and 2020 and the related consolidated statements of operations, comprehensive loss, stockholders’ deficit, and cash flows and the related notes for each of the three years in the period ended December 31, 2021 of the Company, and our report dated March 1, 2022 expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that degree of compliance with the policies or procedures may deteriorate.

/s/ Marcum LLP

Marcum LLP
Philadelphia, Pennsylvania
March 1, 2022

Item 9B. *Other Information*

None.

Item 9C. *Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.*

Not applicable.

PART III

Items 10, 11, 12, 13 and 14.

The information required by Items 10, 11, 12, 13 and 14 is incorporated by reference from the Company's definitive proxy statement for the 2022 Annual Meeting of Stockholders or an amendment to this report, which the Company intends to file with the SEC within 120 days of the end of the fiscal year end to which this report relates.

PART IV

Item 15. *Exhibit and Financial Statement Schedules*

- (a)(1) The Company's consolidated financial statements and report of the Marcum LLP, Independent Registered Public Accounting Firm, are included in Section IV of this report beginning on page F-1.
- (a)(2) Schedules have been omitted because they are not applicable or are not required or the information required to be set forth therein is included in the consolidated financial statements or related notes thereto.
- (a)(3) Exhibits

The following Exhibits are filed as part of, or incorporated by reference into this report:

Exhibit No.	Description
2.1	<u>Share Purchase Agreement, dated as of February 24, 2021, by and between Inseego Corp. and Main Street 1816 Proprietary Limited (in the process of being renamed Convergence CTSA Proprietary Limited)(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed February 25, 2021).</u>
2.2	<u>First Addendum dated March 17, 2021 to the Share Purchase Agreement dated February 24, 2021 between Main Street 1816 Proprietary Limited (in the process of being renamed Convergence CTSA Proprietary Limited) and Inseego Corp. (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed June 30, 2021.)</u>
2.3	<u>Second Addendum dated April 30, 2021 to the Share Purchase Agreement dated February 24, 2021 between Main Street 1816 Proprietary Limited (in the process of being renamed Convergence CTSA Proprietary Limited) and Inseego Corp. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed June 30, 2021).</u>
2.4	<u>Third Addendum dated June 30, 2021 to the Share Purchase Agreement dated February 24, 2021 between Main Street 1816 Proprietary Limited (in the process of being renamed Convergence CTSA Proprietary Limited) and Inseego Corp. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed June 30, 2021.)</u>
3.1	<u>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).</u>
3.2	<u>Amended and Restated Bylaws of Inseego Corp. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed November 9, 2016).</u>
3.3	<u>Certificate of Designation of Series D Junior Participating Preferred Stock of Inseego Corp. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed January 22, 2018).</u>
3.4	<u>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 August 13, 2019).</u>
3.5	<u>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).</u>
4.1	<u>Form of Inseego Corp. Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed November 9, 2016).</u>
4.2	<u>Description of Equity Securities Registered under Section 12 of the Exchange Act. (incorporated by reference to Exhibit 4.2 to the Company's Annual Report on Form 10-K filed on March 1, 2021).</u>
4.3	<u>Base Indenture, dated May 12, 2020, between Inseego Corp. and Wilmington Trust, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed May 12, 2020).</u>
4.4	<u>First Supplemental Indenture, dated May 12, 2020, between Inseego Corp. and Wilmington Trust, National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, filed May 12, 2020).</u>

Exhibit No.	Description
4.5	<u>Form of 3.25% convertible senior note due 2025 (incorporated by reference Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q, filed August 10, 2020).</u>
4.6	<u>Common Stock Purchase Warrant issued to Golden Harbor Ltd., dated March 28, 2019, by Inseego Corp. (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed March 29, 2019).</u>
4.7	<u>Common Stock Purchase Warrant issued to North Sound Trading, L.P., dated March 28, 2019, by Inseego Corp. (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, filed March 29, 2019).</u>
4.8	<u>Registration Rights Agreement, dated August 6, 2018, by and among Inseego Corp. and the Investors identified on Exhibit A to the Securities Purchase Agreement (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K, filed August 7, 2018).</u>
10.1*	<u>Amended and Restated Inseego Corp. 2000 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed July 18, 2018).</u>
10.2*	<u>Offer Letter dated July 26, 2020 between Inseego Corp. and Craig L. Foster (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q, filed November 6, 2020).</u>
10.3*	<u>Change in Control Agreement dated August 17, 2020 between Inseego Corp. and Craig L. Foster (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q, filed November 6, 2020).</u>
10.4*	<u>Form of Indemnification (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed August 21, 2017).</u>
10.5*	<u>Employment Offer Letter, dated June 6, 2017, between Inseego Corp. and Dan Mondor (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed June 9, 2017).</u>
10.6*	<u>Indemnification Agreement, dated June 6, 2017, between Inseego Corp. and Dan Mondor (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed June 9, 2017).</u>
10.7*	<u>Amendment to Offer Letter, dated October 26, 2017, by and between the Company and Dan Mondor (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q, filed on November 7, 2017).</u>
10.8*	<u>Inseego Corp. 2015 Incentive Compensation Plan (incorporated by reference to Exhibit 10.26 to the Company's Annual Report on Form 10-K, filed on March 16, 2018).</u>
10.9*	<u>Form of Nonstatutory Stock Option Agreement under the Inseego Corp. 2015 Incentive Compensation Plan (incorporated by reference to Exhibit 10.27 to the Company's Annual Report on Form 10-K, filed on March 16, 2018).</u>
10.10*	<u>Amended Inseego Corp. 2018 Omnibus Incentive Compensation Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed July 30, 2021).</u>
10.11	<u>Securities Purchase Agreement, dated August 6, 2018, by and among Inseego Corp. and the Investors identified on Exhibit A thereto (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed August 7, 2018).</u>
10.12	<u>Securities Purchase Agreement, dated August 9, 2019, by and among Inseego Corp. and the Investors identified on Exhibit A thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed August 13, 2019).</u>
10.13	<u>Securities Purchase Agreement, dated March 6, 2020, by and among Inseego Corp. and the Investor identified on Exhibit A thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on March 10, 2020).</u>
10.14	<u>Assignment and License Agreement, dated as of February 24, 2021, by and between Inseego Corp. and certain entities that will be acquired by Purchaser in the Sale Transaction (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed February 25, 2021).</u>
10.15	<u>Transitional Services Agreement, dated as of February 24, 2021, by and between Inseego Corp. and certain entities that will be acquired by Purchaser in the Sale Transaction (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed February 25, 2021).</u>
10.16	<u>Trademark Agreement, dated as of February 24, 2021, by and between Inseego Corp. Ctrack Holdings (Pty) Limited, and certain entities that will be acquired by Purchaser in the Sale Transaction (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K, filed February 25, 2021).</u>

Exhibit No.	Description
10.17	Equity Distribution Agreement, dated as of January 25, 2021, by and between Inseego Corp. and Canaccord Genuity LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed January 26, 2021).
10.18*	Amended and Restated Change in Control and Severance Agreement, dated June 7, 2021, by and between the Company and Dan Mondor (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed June 10, 2021).
10.19*	Independent Contractor Services Agreement, dated as of August 5, 2021, by and between the Company and TechCXO, LLC (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q, filed August 5, 2021).
10.20*	Offer Letter dated October 13, 2021 between Inseego Corp. and Robert G. Barbieri. (incorporated by reference to Exhibit 10.1 to the Company's Current on Form 8-K/A, filed October 26, 2021).
10.21*	Form of Inducement Stock Option Agreement, by and between Inseego Corp. and Robert G. Barbieri (incorporated by reference to Exhibit 10.2 to the Company's Current on Form 8-K/A, filed October 26, 2021).
10.22*	Change in Control Agreement dated October 25, 2021 between Inseego Corp. and Robert G. Barbieri (incorporated by reference to Exhibit 10.3 to the Company's Current on Form 8-K/A, filed October 26, 2021).
10.23	Form of Exchange Agreement, dated September 3, between Inseego Corp. and certain investors holding the Company's Series E Fixed-Rate Cumulative Perpetual Preferred Stock (incorporated by reference to Exhibit 1.2 to the Company's Current Report on Form 8-K, filed September 3, 2021).
21**	Subsidiaries of Inseego Corp.
23.1**	Consent of Independent Registered Public Accounting Firm (Marcum LLP).
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)
*	Management contract, compensatory plan or arrangement
**	Filed herewith
(b)	See Item 15(a)(3) above.
(c)	See Item 15(a)(2) above.

Item 16. Form 10-K Summary

None.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of Inseego Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Inseego Corp. (the "Company") as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive loss, stockholders' deficit and cash flows for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2021, based on the criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013 and our report dated March 1, 2022, expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Marcum LLP

Marcum LLP

We have served as the Company's auditor since 2018.

Philadelphia, Pennsylvania

March 1, 2022

INSEGO CORP.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	December 31,	
	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 46,474	\$ 40,015
Restricted cash	3,338	—
Accounts receivable, net of allowances of \$408 and \$1,384, respectively	26,781	29,940
Inventories	37,402	33,952
Prepaid expenses and other	13,624	10,201
Total current assets	127,619	114,108
Property, plant and equipment, net of accumulated depreciation of \$26,692 and \$21,715, respectively	8,102	13,699
Rental assets, net of accumulated depreciation of \$5,392 and \$15,754, respectively	4,575	6,109
Intangible assets, net of accumulated amortization of \$48,404 and \$63,020, respectively	46,995	51,487
Goodwill	20,336	32,511
Right-of-use assets, net	7,839	9,092
Other assets	377	388
Total assets	\$ 215,843	\$ 227,394
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	48,577	52,339
Accrued expenses and other current liabilities	26,253	23,373
Total current liabilities	74,830	75,712
Long-term liabilities:		
2025 Notes, net	157,866	165,147
Deferred tax liabilities, net	852	4,505
Other long-term liabilities	7,149	9,929
Total liabilities	240,697	255,293
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, respectively, 25,000 and 35,000 shares issued and outstanding, respectively, liquidation preference of \$1,000 per share (plus any accrued but unpaid dividends)	—	—
Common stock, par value \$0.001; 150,000,000 shares authorized, 105,380,533 and 99,399,029 shares issued and outstanding, respectively	105	99
Additional paid-in capital	770,619	711,487
Accumulated other comprehensive loss	(8,531)	(6,972)
Accumulated deficit	(787,047)	(732,422)
Total stockholders' deficit attributable to Inseego Corp.	(24,854)	(27,808)
Noncontrolling interests	—	(91)
Total stockholders' deficit	(24,854)	(27,899)
Total liabilities and stockholders' deficit	\$ 215,843	\$ 227,394

See accompanying notes to consolidated financial statements.

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

	Year Ended December 31,		
	2021	2020	2019
Net revenues:			
IoT & Mobile Solutions	\$ 217,984	\$ 261,169	\$ 160,873
Enterprise SaaS Solutions	44,415	52,663	58,623
Total net revenues	<u>262,399</u>	<u>313,832</u>	<u>219,496</u>
Cost of net revenues:			
IoT & Mobile Solutions	168,604	202,421	132,980
Enterprise SaaS Solutions	17,870	20,568	22,545
Total cost of net revenues	<u>186,474</u>	<u>222,989</u>	<u>155,525</u>
Gross profit	<u>75,925</u>	<u>90,843</u>	<u>63,971</u>
Operating costs and expenses:			
Research and development	52,673	44,953	23,853
Sales and marketing	38,234	35,750	28,914
General and administrative	28,250	30,689	27,327
Amortization of purchased intangible assets	2,092	3,175	3,421
Impairment of capitalized software	1,197	1,410	—
Total operating costs and expenses	<u>122,446</u>	<u>115,977</u>	<u>83,515</u>
Operating loss	(46,521)	(25,134)	(19,544)
Other income (expense):			
Gain on sale of Ctrack South Africa	5,262	—	—
Loss on debt conversion and extinguishment, net	(432)	(76,354)	—
Interest expense, net	(6,874)	(9,942)	(20,381)
Other income, net	845	992	351
Loss before income taxes	(47,720)	(110,438)	(39,574)
Income tax provision	191	748	536
Net loss	(47,911)	(111,186)	(40,110)
Less: Net income attributable to noncontrolling interests	(214)	(29)	(15)
Net loss attributable to Inseego Corp.	(48,125)	(111,215)	(40,125)
Series E preferred stock dividends and deemed dividends from the preferred stock exchange	(4,243)	(2,904)	(361)
Net loss attributable to common stockholders	<u>\$ (52,368)</u>	<u>\$ (114,119)</u>	<u>\$ (40,486)</u>
Per share data:			
Net loss per common share:			
Basic and diluted	<u>\$ (0.51)</u>	<u>\$ (1.19)</u>	<u>\$ (0.52)</u>
Weighted-average shares used in computation of net loss per common share:			
Basic and diluted	<u>103,246,308</u>	<u>96,111,547</u>	<u>78,322,496</u>

See accompanying notes to consolidated financial statements.

INSEEGO CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in thousands)

	Year Ended December 31,		
	2021	2020	2019
Net loss	\$ (47,911)	\$ (111,186)	\$ (40,110)
Foreign currency translation adjustment	(3,167)	(3,093)	998
Release of cumulative foreign currency translation adjustments as a result of the sale of Ctrack South Africa	1,608	—	—
Total comprehensive loss	(49,470)	(114,279)	(39,112)
Comprehensive income attributable to noncontrolling interests	(214)	(29)	(15)
Comprehensive loss attributable to Inseego Corp.	<u>\$ (49,684)</u>	<u>\$ (114,308)</u>	<u>\$ (39,127)</u>

See accompanying notes to consolidated financial statements.

INSEGO CORP.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(in thousands)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount					
Balance, December 31, 2018	—	\$ —	73,980	\$ 74	\$ 546,230	\$ (577,817)	\$ (4,877)	\$ (135)	\$ (36,525)
Net Loss	—	—	—	—	—	(40,125)	—	15	(40,110)
Foreign currency translation adjustment	—	—	—	—	—	—	998	—	998
Exercise of stock options, vesting of restricted stock units and stock issued under employee stock purchase plan	—	—	2,254	2	3,263	—	—	—	3,265
Issuance of Series E preferred stock	10	—	—	—	10,000	—	—	—	10,000
Taxes withheld on net settled vesting of restricted stock units	—	—	—	—	(1,269)	—	—	—	(1,269)
Exercise of warrants	—	—	5,477	6	17,536	—	—	—	17,542
Issuance of common shares	—	—	263	—	1,439	—	—	—	1,439
Share-based compensation	—	—	—	—	7,302	—	—	—	7,302
Series E preferred stock dividends	—	—	—	—	361	(361)	—	—	—
Balance, December 31, 2019	10	—	81,974	82	584,862	(618,303)	(3,879)	(120)	(37,358)
Net loss	—	—	—	—	—	(111,215)	—	29	(111,186)
Foreign currency translation adjustment	—	—	—	—	—	—	(3,093)	—	(3,093)
Exercise of stock options and vesting of restricted stock units	—	—	2,081	2	5,420	—	—	—	5,422
Issuance of Series E preferred stock	25	—	—	—	25,000	—	—	—	25,000
Issuance of Series E preferred stock in lieu of interest	2	—	—	—	2,330	—	—	—	2,330
Repurchase of Series E preferred stock	(2)	—	—	—	(2,354)	—	—	—	(2,354)
Issuance of common shares in connection with Notes Exchange	—	—	13,739	14	66,074	—	—	—	66,088
Issuance of common shares in connection with conversion of 2025 Notes	—	—	1,177	1	14,353	—	—	—	14,354
Taxes withheld on net settled vesting of restricted stock units	—	—	—	—	(354)	—	—	—	(354)
Exercise of warrants	—	—	338	—	1,861	—	—	—	1,861
Share-based compensation	—	—	—	—	10,419	—	—	—	10,419
Series E preferred stock dividends	—	—	—	—	2,904	(2,904)	—	—	—
Issuance of common shares under settlement agreement	—	—	90	—	972	—	—	—	972
Balance, December 31, 2020	35	—	99,399	99	711,487	(732,422)	(6,972)	(91)	(27,899)
Net loss	—	—	—	—	—	(48,125)	—	214	(47,911)
Foreign currency translation adjustment	—	—	—	—	—	—	(3,167)	—	(3,167)
Exercise of stock options, vesting of restricted stock units and stock issued under employee stock purchase plan	—	—	2,512	2	4,763	—	—	—	4,765
Taxes withheld on net settled vesting of restricted stock units	—	—	—	—	(1,279)	—	—	—	(1,279)

Divestiture of Ctrack South Africa	—	—	—	—	8	(2,497)	1,608	(8)	(889)
Issuance of common shares related to conversion of 2025 Notes	—	—	429	—	5,382	—	—	—	5,382
Issuance of common shares in connection with a public offering, net of issuance costs	—	—	1,516	2	29,368	—	—	—	29,370
Share-based compensation	—	—	—	—	16,649	—	—	—	16,649
Series E preferred stock dividends	—	—	—	—	3,139	(3,139)	—	—	—
Series E preferred stock exchange	(10)	—	1,525	2	1,102	(1,104)	—	—	—
Net noncontrolling interest acquired	—	—	—	—	—	240	—	(115)	125
Balance, December 31, 2021	25	—	105,381	105	770,619	(787,047)	(8,531)	—	(24,854)

See accompanying notes to consolidated financial statements.

INSEEGO CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2021	2020	2019
Cash flows from operating activities:			
Net loss	\$ (47,911)	\$ (111,186)	\$ (40,110)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:			
Depreciation and amortization	25,330	27,946	18,426
Fair value adjustment on derivative instrument	(3,826)	597	—
Provision for bad debts, net of recoveries	401	512	715
Impairment of capitalized software	1,197	1,410	—
Provision for excess and obsolete inventory	657	538	980
Share-based compensation expense	16,649	10,419	7,302
Amortization of debt discount and debt issuance costs	1,495	4,016	9,772
Loss on debt conversion and extinguishment, net	432	76,354	—
Gain on sale of Ctrack South Africa	(5,262)	—	—
Deferred income taxes	(53)	659	(598)
Other	286	667	840
Changes in assets and liabilities, net of effects of divestiture:			
Accounts receivable	(1,148)	(10,797)	377
Inventories	(12,494)	(13,336)	(3,077)
Prepaid expenses and other assets	(844)	(3,070)	(901)
Accounts payable	(3,108)	27,087	(12,996)
Accrued expenses, income taxes, and other	2,987	8,234	1,271
Net cash (used in) provided by operating activities	(25,212)	20,050	(17,999)
Cash flows from investing activities:			
Acquisition of noncontrolling interest	(116)	—	—
Purchases of property, plant and equipment	(4,928)	(5,736)	(6,621)
Proceeds from the sale of property, plant and equipment	1,338	392	517
Proceeds from sale of Ctrack South Africa, net of cash divested ¹	33,689	—	—
Additions to capitalized software development costs and purchases of intangible assets	(23,905)	(29,369)	(22,109)
Net cash provided by (used in) investing activities	6,078	(34,713)	(28,213)
Cash flows from financing activities:			
Gross proceeds received from issuance of Series E preferred stock	—	25,000	10,000
Gross proceeds from the issuance of 2025 Notes	—	100,000	—
Payment of issuance costs related to 2025 Notes	—	(3,645)	—
Cash paid to investors in private exchange transactions	—	(32,062)	—
Payoff of term loan and related extinguishment costs	—	(48,830)	—
Repurchase of Series E preferred stock	—	(2,354)	—
Proceeds from the exercise of warrants to purchase common stock	—	1,861	17,542
Net borrowing of bank and overdraft facilities	265	(199)	(1,047)
Principal payments under finance lease obligations	(3,200)	(2,756)	(1,022)
Proceeds from a public offering, net of issuance costs	29,370	—	—
Proceeds from stock option exercises and employee stock purchase plan, net of taxes paid on vested restricted stock units	3,486	5,066	1,996
Net cash provided by financing activities	29,921	42,081	27,469
Effect of exchange rates on cash	(990)	523	(259)
Net increase (decrease) in cash, cash equivalents and restricted cash	9,797	27,941	(19,002)
Cash, cash equivalents and restricted cash, beginning of period	40,015	12,074	31,076
Cash, cash equivalents and restricted cash, end of period	\$ 49,812	\$ 40,015	\$ 12,074

Supplemental disclosures of cash flow information:

Cash paid during the year for:			
Interest	\$ 5,387	\$ 3,215	\$ 9,296
Income taxes	\$ 523	\$ 142	\$ 939
Supplemental disclosures of non-cash activities:			
Transfer of inventories to rental assets	\$ 5,142	\$ 4,036	\$ 3,748
Purchases of property, plant and equipment under capital lease	\$ —	\$ 664	\$ 1,341
Right-of-use assets obtained in exchange for operating leases liabilities	\$ 658	\$ 7,931	\$ 4,694
Proceeds related to divestiture of Ctrack South Africa in exchange for settlement of tax liabilities	\$ 421	\$ —	\$ —
Exchange of Series E Preferred Stock for common stock	\$ 11,982	\$ —	\$ —
Issuance of common stock in exchange for Series E Preferred Stock	\$ 13,086	\$ —	\$ —
Deemed dividend on exchange of Series E Preferred Stock for common stock	\$ 1,104	\$ —	\$ —
Capital expenditures financed through accounts payable or accrued liabilities	\$ 748	\$ 5,710	\$ 2,926
Issuance of common stock under Settlement Agreement	\$ —	\$ 972	\$ 1,439
Preferred stock issued in extinguishment of term loan accrued interest	\$ —	\$ 2,330	\$ —
Debt discount and issuance costs extinguished in notes conversion	\$ —	\$ 1,728	\$ —
2022 Notes conversion to equity	\$ —	\$ 59,907	\$ —
Novatel Wireless Notes conversion to equity	\$ —	\$ 250	\$ —
2025 Notes issued to extinguish 2022 Notes	\$ —	\$ 80,375	\$ —
2025 Notes conversion, including shares issued in satisfaction of interest-make-whole payment	\$ 5,382	\$ 14,353	\$ —

¹The amount for the year ended December 31, 2021 is net of cash divested of \$5.0 million.

See accompanying notes to consolidated financial statements.

INSEEGO CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Nature of Business and Significant Accounting Policies

Inseego Corp. (the “Company” or “Inseego”) is a leader in the design and development of fixed and mobile wireless solutions (advanced 4G and 5G New Radio (“5G NR”)), industrial Internet of Things (“IIoT”) and cloud solutions for large enterprise verticals, service providers and small and medium-sized businesses around the globe. Inseego’s customers include wireless service providers, Fortune 500 enterprises, consumers, governments, and first responders. Product portfolio consists of fixed and mobile device-to-cloud solutions that provide compelling, intelligent, reliable and secure end-to-end IoT services with deep business intelligence. Inseego’s products and solutions, designed and developed in the U.S., power mission critical applications with a “zero unscheduled downtime” mandate, such as 5G fixed wireless access (“FWA”) gateway solutions, 4G and 5G mobile broadband, IIoT applications such as SD WAN failover management, asset tracking and fleet management services. Inseego’s solutions are powered by its key wireless innovations in mobile and FWA technologies, including a suite of products employing the 5G NR standards, and purpose-built SaaS cloud platforms.

Inseego is a Delaware corporation formed in 2016 and is the successor to Novatel Wireless, Inc., a Delaware corporation formed in 1996 (“Novatel Wireless”), resulting from an internal reorganization that was completed in November 2016. The Company’s principal executive office is located at 12600 Deerfield Parkway, Suite 100, Alpharetta, GA 30004, its corporate offices are located at 9710 Scranton Road, Suite 200, San Diego CA 92121 and its sales and engineering offices are located throughout the world. Inseego’s common stock trades on the NASDAQ Global Select Market under the trading symbol “INSG”.

Liquidity

The Company had a net loss attributable to Inseego Corp. of \$48.1 million during the year ended December 31, 2021. As of December 31, 2021, the Company had available cash and cash equivalents totaling \$46.5 million and working capital of \$52.8 million.

On July 30, 2021, the Company completed the sale of its Ctrack business operations in Africa, Pakistan and the Middle East (together “Ctrack South Africa”). Initial cash proceeds of approximately \$36.6 million were received. Net cash proceeds received were \$31.5 million, net of cash divested of \$5.0 million. Final cash proceeds were subject to certain post-closing working capital adjustments which totaled \$2.6 million, out of which \$2.2 million was received on October 29, 2021, and the remaining \$0.4 million was offset with the Company’s existing accounts payable balance to an affiliate of Convergence Partners (“Convergence”), an investment management firm in South Africa.

On January 25, 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 of \$0.9 million, and other offering fees, pursuant to the ATM Offering.

During the quarter ended September 30, 2020, certain holders of the 2025 Notes converted approximately \$13.5 million in principal amount of the 2025 Notes into 1,177,156 shares of the Company’s common stock in accordance with the terms of such notes. As of December 31, 2021, the Company’s outstanding debt primarily consisted of \$161.9 million in principal amount of 2025 Notes.

In the first quarter of 2020, \$59.9 million of the Company’s 5.5% convertible senior notes due 2022 (the “2022 Notes” formerly referred to as the “Inseego Notes”) were exchanged for common stock in private exchange transactions. Additionally, in the second quarter of 2020, the Company restructured its outstanding debt by completing a \$100.0 million registered public offering (the “Offering”) of 3.25% convertible senior notes due 2025 (the “2025 Notes”) and also entered into privately-negotiated exchange agreements (“Exchange Agreements”), pursuant to which an aggregate of \$45.0 million in principal amount of the 2022 Notes were exchanged for an aggregate of \$32.0 million in cash and \$80.4 million in principal amount of the 2025 Notes (the “Private Exchange Transactions”). The Company also used a portion of the proceeds from the Offering to repay in full its previous term loan. In the third quarter of 2020, the Company redeemed the remaining \$2,000 principal amount of the 2022 Notes.

On March 6, 2020, the Company issued and sold 25,000 shares of Fixed-Rate Cumulative Perpetual Preferred Stock, Series E, par value \$0.001 per share (the “Series E Preferred Stock”), for an aggregate purchase price of \$25.0 million.

The Company has a history of operating and net losses and overall usage of cash from operating and investing activities. The Company believes that its cash and cash equivalents, together with anticipated cash flows from operations, will be

INSEGO CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

sufficient to meet its cash flow needs for the next twelve months from the filing date of this report. 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 which could have an adverse impact on its ability to achieve its intended business objectives.

The Company's liquidity could be impaired if there is any interruption in its business operations, a material failure to satisfy its contractual commitments or a failure to generate revenue from new or existing products. 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. Additionally, the Company is uncertain of the full extent to which the COVID-19 pandemic will impact the Company's business, operations and financial results.

Principles of Consolidation

The 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

Management has determined that 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 is based solely on the Company's consolidated operations and operating results.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, and disclosure of contingent liabilities. Actual results could differ materially from these estimates. Estimates are assessed each period and updated to reflect current information, such as the economic considerations related to the impact that the novel coronavirus pandemic ("COVID-19") could have on our significant accounting estimates. Significant estimates include revenue recognition, capitalized software costs, allowance for credit losses, provision for excess and obsolete inventory, valuation of intangible and long-lived assets, valuation of goodwill, valuation of derivatives, accruals relating to litigation, income taxes, and share-based compensation expense.

Cash, Cash Equivalents and Restricted Cash

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 any credit risk. Restricted cash consists of Company funds in escrow with a financial institution as collateral for potential future uninsured warranty claims related to the divestiture of Ctrack South Africa. See Note 5. *Business Divestiture* for additional information about the divestiture of Ctrack South Africa. Cash, cash equivalents and restricted cash 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. The following table provides a reconciliation of cash, cash equivalents and restricted cash as reported within the consolidated balance sheets to "Cash, cash equivalents, and restricted cash, end of period" as reported within the consolidated statements of cash flows (in thousands):

	December 31,	
	2021	2020
Cash and cash equivalents	\$ 46,474	\$ 40,015
Restricted cash	3,338	—
Cash, cash equivalents and restricted cash, end of period	<u>\$ 49,812</u>	<u>\$ 40,015</u>

INSEEGO CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Revenue Recognition

The Company generates revenue from a broad range of product sales including intelligent wireless hardware products for the worldwide mobile communications and industrial IoT markets. The Company’s products principally include intelligent mobile hotspots, wireless routers for IoT applications, 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 and manage their hardware.

The Company classifies its revenues from the sale of its 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.

Net revenues by product grouping for the years ended December 31, 2021, 2020 and 2019 were as follows (in thousands):

	Year Ended December 31,		
	2021	2020	2019
IoT & Mobile Solutions	\$ 217,984	\$ 261,169	\$ 160,873
Enterprise SaaS Solutions	44,415	52,663	58,623
Total	\$ 262,399	\$ 313,832	\$ 219,496

See geographic disaggregation information in Note 13. *Geographic Information and Concentrations of Risk*.

IoT & Mobile Solutions. The IoT & Mobile Solutions portfolio is comprised of end-to-end edge to cloud solutions including 4G LTE mobile broadband gateways, routers, modems, hotspots, HD quality VoLTE based wireless home phones, cloud management software and an advanced 5G portfolio of products (currently in various stages of development). The solutions are offered under the MiFi™ brand for consumer and business markets, and under the Skyus brand for industrial IoT markets. IoT & Mobile Solutions also includes Inseego Subscribe™, a hosted SaaS platform that helps organizations manage the selection, deployment and spend of their customer’s wireless assets, helping them save money on personnel and telecom expenses.

Enterprise SaaS Solutions. The Enterprise SaaS Solutions portfolio consists of various subscription offerings to gain access to the Company’s Ctrack telematics platforms, which provide fleet vehicle, aviation ground vehicle and asset tracking and performance information, and other telematics applications.

Contracts with Customers

The Company follows Accounting Standards Update (“ASU”) 2014-09, *Revenue from Contracts with Customers (Topic 606)* (as amended, “ASC 606”), which provides guidance on recognizing revenue, including a five-step model to determine when revenue recognition is appropriate. The standard requires that an entity recognize revenue to depict the transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Company routinely enters into a variety of agreements with customers, including quality agreements, pricing agreements and master supply agreements which outline the general commercial terms and conditions under which the Company does business with a specific customer, including shipping terms and pricing for the products and services that the Company offers. The Company also sells to some customers solely based on purchase orders. The Company has concluded, for the vast majority of its revenues, that its contracts with customers are either a purchase order or the combination of a purchase order with a master supply agreement.

INSEGO CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Company determines revenue recognition through the following five steps:

- 1) identification of the contract, or contracts, with a customer;
- 2) identification of the performance obligations in the contract;
- 3) determination of the transaction price;
- 4) allocation of the transaction price to the performance obligations in the contract; and
- 5) recognition of revenue when, or as, performance obligations are satisfied.

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

The Company's performance obligations are established when a customer submits a purchase order notification (in writing, electronically or verbally) for goods and services, and the Company accepts the order. The Company identifies performance obligations as the delivery of the requested product or service in appropriate quantities and to the location specified in the customer's contract and/or purchase order. The Company generally recognizes revenue upon the satisfaction of these criteria when control of the product or service has been transferred to the customer at which time it has an unconditional right to receive payment. The Company's prices are fixed and have no history of being affected by contingent events that could impact the transaction price. The Company does not offer price concessions and does not accept payment that is less than the price stated when it accepts the purchase order.

Revenue Recognition

Revenue is recognized upon transfer of control of products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company enters into contracts that may include various combinations of products and services which are generally capable of being distinct and accounted for as separate performance obligations.

Hardware. Hardware revenue from the sale of the Company's IoT & Mobile Solutions devices is recognized when the Company transfers control to the customer, typically at the time when the product is delivered, shipped or installed at which time the title passes to the customer, and there are no further performance obligations with regards to the hardware device.

SaaS and Other Services. SaaS subscription revenue is recognized over time on a ratable basis over the contract term beginning on the date that its service is made available to the customer. Subscription periods range from monthly to multi-year, with the majority of contracts being one to three years. Telematics includes a device which collects and transmits the information from the vehicle or other asset. The Company's customers have an option to purchase the monitoring device or lease it over the term of the contract. If the customer purchases the hardware device, the Company recognizes the revenue at a point in time as discussed above in the hardware revenue recognition disclosure. Because the Company's rental asset lease contracts qualify as operating leases under Accounting Standards Codification ("ASC") 842, *Leases ("ASC 842")*, and the contracts also include services to operate the underlying asset, and to maintain the asset, the Company has elected the practical expedient to combine the lease and the non-lease components because the service is the predominant element in the eyes of the customer and the pattern of service delivery is the same for both elements. The Company recognizes revenue over time on a ratable basis over the term of the contract.

Maintenance and support services revenue. Within cost of revenue, the Company records an estimate to reflect its standard warranty obligation to end users to provide for replacement of a defective product. The standard obligation period for most regions is 12 months. Factors that affect the warranty obligation include product failure rates, material usage, and service delivery costs incurred in correcting product failures. The Company's estimated allowances for product warranties can vary from actual results and the Company may have to record additional charges to cost of revenue. Periodically, the Company sells separately-priced warranty contracts that extend beyond the Company's base warranty period. The separately priced service contracts range from 12 months to 36 months. The Company typically receives payment at the inception of the contract and recognizes revenue as earned on a straight-line basis over the term of the contract.

Professional services revenue. From time to time, the Company enters into special engineering design service agreements. Revenues from engineering design services are designed to meet specifications of a particular product, and therefore do not create an asset with an alternative use. The Company recognizes revenue based on the achievement of certain applicable milestones and the amount of payment the Company believes it is entitled to at the time.

With respect to revenue related to third party product sales or other arrangements that involve the services of another party, for which the Company does not control the sale or service and acts as an agent to the transaction, the Company

INSEEGO CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

recognizes revenue on a net basis. The portion of the gross amount billed to customers that is remitted by the Company to another party is not reflected as revenue.

Multiple Performance Obligations

The Company's contracts with customers may include commitments to transfer multiple products and services to a customer. When hardware, software and services are sold in various combinations, judgment is required to determine whether each performance obligation is considered distinct and accounted for separately, or not distinct and accounted for together with other performance obligations. The Company considered the performance obligations in its customer master supply agreements and determined that, for the majority of its revenue, the Company generally satisfies performance obligations at a point in time upon delivery of the product to the customer.

In instances where the software elements included within hardware for various products are considered to be functioning together with non-software elements to provide the tangible product's essential functionality, these arrangements are accounted for as a single distinct performance obligation.

Judgment is required to determine the stand-alone selling price ("SSP") for each distinct performance obligation. When available, the Company uses observable inputs to determine SSP. In instances where SSP is not directly observable, such as when the Company does not sell the product or service separately, it determines the SSP based on a cost-plus model as market and other observable inputs are seldom present based on the proprietary nature of the Company's products.

Contract Assets

The Company capitalizes sales commissions earned by its sales force when they are considered to be incremental and recoverable costs of obtaining a contract with a customer. These costs are deferred and then amortized over a period of benefit. There were no significant amounts of assets recorded related to contract costs as of December 31, 2021 or 2020.

Applying the practical expedient in paragraph 40-25-4 of ASC 340, *Other Assets and Deferred Costs*, the Company recognizes the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets that the Company otherwise would have recognized is one year or less. These costs are included in selling, general and administrative expenses.

Contract Liabilities

Timing of revenue recognition may differ from the timing of invoicing to customers. If customers are invoiced for subscription services in advance of the service period, deferred revenue liabilities, or contract liabilities, are recorded. Deferred revenue liabilities, or contract liabilities, are also recorded when the Company collects payments in advance of performing the services. As of December 31, 2021 and 2020, the Company had \$3.8 million and \$3.0 million, respectively, of contract liabilities included within accrued expenses and other current liabilities, and other long-term liabilities on the consolidated balance sheets.

Significant Judgments in the Application of the Guidance in ASC 606

Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together may require significant judgment. The Company considered the performance obligations in its customer master supply agreements and determined that, for the majority of its revenue, the Company generally satisfies performance obligations at a point in time upon delivery of the product to the customer.

Revenues from the Company's SaaS subscription services represent a single promise to provide continuous access to its software solutions and their processing capabilities in the form of a service through one of the Company's data centers or a hosted data center. As each day of providing access to the software is substantially the same, and the customer simultaneously receives and consumes the benefits as access is provided, the Company has determined that its subscription services arrangements include a single performance obligation comprised of a series of distinct services. The Company's SaaS subscriptions also include an unspecified volume of call center support and any remote system diagnostic and software upgrades as needed. These services are combined with the recurring monthly subscription service since they are highly interrelated and interdependent. Revenue from the Company's subscription services is recognized over time on a ratable basis over the contract term beginning on the date that the service is made available to the customer.

INSEGO CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Shipping and Handling Charges

Fees charged to customers for shipping and handling of products are included in product revenues, and costs for shipping and handling of products are included as a component of cost of sales.

Taxes Collected from Customers

Taxes collected on the value of transaction revenue are excluded from product and services revenues and cost of sales and are accrued in current liabilities until remitted to governmental authorities.

Allowance for Credit Losses

The Company recognizes an allowance for credit loss at the time a receivable is recorded based on its estimate of expected credit losses and adjusts this estimate over the life of the receivable as needed. The Company evaluates the aggregation and risk characteristics of a receivable pool and develops loss rates that reflect historical collections, current forecasts of future economic conditions over the time horizon the Company is exposed to credit risk, and payment terms or conditions that may materially affect future forecasts.

As of December 31, 2021 and 2020, the Company reported \$26.8 million and \$29.9 million, respectively, of accounts receivable, net of allowances of \$0.4 million and \$1.4 million, respectively. The Company has not seen significant changes to the recovery rate of its accounts receivable as a result of the COVID-19 pandemic, but it is continuing to actively monitor the impact of the COVID-19 pandemic on its expected credit losses.

Inventories and Provision for Excess and Obsolete Inventory

Inventories are stated at the lower of cost (first-in, first-out method) or net realizable value. Shipping and handling costs are classified as a component of cost of net revenues in the consolidated statements of operations. The Company reviews the components of its inventory and its inventory purchase commitments on a regular basis for excess and obsolete inventory based on estimated future usage and sales. Write-downs in inventory value or losses on inventory purchase commitments depend on various items, including factors related to customer demand, economic and competitive conditions, technological advances or new product introductions by the Company or its customers that vary from its current expectations. Whenever inventory is written down, a new cost basis is established and the inventory is not subsequently written up if market conditions improve.

The Company believes that, when made, the estimates used in calculating the inventory provision are reasonable and properly reflect the risk of excess and obsolete inventory. If customer demand for the Company's inventory is substantially less than its estimates, inventory write-downs may be required, which could have a material adverse effect on its consolidated financial statements.

Intangible Assets

Intangible assets include purchased finite-lived and indefinite-lived intangible assets resulting from the acquisitions of DigiCore Holdings Limited ("DigiCore" or "Ctrack") and R.E.R. Enterprises, Inc. ("RER") and its wholly owned subsidiary and principal operating asset, Feeney Wireless, LLC (which was renamed Insego North America, LLC) ("INA"), along with the costs of non-exclusive and perpetual worldwide software technology licenses and capitalized software development costs for both internal and external use. Finite-lived intangible assets are amortized on a straight-line basis over the estimated useful lives of the assets (see Note 3. *Goodwill and Other Intangible Assets*).

Software Development Costs for External Use

Software development costs for external use are expensed as incurred until technological feasibility has been established, at which time those costs are capitalized as intangible assets until the software is available for general release to customers. Capitalized software development costs are amortized on a straight-line basis over the estimated economic life. The straight-line recognition method approximates the manner in which the expected benefit will be derived. At each balance sheet date, the unamortized capitalized software development costs for external use is compared to the net realizable value of that product by analyzing critical inputs such as expected future lifetime revenue. The amount by which unamortized software costs exceed the net realizable value, if any, is recognized as a charge to amortization expense in the period it is determined. Costs incurred to enhance existing software or after the software is available for general release to customers are expensed in the period they are incurred and included in research and development expense in the consolidated statements of operations.

INSEGO CORP.
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Software Development Costs for Internal Use

Costs incurred in the preliminary stages of development are expensed as incurred and included in research and development expense in the consolidated statements of operations. Once an application has reached the development stage, internal and external costs, if direct and incremental, are capitalized until the software is substantially complete and ready for its intended use. Capitalization ceases upon completion of all substantial testing performed to ensure the product is ready for its intended use. The Company also capitalizes costs related to specific upgrades and enhancements of internal-use software when it is probable that the expenditures will result in additional functionality. Maintenance and training costs are expensed as incurred. Capitalized internal-use software costs are recorded as part of intangible assets and are amortized on a straight-line basis over the estimated useful life of the software, and included in general and administrative expense in the consolidated statement of operations. The Company tests these assets for impairment whenever events or circumstances occur that could impact their recoverability. For the years ended December 31, 2021, 2020, and 2019 the Company recorded \$1.2 million, \$1.4 million and zero impairment loss, respectively, related to software development costs for internal use.

Valuation of Indefinite-Lived Intangible Assets

Indefinite-lived intangible assets, including in-process capitalized software development costs, are not amortized; however, they are tested for impairment annually, and between annual tests, if certain events occur indicating that the carrying amounts may be impaired. The Company performs an annual impairment review of indefinite-lived assets during the fourth fiscal quarter of each year, and more frequently if the Company believes indicators of impairment exist. To review for impairment, the Company first assesses qualitative factors to determine whether events or circumstances lead to a determination that it is more likely than not that the fair value of the Company's reporting unit is less than its carrying amount. The Company's qualitative assessment of the recoverability of indefinite-lived assets is based on various macroeconomic, industry-specific, and company specific factors. These factors include: (i) industry or economic trends; (ii) current, historical, or projected financial performance, and; (iii) the Company's market capitalization. After assessing the totality of events and circumstances, if the Company determines that it is not more likely than not that the fair value of the Company's reporting unit is less than its carrying amount, no further assessment is performed. If the Company determines that it is more likely than not that the fair value of the Company's reporting unit is less than its carrying amount, the Company calculates the fair value of the reporting unit and compares the fair value to the reporting unit's net book value. For the years ended December 31, 2021, 2020 and 2019 the Company recorded zero impairment loss related to indefinite-lived intangible assets.

Goodwill

Goodwill represents the excess purchase price over estimated fair value of net assets of businesses acquired in a business combination. The Company's goodwill results from the acquisitions of Ctrack and RER.

Valuation of Goodwill

Indefinite-lived intangible assets, including goodwill, are not amortized; however, they are tested for impairment annually, and between annual tests, if certain events occur indicating that the carrying amounts may be impaired. The Company performs an annual impairment review of indefinite-lived assets during the fourth fiscal quarter of each year, and more frequently if the Company believes indicators of impairment exist. Goodwill is tested for impairment at the reporting unit level by first assessing qualitative factors to determine whether events or circumstances lead to a determination that it is more likely than not that the fair value of the Company's reporting unit is less than its carrying amount. The Company's qualitative assessment of the recoverability of indefinite-lived assets is based on various macroeconomic, industry-specific, and company specific factors. These factors include: (i) industry or economic trends; (ii) current, historical, or projected financial performance, and; (iii) the Company's market capitalization. After assessing the totality of events and circumstances, if the Company determines that it is not more likely than not that the fair value of the Company's reporting unit is less than its carrying amount, no further assessment is performed. If the Company determines that it is more likely than not that the fair value of the Company's reporting unit is less than its carrying amount, the Company calculates the fair value of the reporting unit and compares the fair value to the reporting unit's net book value. The Company identified two reporting units for the purpose of goodwill impairment testing, Ctrack and INA, and performed a qualitative test for goodwill impairment of the two reporting units during the fourth fiscal quarter. Based upon the results of the qualitative testing, the Company believed that it was more-likely-than-not that the fair value of these reporting units were greater than their respective carrying values and therefore performing the next step of impairment test for these reporting units was unnecessary. For the years ended December 31, 2021, 2020 and 2019 the Company recorded zero impairment loss related to goodwill.

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Research and Development

Research and development expense consists primarily of personnel costs for our engineers engaged in the design and development of our products, software and technologies, including salary, bonus and share-based compensation expense, project material costs, services, depreciation and amortization. Such costs are charged to research and development expense as they are incurred, to the extent not capitalized as software development costs for external or internal use.

Long-Lived Assets

The Company periodically evaluates the carrying value of the unamortized balances of its long-lived assets, including property, plant and equipment, rental assets and intangible assets, to determine whether impairment of these assets has occurred or whether a revision to the related amortization periods should be made. When the carrying value of an asset exceeds the associated undiscounted expected future cash flows, it is considered to be impaired and is written down to fair value. Fair value is determined based on an evaluation of the assets' associated undiscounted future cash flows or appraised value. This evaluation is based on management's projections of the undiscounted future cash flows associated with each class of asset. If management's evaluation indicates that the carrying values of these assets are impaired, such impairment is recognized by a reduction of the applicable asset carrying value to its estimated fair value and the impairment is expensed as a part of continuing operations. For the years ended December 31, 2021, 2020 and 2019 the Company had zero impairment loss related to long-lived assets, except for the impairment of the capitalized software development costs for internal use, noted above.

Property, Plant and Equipment

Property, plant and equipment are initially stated at cost and depreciated using the straight-line method. Land is not depreciated. Buildings are depreciated over 50 years. Leasehold improvements are depreciated over the shorter of the related remaining lease period or useful life, not to exceed 5 years. Product tooling is depreciated over 13 months. Computer equipment, purchased software, vehicles, production equipment, and furniture and fixtures, are depreciated over lives ranging from 2 to 7 years. Amortization of equipment under capital leases is included in depreciation expense.

Expenditures for repairs and maintenance are expensed as incurred. Expenditures for major renewals and betterments that extend the useful lives of existing property, plant and equipment are capitalized and depreciated. Upon retirement or disposition of property, plant and equipment, any resulting gain or loss is recognized in other income (expense), net, in the consolidated statements of operations.

Rental Assets

The cost of rental assets, which represents fleet management and vehicle tracking hardware installed in customers' vehicles where such hardware is provided as part of a fixed term contract with the customer, is capitalized and disclosed separately in the consolidated balance sheets. The Company depreciates rental assets to costs of net revenues on a straight-line basis over the term of the contract, generally three to four years, commencing on installation of the rental asset.

Convertible Debt Instruments

The Company evaluates embedded features within convertible debt that will be settled in shares upon conversion under ASC 815, *Derivatives and Hedging* ("ASC 815") to determine whether the embedded feature(s) should be bifurcated from the host instrument and accounted for as a derivative at fair value with changes in fair value recorded in earnings.

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If an embedded derivative is bifurcated from share-settled convertible debt, the Company records the debt component at cost less a debt discount equal to the bifurcated derivative's fair value. The Company amortizes the debt discount over the life of the debt instrument as additional non-cash interest expense utilizing the effective interest method. The convertible debt and the derivative liability are presented in total on the consolidated balance sheet. The derivative liability will be remeasured at each reporting period with changes in fair value recorded in the consolidated statements of operations in other income (expense), net.

Derivative Financial Instruments

The Company evaluates stock warrants, debt instruments and other contracts to determine if those contracts or embedded components of those contracts qualify as derivative financial instruments to be separately accounted for under the relevant sections of ASC 815. The result of this accounting treatment could be that the fair value of a financial instrument is classified as a derivative financial instrument and is marked-to-market at each balance sheet date and recorded as an asset or liability. In the event that the fair value is recorded as an asset or liability, the change in fair value is recorded in the consolidated statements of operations as other income or other expense. Upon conversion, exercise or expiration of a derivative financial instrument, the instrument is marked to fair value.

Lease Accounting

Arrangements with Inseego as a Lessee

The Company determines if an arrangement is a lease at inception. The Company's operating lease agreements are primarily for real estate and are included within right-of-use assets, net, accrued expenses and other current liabilities, and other long-term liabilities on the consolidated balance sheets. The Company elected the practical expedient to combine its lease and related non-lease components for all its leases.

Right-of-use ("ROU") assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Variable lease payments that do not depend on an index or rate are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation for those payments is incurred. The Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. ROU assets also include any lease prepayments made and exclude lease incentives. Many of the Company's lessee agreements include options to extend the lease, which are not included in the Company's minimum lease terms unless they are reasonably certain to be exercised. Rental expense for lease payments related to operating leases is recognized on a straight-line basis over the lease term.

Arrangements with Inseego as a Lessor

The Company serves as lessor for certain monitoring device leases and classifies such arrangements as operating leases. Accordingly, the Company carries rental devices at historical cost less accumulated depreciation and impairment, if any, and are included in rental assets, net, on the consolidated balance sheets.

Since the lease components meet the criteria for an operating lease under ASC 842, the Company has elected the practical expedient to combine the lease and the non-lease components because the service is the predominant element in the eyes of the customer and the pattern of service delivery is the same for both elements. The Company accounts for the combined component as a single performance obligation under ASC 606, *Revenue from Contracts with Customers*.

Foreign Currency Transactions

Foreign currency transactions are transactions denominated in a currency other than a subsidiary's functional currency. A change in the exchange rates between a subsidiary's functional currency and the currency in which a transaction is denominated increases or decreases the expected amount of functional currency cash flows upon settlement of the transaction. That increase or decrease in expected functional currency cash flows is reported by the Company as a foreign currency transaction gain (loss). The primary component of the Company's foreign currency transaction gain (loss) is due to agreements in place with certain subsidiaries in foreign countries regarding intercompany transactions. Based upon historical experience, the Company anticipates repayment of these transactions in the foreseeable future, and recognizes the realized and unrealized gains (losses)

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on these transactions that result from foreign currency changes in the period in which they occur as foreign currency transaction gain (loss), which is recorded as other income (expense), net, in the consolidated statements of operations.

Foreign Currency Translation

Assets and liabilities of the Company's international subsidiaries in which the local currency is the functional currency are translated into U.S. Dollars at period-end exchange rates. Income and expenses are translated into U.S. Dollars at the average exchange rates during the period. The resulting translation adjustments are included in the Company's consolidated balance sheets as a component of accumulated other comprehensive loss.

Income Taxes

The Company recognizes federal, state and foreign current tax liabilities or assets based on its estimate of taxes payable to or refundable by tax authorities in the current fiscal year. The Company also recognizes federal, state and foreign deferred tax liabilities or assets based on the Company's estimate of future tax effects attributable to temporary differences and carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets are reduced by valuation allowances if, based on the consideration of all available evidence, it is more likely than not that some portion of the deferred tax asset will not be realized. The Company evaluates deferred income taxes on a quarterly basis to determine if valuation allowances are required by considering available evidence. If the Company is unable to generate sufficient future taxable income in certain tax jurisdictions, or if there is a material change in the actual effective tax rates or time period within which the underlying temporary differences become taxable or deductible, the Company could be required to increase its valuation allowance against its deferred tax assets which could result in an increase in the Company's effective tax rate and an adverse impact on operating results. The Company will continue to evaluate the necessity of the valuation allowance based on the remaining deferred tax assets.

The Company follows the accounting guidance related to financial statement recognition, measurement and disclosure of uncertain tax positions. The Company recognizes the impact of an uncertain income tax position on an income tax return at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. Uncertain tax positions are recognized in the first subsequent financial reporting period in which that threshold is met or from changes in circumstances such as the expiration of applicable statutes of limitations.

Litigation

The Company is, from time to time, party to various legal proceedings arising in the ordinary course of business. The Company records a loss when information indicates that a loss is both probable and estimable. Where a liability is probable and there is a range of estimated loss with no best estimate in the range, the Company records the minimum estimated liability related to the claim. As additional information becomes available, the Company assesses the potential liability related to the Company's pending litigation and revises its estimates, if necessary. The Company expenses litigation costs as incurred.

Share-Based Compensation

The Company has granted stock options and RSUs to employees, non-employee consultants and non-employee members of our Board of Directors. The Company also has an employee stock purchase plan ("ESPP") for eligible employees. The Company measures the compensation cost associated with all share-based payments based on grant date fair values. The fair value of each stock option and stock purchase right is estimated on the date of grant using an option pricing model that meets certain requirements. The Company generally uses the Black-Scholes option pricing model to estimate the fair value of its stock options and stock purchase rights. The determination of the fair value of share-based payment awards utilizing the Black-Scholes model is affected by the Company's stock price and a number of assumptions, including expected volatility, expected term, risk-free interest rate and expected dividends.

For grants of stock options, the Company uses a blend of historical and implied volatility for traded options on its stock in order to estimate the expected volatility assumption required in the Black-Scholes model. The Company's use of a blended volatility estimate in computing the expected volatility assumption for stock options is based on its belief that while the implied volatility is representative of expected future volatility, the historical volatility over the expected term of the award is also an indicator of expected future volatility. Due to the short duration of stock purchase rights under the Company's ESPP, the Company utilizes a blended volatility estimate that consists of implied volatility and historical volatility in order to estimate the expected volatility assumption of the Black-Scholes model.

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The expected term of stock options granted is estimated using historical experience. The risk-free interest rate assumption is based on observed interest rates appropriate for the expected terms of the Company's stock options and stock purchase rights. The dividend yield assumption is based on the Company's history and expectation of no dividend payouts. The Company estimates forfeitures at the time of grant and revises these estimates, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company estimates its forfeiture rate assumption for all types of share-based compensation awards based on historical forfeiture rates related to each category of award.

Compensation cost associated with grants of restricted stock units are measured at fair value, which has historically been the closing price of the Company's common stock on the date of grant.

The Company recognizes share-based compensation expense over the requisite service period of each individual award, which generally equals the vesting period, using the straight-line method for awards that contain only service conditions. For awards that contain performance conditions, the Company recognizes the share-based compensation expense on a straight-line basis for each vesting tranche.

The Company evaluates the assumptions used to value stock awards on a quarterly basis. If factors change and the Company employs different assumptions, share-based compensation expense may differ significantly from what it has recorded in the past. If there are any modifications or cancellations of the underlying unvested securities, the Company may be required to accelerate, increase or cancel any remaining unearned share-based compensation expense.

Net Loss Per Share Attributable to Inseego Corp.

The Company computes basic and diluted per share data for all periods for which a statement of operations is presented. Basic net loss per share excludes dilution and is computed by dividing the net loss by the weighted-average number of shares that were outstanding during the period. Diluted earnings per share ("EPS") reflects the potential dilution that could occur if securities or other contracts to acquire common stock were exercised or converted into common stock. Potential dilutive securities are excluded from the diluted EPS computation in loss periods as their effect would be anti-dilutive.

Fair Value of Financial Instruments

The Company's fair value measurements relate to its cash equivalents, money market funds and an embedded derivative in the 2025 Notes, which are classified pursuant to authoritative guidance for fair value measurements. The Company places its cash equivalents in instruments that meet credit quality standards, as specified in its investment policy guidelines. These guidelines also limit the amount of credit exposure to any one issue, issuer or type of instrument.

The Company's financial instruments consist principally of long-term debt. From time to time, the Company may utilize foreign exchange forward contracts. These contracts are valued using pricing models that take into account the currency rates as of the balance sheet date.

Comprehensive Loss

Comprehensive loss consists of net earnings and foreign currency translation adjustments.

Recently Adopted Accounting Pronouncements

In December 2019, the Financial Accounting Standards Board (the "FASB") issued ASU No. 2019-12, *Simplifying the Accounting for Income Taxes*, which simplifies the accounting for income taxes, eliminates certain exceptions within ASC 740, Income Taxes, and clarifies certain aspects of the current guidance to promote consistency among reporting entities. ASU 2019-12 is effective for the Company no later than the first quarter of fiscal 2021. Most amendments within the standard are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. The Company adopted the provisions of ASU 2019-12 in the first quarter of fiscal 2021. There was no material impact from the adoption of this pronouncement to the Company's consolidated financial statements.

Recent Accounting Pronouncements Not Yet Adopted

From time to time, new accounting pronouncements are issued by the FASB, which are adopted by the Company as of the specified date.

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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 new ASU addresses issuer's accounting for certain modifications or exchanges of freestanding equity-classified written call options. This amendment is effective for all entities for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact that this new guidance will have on its consolidated financial statements.

In August 2020, the 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 new guidance is effective for annual and interim periods beginning after December 15, 2021, and early adoption is permitted for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. The Company is currently evaluating the impact that this new guidance will have on its consolidated financial statements.

2. Financial Statement Details

Inventories

Inventories consist of the following (in thousands):

	December 31,	
	2021	2020
Finished goods	\$ 33,112	\$ 27,009
Raw materials and components	4,290	6,943
	<u>\$ 37,402</u>	<u>\$ 33,952</u>

Prepaid expenses and other

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

	December 31,	
	2021	2020
Rebate receivables	\$ 6,398	\$ 5,992
Receivables from contract manufacturers	2,626	—
Software licenses	1,261	707
Insurance	1,269	1,262
Deposits	1,023	1,544
Financed assets	323	218
Other	724	478
	<u>\$ 13,624</u>	<u>\$ 10,201</u>

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Property, plant and equipment

Property, plant and equipment consists of the following (in thousands):

	December 31,	
	2021	2020
Land	\$ —	\$ 244
Buildings	—	2,213
Test equipment	19,095	16,775
Computer equipment and purchased software	7,618	7,899
Product tooling	4,350	3,125
Furniture and fixtures	1,214	1,310
Vehicles	1,654	2,988
Leasehold improvements	863	860
	<u>34,794</u>	<u>35,414</u>
Less—accumulated depreciation and amortization	(26,692)	(21,715)
	<u>\$ 8,102</u>	<u>\$ 13,699</u>

At December 31, 2021, the Company had property, plant and equipment under finance leases with an aggregate carrying value of \$3.1 million, net of accumulated amortization of \$1.3 million. At December 31, 2020, the Company had property, plant and equipment under finance leases with an aggregate carrying value of \$2.6 million, net of accumulated amortization of \$1.0 million.

Rental assets

Rental assets consist of the following (in thousands):

	December 31,	
	2021	2020
Rental assets	\$ 9,967	\$ 21,863
Less—accumulated depreciation	(5,392)	(15,754)
	<u>\$ 4,575</u>	<u>\$ 6,109</u>

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Depreciation and amortization

Depreciation and amortization expense related to property, plant and equipment, including rental assets and property, plant and equipment under capital leases was \$9.8 million, \$10.0 million and \$8.8 million for the years ended December 31, 2021, 2020 and 2019, respectively.

Accrued expenses and other current liabilities

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

	December 31,	
	2021	2020
Royalties	\$ 2,243	\$ 2,410
Payroll and related expenses	9,326	6,006
Warranty obligations	473	366
Professional fees	502	921
Bank overdrafts	370	160
Accrued interest	877	888
Deferred revenue	3,832	2,853
Operating lease liabilities	1,769	1,619
Accrued contract manufacturing liabilities	927	938
Liabilities related to financed assets	1,593	2,686
Value added tax payables	642	2,039
Other	3,699	2,487
	<u>\$ 26,253</u>	<u>\$ 23,373</u>

3. Goodwill and Other Intangible Assets

A summary of the activity in goodwill is presented below (in thousands):

Balance at December 31, 2019	\$ 33,659
Effect of change in foreign currency exchange rates	(1,148)
Balance at December 31, 2020	<u>32,511</u>
Effect of Ctrack South Africa divestiture	(10,734)
Effect of change in foreign currency exchange rates	(1,441)
Balance at December 31, 2021	<u>\$ 20,336</u>

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The Company's intangible assets are comprised of the following (in thousands):

	December 31, 2021			
	Weighted-Average Life (in years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Finite-lived intangible assets:				
Developed technologies	6.0	\$ 8,305	\$ (7,100)	\$ 1,205
Trademarks and trade names	10.0	9,088	(5,920)	3,168
Customer relationships	10.0	11,995	(9,242)	2,753
Capitalized software development costs	3.1	54,581	(24,604)	29,977
Other	3.0	2,885	(1,538)	1,347
Total finite-lived intangible assets		\$ 86,854	\$ (48,404)	\$ 38,450
Indefinite-lived intangible assets:				
In-process capitalized software development costs				8,545
Total intangible assets				\$ 46,995

	December 31, 2020			
	Weighted-Average Life (in years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Finite-lived intangible assets:				
Developed technologies	6.0	\$ 12,692	\$ (10,878)	\$ 1,814
Trademarks and trade names	10.0	17,823	(9,597)	8,226
Customer relationships	8.5	12,306	(8,703)	3,603
Capitalized software development costs	3.3	47,818	(31,051)	16,767
Other	2.5	3,389	(2,791)	598
Total finite-lived intangible assets		\$ 94,028	\$ (63,020)	\$ 31,008
Indefinite-lived intangible assets:				
In-process capitalized software development costs				20,479
Total intangible assets				\$ 51,487

Amortization expense for the years ended December 31, 2021, 2020 and 2019 was approximately \$15.5 million, \$18.0 million and \$9.7 million, respectively, including approximately \$12.2 million, \$12.9 million and \$4.1 million related to capitalized software development costs for the years ended December 31, 2021, 2020 and 2019, respectively.

The Company recorded impairment losses on intangible assets related to internal use capitalized software during the years ended December 31, 2021 and 2020 of \$1.2 million and \$1.4 million, respectively. No impairment loss was recorded during the year ended December 31, 2019.

The following table represents details of the amortization of finite-lived intangible assets that is estimated to be expensed in the future (in thousands):

2022	\$ 16,672
2023	11,572
2024	4,458
2025	2,749
2026	1,011
Thereafter	1,988
Total	\$ 38,450

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4. Fair Value Measurement of Assets and Liabilities

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). A fair value measurement reflects the assumptions market participants would use in pricing an asset or liability based on the best available information. These assumptions include the risk inherent in a particular valuation technique (such as a pricing model) and the risks inherent in the inputs to the model.

The Company classifies inputs to measure fair value using a three-level hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The categorization of financial instruments within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The hierarchy is prioritized into three levels (with Level 3 being the lowest) and is defined as follows:

Level 1: Pricing inputs are based on quoted market prices for identical assets or liabilities in active markets (e.g., NYSE or NASDAQ). Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Pricing inputs include benchmark yields, trade data, reported trades and broker dealer quotes, two-sided markets and industry and economic events, yield to maturity, Municipal Securities Rule Making Board reported trades and vendor trading platform data. Level 2 includes those financial instruments that are valued using various pricing services and broker pricing information including Electronic Communication Networks and broker feeds.

Level 3: Pricing inputs include significant inputs that are generally less observable from objective sources, including the Company's own assumptions.

The Company reviews the fair value hierarchy classification on a quarterly basis. 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 years ended December 31, 2021 or 2020.

The following table summarizes the Company's financial instruments measured at fair value on a recurring basis in accordance with the authoritative guidance for fair value measurements as of December 31, 2021 and 2020 (in thousands):

	December 31, 2021			December 31, 2020		
	Total Fair Value	Level 3	Level 1	Total Fair Value	Level 3	Level 1
Assets						
Cash equivalents						
Money market funds	\$ 126	\$ —	\$ 126	\$ 126	\$ —	\$ 126
Total assets	\$ 126	\$ —	\$ 126	\$ 126	\$ —	\$ 126
Liabilities						
2025 Notes						
Interest make-whole payment	\$ 926	\$ 926	\$ —	\$ 4,898	\$ 4,898	\$ —
Total liabilities	\$ 926	\$ 926	\$ —	\$ 4,898	\$ 4,898	\$ —

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Volatility	50 %	50 %
Stock price	\$5.83 per share	\$15.47 per share
Credit spread	15.93 %	19.25 %
Term	3.34 years	4.34 years
Dividend yield	— %	— %
Risk-free rate	1.02 %	0.30 %

The following table sets forth a summary of changes in the fair value of Level 3 liabilities for the twelve months ended December 31, 2021 (in thousands):

	<u>Balance as of December 31, 2020</u>	<u>Additions</u>	<u>Conversions</u>	<u>Change in fair value</u>	<u>Balance as of December 31, 2021</u>
Liabilities:					
Interest make-whole payment	\$ 4,898	\$ —	\$ (146)	\$ (3,826)	\$ 926

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The Company evaluated the 2025 Notes under ASC 815, *Derivatives and Hedging*, and identified an embedded derivative that required bifurcation. The embedded derivative is an interest make-whole payment. The estimated fair values of the interest make-whole derivative liability at December 31, 2021 and December 31, 2020 were determined using significant assumptions which include an implied credit spread rate for notes with a similar term, the expected volatility and dividend yield of the Company's common stock and the risk-free interest rate.

Changes in the fair value of the interest make-whole payment are included in the Company's consolidated statement of operations for the current fiscal year within other income (expense), net. During the year ended December 31, 2021, certain holders of the 2025 Notes converted an aggregate of approximately \$5.0 million in principal amount of the 2025 Notes into shares of the Company's common stock in accordance with the terms of such notes and a portion of the embedded derivative was settled in shares of the Company's common stock resulting in \$0.1 million of the derivative liability being extinguished upon conversion. As of December 31, 2021 and 2020 the embedded derivative had a fair value of \$0.9 million and \$4.9 million, respectively. For the years ended December 31, 2021 and 2020 the Company recorded to other income (expense), net, on the consolidated statement of operations a \$3.8 million gain and \$0.6 million loss, respectively, on the change in fair value.

During the years ended December 31, 2021 and 2020, there were no transfers between the levels within the fair value hierarchy.

Other Financial Instruments

The Company's financial assets and liabilities are carried at fair value or at amounts that, because of their short-term nature, approximate current fair value, with the exception of the 2025 Notes.

On May 12, 2020, the Company issued \$180.4 million in aggregate principal amount of 2025 Notes, and restructured its outstanding debt as described further in Note 6. *Debt*. The Company elected to carry its 2025 Notes at amortized cost adjusted for changes in fair value of the embedded derivative. It is not practicable to determine the fair value of the 2025 Notes due to the lack of information available to calculate the fair value of such notes. As of December 31, 2021, \$161.9 million in principal amount of the 2025 Notes remain outstanding.

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5. Business Divestiture

Sale of Ctrack South Africa Operations

On February 24, 2021, the Company entered into a Share Purchase Agreement (the “Purchase Agreement”) with Convergence to sell its Ctrack South Africa business operations in an all-cash transaction for 528.9 million South African Rand (“ZAR”) (approximately \$36.6 million United States Dollars). The Purchase Agreement provides for an adjustment to the purchase price based on a normalized level of net working capital.

On July 30, 2021, the Company completed the sale of Ctrack South Africa. Initial cash proceeds of \$36.6 million were received. Net cash proceeds received were \$31.5 million, net of cash divested of \$5.0 million. Final cash proceeds were subject to certain post-closing working capital adjustments which totaled \$2.6 million, out of which \$2.2 million was received on October 29, 2021, and the remaining \$0.4 million was offset with the Company’s existing accounts payable balance to Convergence.

The Purchase Agreement required the Company to place in escrow 52.9 million ZAR, (approximately \$3.3 million United States Dollars), which will be released on July 30, 2022. The funds in escrow will allow for Convergence to submit claims that are deemed to be uninsured warranties as defined in the Purchase Agreement. Such funds in escrow is recorded as restricted cash on the consolidated balance sheet.

In evaluating the accounting treatment for this sale, the transaction was considered to be the deconsolidation of a subsidiary, as defined in ASC 810 *Consolidation*. The gain upon sale is \$5.3 million. Such gain has been recognized as gain on sale of Ctrack South Africa in the consolidated results of operations during the year ended December 31, 2021. The Company also recorded \$2.2 million of transaction expenses, which were expensed as incurred and included within other income (expense), net, in the consolidated results of operations for the year ended December 31, 2021.

The assets and liabilities of Ctrack South Africa that were sold in the transaction as of July 30, 2021, are summarized below:

(in thousands)

Assets:

Cash and cash equivalents	\$	5,040
Accounts receivable, net		3,505
Inventory		3,821
Prepaid expenses and other		370
Property, plant and equipment, net		4,545
Rental assets, net		2,448
Intangible assets, net		11,278
Goodwill		10,734
Total assets	\$	41,741
Accounts payable	\$	3,961
Accrued expenses and other liabilities		1,107
Deferred tax liabilities, net		3,647
Other long-term liabilities		746
Total liabilities		9,461
Net assets	\$	32,280

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Net proceeds recognized are comprised of the following:

(in thousands)

Initial purchase consideration received, upon close	\$ 36,566
Working capital adjustments	2,584
Net proceeds recognized	<u>\$ 39,150</u>

Net gain on sale is comprised of the following:

(in thousands)

Gross proceeds recognized	\$ 39,150
Less: Book value of net assets sold	32,280
Less: Release of cumulative foreign currency translation adjustments related to Ctrack South Africa	1,608
Net gain on sale	<u>\$ 5,262</u>

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6. Debt

Long-Term Debt

Convertible Notes

2025 Notes

On May 12, 2020, the Company completed its registered public Offering of \$100.0 million aggregate principal amount of 2025 Notes.

On May 12, 2020, the Company also entered into Exchange Agreements with certain related party holders of the 2022 Notes. Pursuant to the Exchange Agreements, these noteholders agreed to exchange the 2022 Notes that they held (representing an aggregate of \$45.0 million principal amount of 2022 Notes with an estimated fair value of approximately \$112.4 million as of the date of exchange) for an aggregate of \$32.0 million in cash and \$80.4 million principal amount of 2025 Notes in private placement transactions that closed concurrently with the registered Offering. In connection therewith, the Company recorded \$67.2 million in loss on debt conversion and extinguishment, net in the consolidated statement of operations. The 2025 Notes issued in the Private Exchange Transactions are part of the same series as the 2025 Notes issued in the registered Offering.

During the year ended December 31, 2021, certain holders of the 2025 Notes converted pursuant to the original terms of the 2025 Notes, 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. In connection therewith, the Company recorded a loss of \$0.4 million on debt conversion, net in the consolidated statement of operations.

The 2025 Notes are issued under an indenture, dated May 12, 2020 (the "Base Indenture"), between the Company and Wilmington Trust, National Association, as trustee (the "Trustee"), as supplemented by the first supplemental indenture, dated May 12, 2020 (the "Supplemental Indenture" and, together with the Base Indenture, the "Indenture"), between the Company and the Trustee.

The 2025 Notes will mature on May 1, 2025, unless earlier repurchased, redeemed or converted. 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, beginning on November 1, 2020.

Holder of the 2025 Notes may convert the 2025 Notes into shares of the Company's common stock (together with cash in lieu of any fractional share), at their option, at any time until the close of business on the scheduled trading day immediately before the maturity date. Upon conversion of the 2025 Notes, the Company will deliver for each \$1,000 principal amount of 2025 Notes converted a number of shares of common stock (together with cash in lieu of any fractional share), equal to the conversion rate.

The initial conversion rate for the 2025 Notes is 79.2896 shares of common stock per \$1,000 principal amount of 2025 Notes, which represents an initial conversion price of approximately \$12.61 per share, and is subject to adjustment upon the occurrence of certain events, including, but not limited to, certain stock dividends, splits and combinations, the issuance of certain rights, options or warrants to holders of the common stock, certain distributions of assets, debt securities, capital stock or other property to holders of the common stock, cash dividends on the common stock and certain Company tender or exchange offers.

If a fundamental change (as defined in the Indenture) occurs at any time prior to the maturity date, then the noteholders may require the Company to repurchase their 2025 Notes at a cash repurchase price equal to the principal amount of the 2025 Notes to be repurchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change repurchase date. If a make-whole fundamental change (as defined in the Indenture) occurs, then the Company will in certain circumstances increase the conversion rate for a specified period of time.

The 2025 Notes will be redeemable, in whole or in part, at the Company's option at any time, and from time to time, on or after May 6, 2023 and on or before the scheduled trading day before the maturity date, at a cash redemption price equal to the principal amount of the 2025 Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, as long as the last reported sale price per share of the common stock exceeds 130% of the conversion price on (i) each of at least 20 trading days, whether or not consecutive, during the 30 consecutive trading days ending on, and including, the

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trading day immediately before the date the Company sends the related redemption notice; and (ii) the trading day immediately before the date the Company sends such notice.

The Indenture contains customary events of default. If an event of default (other than certain events of bankruptcy, insolvency or reorganization involving the Company) occurs and is continuing, the Trustee, by notice to the Company, or the holders of the 2025 Notes representing at least 25% in aggregate principal amount of the outstanding 2025 Notes, by notice to the Company and the Trustee, may declare 100% of the principal of, and all accrued and unpaid interest on, all of the then outstanding 2025 Notes to be due and payable immediately. Upon the occurrence of certain events of bankruptcy, insolvency or reorganization involving the Company, 100% of the principal of, and all accrued and unpaid interest on, all of the then outstanding 2025 Notes will automatically become immediately due and payable. Notwithstanding the foregoing, the Indenture provides that, to the extent the Company elects, the sole remedy for an event of default relating to certain failures by the Company to comply with certain reporting covenants in the Indenture will, for the first 360 days after such event of default, consist exclusively of the right to receive additional interest on the 2025 Notes.

Interest make-whole payment

The 2025 Notes also include an interest make-whole payment feature whereby if the last reported sale price of the Company's common stock for each of the five trading days immediately preceding a conversion date is greater than or equal to \$10.51, the Company will, in addition to the other consideration payable or deliverable in connection with such conversion, make an interest make-whole payment to the converting holder equal to the sum of the present values of the scheduled payments of interest that would have been made on the 2025 Notes to be converted had such notes remained outstanding from the conversion date through the earlier of (i) the date that is three years after the conversion date and (ii) the maturity date. The present values will be computed using a discount rate equal to 1%. The Company will satisfy its obligation to pay the interest make-whole payment, at its election, in cash or shares of common stock (together with cash in lieu of fractional shares). The Company has determined that this feature is an embedded derivative and has recognized the fair value of this derivative as a liability in the consolidated balance sheets, with subsequent changes to fair value to be recorded at each reporting period on the consolidated statement of operations in other income, net.

As of December 31, 2021 and 2020 \$161.9 million and \$166.9 million, respectively, principal amount of the 2025 Notes was outstanding. As of both December 31, 2021 and 2020, \$80.4 million principal amount of 2025 Notes was held by related parties and \$0.4 million of accrued interest due to related parties was included within accrued expenses and other current liabilities on the consolidated balance sheets. Assuming no repurchases or conversion of the 2025 Notes prior to May 1, 2025, the entire principal balance of \$161.9 million of the 2025 Notes is due on May 1, 2025.

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

	December 31,	
	2021	2020
Principal	\$ 161,898	\$ 166,898
Add: fair value of embedded derivative	926	4,898
Less: unamortized debt discount	(2,761)	(3,703)
Less: unamortized issuance costs	(2,197)	(2,946)
Net carrying amount	<u>\$ 157,866</u>	<u>\$ 165,147</u>

The effective interest rate of the 2025 Notes was 4.15% and 4.10%, respectively, for the twelve months ended December 31, 2021 and 2020. The following table sets forth total interest expense recognized related to the 2025 Notes (in thousands):

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	Year Ended December 31,	
	2021	2020
Contractual interest expense	\$ 5,271	\$ 3,434
Amortization of debt discount	829	552
Amortization of debt issuance costs	660	439
Total interest expense	<u>\$ 6,760</u>	<u>\$ 4,425</u>

For the years ended December 31, 2021 and 2020 the contractual interest expense on the 2025 Notes recorded within interest expense, net on the consolidated statements of operations attributable to related parties was \$2.6 million and \$1.7 million, respectively.

2022 Notes

On January 9, 2017, in connection with the Note Exchange (as defined below), the Company issued approximately \$119.8 million aggregate principal amount of 2022 Notes.

During the three months ended March 31, 2020, the Company entered into privately-negotiated exchange agreements with certain investors holding the 2022 Notes. Pursuant to those exchange agreements, the investors exchanged \$59.9 million in aggregate principal amount of outstanding 2022 Notes for 13,688,876 shares of common stock. The investors that participated in such exchange agreements agreed to waive any accrued but unpaid interest on the exchanged 2022 Notes. Included in the 13,688,876 shares of common stock issued in the exchange transactions that took place during the three months ended March 31, 2020 were 942,706 shares valued at \$7.9 million on the date of issuance at fair value, which were issued pursuant to the terms of the privately-negotiated exchange agreements and were in excess of the consideration issuable under the original conversion terms of the exchanged 2022 Notes. ASC 470, *Debt*, requires the recognition through earnings of an inducement charge equal to the fair value of the consideration delivered in excess of the consideration issuable under the original conversion terms. This resulted in a non-cash charge of \$7.9 million, which was recorded as inducement expense within loss on debt conversion and extinguishment, net, in the consolidated statement of operations.

Pursuant to the Private Exchange Transactions described above, on May 12, 2020, the holders of an aggregate of \$45.0 million principal amount of 2022 Notes exchanged their 2022 Notes for a combination of 2025 Notes and cash. As a result of the Private Exchange Transactions, \$2,000 in principal amount of the 2022 Notes were outstanding as of June 30, 2020. On July 22, 2020, pursuant to a redemption notice issued on May 15, 2020, the Company redeemed the remaining \$2,000 principal amount of the 2022 Notes. As of December 31, 2020, no amount remained outstanding related to the 2022 Notes.

The effective interest rate on the liability component of the 2022 Notes was 12.89% and 13.88%, respectively, for the twelve months ended December 31, 2020 and 2019. The following table sets forth total interest expense recognized related to the 2022 Notes (in thousands):

	Year Ended December 31,	
	2020	2019
Contractual interest expense	\$ 768	\$ 5,782
Amortization of debt discount	1,952	7,821
Amortization of debt issuance costs	111	459
Total interest expense	<u>\$ 2,831</u>	<u>\$ 14,062</u>

For the years ended December 31, 2020 and 2019 the contractual interest expense on the 2022 Notes recorded within interest expense, net on the consolidated statements of operations attributable to related parties was \$0.8 million and \$2.5 million, respectively

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Novatel Wireless Notes

On June 10, 2015, Novatel Wireless issued \$120.0 million of 5.50% convertible senior notes due 2020 (the “Novatel Wireless Notes”). The Company incurred issuance costs of approximately \$3.9 million, which were governed by the terms of an indenture, dated June 10, 2015, between Novatel Wireless, as issuer, Insego and Wilmington Trust, National Association, as trustee, as amended by certain supplemental indentures (“the Novatel Indenture”). On January 9, 2017, in connection with the settlement of an exchange offer and consent solicitation with respect to the Novatel Wireless Notes (the “Note Exchange”), approximately \$119.8 million aggregate principal amount of outstanding Novatel Wireless Notes were validly tendered and accepted for exchange and subsequently canceled. In February 2020, the holders of the remaining \$250,000 of the aggregate principal amount of Novatel Wireless Notes that remained outstanding following the Note Exchange, converted their Novatel Wireless Notes into 50,000 shares of Insego Corp. common stock, at the conversion price of \$5.00 per share, in accordance with the terms of the Novatel Indenture. Accordingly, no Novatel Wireless Notes were outstanding as of December 31, 2020.

Term Loan

On August 23, 2017, the Company and certain of its direct and indirect subsidiaries (the “Guarantors”) entered into a credit agreement (the “Credit Agreement”) with Cantor Fitzgerald Securities, as administrative agent and collateral agent, and certain lenders (the “Lenders”). Pursuant to the Credit Agreement, the Lenders provided the Company with a term loan in the principal amount of \$48.0 million (the “Term Loan”) with a maturity date of August 23, 2020 (the “Maturity Date”). In conjunction with the closing of the Term Loan, the Company received proceeds of \$46.9 million, \$35.0 million of which was funded to the Company in cash on the closing date, net of an original issue discount and commitment fee, and the remaining \$11.9 million of which was funded through the Company’s repurchase and cancellation of approximately \$14.9 million of its then outstanding 2022 Notes pursuant to the terms of the Note Purchase Agreement (as defined below). The Company paid issuance costs of approximately \$0.5 million. Additionally, the Company issued shares of its common stock and accrued an exit fee, which, when combined with the original debt discount and commitment fee, resulted in a total debt discount of approximately \$4.0 million.

On March 31, 2020, the Company issued 2,330 shares of Series E Preferred Stock to South Ocean Funding L.L.C. (“South Ocean”), the Lender holding all of the aggregate principal amount then outstanding under the Credit Agreement in satisfaction of all then accrued interest under the Credit Agreement.

On May 12, 2020, the Company used a portion of the proceeds from the Offering to repay in full the Term Loan and terminate the Credit Agreement. The amounts paid included \$47.5 million in outstanding principal, approximately \$0.5 million in interest accrued thereon, and prepayment and exit fees of \$1.4 million. The Company also used a portion of the proceeds of the Offering to repurchase the 2,330 shares of Series E Preferred Stock that had been issued to South Ocean for \$2.4 million. At December 31, 2020 there is no amount outstanding related to the Term Loan. The Term Loan bore interest at a rate per annum equal to the three-month LIBOR, but in no event less than 1.00%, plus 7.625%.

The effective interest rate on the Term Loan was 15.19% and 13.50%, respectively, for the twelve months ended December 31, 2020 and 2019. The following table sets forth total interest expense recognized related to the Term Loan, 100% of which was attributable to a related party, during the years ended December 31, 2020 and 2019, respectively (in thousands):

	Year Ended December 31,	
	2020	2019
Contractual interest expense	\$ 1,667	\$ 4,789
Amortization of debt discount	859	1,331
Amortization of debt issuance costs	103	161
Total interest expense	<u>\$ 2,629</u>	<u>\$ 6,281</u>

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7. Income Taxes

The Company's loss before income taxes for the years ended December 31, 2021, 2020 and 2019 is comprised of the following (in thousands):

	Year Ended December 31,		
	2021	2020	2019
Domestic	\$ (40,897)	\$ (109,837)	\$ (39,187)
Foreign	(6,823)	(601)	(387)
Loss before income taxes	<u>\$ (47,720)</u>	<u>\$ (110,438)</u>	<u>\$ (39,574)</u>

The provision for income taxes for the years ended December 31, 2021, 2020 and 2019 is comprised of the following (in thousands):

	Year Ended December 31,		
	2021	2020	2019
Current:			
Federal	\$ —	\$ —	\$ (49)
State	30	(4)	35
Foreign	214	93	1,148
Total current	<u>244</u>	<u>89</u>	<u>1,134</u>
Deferred:			
Federal	12	12	12
State	—	—	
Foreign	(65)	647	(610)
Total deferred	<u>(53)</u>	<u>659</u>	<u>(598)</u>
Provision for income taxes	<u>\$ 191</u>	<u>\$ 748</u>	<u>\$ 536</u>

The Company's net deferred tax liabilities consist of the following (in thousands):

	December 31,	
	2021	2020
Deferred tax assets:		
Accrued expenses	\$ 1,016	\$ 1,940
Provision for excess and obsolete inventory	466	2,016
Convertible debt	9,804	13,367
Interest expense limitation	11,113	7,798
Net operating loss and tax credit carryforwards	110,463	108,340
Share-based compensation	2,562	1,911
Right-of-use-asset	1,765	2,059
Unrecognized tax benefits	1,567	1,567
Deferred tax assets	<u>138,756</u>	<u>138,998</u>
Deferred tax liabilities:		
Operating lease liability	(1,830)	(2,059)
Acquired intangible assets	(666)	(2,155)
Depreciation and amortization	(4,376)	(5,545)
Unrealized foreign currency gains	(604)	(375)
Deferred tax liabilities	<u>(7,476)</u>	<u>(10,134)</u>
Valuation allowance	(132,132)	(133,369)
Net deferred tax liabilities	<u>\$ (852)</u>	<u>\$ (4,505)</u>

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The Company recognizes federal, state and foreign current tax liabilities or assets based on its estimate of taxes payable to or refundable by tax authorities in the current fiscal year. The Company also recognizes federal, state and foreign deferred tax liabilities or assets based on the Company's estimate of future tax effects attributable to temporary differences and carryforwards. The Company records a valuation allowance to reduce any deferred tax assets by the amount of any tax benefits that, based on available evidence and judgment, are not expected to be realized.

The Company assesses whether a valuation allowance should be recorded against its deferred tax assets based on the consideration of all available evidence, using a "more likely than not" realization standard. The four sources of taxable income that must be considered in determining whether deferred tax assets will be realized are: (1) future reversals of existing taxable temporary differences (i.e., offset of gross deferred tax assets against gross deferred tax liabilities); (2) taxable income in prior carryback years, if carryback is permitted under the applicable tax law; (3) tax planning strategies; and (4) future taxable income exclusive of reversing temporary differences and carryforwards.

During the years ended December 31, 2021, 2020 and 2019, the Company recognized valuation allowances of \$6.0 million, \$26.4 million and \$9.2 million, respectively, related to its deferred tax assets created in those respective years for entities with historical losses and full valuation allowances. In 2021, certain valuation allowances in the amount of \$10.0 million were released related to entities included in the divestiture of Ctrack South Africa. The Company also recognized \$3.0 million of additional valuation allowance related to true-up of prior year deferred taxes, partially offset by foreign currency loss of \$0.2 million in 2011. Based on the Company's current position on valuation allowance, no net income tax benefits resulted in the Company's consolidated statements of operations from the operating losses created during those years.

The provision for income taxes reconciles to the amount computed by applying the statutory federal income tax rate of 21% in 2021 and 2020 to loss before income taxes as follows (in thousands):

	Year Ended December 31,		
	2021	2020	2019
Federal tax benefit, at statutory rate	\$ (10,021)	\$ (23,192)	\$ (8,311)
State benefit, net of federal benefit	(148)	(1,285)	27
Foreign tax rate difference	(358)	(140)	476
Valuation allowance against future tax benefits	6,029	26,410	9,168
Gain on sale of foreign subsidiaries	3,008	—	—
Sub-part F income	791	—	—
Loss on conversion of debt	—	2,015	—
Research and development credits	(1,415)	(2,355)	(1,456)
Share-based compensation	(879)	(1,134)	341
Non-deductible officers compensation	1,449	—	—
True-up of prior year provisions	1,681	—	—
Other	54	429	291
Provision for income taxes	<u>\$ 191</u>	<u>\$ 748</u>	<u>\$ 536</u>

At December 31, 2021, the Company had U.S. federal net operating loss carryforwards ("NOLs") related to tax years 2020 and prior of approximately \$439.8 million. Approximately \$110.0 million of these NOLs have no expiration date. The remainder begin to expire in 2022, unless previously utilized. Some of these NOLs may be limited by either past or future changes in control events. The Company has California net operating loss carryforwards at December 31, 2021 of approximately \$58.9 million, which begin to expire in 2028, unless previously utilized, and foreign net operating losses for its active foreign subsidiaries of approximately \$24.3 million, which generally have no expiration date. At December 31, 2021, the Company had federal research and development tax credit carryforwards of approximately \$14.2 million, which begin to expire in 2026, unless previously utilized, and California research and development tax credit carryforwards of approximately \$15.6 million, which have no expiration date.

Pursuant to Internal Revenue Code ("IRC") Sections 382 and 383, annual use of the Company's net operating loss and research and development credit carryforwards may be limited in the event a cumulative change in ownership of more than 50% occurs within a rolling three-year period. An analysis was performed for the period through December 31, 2021 and did not identify any events of cumulative change in ownership during the review period. The Company will continue monitoring any future changes in stock ownership.

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It is the Company's intention to reinvest undistributed earnings of its foreign subsidiaries and thereby indefinitely postpone their remittance. Accordingly, no provision has been made for foreign withholding taxes on U.S. income taxes which may become payable if undistributed earnings of the foreign subsidiary were paid as dividends to the Company.

On March 27, 2020, the U.S. government enacted the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") which includes modifications to the limitation on business interest expense and net operating loss provisions, and provides a payment delay of employer payroll taxes during 2020 after the date of enactment. Payments of approximately \$1.4 million of employer payroll taxes otherwise due in 2020, were delayed with 50% due and paid by December 31, 2021 and the remaining 50% by December 31, 2022. The CARES Act did not have a material impact on the Company's consolidated financial statements.

The Company follows the accounting guidance related to financial statement recognition, measurement and disclosure of uncertain tax positions. The Company recognizes the impact of an uncertain income tax position on an income tax return at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. No income tax benefit was recognized during the years ended December 31, 2021 and 2020. At December 31, 2021 and 2020, the Company did not have interest expense related to uncertain tax positions or a liability for unrecognized tax benefits. The Company does not expect changes to its uncertain tax position in the next twelve months.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows (in thousands):

Balance at December 31, 2019	\$ 37,835
Increases related to current and prior year tax positions	1,796
Balance at December 31, 2020	39,631
Increases related to current and prior year tax positions	1,998
Balance at December 31, 2021	\$ 41,629

There are no tax benefits that, if recognized, would affect the effective tax rate that are included in the balances of unrecognized tax benefits at December 31, 2021.

The Company and its subsidiaries file U.S., state and foreign income tax returns in jurisdictions with various statutes of limitations. The Company's tax returns are subject to examination by federal, state and foreign taxing authorities. The Company's federal and state tax returns are subject to examination for the years beginning in 2018 and 2017, respectively. Net operating loss carryforwards arising prior to these years are also open to examination, if and when utilized. The Company believes appropriate provisions for all outstanding issues have been made for all jurisdictions and all open years. However, because audit outcomes and the timing of audit settlements are subject to significant uncertainty, the Company's current estimate of the total amounts of unrecognized tax benefits could increase or decrease for all open years.

8. Stockholders' Equity

Common Stock

On August 6, 2018, the Company completed a private placement of 12,062,000 shares of its common stock and warrants (the "2018 Warrants") to purchase an additional 4,221,700 shares of its common stock, subject to adjustment for stock splits, reverse stock splits, stock dividends and similar transactions, to certain accredited investors for gross proceeds of \$19.7 million in cash. Each warrant had an initial exercise price of \$2.52 per share, subject to adjustment for stock splits, reverse stock splits, stock dividends and similar transactions.

On March 28, 2019, the 2018 Warrants were exercised at an exercise price of \$2.52 per share, for aggregate cash proceeds to the Company of approximately \$10.6 million. In connection with the exercise of the 2018 Warrants, on March 28, 2019, the Company issued additional warrants to purchase 2,500,000 shares of common stock (the "2019 Warrants") to the accredited investors. Each 2019 Warrant has an initial exercise price of \$7.00 per share, subject to adjustment for stock splits, reverse stock splits, stock dividends and similar transactions, will be exercisable at any time on or after September 28, 2019, and will expire on June 30, 2022. The 2019 Warrants may be exercisable on a cashless exercise basis if, and only if, the shares of common stock underlying such warrants cannot be immediately resold pursuant to an effective registration statement or Rule 144 of the Securities Act of 1933, as amended, without volume or manner of sale restrictions.

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During the fourth quarter of 2019, the Company received \$6.9 million in net cash proceeds from the exercise of 1,255,129 of the Company's common stock purchase warrants issued in 2015.

The Company assessed the terms of the warrants under ASC 815, *Derivatives and Hedging*. Pursuant to this guidance, the Company has determined that the warrants do not require liability accounting and has classified the warrants as equity.

On January 25, 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 of \$0.9 million, and other offering fees, pursuant to the ATM Offering.

Preferred Stock

The Company has a total of 2,000,000 shares of preferred stock authorized for issuance at a par value of \$0.001 per share, 150,000 of which have been designated Series D Preferred Stock and 39,500 of which have been designated Series E Preferred Stock.

On August 9, 2019, the Company completed a private placement of 10,000 shares of Series E Preferred Stock for an aggregate purchase price of \$10.0 million in accordance with the terms and provisions of a Securities Purchase Agreement, dated August 9, 2019, by and among the Company and certain accredited investors. Each share of Series E Preferred Stock entitles the holder thereof to receive, when, as and if declared by the Company out of assets legally available therefor, cumulative cash dividends at an annual rate of 9.00% payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year, beginning on October 1, 2019. If dividends are not declared and paid in any quarter, or if such dividends are declared but holders of the Series E Preferred Stock elect not to receive them in cash, the quarterly dividend will be deemed to accrue and will be added to the Series E Base Amount. The Series E Preferred Stock has no voting rights unless otherwise required by law. The Series E Preferred Stock is perpetual and has no maturity date. However, the Company may, at its option, redeem shares of the Series E Preferred Stock, in whole or in part, on or after July 1, 2022, at a price equal to 110% of the Series E Base Amount plus (without duplication) any accrued and unpaid dividends. The "Series E Base Amount" means \$1,000 per share, plus any accrued but unpaid dividends, whether or not declared by the Company's board of directors, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series E Preferred Stock. In the event of a liquidation, dissolution or winding up of the Company, the holders of the Series E Preferred Stock will be entitled to receive, after satisfaction of liabilities to creditors and subject to the rights of holders of any senior securities, but before any distribution of assets is made to holders of common stock or any other junior securities, the Series E Base Amount plus (without duplication) any accrued and unpaid dividends.

On March 6, 2020, the Company entered into a Securities Purchase Agreement with an accredited investor pursuant to which, among other things, the Company issued and sold to the investor, in a private placement transaction, an aggregate of 25,000 shares of the Company's Series E Preferred Stock, for a purchase price of \$1,000 per share of Series E Preferred Stock, resulting in gross proceeds to the Company of \$25.0 million.

On September 3, 2021, the Company entered into separate privately-negotiated exchange agreements (the "September Exchange Agreements") with Golden Harbor Ltd. and North Sound Trading, L.P. (the "Participating Stockholders"), holders of the Company's outstanding Series E Preferred Stock. Pursuant to each respective September Exchange Agreement, each of the Participating Stockholders agreed to exchange Series E Preferred Stock that they held (representing an aggregate of 10,000 shares of Series E Preferred Stock) for an aggregate of 1,525,207 shares of common stock, of the Company (the "Series E Exchange Transactions"). The Company did not receive any cash proceeds from the Participating Stockholders in connection with the Series E Exchange Transactions.

The Company used the Guidance in ASC 470 *Debt*, regarding the modification of debt instruments and determined that the Series E Exchange Transactions were an extinguishment. If a modification or exchange represents an extinguishment for accounting purposes, it is accounted for as a redemption of the existing equity instrument and the issuance of a new instrument.

ASC 260-10-S99-2 ("SEC Staff Announcement: The Effect on the Calculation of Earnings Per Share for a Period That Includes the Redemption or Induced Conversion of Preferred Stock") provides guidance on the accounting for extinguishments (redemptions) of equity-classified preferred stock. Under that guidance, an SEC registrant compares (1) the fair value of the consideration transferred to the holders of the preferred stock and (2) the carrying amount of the preferred stock immediately before the modification or exchange (net of issuance costs). The difference is treated as a return to (or from) the holder of the

INSEGO CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

preferred stock in a manner similar to dividends paid on preferred stock. Any excess of fair value of the consideration transferred to the holders of the preferred stock over the carrying amount of the preferred stock in the issuer's balance sheet is treated as a dividend to those holders and charged against retained earnings.

The Company determined that the Series E Exchange Transactions resulted in an extinguishment of preferred stock and an issuance of common stock. The difference between the carrying amount of the preferred stock plus accrued dividends, and the fair value of the common stock exchanged for such preferred stock, totaled \$1.1 million. The difference was treated as a deemed dividend, and was included within the Series E preferred stock dividends and deemed dividends from the preferred stock exchange, in the consolidated results of operations for the year ended December 31, 2021.

There were no dividends declared and \$3.1 million and \$2.9 million of dividends were accrued as of December 31, 2021, and 2020, respectively.

Common Shares Reserved for Future Issuance

The Company had reserved shares of common stock for possible future issuance as of December 31, 2021 and 2020 as follows:

	December 31,	
	2021	2020
Common stock warrants outstanding	2,500,000	2,500,000
Stock options outstanding	8,085,793	8,479,979
Restricted stock units outstanding	1,247,723	417,105
Shares available for issuance pursuant to Convertible Notes	14,340,786	15,879,948
Shares available for future grants of awards under the 2018 Omnibus Incentive Compensation Plan	3,311,023	2,849,488
Shares available under the 2000 Employee Stock Purchase Plan	170,811	391,201
Total shares of common stock reserved for issuance	29,656,136	30,517,721

9. Share-based Compensation

During the year ended December 31, 2021, 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 8,897,084 shares of common stock may be issued upon the exercise of stock options, in the form of restricted stock, or in settlement of RSUs or other awards, including awards with alternative vesting schedules such as performance-based criteria.

For the years ended December 31, 2021, 2020 and 2019 the following table presents total share-based compensation expense in each functional line item on the consolidated statements of operations (in thousands):

	Year Ended December 31,		
	2021	2020	2019
Cost of revenues	\$ 2,469	\$ 1,583	\$ 1,133
Research and development	4,813	2,823	1,548
Sales and marketing	3,704	2,346	1,669
General and administrative	5,663	3,667	2,952
Total	\$ 16,649	\$ 10,419	\$ 7,302

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

During the quarter ended March 31, 2021, the Board of Directors of the Company approved and the Company granted restricted stock units to eligible employees under the 2018 Omnibus Incentive Compensation Plan, previously named the Amended and Restated 2009 Omnibus Incentive Compensation Plan (the “2018 Plan”) that were immediately vested, as fiscal 2020 annual bonus payments. The total charges recorded during the quarter ended March 31, 2021 were \$7.0 million. Such bonus payments in fiscal 2020 were paid in the quarter ended June 30, 2020, and total charges related to such bonus payments recorded during the quarter ended June 30, 2020 were \$2.7 million. Such bonus payments in fiscal 2019 were paid in the quarter ended September 30, 2019, and total charges related to such bonus payments recorded during the quarter ended September 30, 2019 were \$2.4 million. During the year ended December 31, 2021, the Board of Directors of the Company approved, and the Company granted restricted stock units under the 2018 Plan to certain employees that contributed to the completion of the divestiture of Ctrack South Africa. Such grants were immediately vested, and the total charges were \$0.6 million.

Stock Options

The Compensation Committee of the Board of Directors determines eligibility, vesting schedules and exercise prices for stock options granted. Stock options generally have a term of ten years and vest over a three- to four-year period.

The following table presents the weighted-average assumptions used in the Black-Scholes valuation model by the Company in calculating the fair value of each stock option granted:

	Year Ended December 31,	
	2021	2020
Expected dividend yield	— %	— %
Risk-free interest rate	0.9 %	0.9 %
Volatility	73 %	95 %
Expected term (in years)	5.4	5.8

The weighted-average fair value of stock option awards granted during the years ended December 31, 2021 and 2020 was \$5.41 and \$7.11, respectively.

The following table summarizes the Company’s stock option activity for the years ended December 31, 2021 and 2020 (dollars in thousands, except per share data):

	Stock Options Outstanding	Weighted- Average Exercise Price Per Option	Weighted- Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding — December 31, 2018	8,796,212	\$ 2.10		
Granted	2,660,936	5.17		
Exercised	(1,489,067)	1.69		
Canceled	(923,777)	3.64		
Outstanding — December 31, 2019	9,044,304	\$ 2.91		
Granted	1,526,000	9.41		
Exercised	(1,357,620)	3.06		
Canceled	(732,705)	3.60		
Outstanding — December 31, 2020	8,479,979	\$ 3.99		
Granted	1,929,500	8.86		
Exercised	(1,315,552)	2.62		
Canceled	(1,008,134)	8.60		
Outstanding — December 31, 2021	8,085,793	\$ 4.81	7.16	\$ 16,603
Vested and Expected to Vest — December 31, 2021	7,398,958	\$ 4.51	6.99	\$ 16,464
Exercisable — December 31, 2021	4,816,773	\$ 3.00	6.17	\$ 15,081

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The total intrinsic value of stock options exercised to purchase common stock during the years ended December 31, 2021, 2020 and 2019 was approximately \$4.3 million, \$11.7 million and \$5.6 million, respectively.

As of December 31, 2021, total unrecognized share-based compensation expense related to non-vested stock options was \$11.3 million, which is expected to be recognized over a weighted-average period of approximately 2.68 years. The Company recognized approximately \$6.3 million, \$5.8 million and \$3.5 million of share-based compensation expense related to the vesting of stock option awards during the years ended December 31, 2021, 2020 and 2019, respectively.

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.

A summary of restricted stock unit activity under all plans for the year ended December 31, 2021 is presented below:

	Number of Shares	Weighted- Average Grant-Date Fair Value
Non-vested — December 31, 2018	454,382	\$ 2.17
Granted	870,150	\$ 5.07
Vested	(809,482)	\$ 4.20
Forfeited	(114,735)	\$ 3.66
Non-vested — December 31, 2019	400,315	\$ 3.95
Granted	570,368	\$ 10.52
Vested	(548,160)	\$ 7.28
Forfeited	(5,418)	\$ 4.06
Non-vested — December 31, 2020	417,105	\$ 8.68
Granted	1,931,263	\$ 8.53
Vested	(1,019,686)	\$ 10.20
Forfeited	(80,959)	\$ 10.75
Non-vested — December 31, 2021	1,247,723	\$ 7.65

During the years ended December 31, 2021, 2020 and 2019, the total fair value of shares vested was \$10.4 million, \$5.1 million and \$4.0 million, respectively.

As of December 31, 2021, there was \$5.8 million of unrecognized share-based compensation expense related to non-vested RSUs, which is expected to be recognized over a weighted-average period of 3.45 years. The Company recognized approximately \$9.6 million and \$4.1 million and \$3.5 million of share-based compensation expense related to the vesting of RSUs during the years ended December 31, 2021, 2020 and 2019 respectively.

2000 Employee Stock Purchase Plan

The ESPP permits eligible employees of the Company to purchase newly issued shares of common stock, at a price equal to 85% of the lower of the fair market value on (i) the first day of the offering period or (ii) the last day of each six-month purchase period, through payroll deductions of up to 10% of their annual cash compensation. Under the ESPP, a maximum of 5,324,000 shares of common stock may be purchased by eligible employees.

During the years ended December 31, 2021 and 2020, the Company issued 220,390 shares and 231,275 shares, respectively, under the ESPP. The Company recognized approximately \$0.7 million, \$0.6 million and \$0.3 million of share-based compensation expense related to the ESPP during the years ended December 31, 2021, 2020 and 2019, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10. Earnings per Share

Basic 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 Convertible Notes calculated using the if-converted and treasury stock 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):

	Year Ended December 31,		
	2021	2020	2019
Net loss attributable to common stockholders	\$ (52,368)	\$ (114,119)	\$ (40,486)
Weighted-average common shares outstanding	103,246,308	96,111,547	78,322,496
Basic and diluted net loss per share	\$ (0.51)	\$ (1.19)	\$ (0.52)

For the year ended December 31, 2021, the computation of diluted EPS excluded 26,318,509 shares, primarily related to convertible notes, warrants, stock options, RSUs and ESPP for which the effect would have been anti-dilutive.

The following is a summary of outstanding anti-dilutive potential common stock that was excluded from diluted net loss per share attributable to stockholders in the following periods:

(in thousands)	Year Ended December 31,		
	2021	2020	2019
Convertible notes	14,341	14,784	22,314
Warrants	2,500	2,500	2,838
Non-qualified stock options	8,086	8,480	9,027
Restricted stock units	1,248	417	414
Employee Stock Purchase Plan	144	25	98
Rights agreement	—	—	198

11. Commitments and Contingencies

Noncancellable Purchase Obligations

The Company typically enters into commitments with its contract manufacturers that require future purchase of goods or services in the three to four quarters following the balance sheet date. Such commitments are noncancellable (“noncancellable purchase obligations”). As of December 31, 2021, future payments under these noncancellable purchase obligations were approximately \$165.8 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 and discussions with the Company’s intellectual property litigation counsel, 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.

On May 11, 2017, the Company initiated a lawsuit against the former stockholders of R.E.R. Enterprises, Inc. (“RER”) in the Court of Chancery of the State of Delaware seeking recovery of damages for civil conspiracy, fraud in the inducement, unjust enrichment and breach of fiduciary duty. On January 16, 2018, the former stockholders of RER filed an answer and counterclaim in the matter seeking recovery of certain deferred and earn-out payments allegedly owed to them by the Company in connection with the Company’s acquisition of RER. On July 26, 2018, the Company and the former stockholders of RER

INSEGO CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

entered into a mutual general release and settlement agreement (the “Settlement Agreement”) pursuant to which the parties agreed to release all claims against each other and the Company agreed to (i) pay the former stockholders of RER \$1.0 million in cash by August 17, 2018, (ii) immediately instruct its transfer agent to permit the transfer or sale of 973,333 shares of the Company’s common stock that the Company had issued to the former stockholders of RER in March 2017, (iii) immediately issue 500,000 shares of the Company’s common stock to the former stockholders of RER, (iv) within 12 months following the execution of the Settlement Agreement, deliver to the former stockholders of RER an additional \$1.0 million in cash, common stock, or a combination thereof, at the Company’s option, (v) within 24 months following the execution of the Settlement Agreement deliver to the former stockholders of RER an additional \$1.0 million in cash, common stock, or a combination thereof, at the Company’s option, and (vi) file one or more registration statements with respect to the resale of the shares of the Company’s common stock issued to the former stockholders of RER pursuant to the Settlement Agreement. On July 24, 2020, the Company issued 89,928 shares of common stock to the former stockholders of RER in satisfaction of all remaining liabilities under the Settlement Agreement.

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.

12. Leases

Lessee

The Company is a lessee in lease agreements for office space, automobiles and certain equipment. Certain of the Company’s leases contain provisions that provide for one or more options to renew at the Company’s sole discretion. The majority of the Company’s leases are comprised of fixed lease payments, with a small percentage of its real estate leases including lease payments subject to a rate or index which may be variable. Certain real estate leases also include executory costs such as common area maintenance (non-lease component). As a practical expedient permitted under ASC 842, the Company has elected to account for the lease and non-lease components, including common area maintenance, as a single lease component. Lease payments, which may include lease components and non-lease components, are included in the measurement of the Company’s lease liabilities to the extent that such payments are either fixed amounts or variable amounts based on a rate or index (fixed in substance) as stipulated in the lease contract.

None of the Company’s lease agreements contain any material residual value guarantees or material restrictive covenants. As a result of the Company’s election of the package of practical expedients permitted within ASC 842, which among other things, allows for the carryforward of historical lease classification, all of the Company’s lease agreements in existence at the date of adoption that were classified as operating leases under ASC 840, *Leases* have been classified as operating leases under ASC 842. Lease expense for payments related to the Company’s operating leases is recognized on a straight-line basis over the related lease term, which includes options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

Right-of-use assets represent the Company’s right to use an underlying asset during the lease term and lease liabilities represent the Company’s obligation to make lease payments as specified in the lease. Right-of-use assets and lease liabilities related to the Company’s operating leases are recognized at the lease commencement date based on the present value of the remaining lease payments over the lease term. When the Company’s leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the lease term and the information available surrounding the Company’s borrowing rates at the lease commencement date in determining the present value of lease payments. The right-of-use asset also includes any lease payments made at or before lease commencement less any lease incentives. As of December 31, 2021 and 2020, the Company had right-of-use assets of \$7.8 million and \$9.1 million, respectively, and lease liabilities related to its operating leases of \$8.9 million and \$9.9 million, respectively. Right-of-use assets are included in right-of-use assets, net, on the consolidated balance sheet and lease liabilities related to the Company’s operating leases are included in accrued expenses and other liabilities and other long-term liabilities on the consolidated balance sheet. As of December 31, 2021 and 2020, the Company’s weighted-average remaining lease term and weighted-average discount rate related to its operating leases were 5.0 years and 5.8 years, respectively, and 9.1% and 9.1%, respectively.

INSEEGO CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

During the years ended December 31, 2021, 2020 and 2019, the cash paid for amounts included in the measurement of lease liabilities related to the Company's operating leases was approximately \$2.6 million, \$1.9 million and \$2.2 million, respectively, which is included as an operating cash outflow within the consolidated statements of cash flows. During the twelve months ended December 31, 2021, 2020 and 2019 the operating lease costs related to the Company's operating leases were approximately \$2.8 million, \$2.2 million and \$2.4 million, respectively, which is included in operating costs and expenses in the consolidated statements of operations. During the twelve months ended December 31, 2021 and 2020, the Company entered into and renewed various leases for which right-of-use assets of \$0.7 million and \$7.9 million, respectively, were recorded in exchange for lease liabilities of \$0.7 million and \$7.9 million, respectively.

The future minimum payments under operating leases were as follows at December 31, 2021 (in thousands):

2022	\$	2,500
2023		2,094
2024		1,947
2025		1,689
2026		1,687
Thereafter		1,131
Total minimum operating lease payments		<u>11,048</u>
Less: amounts representing interest		(2,167)
Present value of net minimum operating lease payments		<u>8,881</u>
Less: current portion		(1,769)
Long-term portion of operating lease obligations	\$	<u><u>7,112</u></u>

Lessor

Monitoring device leases in which the Company serves as lessor are classified as operating leases. Accordingly, rental devices are carried at historical cost less accumulated depreciation and impairment, if any, and are included in rental assets, net, on the consolidated balance sheets.

Since the lease components meet the criteria for an operating lease under ASC 842, the Company has elected the practical expedient to combine the lease and the non-lease components because the service is the predominant element in the eyes of the customer and the pattern of service delivery is the same for both elements. The Company will account for the combined component as a single performance obligation under ASC 606, *Revenue from Contracts with Customers*.

13. Geographic Information and Concentrations of Risk

Geographic Information

The following table details the geographic concentration of the Company's assets (in thousands):

	December 31,	
	2021	2020
United States and Canada	\$ 176,094	\$ 148,485
Europe	35,630	27,277
South Africa	—	48,211
Other	4,119	3,421
	<u>\$ 215,843</u>	<u>\$ 227,394</u>

INSEEGO CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

	Year Ended December 31,		
	2021	2020	2019
United States and Canada	\$ 215,520	\$ 260,009	\$ 158,756
South Africa	17,333	28,208	35,001
Other	29,546	25,615	25,739
Total	<u>\$ 262,399</u>	<u>\$ 313,832</u>	<u>\$ 219,496</u>

Concentrations of Risk

For the year ended December 31, 2021, two customers accounted for 43.9% and 26.4% of net revenues, respectively. For the years ended December 31, 2020 and 2019 one customer accounted for 54.5% and 52.5% of net revenues, respectively.

At December 31, 2021, two customers accounted for 61.7% and 12.6% of total accounts receivable, net, respectively. At December 31, 2020, two customers accounted for 33.3% and 17.2% of total accounts receivable, net, respectively.

14. Retirement Savings Plan

The Company has a defined contribution 401(k) retirement savings plan (the "Plan"). Substantially all of the Company's U.S. employees are eligible to participate in the Plan after meeting certain minimum age and service requirements. The Company matches 50% of the first 6% of an employee's designated deferral of their eligible compensation. Employees may make discretionary contributions to the Plan subject to Internal Revenue Service limitations. Employer matching contributions under the Plan amounted to approximately \$0.9 million, \$0.7 million and \$0.4 million for the years ended December 31, 2021, 2020 and 2019, respectively. Employer matching contributions vest immediately.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K/A
(Amendment No. 1)

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

For fiscal year ended December 31, 2021

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
(State or Other Jurisdiction
of Incorporation or Organization)

81-3377646
(I.R.S. Employer
Identification No.)

12600 Deerfield Parkway, Suite 100
Alpharetta, Georgia
(Address of Principal Executive Offices)

30004
(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, \$0.001 par value	INSG	NASDAQ Global Select Market

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes No

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

The aggregate market value of the voting common stock held by non-affiliates of the registrant, based on the closing price of the registrant's common stock on June 30, 2021, as reported by The Nasdaq Global Select Market, was approximately \$853.3 million. For the purposes of this calculation, shares owned by officers and directors (and their affiliates) have been excluded. This exclusion is not intended, nor shall it be deemed, to be an admission that such persons are affiliates of the registrant. The registrant does not have any non-voting common stock outstanding.

The number of shares of the registrant's common stock outstanding as of February 22, 2022 was 105,387,038.

DOCUMENTS INCORPORATED BY REFERENCE

None.

EXPLANATORY NOTE

This Amendment No. 1 (this “Amendment”) amends the Annual Report on Form 10–K for the year ended December 31, 2021 of Inseego Corp. (the “Company” or “Inseego”), filed with the Securities and Exchange Commission (the “SEC”) on March 1, 2022 (the “Original Form 10–K”). The purpose of this Amendment is to amend Part III, Items 10 through 14 of the Original Form 10-K to include information previously omitted from the Original Form 10-K in reliance on General Instruction G(3) to Form 10-K. Accordingly, Part III of the Original Form 10-K is hereby amended and restated as set forth below. The information included herein as required by Part III, Items 10 through 14 of Form 10-K is more limited than what is required to be included in the definitive proxy statement to be filed in connection with our annual meeting of stockholders. Accordingly, the definitive proxy statement to be filed at a later date will include additional information related to the topics herein and additional information not required by Part III, Items 10 through 14 of Form 10-K. In addition, because the Company was a smaller reporting company, as defined by Rule 12b-2 of the Securities Exchange Act of 1934, as amended, for the fiscal year ended December 31, 2021 and is transitioning into large accelerated filer status, certain disclosures contained in this Amendment conform to the smaller reporting company requirements.

The reference on the cover page of the Original Form 10-K to the incorporation by reference of our definitive proxy statement into Part III of the Original Form 10-K is hereby deleted.

In addition, as required by Rule 12b–15 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), new certifications by our principal executive officer and principal financial officer are filed as exhibits to this Amendment under Item 15 of Part IV hereof. Because no financial statements have been included in this Amendment and this Amendment does not contain or amend any disclosure with respect to Items 307 and 308 of Regulation S-K, paragraphs 3, 4 and 5 of the certifications have been omitted.

Except as stated herein, this Amendment does not reflect events occurring after the filing of the Original Form 10-K with the SEC on March 1, 2022 and no attempt has been made in this Amendment to modify or update other disclosures as presented in the Original Form 10–K.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The Company's Board of Directors (the "Board") currently consists of six members, five of whom are non-management directors. The Board is divided into three classes with each class serving a three-year term. The term of one class expires at each annual meeting of stockholders of the Company. The Board is comprised of the following members:

James B. Avery

Director since August 2018

Mr. Avery, age 58, was appointed to the Board in August 2018 pursuant to the terms of that certain Securities Purchase Agreement, dated August 6, 2018, by and among the Company, North Sound Trading, L.P. and Golden Harbor Ltd. (the "Purchase Agreement"). Mr. Avery joined Tavistock Group in July 2014 and is currently a Senior Managing Director. From 2003 to June 2014, Mr. Avery was a Managing Director and Co-Founder of GCA Savvian, a boutique investment bank, in addition to holding the position of Representative Director for GCA Corporation, GCA Savvian's parent company publicly traded on the Tokyo Stock Exchange. Prior to GCA Savvian, Mr. Avery spent 10 years at Morgan Stanley, working in the New York and Silicon Valley offices where he advised clients across a number of industries on strategic, merger & acquisitions and capital market transactions. Mr. Avery has also held roles at Edward M. Greenberg Associates, Burson-Marsteller, Westdeutsche Landesbank, and Republic National Bank of New York. Mr. Avery is currently a member of the board of directors of FrontWell Capital Partners. Mr. Avery received his Bachelor of Science in Finance from Miami University. Mr. Avery's management background and expertise in strategic corporate matters and capital markets provide a valuable background for him to serve as a member of our Board, as Chairman of our Nominating and Corporate Governance Committee, and as a member of the Compensation and Audit Committees. Mr. Avery's term as a director will expire at the 2023 annual meeting of stockholders of the Company.

Stephanie Bowers

Director since June 2021

Ms. Bowers, age 42, was appointed to the Board in June 2021. Ms. Bowers has two decades of U.S. government experience at the White House and with the U.S. Department of State. Ms. Bowers led the U.S. Embassy in The Bahamas as Chargé d'Affaires from 2018 to 2020. Prior to that, Ms. Bowers held senior positions in both Democratic and Republican administrations, including serving as chief of staff for the Western Hemisphere at the State Department from 2016 to 2018, as Deputy Director of Central America Affairs at the State Department from 2015 to 2016 and as a National Security Council Director at the White House from 2013 to 2014. Her previous foreign service experience includes acting as an Economic Officer in South Africa and Spain and overseeing some of the U.S. government's largest foreign assistance initiatives and budgets, including in the Middle East and throughout the Americas and the Caribbean.

Ms. Bowers received bachelor degrees in International Affairs and French Language and Literature from The George Washington University. She received a Master of Science degree in National Security Strategy from the National War College, where she was named Distinguished Graduate. Ms. Bowers' substantial experience in the international relations and government affairs provide valuable perspective and expertise as a member of our Board. Ms. Bowers's term as a director will expire at the 2022 annual meeting of stockholders of the Company.

Christopher Harland

Director since October 2019

Mr. Harland, age 64, was appointed to the Board in October 2019. Mr. Harland is a Partner in the Strategic Advisory Group at PJT Partners, based in New York. Prior to joining PJT Partners, Mr. Harland spent 32 years at Morgan Stanley. From 2008 to March 2015, Mr. Harland served as Chairman and Regional Head of Morgan Stanley Latin America and was also a member of the Management Committee and International Operating Committee. Under his leadership, Morgan Stanley significantly expanded the scope of its operations in Brazil and Mexico and opened new offices in Peru, Colombia and Chile. Before assuming responsibility for Latin America, Mr. Harland was Global Head of the Media and Communications Investment Banking Group from 1996 to 2007. In this capacity he advised many leading media and communications companies on a variety of acquisitions, divestitures and corporate financings. He is a trustee of the New York Studio School, a director of Round Hill Developments and a member of the Council on Foreign Relations. Mr. Harland graduated magna cum laude from Harvard College, attended Oxford University and received an MBA from Harvard Business School where he was a George F. Baker Scholar. Mr. Harland's experience with international expansion and expertise in capital markets provide a valuable background for him to serve as a member of our Board, and as a member of the Audit Committee. Mr. Harland's term as a director will expire at the 2024 annual meeting of stockholders of the Company.

Christopher Lytle**Director since October 2020**

Mr. Lytle, age 52, was appointed to the Board in October 2020. Mr. Lytle has been president of Longfellow Capital, a private investment firm, since January 2009. He served in a consulting capacity as the Company's Head of Government Affairs from April 2020 to October 2020 and has been providing strategic consulting services to the Company since 2018. Mr. Lytle previously served as the Company's Chief Strategy Officer and Executive Vice President of Enterprise SaaS Solutions from August 2017 to October 2018. Prior to joining the Company, Mr. Lytle was President of Cavulus, a privately-held SaaS-based technology provider in the healthcare industry. Before joining Cavulus, Mr. Lytle was a Managing Director at Morgan Stanley from July 2006 to December 2008 and previously was Lead Portfolio Manager of RCL Capital, a hedge fund focused on small and mid-cap telecom and wireless technology businesses from July 2006 to December 2008. He also recently became Chairman of Prolifiq, a leading cloud-native provider of sales- enablement applications to Salesforce customers. Mr. Lytle holds a Bachelor of Arts degree in Economics from Lafayette College. Mr. Lytle's knowledge of the Company and experience with enterprise SaaS software solutions provide valuable background for him to serve as a member of our Board. Mr. Lytle's term as a director will expire at the 2024 annual meeting of stockholders of the Company.

Dan Mondor**Director since June 2017
Chairman of the Board since August 2018
Executive Chairman since March 2022**

Mr. Mondor, age 66, has served as the Company's Executive Chairman since March 2022. Mr. Mondor served as the Company's Chief Executive Officer and Chairman of the Board from August 2018 to March 2022. Mr. Mondor served as Chief Executive Officer of the company from June 2017 until August 2018, when he was appointed to serve as Chairman of the Board. Prior to joining the Company, from April 2016 to June 2017, Mr. Mondor provided corporate strategy and merger and acquisition advisory services to companies involved in the telecommunications industry through his private consulting firm, The Mondor Group, LLC. From March 2015 to March 2016, he was President and Chief Executive Officer of Spectralink Corporation, a private equity-owned global company that designs and manufactures mobile-workforce telecommunications products, including Android based industrial WiFi devices, for global enterprises. From April 2008 to November 2014, Mr. Mondor was the President and Chief Executive Officer of Concurrent Computer Corporation, a global company that designs and manufactures IP video delivery systems and real-time Linux based software solutions for the global services provider, military, aerospace and financial services industries. From February 2007 to March 2008, he was President of Mitel Networks, Inc., a subsidiary of Mitel Networks Corporation, a global company that designs and manufactures business communications systems and mobile communications technology that serve the enterprise and wireless carrier markets. Prior to that, Mr. Mondor held a number of executive management positions at Nortel Networks, including Vice President and General Manager of Enterprise Network Solutions and Vice President of Global Marketing for Nortel's Optical Internet business. Mr. Mondor holds a Master of Science degree in Electrical Engineering from the University of Ottawa and a Bachelor of Science degree in Electrical Engineering from the University of Manitoba. Mr. Mondor's substantial experience in the telecommunications and technology industries, gained from senior executive positions at leading global corporations, and his unique understanding of our operations, opportunities and challenges, provide a relevant and informed background for him to serve as a member of our Board. Mr. Mondor's term as a director will expire at the 2022 annual meeting of stockholders of the Company.

Jeffrey Tudor**Director since June 2017**

Mr. Tudor, age 49, was appointed to the Board in June 2017. Mr. Tudor is the Founder and Managing Member of Tremson Capital Management, LLC since April 2015. Mr. Tudor is also Chief Executive Officer of Concord Acquisition Corp. Prior to founding Tremson, he held investment roles at KSA Capital Management, LLC from 2012 until April 2015 and at JHL Capital Group, LLC during 2011. From 2007 until 2010, Mr. Tudor was a Managing Director of CapitalSource Finance, LLC, where he analyzed and underwrote special situation credit investments in the leveraged loan and securitized bond markets. From 2005 until 2007, Mr. Tudor was a member of the private equity investment team at Fortress Investment Group, LLC. Mr. Tudor began his career in various investment capacities at Nassau Capital, a private investment firm that managed the private portion of Princeton University's endowment and ABS Capital Partners, a private equity firm affiliated with Alex Brown & Sons. Mr. Tudor currently serves on the board of directors of SeaChange International Inc. (NASDAQ: SEAC) and Unico American (NASDAQ: UNAM). Mr. Tudor previously served on the board of directors of MRV Communications, Inc., a communications equipment and services company, until August 2017 prior to its sale to Adva Optical Networking. Mr. Tudor also serves as a director of a number of privately held companies. Mr. Tudor received a Bachelor of Arts degree from Yale College. Mr. Tudor's private equity and hedge fund investment experience, his expertise in evaluating both public and private investment opportunities across numerous industries, and his ability to think creatively in considering ways to maximize long-term shareholder value provide a valuable background for him to serve as a member of our Board, as Chair of our Audit Committee, Chair of the Compensation Committee of the Board (the "Compensation Committee"), and as a member of the Nominating and Corporate Governance Committee of the Board (the "Nominating and Corporate Governance Committee"). Mr. Tudor's term as a director will expire at the 2023 annual meeting of stockholders of the Company.

Board Committees

The Board currently has three standing committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. Each committee operates under a written charter adopted by the Board. All of the charters are publicly available on our website at *investor.insego.com* under “Governance.” You may also obtain a copy of these charters upon sending a written request to our Secretary at our principal executive offices.

Upon the recommendation of the Nominating and Corporate Governance Committee, the Board appoints committee members annually.

The table below sets forth the current composition of our Board committees:

Name	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
James B. Avery	✓	✓	☑
Stephanie Bowers			✓
Christopher Harland	✓		
Jeffrey Tudor	☑	☑	✓

☑ Chair ✓ Member

Audit Committee

The Audit Committee oversees our accounting and financial reporting processes and the audits of our financial statements and internal control over financial reporting.

The functions and responsibilities of the Audit Committee include:

- engaging our independent registered public accounting firm and conducting an annual review of the independence of that firm;
- reviewing with management and the independent registered public accounting firm the scope and the planning of the annual audit;
- reviewing the annual audited financial statements and quarterly unaudited financial statements with management and the independent registered public accounting firm;
- reviewing the findings and recommendations of the independent registered public accounting firm and management’s response to the recommendations of that firm;
- discussing with management and the independent registered public accounting firm, as appropriate, the Company’s policies with respect to financial risk assessment and financial risk management;
- overseeing compliance with applicable legal and regulatory requirements, including ethical business standards;
- establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- establishing procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters;
- preparing the Audit Committee Report to be included in our annual proxy statement;
- monitoring ethical compliance, including review of related party transactions; and
- periodically reviewing the adequacy of the Audit Committee charter.

Our independent registered public accounting firm reports directly to the Audit Committee. Each member of the Audit Committee must have the ability to read and understand fundamental financial statements and at least one member must have past employment experience in finance or accounting, and the requisite professional certification in accounting or another comparable experience or background. The Board has determined that each member of the Audit Committee is “independent” as defined by the NASDAQ Stock Market LLC (“NASDAQ”) listing requirements and SEC rules. The Board has also determined that Mr. Tudor, the Chair of the Audit Committee, meets the requirements of an “audit committee financial expert” as defined by SEC rules.

Compensation Committee

The Compensation Committee establishes, administers and oversees compliance with our policies, programs and procedures for compensating our executive officers and the Board.

The functions and responsibilities of the Compensation Committee include:

- establishing and reviewing our general compensation policies and levels of compensation applicable to our executive officers and our non-management directors;
- evaluating the performance of, and determining the compensation for, our executive officers, including our Chief Executive Officer;
- reviewing regional and industry-wide compensation practices in order to assess the adequacy and competitiveness of our executive compensation programs;
- administering our employee benefits plans, including approving awards of stock, restricted stock units (“RSUs”) and stock options to employees and other parties under our equity incentive compensation plans; and
- periodically reviewing the adequacy of the Compensation Committee charter.

The Board has determined that each member of the Compensation Committee is “independent” as defined by the NASDAQ listing requirements and SEC rules.

The Compensation Committee has the sole authority to retain and supervise one or more outside advisors, including outside counsel and consulting firms, to advise the Compensation Committee on executive and director compensation matters and to terminate any such adviser. In addition, the Compensation Committee has the sole authority to approve the fees of an outside adviser and other terms of such adviser’s retention by the Company.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee considers, evaluates and nominates director candidates, including the members of the Board eligible for re-election and the recommendations of potential director candidates from stockholders.

The functions and responsibilities of the Nominating and Corporate Governance Committee include:

- developing and recommending a set of corporate governance guidelines applicable to the Company;
- identifying and evaluating candidates to serve on the Board, including determining whether incumbent directors should be nominated for re-election to the Board, and reviewing and evaluating director nominees submitted by stockholders;
- reviewing possible conflicts of interest of prospective Board members;

- recommending director nominees;
- establishing procedures and guidelines for individuals to be considered to become directors;
- recommending the appropriate size and composition of the Board and each of its committees;
- overseeing periodic evaluations of the performance of the Board, the Board committees and the directors;
- monitoring the continued legal compliance of our established principles and policies; and
- periodically reviewing the adequacy of the Nominating and Corporate Governance Committee charter.

The Board has determined that each member of the Nominating and Corporate Governance Committee is “independent” as defined by the NASDAQ listing requirements.

Other Information Regarding Our Board of Directors and its Committees

There are no family relationships among any of our directors and/or executive officers. There are currently no legal proceedings, and during the past 10 years there have been no legal proceedings, that are material to the evaluation of the ability or integrity of any of our directors.

Advisory Board

In 2021, the Board established an Advisory Board to enhance the Company’s strategic development, acquire additional expertise of industry leaders, and enable former members of the Board or the Company’s management to continue to make significant contributions to the Company. One of our former directors, Brian Miller, currently serves as a member of the Advisory Board.

Compensation Committee Interlocks and Insider Participation

Messrs. Avery and Tudor served on our Compensation Committee during 2021. None of the members of our Compensation Committee during 2021 has ever been one of our officers or employees. None of our executive officers currently serves, or has served during the last completed fiscal year, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our Bboard or Compensation Committee.

Securities Trading Policy/Hedging Prohibition

Directors, officers and other employees may not engage in any transaction in which they may profit from short-term speculative swings in the value of the Company’s securities. This includes “short sales” (selling borrowed securities which the seller hopes can be purchased at a lower price in the future) or “short sales against the box” (selling owned, but not delivered securities), “put” and “call” options (publicly available rights to sell or buy securities within a certain period of time at a specified price) and hedging transactions, such as zero-cost collars and forward sale contracts. In addition, this policy is designed to ensure compliance with all insider trading rules.

Information about our Executive Officers

The following table sets forth certain information with respect to our current executive officers as of April 30, 2022:

Executive	Age	Title
Ashish Sharma	49	Chief Executive Officer & President
Robert Barbieri	66	Chief Financial Officer
Doug Kahn	63	Executive Vice President, Operations

Ashish Sharma has served as the Company's Chief Executive Officer and President since March 2022. He previously served as the Company's President from June 2021 to March 2022 and as President of IoT & Mobile Solutions from February 2020 to June 2021. Prior to that, he had served as the Company's Executive Vice President IoT & Mobile Solutions since joining the Company in September 2017. Prior to joining the Company, Mr. Sharma was Chief Marketing Officer at Spectralink Corporation, a provider of enterprise grade mobile solutions, from December 2015 to September 2017. Prior to that, Mr. Sharma served as Senior Vice President and General Manager, Americas for Graymatics, Inc. a cognitive media processing company, from January 2015 to December 2015 and as Chief Marketing Officer at FreeWave Technologies, an industrial wireless networking company, from November 2010 to January 2015. Mr. Sharma holds a Bachelor of Science in Electrical Engineering from the University of District of Columbia, a Master of Science in Electrical Engineering from George Mason University and an MBAMBA from the UCLA Anderson School of Management in Finance, Marketing and Strategy.

Robert Barbieri has served as the Company's Chief Financial Officer since October 2021, and served as the Company's interim Chief Financial Officer from April 2021 to October 2021. He was a Partner with TechCXO, LLC ("TechCXO"), a professional services firm that provides experienced, C-Suite professionals to deliver strategic and functional consulting services, from 2019 to 2021. Before joining TechCXO, Mr. Barbieri led his own firm, CxO Advisory Services, which provided similar strategic and functional consulting services, from 2010 to 2019. Mr. Barbieri has more than 30 years of experience as a senior executive, strategic partner, and management advisor. Mr. Barbieri has served in senior financial leadership positions with a number of companies, including Chief Financial Officer at ABILITY Network, Inc., a leading healthcare technology company; Chief Financial Officer at Converge One, a leader in telecommunication technology; Executive Vice President and Chief Financial Officer at TriZetto, a publicly traded healthcare IT company; Chief Financial Officer at Textura, a cloud collaboration company; Chief Financial Officer at Apogee Enterprises, a publicly traded glass and coatings technologies company; Chief Financial and Performance Officer at Lawson Software, Inc., a publicly traded international technology, software and e-commerce solution company; and a senior executive with Air Products, a global manufacturing and services company. Mr. Barbieri is a Certified Management Accountant and holds both a B.S. in Business Administration and Accounting and an MBA in Financial Management from Drexel University.

Doug Kahn joined the Company in February 2019 as Executive Vice President of Operations. Prior to joining the Company, Mr. Kahn was Vice President of Global Supply Chain at Vispero, Inc., a provider of assistive technology solutions for the visually impaired, from 2018 to 2019. Mr. Kahn was Executive Vice President of Global Operations and Customer Support for Tintri, Inc., a virtualized storage and storage company from 2014 to 2018. Prior to that, he was Vice President of Global Purchasing and Vice President of Operations for TomTom International BV, a global GPS company, from 2012 to 2014. Mr. Kahn has held several additional leadership roles in all major supply chain functions, including Vice President of Supply Chain and IT for Synaptics Inc. Earlier in his career, Mr. Kahn spent 17 years with Hewlett Packard in roles of increasing responsibility in supply chain development and operations. Mr. Kahn earned a Bachelor of Arts from the University of California, Berkeley, an Master of Science in Geophysics and an MBA in finance and statistics from the University of Chicago.

There are no family relationships among any of our executive officers and/or directors. There are currently no legal proceedings, and during the past 10 years, there have been no legal proceedings, that are material to the evaluation of the ability or integrity of any of our current executive officers.

Code of Conduct and Ethics

The Board has adopted a Code of Conduct and Ethics that is applicable to all of our directors, officers and employees. The purpose of the Code of Conduct and Ethics is to, among other things, focus our directors, officers and employees on areas of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report concerns regarding possible unethical or unlawful conduct and to help enhance and formalize our culture of integrity, respect and accountability. We distribute copies of the Code of Conduct and Ethics to, and conduct periodic training sessions regarding its content for, our newly elected directors and newly hired officers and employees. We will post information regarding any amendment to, or waiver from, our Code of Conduct and Ethics on our website in the Investors tab under "Governance" as required by applicable law. A copy of our Code of Conduct and Ethics is available on our website at investor.inseego.com under "Governance".

Item 11. Executive Compensation

Compensation Discussion and Analysis for Named Executive Officers

The following Compensation Discussion and Analysis describes the material elements of compensation for the Company's named executive officers, which consist of: (1) our Executive Chairman and former Chief Executive Officer, (2) our President and Chief Executive Officer, (3) our Chief Financial Officer, (4) our Executive Vice President of Operations, (5) our former Chief Financial Officer, and (6) our Vice President and Corporate Controller, who served as our principal financial officer and principal accounting officer for a portion of 2021.

Objectives of Compensation Program

The primary objectives of the Company's compensation program, including our executive compensation program, are to maintain a pay-for-performance compensation program that will fairly compensate our executives and employees, attract and retain qualified executives and employees who are able to contribute to our long-term success, induce performance consistent with clearly defined corporate goals and align our executives' long-term interests with those of our stockholders. To that end, the Company's compensation practices are intended to:

- provide overall compensation (assuming that targeted levels of performance are achieved) that is sufficient to attract and retain executives and key employees;
- tie total compensation to Company performance and individual performance in achieving financial and non-financial objectives; and
- closely align senior management's interests with stockholders' interests through long-term equity incentive compensation.

How the Compensation Committee Determines the Forms and Amounts of Compensation

The Compensation Committee structures our compensation programs and establishes compensation levels for our executives and senior officers. The Compensation Committee annually determines the compensation levels for our executive officers by considering several factors, including competitive market data, each executive officer's roles and responsibilities, how the executive officer is performing those responsibilities and our historical financial performance.

The Compensation Committee considers the recommendations from our Chief Executive Officer in determining executive compensation. In making his recommendations, the Chief Executive Officer receives input from our Human Resources Department.

The Compensation Committee makes all decisions for the total direct compensation, which includes base salary, bonus compensation based upon annual incentive goals and objectives and long-term stock-based awards, of the Company's executive officers and other members of the Company's senior management team, including the named executive officers.

The Compensation Committee engages independent compensation consultants from time-to-time to assist the Compensation Committee in its duties, including providing advice regarding industry trends relating to the form and amount of compensation provided to executives by companies with which we compete for executive talent and other similarly situated companies. The Compensation Committee retained Compensia during 2021 to provide competitive compensation data and analysis. The Compensation Committee considers available market data as one factor in making executive compensation decisions, but has not adopted a specific benchmark or peer group as a guideline in its determination of compensation.

The Compensation Committee annually reviews and approves corporate goals and objectives relevant to the Chief Executive Officer's compensation, evaluates the Chief Executive Officer's performance in light of those goals and objectives, and determines the Chief Executive Officer's compensation levels based on this evaluation. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee considers corporate performance, the impact of incentive awards on the Chief Executive Officer's total compensation and the awards given to the Chief Executive Officer in past years. For the other named executive officers, the Compensation Committee receives a performance assessment and compensation recommendation from the Chief Executive Officer and also exercises its judgment based on the Board's interactions with the named executive officers. As with the Chief Executive Officer, the performance evaluation of these executives is based on his or her contributions to the Company's performance and other leadership accomplishments.

Components of Executive Compensation

The elements of the Company's compensation program are base salaries, bonus compensation based upon incentive goals and objectives and stock-based equity awards. Our compensation program is designed to balance our need to provide our named executive officers with incentives to achieve our short- and long-term performance goals with the need to pay competitive base salaries. There is no pre-established policy for allocating between cash and non-cash or short-term or long-term compensation. Each named executive officer's current and prior compensation is considered in setting future compensation.

Base Salaries. Base salary is the guaranteed element of employees' annual cash compensation. Base salaries are generally based on relative responsibility and are targeted to provide competitive guaranteed cash compensation. The value of base salary reflects the employee's long-term performance, skill set and the market value of that skill set. Base salaries for our named executive officers are reviewed on an annual basis and adjustments are made to reflect performance-based factors, as well as competitive conditions. The Company does not apply specific formulas to determine increases. In setting base salaries, the Compensation Committee considers the following factors:

- The Company's overall financial condition;
- Internal relativity, meaning the relative pay differences for different job levels;
- Individual performance;
- Overall economic conditions and market factors; and
- Consideration of the mix of overall compensation.

In June 2021, the Compensation Committee increased the base salary of Mr. Sharma in connection with his promotion to President of Inseego Corp. Mr. Sharma's base salary was again increased in March 2022 in connection with his appointment as Chief Executive Officer. These decisions were based upon Mr. Sharma's increase in responsibilities, salary history and internal relativity.

In June 2021, the Compensation Committee also increased the base salary of Mr. Kahn based upon his individual performance contributions, salary history and internal relativity, as well as consideration of overall market conditions.

Mr. Barbieri's 2021 base salary was established in October 2021 at the time of his commencement of employment with us based on the Compensation Committee's consideration of the factors described above.

The fiscal 2021 base salaries for each of the named executive officers are shown in the following table.

Name	2021 Base Salary ⁽¹⁾
Ashish Sharma	\$ 400,000
Robert Barbieri	\$ 400,000
Doug Kahn	\$ 325,000
Dan Mondor	\$ 550,000
Craig Foster	\$ 375,000
Wei Ding	\$ 250,000

(1) Reflects base salaries effective December 31, 2021.

Annual Incentive Bonuses

The Company believes that as an employee's level of responsibility increases, a greater portion of the individual's cash compensation should be variable and linked to both quantitative and qualitative expectations, including key financial, operational and strategic metrics. To that end, the Company awards annual bonuses in order to align employees' goals with the Company's financial, strategic and tactical objectives for the current year.

Executive Bonuses for 2021. For 2021, the Compensation Committee established the Senior Management Bonus Program for the year ended December 31, 2021 (the “2021 Bonus Program”). Under the 2021 Bonus Program, bonus target amounts, expressed as a percentage of base salary, were established for participants. Bonus payouts for the year were then determined by (a) the achievement by the Company of certain financial goals and/or targets set forth in the 2021 Bonus Program related to the Company’s revenue performance and cash flow; and (b) each participating employee’s individual performance. Satisfactory individual performance is a condition to payment.

The Compensation Committee considered the following when establishing the awards for 2021:

- *Bonus Targets.* Target bonuses are expressed as a percentage of the participant’s base salary earned during the plan year. Bonus targets were based on job responsibilities and internal relativity. Consistent with the Company’s executive compensation policy, individuals with greater job responsibilities had a greater proportion of their total compensation tied to Company performance in the 2021 Bonus Program. With the exception of Mr. Mondor, bonus targets for the named executive officers were unchanged for 2021 compared to prior years. Prior to 2021, Mr. Mondor had an annual target bonus equal to 65% of his annual base salary. In addition, he had the potential to receive up to an additional 65% of his base salary (for an aggregate annual bonus of up to 130% of his annual base salary) upon the achievement of certain “stretch goals” established by the Compensation Committee from time-to-time. For 2021, Mr. Mondor’s target bonus was set at 130% based upon the same goals as applicable to the rest of the management team. The schedule below shows the target incentives for the 2021 awards for each of the named executive officers as a percentage of 2021 base salary:

Name	Target Bonus		2021 Bonus
	% of Salary	Dollars	Earned ⁽¹⁾
Ashish Sharma	50%	\$ 200,000	\$ 270,000
Robert Barbieri	50%	\$ 200,000	\$ 225,000
Doug Kahn	40%	\$ 120,000	\$ 200,000
Dan Mondor	130%	\$ 715,000	\$ 950,000
Craig Foster	50%	\$ 187,500	\$ 63,094 ⁽²⁾
Wei Ding	25%	\$ 62,500	\$ 110,000

(1) Bonuses were paid in March 2022 in the form of fully vested shares based upon Company and individual performance during 2021, except for Mr. Foster, who received a cash payment. Represents the aggregate bonus amount payable to each named executive officer, which is also the grant date fair value of the fully vested shares granted in satisfaction of such bonuses as computed in accordance with ASC Topic 718, excluding the effect of estimated forfeitures.

(2) For Mr. Foster, the 2021 bonus award is pro-rated to reflect the portion of the year for which he was employed.

- *Company performance measures.* For all participants in the 2021 Bonus Program, including the named executive officers, the Compensation Committee established performance measures based upon total revenue, cash flow and specific product line revenues. Payouts could range from zero to 160% of target depending on the Company’s performance. The bonuses earned by the named executive officers for 2021 relating to corporate performance were 135% of target as a result of achieving sales in excess of the established target for 2021.
- *Personal performance.* Based on individual performance, the Compensation Committee uses its discretion to adjust bonus payouts – either up or down – to reflect the individual performance of each named executive officer during the year.

Long-Term Incentives. Long-term incentive awards are a key element of the Company’s total compensation package for the named executive officers. We also have adopted an equity incentive approach intended to reward longer-term performance and to help align the interest of our named executive officers with those of our stockholders. We believe that long-term performance is achieved through an ownership culture that rewards performance by our named executive officers through the use of equity incentives. Our equity incentive plans have been established to provide our employees, including our named executive officers, with incentives to help align those employees’ interests with the interests of our stockholders. Our equity incentive plans have provided the principal method for our named executive officers to acquire equity interests in the Company.

The size and terms of the awards for an individual recipient will depend upon the level of responsibility of the recipient; the expected future contributions to the growth and development of the Company; the value of past service; and the number of options and restricted shares owned by other executives in comparable positions within the Company. The Company's 2018 Stock Incentive Plan provides for a variety of long-term awards including stock options, restricted stock, restricted share units and performance awards.

Stock Options and RSU Awards

The Compensation Committee continually evaluates its equity compensation program to determine whether to issue either restricted stock units ("RSUs"), stock options or a combination thereof. In making such determinations, the Compensation Committee considers the accounting treatment, the retention and the number of shares available for grant under the Company's equity incentive plan and the potential dilutive impact on the Company's stockholders.

The Compensation Committee primarily relies on stock options as the main equity vehicle for our named executive officers. Stock options provide for financial gain derived from the potential appreciation in stock price from the date that the option is granted until the date that the option is exercised. The grant date is established when the Compensation Committee approves the grant and all key terms have been determined. The exercise price of stock option grants is set at the fair market value on the date of grant, which is the closing price on the NASDAQ Stock Market. Under the stockholder-approved 2018 Stock Incentive Plan, the Company may not grant stock options at a discount to the fair market value or reduce the exercise price of outstanding options, except with the approval of the stockholders or except in the case of a stock split or other similar event. The Company does not grant stock options with "reload" features and it does not loan funds to employees to enable them to exercise stock options.

From time to time, our Compensation Committee may also issue RSUs to our named executive officers. RSUs are generally less dilutive to our stockholders, as fewer shares of our common stock are granted to achieve an equivalent value relative to stock options, and because RSU awards are an effective retention tool that maintain value even in cases where the share price is trading lower than the initial grant price.

The equity awards granted to our named executive officers during 2021 are reflected in the "Grants of Plan-Based Awards Table" below.

Other Elements of Compensation

Perquisites and Other Benefits. The Company does not provide significant perquisites or personal benefits to our named executive officers. Our named executive officers are eligible to participate in our health and welfare plans to the same extent as all full-time employees generally.

Retirement Plans. We currently maintain a 401(k) retirement savings plan that allows eligible employees to defer a portion of their compensation, within limits prescribed by the Internal Revenue Code, on a pre-tax or after-tax basis through contributions to the plan. Our named executive officers are eligible to participate in the 401(k) plan on the same terms as other full-time employees generally. Currently, we match contributions made by participants in the 401(k) plan at \$0.50 for each \$1.00 contributed on up to 6% an employee's eligible compensation. We believe that providing a vehicle for retirement savings through our 401(k) plan adds to the overall desirability of our executive compensation package and further incentivizes our employees, including our named executive officers, in accordance with our compensation policies.

Severance and Change-in-Control Arrangements

We generally enter into offer letters, rather than formal employment agreements, with our named executive officers. The letters set forth the initial salary and bonus terms for each named executive officer. The current base salaries and bonus targets for the named executive officers are set forth below.

In addition, each of the named executive officers (other than Ms. Ding), as well as certain other key employees, is a party to an change in control and severance agreement with the Company. The principal purpose of the agreements is to protect the Company from certain business risks (e.g., threats from loss of confidentiality or trade secrets, disparagement, solicitation of customers and employees) and to define the Company's right to terminate the employment relationship. In return, the executive officers are provided assurances with regard to salary and other compensation and benefits, as well as certain severance benefits.

For a description of these agreements and the severance benefits provided under these arrangements, see *Potential Payments Upon Termination or Change-in-Control-Severance Agreements*.

2021 Say-On-Pay Vote

At our 2021 annual meeting of stockholders, our stockholders approved, on a non-binding, advisory basis, the compensation paid to our named executive officers described in our 2021 proxy statement. Approximately 94% of the votes cast on the matter were voted in favor of this “say-on-pay” approval. The Board and the Compensation Committee considered the voting results and high level of stockholder support when establishing our executive compensation programs for fiscal 2022.

Clawback Guidelines

Our Corporate Governance Guidelines provide that in the event of any accounting restatement of the financial statements of the Company, the Board will review the incentive compensation and awards made to the executive officers based on the financial results during the period covered by the restatement and, in appropriate circumstances and to the extent permitted by applicable law and the Company’s policies and plans, seek to recover or cancel the portion of any such compensation or awards in excess of what would have been received under the restated financial statements. Among the key factors that the Board will consider in determining whether seeking recovery is appropriate is whether the executive officer engaged in fraud or willful misconduct that resulted in the need for a restatement.

Tax Considerations

Section 162(m) of the Internal Revenue Code generally prohibits a publicly-held company from deducting compensation paid to a current or former named executive officer that exceeds \$1 million during the tax year. Certain awards granted before November 2, 2017 that were based upon attaining pre-established performance measures that were set by the Compensation Committee under a plan approved by our stockholders, as well as amounts payable to former executives pursuant to a written binding contract that was in effect on November 2, 2017, may qualify for an exception to the \$1 million deductibility limit.

The Compensation Committee notes this deductibility limitation as one of the factors in its consideration of compensation matters. However, the Compensation Committee generally has the flexibility to take any compensation-related actions that it determines are in the Company’s and its stockholders’ best interest, including designing and awarding compensation for our executive officers that is not fully deductible for tax purposes.

Stock Ownership Requirements

The Board has historically encouraged its members and members of senior management to acquire and maintain stock in the Company to link the interests of such persons to the stockholders. However, neither the Board nor the Compensation Committee has established stock ownership guidelines for members of the Board or the executive officers of the Company.

Securities Trading Policy/Hedging Prohibition

Officers and other employees may not engage in any transaction in which they may profit from short-term speculative swings in the value of the Company’s securities. This includes “short sales” (selling borrowed securities which the seller hopes can be purchased at a lower price in the future) or “short sales against the box” (selling owned, but not delivered securities), “put” and “call” options (publicly available rights to sell or buy securities within a certain period of time at a specified price) and hedging transactions, such as zero-cost collars and forward sale contracts. In addition, this policy is designed to ensure compliance with all insider trading rules.

Indemnification Agreements

The Company has entered into indemnification agreements with each of its directors and executive officers (each, an “Indemnitee”). In general, the indemnification agreements provide that, subject to certain limitations, the Company will indemnify and hold harmless each Indemnitee against all expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by such Indemnitee or on such Indemnitee’s behalf, in connection with certain pending, completed or threatened proceedings, as defined in the indemnification agreements, if the Indemnitee acted in good faith and reasonably in the best interests of the Company and, with respect to any criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

Risk Assessment of Compensation Program

In April 2022, management assessed our compensation program for the purpose of reviewing and considering any risks presented by our compensation policies and practices that are reasonably likely to have a material adverse effect on us. As part of that assessment, management reviewed the primary elements of our compensation program, including base salary, short-term incentive compensation and long-term incentive compensation. Management's risk assessment included a review of the overall design of each primary element of our compensation program, and an analysis of the various design features, controls and approval rights in place with respect to compensation paid to management and other employees that mitigate potential risks to us that could arise from our compensation program. Following the assessment, management determined that our compensation policies and practices did not create risks that were reasonably likely to have a material adverse effect on us and reported the results of the assessment to our compensation committee.

Report of the Compensation Committee of the Board of Directors

The Compensation Committee of our Board of Directors has submitted the following report for inclusion in this proxy statement:

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis set forth above. Based on such review and discussions, the Compensation Committee has recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Annual Report on Form 10-K for the year ended December 31, 2021, filed by us with the SEC.

This report of the Compensation Committee is not "soliciting material," shall not be deemed "filed" with the SEC and shall not be incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under such acts.

The foregoing report has been furnished by the Compensation Committee.

Respectfully submitted,

The Compensation Committee of the Board of Directors
 Jeffrey Tuder (Chairman)
 James B. Avery

Summary Compensation Table

The following table sets forth information regarding the compensation of our named executive officers for the years ended December 31, 2021, 2020 and 2019.

Name and Principal Position	Year	Salary (\$)	Bonus (\$) ⁽¹⁾	Stock Awards (\$) ⁽²⁾	Option Awards (\$) ⁽²⁾	All Other Compensation (\$) ⁽³⁾	Total (\$)
Ashish Sharma	2021	388,128	175,056 ⁽⁴⁾	–	2,415,000	9,626	2,987,810
Chief Executive Officer & President	2020	317,153	81,985 ⁽⁵⁾	–	1,415,375	7,929	1,822,442
Robert Barbieri ⁽⁶⁾	2021	69,231	–	–	2,456,250	405,694 ⁽⁷⁾	2,931,175
Chief Financial Officer							
Doug Kahn	2021	311,762	182,597 ⁽⁴⁾	282,600	857,650	8,228	1,642,837
Executive Vice President, Operations	2020	299,776	66,480 ⁽⁵⁾	–	272,295	8,250	646,801
Dan Mondor	2021	550,411	469,333 ⁽⁴⁾	–	4,830,000	12,750	5,862,494
Executive Chairman and Former Chief Executive Officer	2020	549,589	199,522 ⁽⁵⁾	–	–	75,251	824,362
	2019	550,000	563,251 ⁽⁸⁾	–	–	99,331	1,212,582
Craig Foster ⁽⁹⁾	2021	115,485	84,162	–	–	187,500	387,147
Former Chief Financial Officer	2020	141,907	–	399,995	2,380,540	–	2,922,442
Wei Ding ⁽¹⁰⁾	2021	250,000	–	117,680	–	3,243	370,923
Vice President and Corporate Controller							

- (1) Represents bonus payments made for performance during the applicable year. Bonus payments were made through an award of fully vested shares under the 2018 Omnibus Incentive Compensation Plan (the “2018 Incentive Plan”), except for Mr. Foster’s bonus for 2021, which was paid in cash. The number of RSUs issued was determined by dividing the amount of the bonus award by the 5-day weighted average sales price for the Company’s common stock. Represents the aggregate grant date fair value of the shares issued in the respective fiscal year as computed in accordance with ASC Topic 718, excluding the effect of estimated forfeitures. Assumptions used in the calculation of these amounts are included in Note 9, *Share-based Compensation*, in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021.
- (2) Represents the aggregate grant date fair value of the stock and option awards granted in the respective fiscal year as computed in accordance with ASC Topic 718, excluding the effect of estimated forfeitures. Assumptions used in the calculation of these amounts are included in Note 9, *Share-based Compensation*, in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021.
- (3) See the *All Other Compensation* table below for additional information.
- (4) Represents a bonus payment made during fiscal 2021 based on individual and Company performance during 2020.
- (5) Represents a bonus payment made during fiscal 2020 based on individual and Company performance during 2019.
- (6) Mr. Barbieri joined as the Company’s permanent Chief Financial Officer starting October 25, 2021.
- (7) Mr. Barbieri served on a consulting basis as Interim Chief Financial Officer from March 2021 to October 2021 and amounts reflect compensation paid to the consulting firm, TechCXO, LLC, for Mr. Barbieri’s services.
- (8) Represents a bonus payment made during fiscal 2019 based on individual and Company performance during 2018.
- (9) Mr. Foster served as the Company’s Chief Financial Officer from August 14, 2020 through April 5, 2021.
- (10) Ms. Ding served as the Company’s principal financial officer and principal accounting officer from April 5, 2021 to October 25, 2021. Ms. Ding is no longer serving in an executive capacity.

All Other Compensation

The following table sets forth information concerning *All Other Compensation* in the table above:

Name	Year	401(k) Employer Match (\$)	Other Compensation (\$)	Total (\$)
Ashish Sharma	2021	9,626	–	9,626
	2020	7,929	–	7,929
Robert Barbieri	2021	–	405,694 ⁽¹⁾	405,694
Doug Kahn	2021	8,228	–	8,228
	2020	8,250	–	8,880
Dan Mondor	2021	12,750	–	12,750
	2020	8,550	66,701 ⁽²⁾	75,251
	2019	8,400	90,931 ⁽²⁾	99,331
Craig Foster	2021	–	187,500 ⁽³⁾	187,500
	2020	–	–	–
Wei Ding	2021	3,243	–	3,243

- (1) Represents compensation paid to TechCXO, LLC for consulting services provided by Mr. Barbieri as interim Chief Financial Officer.
- (2) Represents a living expense allowance plus tax gross-up.
- (3) Represents severance pay.

Grants of Plan-Based Awards

The table below sets forth information on grants of options, stock awards and other plan-based awards to the named executive officers in 2021. Mr. Foster did not receive equity awards during 2021.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares or Units (#)	All Other Awards: Number of Securities Underlying Option (#)	Exercise or Base Price of Awards (\$/share)	Grant Date Fair Value of Stock and Option Awards (\$)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)				
Mr. Sharma	3/9/2021	-	-	-	-	-	-	17,062 ⁽²⁾	-	-	175,056
	6/6/2021	-	-	-	-	-	-	-	250,000 ⁽³⁾	\$ 9.66	2,415,000
Mr. Barbieri	10/25/2021	-	-	-	-	-	-	-	375,000 ⁽³⁾	6.55	2,456,250
Mr. Kahn	3/9/2021	-	-	-	-	-	-	17,797 ⁽²⁾	-	-	182,597
	6/30/2021	-	-	-	-	-	-	-	45,000 ⁽³⁾	\$ 10.09	857,650
	12/15/2021	-	-	-	-	-	-	45,000 ⁽⁴⁾	-	-	-
Mr. Mondor	3/9/2021	-	-	-	-	-	-	45,744 ⁽¹⁾	-	-	469,333
	6/6/2021	-	-	-	-	-	-	-	500,000	\$ 9.66	4,830,000
Mr. Foster	3/9/2021	-	-	-	-	-	-	8,203 ⁽¹⁾	-	-	84,162
Ms. Ding	5/7/2021	-	-	-	-	-	-	5,000 ⁽⁴⁾	-	-	41,600
	10/27/2021	-	-	-	-	-	-	12,000 ⁽⁴⁾	-	-	76,080

- (1) Represents the aggregate grant date fair value of the stock and option awards granted in the respective fiscal year as computed in accordance with ASC Topic 718, excluding the effect of estimated forfeitures. Assumptions used in the calculation of these amounts are included in Note 9, *Share-based Compensation*, in the Original Form 10-K.
- (2) Bonuses paid in March 2021 in the form of immediately vesting RSUs, based upon Company and individual performance during 2020. For Mr. Foster, the bonus award was pro-rated to reflect the portion of the year for which he was employed.
- (3) Represents stock options that are scheduled to vest over a four-year period, with one-fourth vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the fourth anniversary of the grant date.
- (4) Represents RSU awards. RSUs are scheduled to vest over a four-year period, with one-fourth vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the fourth anniversary of the grant date.
- (5) Represents stock options that are scheduled to vest over a three-year period, with one-third vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the third anniversary of the grant date.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information regarding the stock options and RSUs held by our named executive officers that were outstanding at December 31, 2021. Mr. Foster did not hold any outstanding equity awards at December 31, 2021.

Name	Grant Date	Option Awards				Stock Awards	
		Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#) ⁽¹⁾	Option Exercise Price (\$)	Option Expiration Date	Number of shares of stock that have not vested (#) ⁽²⁾	Market value of shares of stock that have not vested (\$) ⁽³⁾
Ashish Sharma	6/6/2021	–	250,000	9.66	6/6/2031		
	2/5/2020	114,583	135,417	7.70	2/5/2030		
	7/30/2018	213,542	36,458	1.80	7/30/2028		
	9/25/2017	150,000	–	1.38	9/25/2027		
Robert Barbieri	10/25/2021	–	375,000	6.55	10/25/2031		
Doug Kahn	12/15/2021					45,000	262,350
	06/30/2021	–	85,000	10.09	06/30/2031		
	7/29/2020	8,854	16,146	13.72	7/29/2030		
	10/4/2019	10,416	22,917	4.78	10/4/2029		
	2/13/2019	41,667	58,333	4.84	2/13/2029		
Dan Mondor	6/6/2021	–	500,000 ⁽⁴⁾	9.66	6/6/2031		
	6/6/2018	1,250,000	–	2.00	6/6/2028		
	6/6/2017	600,000	–	0.94	6/6/2027		
Wei Ding	10/27/2021					12,000	69,960
	11/09/2020					15,000	87,450

- (1) Unless otherwise indicated, stock options are scheduled to vest over a four-year period, with one-fourth vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the fourth anniversary of the grant date.
- (2) Represents RSU awards. RSUs are scheduled to vest over a four-year period, with one-fourth vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the fourth anniversary of the grant date.
- (3) Calculated based on the closing price per share of our common stock on December 31, 2021 (\$5.83).
- (4) Stock options are scheduled to vest over a three-year period, with one-third vesting on the first anniversary of the grant date and the remainder vesting ratably on a monthly basis thereafter through the third anniversary of the grant date.

Option Exercises and Stock Vested

The following table sets forth information regarding option exercises and stock awards that vested during 2020 with respect to our named executive officers.

Name and Position	Option Awards		Stock Awards	
	Number of Shares Acquired On Exercise (#)	Value Realized on Exercise (\$)(1)	Number of Shares Acquired On Vesting (#)	Value Realized on Vesting (\$)(2)
Ashish Sharma	–	\$ –	17,062	\$ 175,056
Robert Barbieri	–	\$ –	–	\$ –
Doug Kahn	10,417	\$ 116,692	17,797	\$ 182,597
Dan Mondor	150,000	\$ 2,728,500	45,744	\$ 469,333
Craig Foster	–	\$ –	15,081	\$ 149,366
Wei Ding	–	\$ –	15,000	\$ 113,500

Potential Payments Upon Termination or Change-in-Control

Change-in-Control and Severance Agreements

The Company has entered into Change-in-Control and Severance Agreements with Messrs. Sharma, Barbieri and Kahn - all with substantially identical provisions - to provide severance benefits in the event the executive's employment is terminated. A description of the material terms of the agreements, including the severance benefits payable under these agreements is set forth below.

In addition, prior to his transition to Executive Chairman on March 1, 2022, the Company was a party to a Change-in-Control and Severance Agreement with Mr. Mondor, which agreement terminated effective upon his transition.

Under the terms of the agreements, if the employment of a named executive officer is terminated by the Company without cause or by the named executive officer for good reason not in connection with a Change-in-Control, then the named executive officer is entitled to the following severance benefits:

- an amount equal to the named executive officer's unpaid base salary and incentive pay through the date of termination and any other amounts owed to the named executive officer under our compensation plans;
- an amount equal to six months of the named executive officer's base salary (12 months for Mr. Mondor), payable in cash in the form of salary continuation;
- immediate vesting of the portion of the named executive officer's outstanding equity awards under our compensation plans that would have vested or become exercisable had his employment continued through the next vesting date (or within 12 months of the date of termination for Mr. Mondor);
- a lump-sum bonus payment equal to the pro-rated portion of the target bonus in the year of termination based on actual achievement of corporate performance goals and assumed full achievement of any individual performance goals; and
- continued participation for up to nine months (18 months for Mr. Mondor) by the named executive officer and his dependents in our group health plan, at the same benefit and contribution levels in effect immediately prior to the termination;

provided, however, that in order to receive the aforementioned severance benefits (other than the named executive officer's unpaid base salary and incentive pay through the date of termination and any other amounts owed to the named executive officer under our compensation plans), the named executive officer must execute a general release of claims.

Under the agreements, subject to the executive's execution of a general release of claims (other than with respect to the first severance benefit noted below), the named executive officer is entitled to the following severance benefits, in lieu of the benefits described above, if the named executive officer's employment is terminated by the Company without cause or by the named executive officer for good reason during a Change-in-Control Period:

- an amount equal to the named executive officer's unpaid base salary and incentive pay through the date of termination and any other amounts owed to the named executive officer under our compensation plans;
- an amount equal to the sum of 18 months of the named executive officer's base salary;
- an amount equal to 12 months of the named executive officer's target annual bonus opportunity;
- immediate vesting of outstanding equity awards under our compensation plans; and
- continued participation for up to 18 months by the named executive officer and his dependents in our group health plan, at the same benefit and contribution levels in effect immediately before the termination.

The Change-in-Control and Severance Agreements described above utilize the following definitions:

"Cause" means:

- any act of material misconduct or material dishonesty by the named executive officer in the performance of his or her duties;
- any willful failure, gross neglect or refusal by the named executive officer to attempt in good faith to perform his or her duties to the Company or to follow the lawful instructions of the Board (except as a result of physical or mental incapacity or illness) which is not promptly cured after written notice;
- the named executive officer's commission of any fraud or embezzlement against the Company (whether or not a misdemeanor);
- any material breach of any written agreement with the Company, which breach has not been cured by the named executive officer (if curable) within 30 days after written notice thereof to the named executive officer by the Company;
- the named executive officer's being convicted of (or pleading guilty or nolo contendere to) any felony or misdemeanor involving theft, embezzlement, dishonesty or moral turpitude; and/or
- the named executive officer's failure to materially comply with the material policies of the Company in effect from time to time relating to conflicts of interest, ethics, codes of conduct, insider trading, or discrimination and harassment, or other breach of the named executive officer's fiduciary duties to the Company, which failure or breach is or could reasonably be expected to be materially injurious to the business or reputation of the Company.

"Good Reason" means the occurrence, without the named executive officer's consent, for more than thirty days after such named executive officer provides the Company a written notice detailing such conditions of:

- a material diminution in his or her base compensation;
- a material diminution in his or her job responsibilities, duties or authorities; or
- a relocation of his or her principal place of work by more than 50 miles.

“*Change-in-Control*” means:

- a transaction after which an individual, entity or group owns 50% or more of the outstanding shares of our common stock, subject to limited exceptions;
- a sale of all or substantially all of the Company’s assets; or
- a merger, consolidation or similar transaction, unless immediately following such transaction (a) the holders of our common stock immediately prior to the transaction continue to beneficially own more than 50% of the combined voting power of the surviving entity in substantially the same proportion as their ownership immediately prior to the transaction, (b) no person becomes the beneficial owner, directly or indirectly, of more than 50% of the total voting power of the outstanding shares of the voting securities eligible to elect directors of the surviving entity and (c) at least a majority of the members of the board of directors of the surviving entity immediately following the transaction were also members of the Board at the time the Board approved the transaction.

“*Change-in-Control Period*” means the period commencing 30 days prior to a Change-in-Control and ending on the 12-month anniversary of such Change-in-Control.

Equity Award Agreements

The following is a summary of the material terms applicable to the outstanding equity awards held by our named executive officers as of December 31, 2021.

2018 Incentive Plan. The award agreements covering grants of stock options and RSUs made to our named executive officers under our 2018 Incentive Plan provide that the Board, in its discretion, may accelerate the vesting of any unvested stock options or RSUs in the event of a change-in-control.

Under our 2018 Incentive Plan, a “change-in-control” is defined as:

- any person becoming the beneficial owner of 50% or more of the combined voting power of the then-outstanding shares of our common stock, subject to certain exceptions;
- a majority of the Board ceasing to be comprised of directors who (a) were serving as members of the Board on May 11, 2018 or (b) became members of the Board after May 11, 2018 and whose nomination, election or appointment was approved by a vote of two-thirds of the then-incumbent directors;
- a reorganization, merger, consolidation, sale of all or substantially all of the assets of the Company or similar transaction, unless the holders of our common stock immediately prior to the transaction beneficially own more than 50% of the combined voting power of the shares of the surviving entity and certain other conditions are satisfied; or
- a liquidation or dissolution of the Company approved by the Company’s stockholders.

Mondor Transition Agreement

Effective March 1, 2022, Mr. Mondor transitioned from the role of Chief Executive Officer of the Company to Executive Chairman, to serve in such capacity until the Company’s next annual meeting of stockholders, pursuant to the terms of a transition agreement between Mr. Mondor and the Company (the “Transition Agreement”). Pursuant to the Transition Agreement, Mr. Mondor will continue to serve as a member of the Company’s Board of Directors and, following the Company’s 2022 annual meeting of stockholders, will cease employment and resume his role as non-management Chairman of the Board. Mr. Mondor’s base salary as Executive Chairman will be \$100,000 per year. Mr. Mondor will also be entitled to a cash success fee, payable upon the last day of his employment, determined by multiplying \$50,000 by the number of employees successfully recruited by him during his transition period that are employed by the Company as of such date. On March 1, 2022, the vesting of 25% of the options granted to Mr. Mondor on June 6, 2021 accelerated and became immediately exercisable, and the remaining options under such grant were cancelled.

Following the end of the transition period, Mr. Mondor will be compensated as a non-employee director under the Company's non-employee director compensation policies, including cash retainers for service as a Board member and Chairman of the Board, and annual equity awards commencing at the 2022 annual meeting of stockholders.

Potential Payments Upon Termination or Change in Control Table

The following table summarizes the potential payments to our named executive officers in two scenarios: (1) upon termination by us without cause or the executive's resignation for good reason apart from a change in control; or (2) upon termination by us without cause or the executive's resignation for good reason within 30 days prior to or 12 months following a Change-in-Control. The table assumes that the termination of employment or Change-in-Control, as applicable, occurred on December 31, 2021. The value of the accelerated vesting of stock and option awards was computed using \$5.83, which was the price of our common stock at December 31, 2021 (less, in the case of option awards, the exercise price per share of such option awards).

The employment of Mr. Foster terminated effective April 5, 2021 to pursue other interests. Accordingly, he is not included in the table below as he would not have been entitled to any benefits in the event of the occurrence of any of the triggering events described in the table on December 31, 2021. In connection with his termination, Mr. Foster received severance in the amount of \$187,500 as provided for under his Change-in-Control and Severance Agreement, as described above. Mr. Mondor transitioned from his role as Chief Executive Officer to Executive Chairman effective March 1, 2022. A description of the Transition Agreement with Mr. Mondor is provided above. Ms. Ding is not eligible for severance benefits and therefore is not included in the table below as she would not have been entitled to any benefits in the event of the occurrence of any of the triggering events described in the table on December 31, 2021.

Name/Benefit	Involuntary Termination Without Cause/Resignation for Good Reason Apart from a Change in Control ⁽¹⁾ (\$ (1))	Involuntary Termination Without Cause/Resignation for Good Reason in Connection with a Change in Control (\$) ⁽²⁾
<i>Ashish Sharma</i>		
Cash severance	400,000	800,000
Accelerated Vesting of Equity	125,938	146,926
Health Benefits	18,000	36,000
Total	537,938	982,926
<i>Robert Barbieri</i>		
Cash severance	400,000	800,000
Accelerated Vesting of Equity	-	-
Health Benefits	13,500	27,000
Total	409,000	827,000
<i>Doug Kahn</i>		
Cash severance	292,500	617,500
Accelerated Vesting of Equity	18,938	344,163
Health Benefits	13,500	27,000
Total	320,438	988,663
<i>Dan Mondor</i>		
Cash severance	1,265,000	1,540,000
Accelerated Vesting of Equity	-	-
Health Benefits	13,500	27,000
Total	1,274,000	1,567,000

- (1) Represents base salary for 6 months (12 months in the case of Mr. Mondor), a prorated target annual bonus for the year of termination, and continued health plan coverage for up to 9 months (18 months for Mr. Mondor) at our expense. Also includes the value the equity awards eligible for accelerated vesting upon such termination.
- (2) Represents base salary for 18 months, payable in a lump sum, the executive's target annual bonus for the year of termination, and continued health plan coverage for up to 18 months at our expense. Also reflects the value of the accelerated vesting of all outstanding stock and option awards.

CEO Pay Ratio

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, we are providing disclosure regarding the ratio of the annual total compensation of Mr. Mondor, who was our CEO during fiscal 2021, to the median of the total annual compensation of our employees other than Mr. Mondor. We identified our employee with the median annual compensation using total cash compensation for calendar year 2021 of all employees who were employed by us on December 31, 2021, at which date our global workforce consisted of 508 employees, of which 292 were U.S. employees and 216 were non-U.S. employees. We did not include any contractors or other non-employee workers in our employee population. We annualized the compensation for any employees who commenced work during calendar 2021. We believe total cash compensation for all employees is reasonable to use as a consistently applied compensation measure because we do not have a broad-based equity award plan. We selected December 31, 2021, which is within the last three months of our fiscal 2021, for the date as of when we would identify the employee with the median annual compensation, because it enabled us to make such identification in a reasonably efficient and economical manner.

After identifying the employee with the median total cash compensation for the 12 months ended December 31, 2021, we calculated total compensation for this employee for the fiscal year ended December 31, 2021 using the same methodology that we use for our named executive officers in the Summary Compensation Table above.

For fiscal 2021, the total compensation of our Mr. Mondor was \$5,862,494, and the total compensation of our employee with median annual compensation was \$133,330. Accordingly, we estimated our CEO pay ratio for fiscal 2021 to be 44 to 1.

Director Compensation

We use a combination of cash and equity-based incentive compensation to attract and retain qualified candidates to serve on the Board. Upon the recommendation of the Compensation Committee, the Board makes all compensation decisions for our non-management directors. In recommending director compensation, the Compensation Committee considers, among other things, the amount of time required of directors to fulfill their duties. A director who is also an employee of the Company does not receive additional compensation for serving as a director.

Cash Compensation. The Board has approved the following components of the annual cash retainer fee to our non-management directors for Board and Board committee service in 2021 (which amounts are prorated for directors who only served for a portion of the year):

	Chair	Member
Board of Directors	\$ 80,000 ⁽¹⁾	\$ 40,000
Audit Committee	\$ 20,000	\$ 10,000
Compensation Committee	\$ 14,000	\$ 6,000
Nominating and Corporate Governance Committee	\$ 10,000	\$ 5,000

(1) As our Chief Executive Officer and Executive Chairman, Mr. Mondor does not receive retainers for his service on the Board. Commencing on the date of our 2022 annual meeting of stockholders, Mr. Mondor will cease serving as an employee and Executive Chairman and will continue as a non-management Chairman of the Board, eligible for compensation under our non-management director compensation program.

Equity-Based Compensation. The Board approved the following components for equity compensation to be awarded to each non-management director of the Company for fiscal 2021.

- An initial equity award upon joining the Board in the form of RSUs with an economic value of \$145,000. The RSUs vest in three equal annual installments beginning with the first anniversary of the grant date.
- Thereafter, an annual equity award in the form of RSUs with an economic value of \$125,000 that vests in full on the first anniversary of the grant date.

Based on the foregoing policy, the Compensation Committee awarded non-management directors 6,242 RSUs in May 2021 as compensation for Board service from February 2020 to February 2021, and 14,221 RSUs in July 2021 for Board service from July 2021 until the 2022 annual meeting of stockholders. The non-management directors, including Mr. Mondor, will be eligible for annual awards during 2022 as described above.

Director Compensation Table. The table below summarizes the compensation paid to our non-management directors for service on the Board for the fiscal year ended December 31, 2021. In addition to the payments below, the Company reimburses directors for reasonable out-of-pocket expenses incurred in connection with attending Board and Board committee meetings.

Name	Fees Earned		All Other Compensation (\$)	Total (\$)
	Cash (\$)	Stock Awards (\$) ⁽¹⁾⁽²⁾		
James B. Avery ⁽³⁾	56,000	176,936	–	255,936
Stephanie Bowers ⁽⁴⁾	14,835	262,385 ⁽⁵⁾	–	277,220
Christopher Harland	50,000	176,936	–	226,936
Christopher Lytle	40,000	176,936	–	216,936
Brian Miller ⁽⁶⁾	20,833	–	–	20,833
Jeffrey Tudor	79,000	176,936	–	255,936

- (1) Represents the aggregate grant date fair value of the equity awards granted in 2021 as computed in accordance with Accounting Standards Codification (“ASC”) Topic 718, excluding the effect of estimated forfeitures. Assumptions used in the calculation of these amounts are included in Note 9, *Share-based Compensation*, in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021.
- (2) The following table shows, for each of our non-management directors, the aggregate number of shares subject to stock and option awards outstanding as of December 31, 2021.

Name	Stock Awards (#)	Option Awards (#)
James B. Avery (issued to Tavistock Financial LLC)	14,221	–
Stephanie Bowers	28,070	–
Christopher Harland	22,555	–
Christopher Lytle	24,810	–
Brian Miller	–	–
Jeffrey Tudor	14,221	56,912

- (3) As required by the terms of his employment with Tavistock Financial, LLC, all cash director fees earned by Mr. Avery are paid to Tavistock Foundation, Inc., a non-profit incorporated and existing under the laws of the State of Florida, and all equity awards to which he would be entitled for service as a director of the Company are issued to Tavistock Financial LLC.
- (4) Ms. Bowers was appointed to the Board effective as of June 15, 2021.
- (5) Includes both the initial grant made to Ms. Bowers with three-year vesting and an annual grant.
- (6) Mr. Miller resigned from the Board effective March 1, 2021.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Equity Compensation Plan Information

As of December 31, 2021, the Company's Amended and Restated 2000 Employee Stock Purchase Plan (the "Purchase Plan") and the 2018 Incentive Plan were the only compensation plans under which securities of the Company were authorized for grant. The Purchase Plan and the 2018 Incentive Plan were approved by our stockholders. In 2019, the Board terminated the Company's 2015 Incentive Compensation Plan (the "2015 Incentive Plan"), which was adopted by the Board without stockholder approval pursuant to NASDAQ Listing Rule 5635. The following table provides information as of December 31, 2021 regarding the Company's existing and predecessor plans:

Plan category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of options outstanding	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	7,512,670	\$ 4.77 ⁽¹⁾	3,481,834 ⁽²⁾
Equity compensation plans not approved by security holders	573,123 ⁽³⁾	\$ 5.33	–

- (1) Amount is based on the weighted-average exercise price of vested and unvested stock options outstanding under the 2018 Incentive Plan and predecessor plans. RSUs, which have no exercise price, are excluded from this calculation.
- (2) Represents shares available for future issuance under the Purchase Plan and the 2018 Incentive Plan. As of December 31, 2021, there were 170,811 shares of our common stock available for issuance under the Purchase Plan and 3,311,023 shares of our common stock available for issuance under the 2018 Incentive Plan.
- (3) Represents outstanding options under the 2015 Incentive Plan and the Inducement Options (as defined below) issued to our Chief Financial Officer. The 2015 Incentive Plan, which includes the same material terms as the 2018 Incentive Plan, could only be used for inducement grants to individuals to induce them to become employees of the Company or any of its subsidiaries, or, in conjunction with a merger or acquisition, to convert, replace or adjust outstanding stock options or other equity compensation awards, or for any other reason for which there is an applicable exception from the stockholder approval requirements of NASDAQ Listing Rule 5635, in each such case, subject to the applicable requirements of the NASDAQ Listing Rules.

In October 2021, as an inducement to accepting the appointment as the Company's new Chief Financial Officer, Mr. Barbieri received a one-time stock option award to purchase 375,000 shares of common stock, with an exercise price equal to the closing trading price of the Company's common stock on October 25, 2021 (the "Inducement Options"). The Inducement Options vest according to the following schedule: one-fourth of the Inducement Options shall vest on October 25, 2022 and the remaining Inducement Options vest ratably each month thereafter for a period of 36 months. The Inducement Options were issued as an employment inducement award in accordance with NASDAQ Listing Rule 5635(c)(4). The Inducement Options are subject to the same material terms as options awarded under the 2018 Incentive Plan.

Security Ownership Certain Beneficial Owners and Management

The tables below provide information regarding the beneficial ownership of our common stock as of March 31, 2022 by: (i) each of our directors; (ii) each of our named executive officers; (iii) all current directors and executive officers as a group; and (iv) each beneficial owner of more than five percent of our common stock.

Beneficial ownership is determined in accordance with SEC rules and regulations, and generally includes voting power or investment power with respect to securities held. Unless otherwise indicated and subject to applicable community property laws, we believe that each of the stockholders named in the table below has sole voting and investment power with respect to the shares shown as beneficially owned. Securities that may be beneficially acquired within 60 days after March 31, 2022 are deemed to be beneficially owned by the person holding such securities for the purpose of computing the ownership of such person, but are not treated as outstanding for the purpose of computing the ownership of any other person.

The address for directors and executive officers is 9710 Scranton Road, Suite 200, San Diego, California 92121. The tables below list the number and percentage of shares beneficially owned based on 107,389,076 shares of common stock outstanding as of March 31, 2022.

Directors and Named Executive Officers

Name of Beneficial Owner	Shares Owned (#)	Right to Acquire (#) ⁽¹⁾	Total Shares of Common Stock Beneficially Owned (#)	Percentage
Dan Mondor	243,040	1,881,116	2,124,156	1.9%
Ashish Sharma	282,861	597,916	880,777	*
Robert Barbieri	35,414	—	35,414	*
Doug Kahn	91,380	94,791	186,171	*
Craig Foster	10,163	—	10,163	*
James B. Avery	— ⁽²⁾	— ⁽²⁾	— ⁽²⁾	*
Stephanie Bowers	524	—	524	*
Christopher Harland	56,502	—	56,502	*
Christopher Lytle	284,437	29,734	314,171 ⁽³⁾	*
Jeffrey Tudor	151,048	56,912	207,960	*
All directors and executive officers as a group (nine persons)	912,329	779,353	1,691,682	1.6%

* Represents beneficial ownership of less than 1% of the outstanding shares of our common stock.

(1) Represents shares of common stock that may be acquired pursuant to stock options or warrants that are or will become exercisable within 60 days after March 31, 2022.

(2) Does not include shares of common stock or warrants held by Braslyn, Ltd., Golden Harbor Ltd. or Tavistock Financial, LLC, in which Mr. Avery disclaims beneficial ownership, which are reported in the table below under *Five Percent Holders*. Mr. Avery is obligated to transfer any shares issued pursuant to any equity awards made to him by the Company, or the economic benefits thereof, to Tavistock Financial, LLC.

(3) Includes 29,722 shares of common stock issuable upon the conversion outstanding convertible notes held in an individual retirement for the benefit of Mr. Lytle's mother. Mr. Lytle has investment power with respect to such shares and may be deemed to be the beneficial owner thereof. Mr. Lytle disclaims beneficial ownership of such shares.

Five Percent Holders

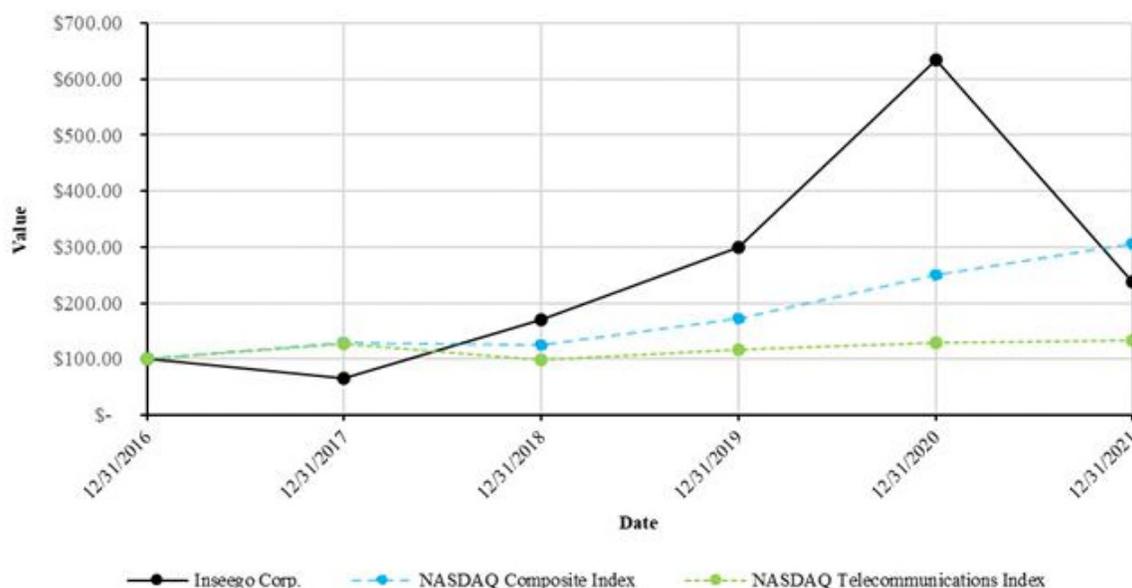
The following table sets forth information regarding the number and percentage of shares of common stock held by all persons and entities known by us to beneficially own five percent or more of our outstanding common stock. The information regarding beneficial ownership of the persons and entities identified below is included in reliance on reports filed by the persons and entities with the SEC, except for modifications that are disclosed below and except that the percentage is based upon our calculations made in reliance upon the number of shares reported to be beneficially owned by such person or entity in such report and the number of shares of common stock outstanding on March 31, 2022.

Name and Address of Beneficial Owner	Shares Owned (#)	Right to Acquire (#)	Total Shares of Common Stock Beneficially Owned (#)	Percentage
Golden Harbor Ltd. ⁽¹⁾ Cay House EP Taylor Drive N7776 Lyford Cay New Providence C5	21,019,191	3,814,106	24,833,297	22.3%
North Sound Management, Inc. ⁽²⁾ c/o Edward E. Murphy 115 East Putnam Avenue Greenwich, CT 06830	4,220,133	5,029,758	9,249,891	8.2%
BlackRock, Inc. ⁽³⁾ 55 East 52nd Street New York, NY 10055	6,125,749	–	6,125,749	5.7%

- (1) According to a Schedule 13D/A filed by Golden Harbor Ltd., Braslyn Ltd., Tavistock Financial, LLC and Joe Lewis with the SEC on September 24, 2021, Golden Harbor Ltd. has shared voting and dispositive power over 14,908,149 shares of common stock, Braslyn Ltd. has shared voting and dispositive power over 7,908,678 shares of common stock, Tavistock Financial, LLC has shared voting and dispositive power over 77,364 shares of common stock and Joe Lewis has shared voting and dispositive power over 22,894,191 shares of common stock. Includes (a) 1,875,000 shares of the Company's common stock issuable upon exercise of warrants and (b) 1,939,106 shares of common stock issuable upon the conversion outstanding convertible notes that were not included in the beneficial ownership amounts disclosed in the Schedule 13D/A filed on September 24, 2021 but are currently exercisable because the ownership limitation in the convertible notes has terminated.
- (2) According to a Schedule 13D/A filed by North Sound Management, Inc., North Sound Trading, LP and Brian Miller with the SEC on March 2, 2021, North Sound Management, Inc. has sole voting and dispositive power over 4,788,213 shares of common stock, North Sound Trading, LP has sole voting and dispositive power over 4,788,213 shares of common stock and Mr. Miller has shared voting and dispositive power over 4,845,133 shares of common stock. Includes (a) 56,920 shares of common stock held directly by Mr. Miller and (b) 625,000 shares of common stock that may be acquired pursuant to outstanding warrants. Also included 4,404,758 shares of common stock issuable upon the conversion outstanding convertible notes that were not included in the beneficial ownership amounts disclosed in the Schedule 13D/A filed on March 2, 2021 but are currently exercisable because the ownership limitation in the convertible notes has terminated.
- (3) Based on a Schedule 13G filed with the SEC on February 4, 2022.

Performance Graph

The following graph compares the cumulative total stockholder return on our common stock since the end of 2016, with the cumulative total return of (a) the NASDAQ Composite Index (b) the NASDAQ Telecommunications Index. The comparison assumes \$100 was invested at the end of 2016 in our common stock and in each of the indices shown and assumes that all dividends were reinvested.



Index	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
Inseego Corp.	\$100.00	\$65.98	\$170.08	\$300.41	\$634.02	\$238.93
NASDAQ Composite Index	\$100.00	\$129.64	\$125.96	\$172.17	\$249.51	\$304.85
NASDAQ Telecommunications Index	\$100.00	\$128.15	\$99.13	\$117.72	\$129.55	\$132.60

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors, executive officers, and anyone holding 10% or more of a registered class of our equity securities to file reports with the SEC showing their holdings of, and transactions in, these securities. Based solely on a review of copies of such reports we received, we believe that during 2021 all its reporting persons filed such reports on a timely basis, with the exception of (a) one delinquent Form 3 and Form 4 for Ms. Bowers that were filed on December 6, 2021 due to an administrative delay in receiving EDGAR filing codes, (b) one delinquent Form 3 and Form 4 for Mr. Barbieri that was filed on December 6, 2021 due to administrative delay in receiving EDGAR filing codes and (c) a delinquent Form 4 for Mr. Tudor due to administrative delay in receiving EDGAR filing codes.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Transactions with Related Persons

Series E Preferred Exchanges

On September 3, 2021, the Company entered into separate privately-negotiated exchange agreements (each, an “Exchange Agreement”) with Golden Harbor Ltd. and North Sound Trading, L.P. (the “Participating Stockholders”), holders of the Company’s outstanding Series E Fixed-Rate Cumulative Perpetual Preferred Stock, par value \$0.001 per share (the “Series E Preferred Stock”). Pursuant to each respective Exchange Agreement, each of the Participating Stockholders agreed to exchange Series E Preferred Stock that they currently held (representing an aggregate of \$13,180,539 base amount of Series E Preferred Stock and accrued dividends) for an aggregate of 1,525,207 shares of Common Stock, par value \$0.001 (“Common Stock”), of the Company (the “Private Exchange Transactions”). The Company did not receive any cash proceeds from the Participating Stockholders in connection with the Private Exchange Transactions. Mr. Avery is a Vice President of Golden Harbor Ltd.

In connection with the Private Exchange Transactions, the Company agreed to file a registration statement with the Securities and Exchange Commission in order to effect a registration for the resale by the Participating Stockholders of the shares of Common Stock exchanged through the Private Exchange Transactions.

The Private Exchange Transactions were negotiated, reviewed and approved by a committee of our Board comprised solely of directors disinterested in the Private Exchange Transactions.

Interest Payments on Convertible Notes

During fiscal 2021, the Company made interest payments to Golden Harbor, North Sound and an individual retirement account held by Mr. Lytle’s mother, over which Mr. Lytle has investment discretion in the amounts of \$794,820, \$1,805,180, and \$12,188 respectively, pursuant to the Company’s 3.25% Convertible Senior Notes due 2025.

Parents of the Company

The Company has no parents except to the extent that either of the Investors may be deemed a parent by virtue of their ownership of the Company’s outstanding shares of Common Stock, and their Board nomination and appointment rights under the Securities Purchase Agreement, dated August 6, 2018, by and among the Company, Golden Harbor Ltd. and North Sound Trading, L.P.

Director Independence

Under the NASDAQ listing requirements, a majority of the members of our Board must be independent. The Board has determined that James Avery, Stephanie Bowers, Christopher Harland and Jeffrey Tuder are each “independent” of the Company and management within the meaning of the NASDAQ listing requirements. Mr. Mondor is not “independent” under the NASDAQ listing requirements because he is an employee of the Company. Mr. Lytle is not “independent” under the NASDAQ listing requirements because he is a former employee of and consultant to the Company.

Item 14. *Principal Accountant Fees and Services*

Principal Accountant Fees and Services

The following table sets forth fees for services rendered by Marcum LLP for 2021 and 2020.

	2021	2020
Audit Fees ⁽¹⁾	\$ 870,865	\$ 868,290
Audit-Related Fees ⁽²⁾	26,368	86,906
Tax Fees	–	–
All Other Fees	–	–
Total	<u>\$ 897,233</u>	<u>\$ 955,196</u>

- (1) Audit fees consist principally of fees for the audits of our annual consolidated financial statements and internal control over financial reporting, and review of our interim consolidated financial statements.
- (2) Audit-related fees consist primarily of fees for accounting consultations, comfort letters, consents and any other audit attestation services.

Pre-Approval Policies and Procedures

The Audit Committee annually reviews and pre-approves certain audit and non-audit services that may be provided by our independent registered public accounting firm and establishes and pre-approves the aggregate fee level for these services. Any proposed services that would cause us to exceed the pre-approved aggregate fee amount must be pre-approved by the Audit Committee. All audit and non-audit services for 2021 and 2020 were pre-approved by the Audit Committee.

PART IV

Item 15. Exhibits and Financial Statement Schedules

- (a) The Company's consolidated financial statements and report of Marcum LLP, Independent Registered Public Accounting Firm, are included in (1) Section IV of this report beginning on page F-1.
- (a) Schedules have been omitted because they are not applicable or are not required or the information required to be set forth therein is included in (2) the consolidated financial statements or related notes thereto.
- (b) Exhibits

The following Exhibits are filed as part of, or incorporated by reference into this report:

Exhibit No.	Description
2.1	<u>Share Purchase Agreement, dated as of February 24, 2021, by and between Inseego Corp. and Main Street 1816 Proprietary Limited (in the process of being renamed Convergence CTSA Proprietary Limited)(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed February 25, 2021).</u>
2.2	<u>First Addendum dated March 17, 2021 to the Share Purchase Agreement dated February 24, 2021 between Main Street 1816 Proprietary Limited (in the process of being renamed Convergence CTSA Proprietary Limited) and Inseego Corp. (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed June 30, 2021.)</u>
2.3	<u>Second Addendum dated April 30, 2021 to the Share Purchase Agreement dated February 24, 2021 between Main Street 1816 Proprietary Limited (in the process of being renamed Convergence CTSA Proprietary Limited) and Inseego Corp. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed June 30, 2021).</u>
2.4	<u>Third Addendum dated June 30, 2021 to the Share Purchase Agreement dated February 24, 2021 between Main Street 1816 Proprietary Limited (in the process of being renamed Convergence CTSA Proprietary Limited) and Inseego Corp. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed June 30, 2021.)</u>
3.1	<u>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).</u>
3.2	<u>Amended and Restated Bylaws of Inseego Corp. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed November 9, 2016).</u>
3.3	<u>Certificate of Designation of Series D Junior Participating Preferred Stock of Inseego Corp. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed January 22, 2018).</u>
3.4	<u>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 August 13, 2019).</u>
3.5	<u>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).</u>
4.1	<u>Form of Inseego Corp. Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed November 9, 2016).</u>
4.2	<u>Description of Equity Securities Registered under Section 12 of the Exchange Act. (incorporated by reference to Exhibit 4.2 to the Company's Annual Report on Form 10-K filed on March 1, 2021).</u>

- 4.3 [Base Indenture, dated May 12, 2020, between Inseego Corp. and Wilmington Trust, National Association, as trustee \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed May 12,](#)
- 4.4 [First Supplemental Indenture, dated May 12, 2020, between Inseego Corp. and Wilmington Trust, National Association, as trustee \(incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, filed May 12, 2020\).](#)
- 4.5 [Form of 3.25% convertible senior note due 2025 \(incorporated by reference Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q, filed August 10, 2020\).](#)
- 4.6 [Common Stock Purchase Warrant issued to Golden Harbor Ltd., dated March 28, 2019, by Inseego Corp. \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed March 29, 2019\).](#)
- 4.7 [Common Stock Purchase Warrant issued to North Sound Trading, L.P., dated March 28, 2019, by Inseego Corp. \(incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, filed March 29, 2019\).](#)
- 4.8 [Registration Rights Agreement, dated August 6, 2018, by and among Inseego Corp. and the Investors identified on Exhibit A to the Securities Purchase Agreement \(incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K, filed August 7, 2018\).](#)
- 10.1* [Amended and Restated Inseego Corp. 2000 Employee Stock Purchase Plan \(incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed July 18, 2018\).](#)
- 10.2* [Offer Letter dated July 26, 2020 between Inseego Corp. and Craig L. Foster \(incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q, filed November 6, 2020\).](#)
- 10.3* [Change in Control Agreement dated August 17, 2020 between Inseego Corp. and Craig L. Foster \(incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q, filed November 6, 2020\).](#)
- 10.4* [Form of Indemnification \(incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed August 21, 2017\).](#)
- 10.5* [Employment Offer Letter, dated June 6, 2017, between Inseego Corp. and Dan Mondor \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed June 9, 2017\).](#)
- 10.6* [Indemnification Agreement, dated June 6, 2017, between Inseego Corp. and Dan Mondor \(incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed June 9, 2017\).](#)
- 10.7* [Amendment to Offer Letter, dated October 26, 2017, by and between the Company and Dan Mondor \(incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q, filed on November 7, 2017\).](#)
- 10.8* [Inseego Corp. 2015 Incentive Compensation Plan \(incorporated by reference to Exhibit 10.26 to the Company's Annual Report on Form 10-K, filed on March 16, 2018\).](#)
- 10.9* [Form of Nonstatutory Stock Option Agreement under the Inseego Corp. 2015 Incentive Compensation Plan \(incorporated by reference to Exhibit 10.27 to the Company's Annual Report on Form 10-K, filed on March 16, 2018\).](#)
- 10.10* [Amended Inseego Corp. 2018 Omnibus Incentive Compensation Plan \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed July 30, 2021\).](#)
- 10.11 [Securities Purchase Agreement, dated August 6, 2018, by and among Inseego Corp. and the Investors identified on Exhibit A thereto \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed August 7, 2018\).](#)

- 10.12 [Securities Purchase Agreement, dated August 9, 2019, by and among Inseego Corp. and the Investors identified on Exhibit A thereto \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed August 13, 2019\).](#)
- 10.13 [Securities Purchase Agreement, dated March 6, 2020, by and among Inseego Corp. and the Investor identified on Exhibit A thereto \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on March 10, 2020\).](#)
- 10.14 [Assignment and License Agreement, dated as of February 24, 2021, by and between Inseego Corp. and certain entities that will be acquired by Purchaser in the Sale Transaction \(incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed February 25, 2021\).](#)
- 10.15 [Transitional Services Agreement, dated as of February 24, 2021, by and between Inseego Corp. and certain entities that will be acquired by Purchaser in the Sale Transaction \(incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed February 25, 2021\).](#)
- 10.16 [Trademark Agreement, dated as of February 24, 2021, by and between Inseego Corp. Ctrack Holdings \(Pty\) Limited, and certain entities that will be acquired by Purchaser in the Sale Transaction \(incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K, filed February 25, 2021\).](#)
- 10.17 [Equity Distribution Agreement, dated as of January 25, 2021, by and between Inseego Corp. and Canaccord Genuity LLC \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed January 26, 2021\).](#)
- 10.18* [Amended and Restated Change in Control and Severance Agreement, dated June 7, 2021, by and between the Company and Dan Mondor \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed June 10, 2021\).](#)
- 10.19* [Independent Contractor Services Agreement, dated as of August 5, 2021, by and between the Company and TechCXO, LLC \(incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q, filed August 5, 2021\).](#)
- 10.20* [Offer Letter dated October 13, 2021 between Inseego Corp. and Robert G. Barbieri. \(incorporated by reference to Exhibit 10.1 to the Company's Current on Form 8-K/A, filed October 26, 2021\).](#)
- 10.21* [Form of Inducement Stock Option Agreement, by and between Inseego Corp. and Robert G. Barbieri \(incorporated by reference to Exhibit 10.2 to the Company's Current on Form 8-K/A, filed October 26, 2021\).](#)
- 10.23 [Form of Exchange Agreement, dated September 3, between Inseego Corp. and certain investors holding the Company's Series E Fixed-Rate Cumulative Perpetual Preferred Stock \(incorporated by reference to Exhibit 1.2 to the Company's Current Report on Form 8-K, filed September 3, 2021\).](#)
- 21 [Subsidiaries of Inseego Corp \(incorporated by reference to Exhibit 21 to the Company's Annual Report on Form 10-K for the period ended December 31, 2021, filed on March 1, 2022\).](#)
- 23.1 [Consent of Independent Registered Public Accounting Firm \(Marcum LLP\) \(incorporated by reference to Exhibit 23.1 to the Company's Annual Report on Form 10-K for the period ended December 31, 2021, filed on March 1, 2022\).](#)

- 31.1 [Certification of our Principal Executive Officer adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002\(incorporated by reference to Exhibit 31.1 to the Company’s Annual Report on Form 10-K for the period ended December 31, 2021, filed on March 1, 2022\).](#)
- 31.2 [Certification of our Principal Financial Officer adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002\(incorporated by reference to Exhibit 31.2 to the Company’s Annual Report on Form 10-K for the period ended December 31, 2021, filed on March 1, 2022\).](#)
- 31.3** [Certification of our Principal Executive Officer adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 31.4** [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 \(incorporated by reference to Exhibit 32.1 to the Company’s Annual Report on Form 10-K for the period ended December 31, 2021, filed on March 1, 2022\).](#)
- 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 \(incorporated by reference to Exhibit 32.2 to the Company’s Annual Report on Form 10-K for the period ended December 31, 2021, filed on March 1, 2022\).](#)
- 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)
 - * Management contract, compensatory plan or arrangement
 - ** Filed herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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 2, 2022

INSEEGO CORP.

By _____
/s/ Robert Barbieri
Robert Barbieri
Chief Financial Officer
(Principal Financial and Accounting Officer)

www.inseego.com | investor.relations@inseego.com