As filed with the U.S. Securities and Exchange Commission on April 29, 2019.

Registration No. 333-230887

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 1 TO
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Sonim Technologies, Inc.
(Exact name of registrant as specified in its charter)

Delaware	3661	94-3336783
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

1875 South Grant Street
Suite 750
San Mateo, CA 94402
(650) 378-8100
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Robert Plaschke
Chief Executive Officer
Sonim Technologies, Inc.
1875 South Grant Street
Suite 750
San Mateo, CA 94402
(650) 378-8100
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Jon Gavenman Michael Tenta Cooley LLP 3175 Hanover Street Palo Alto, CA 94304 (650) 843-5000	James Walker Chief Financial Officer Sonim Technologies, Inc. 1875 South Grant Street Suite 750 San Mateo, CA 94402 (650) 378-8100	Richard A. Kline Heidi E. Mayon Goodwin Procter LLP 601 Marshall Street Redwood City, CA 94063 (650) 752-3100

Approximate date of commencement of proposed sale to the public:
As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐
If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐
If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐
If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. ☐

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 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Being Registered	Amount to be Registered(1)	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Stock, $0.001 par value per share	4,107,143	$15.00	$61,607,150	$7,467

(1) Estimated pursuant to Rule 457(a) under the Securities Act of 1933, as amended. Includes shares that the underwriters have the option to purchase.

(2) Estimated solely for purposes of computing the amount of the registration fee.

(3) The Registrant previously paid $6,969 in connection with a prior filing of this registration statement.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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PROSPECTUS (Subject to Completion)
Issued April 29, 2019

3,571,429 Shares

Common Stock

Sonim Technologies, Inc. is offering 3,571,429 shares of its common stock. This is our initial public offering and no public market currently exists for shares of our common stock. We anticipate the initial public offering price will be between $13.00 and $15.00 per share.

We have applied to list our common stock on The Nasdaq Global Market under the symbol "SONM."

We are an "emerging growth company" as defined under the federal securities laws and, as such, may elect to comply with certain reduced public company reporting requirements for this and future filings. Investing in our common stock involves risks. See "Risk Factors" beginning on page 14.

Neither the Securities and Exchange Commission in the United States nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds, before expenses, to Sonim	$	$

(1) See the section titled "Underwriting" for additional information regarding compensation payable to the underwriters.

At our request, the underwriters have reserved up to 5% of the shares of common stock offered by this prospectus for sale, at the initial public offering price, to certain individuals associated with us. See the section titled "Underwriting—Directed Share Program."

We and the selling stockholder have granted the underwriters the right to purchase up to an additional 535,714 shares of common stock, of which 30,000shares will be offered and sold by the selling stockholder. We will not receive any proceeds from any sale of shares by the selling stockholder.

The underwriters expect to deliver the shares of common stock to purchasers on , 2019.

Oppenheimer & Co. **Lake Street**

National Securities Corporation

, 2019

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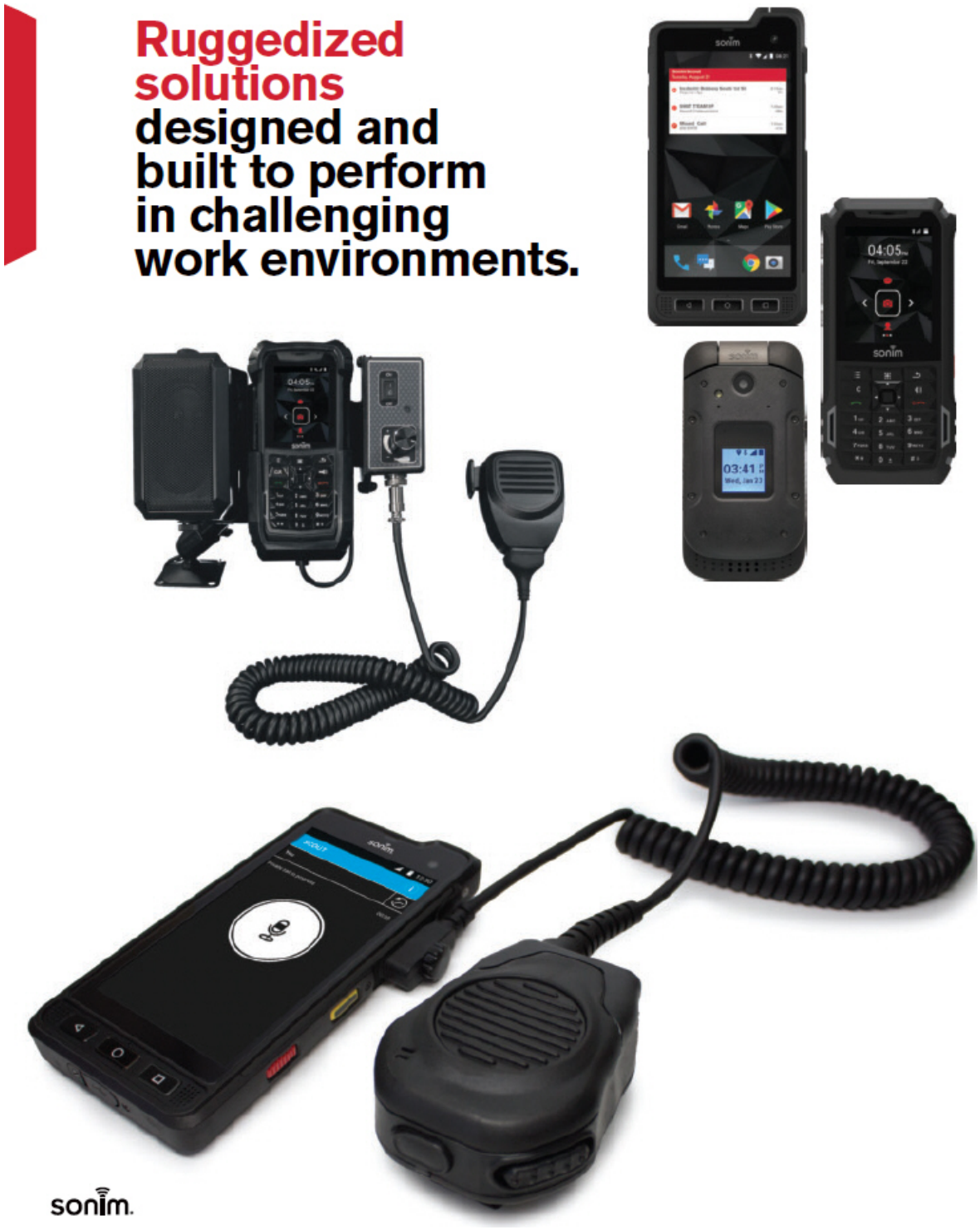

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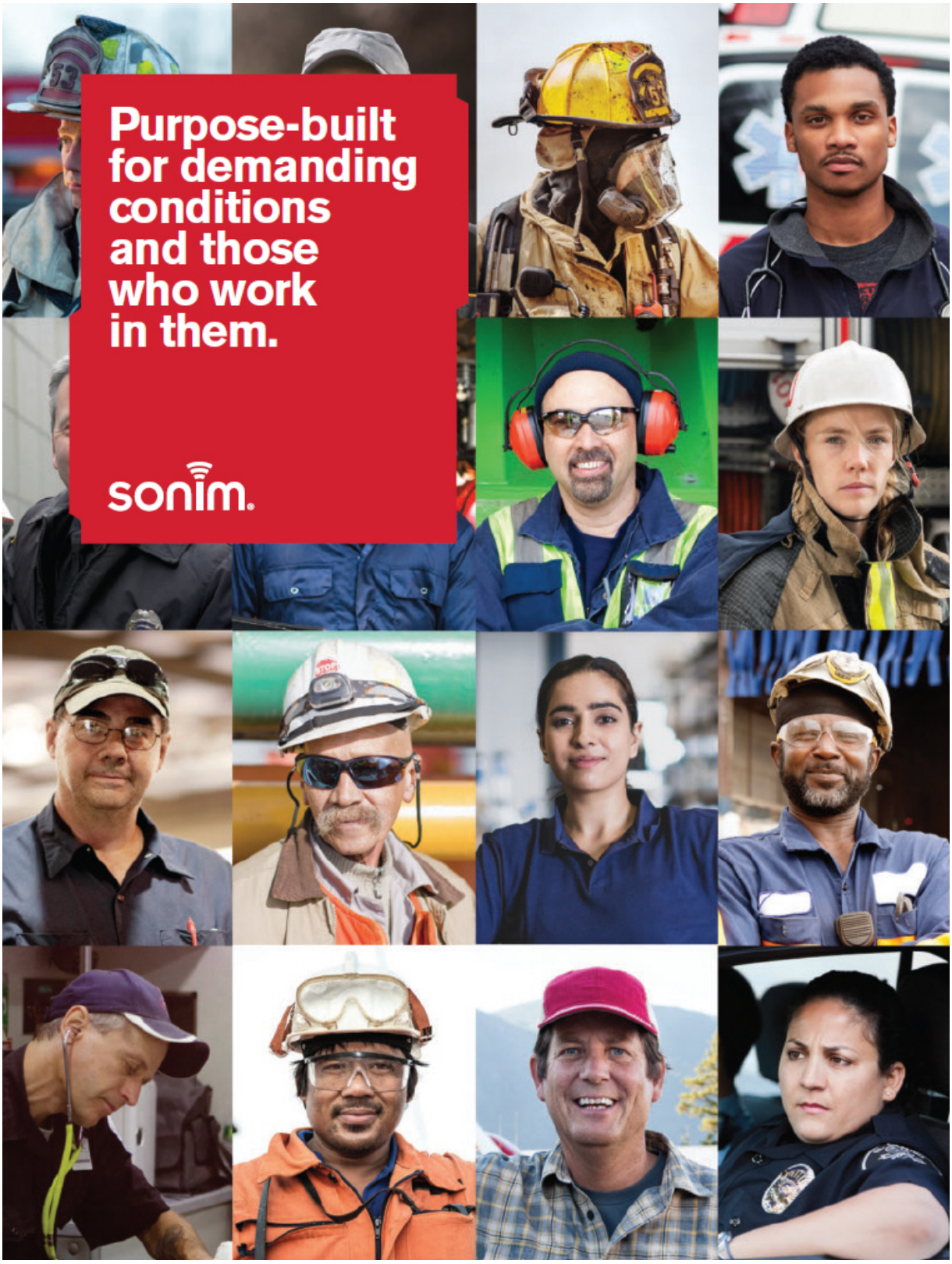

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Through and including , 2019 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Neither we, the selling stockholder nor the underwriters have authorized anyone to provide any information other than that, or to make any representations other than those, contained in this prospectus or in any free writing prospectuses we or the selling stockholder have prepared. Neither we, the selling stockholder nor the underwriters take any responsibility for, and cannot provide any assurance as to the reliability of, any other information that others may provide you. We, the selling stockholder and the underwriters are offering to sell, and seeking offers to buy, shares of common stock only under circumstances and in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the common stock.

For investors outside the United States: Neither we, the selling stockholder nor any of the underwriters have taken any action that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside of the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside of the United States.

Certain Definitions

As used in this prospectus, unless otherwise noted or the context requires otherwise:

- "channel partners" refers to wireless carriers and other distributors that purchase our products, including under master sales arrangements, for further resale and distribution to end customers and end users as well as ecosystem partners, such as accessory vendors or application developers, with whom we collaborate to promote our collective products to end customers and end users;
- "customers" refers generally to channel partners and end customers as well as end users who may have purchased products from us directly or received them through a channel partner or end customer;
- "end customers" refers to enterprises, organizations or other entities that purchase our products through channel partners or directly from us and deploy those products among their task workers for use in the field or workplace; and
- "end users" refers to task workers who use our products in the field or workplace.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before investing in our common stock, you should carefully read this entire prospectus, including our consolidated financial statements and the related notes thereto and the information set forth in the sections titled "Risk Factors," "Special Note Regarding Forward-Looking Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." In this prospectus, "Sonim," "Sonim Technologies, Inc.," the "company," "we," "us" and "our" refer to Sonim Technologies, Inc. and its consolidated subsidiaries.

Overview

We are a leading U.S. provider of ultra-rugged mobile phones and accessories designed specifically for task workers physically engaged in their work environments, often in mission-critical roles. We currently sell our ruggedized mobile phones and accessories to three of the four largest wireless carriers in the United States—AT&T, Sprint and Verizon—as well as the three largest wireless carriers in Canada—Bell, Rogers and Telus Mobility. Our phones and accessories connect workers with voice, data and workflow applications in two end markets: industrial enterprise and public sector.

Task workers in these end markets have historically been limited to pen and paper and single-purpose electronic devices, such as barcode scanners, location-tracking devices and sensors, to accomplish specific daily tasks. These single-purpose devices have historically run on proprietary networks, such as land mobile radio, or LMR, networks, which enable push-to-talk, or PTT, services for voice communications. We provide Android-based devices that consolidate and integrate multiple functions into a single ruggedized solution running on commercial wireless networks at a total cost of ownership that we believe is significantly lower than comparable offerings with improved productivity and safety of task workers.

Our solutions fall into three main categories: (i) ultra-rugged mobile phones based on the Android platform that are capable of attaching to both public and private wireless networks, (ii) industrial-grade accessories and (iii) cloud-based software and application services. End customers of our solutions include construction, energy and utility, hospitality, logistics, manufacturing, public sector and transportation entities that primarily purchase our phones and accessories through their wireless carriers. All of our devices run on the Android operating system, providing a familiar and intuitive user interface, and our smartphones have access to a library of millions of applications available through the Google Play Store. We have also implemented dozens of application programming interfaces, or APIs, specific to our mobile phones and have partnered with over 800 application developers to create a purpose-built experience for our end users using these applications on our mobile phones.

As of January 2019, we were the only privately held mobile phone provider to have a stocked product with three of the four largest U.S. wireless carriers: AT&T, Sprint and Verizon, meaning that these carriers test and certify our mobile phones on their networks and maintain inventory in their warehouses that they then sell through their enterprise and retail sales teams to end customers, often on a subsidized or financed basis.

We enter into master sales arrangements with the majority of our channel partners (including channel partners contributing over 90% of our total revenues for the year ended December 31, 2018) under which our partners purchase our solutions for distribution on a purchase order basis. Under these arrangements, we and the channel partners determine sales channel distribution in connection with pricing (including any discounts and price protection) and positioning of each particular mobile device product. We also offer customer incentives in the form of funds used for channel marketing, as well as other limited promotional incentives, such as sales volume

incentives, in exchange for retail price reductions. We may also offer non-recurring engineering, or NRE, services in the form of third-party design services relating to the design of materials and software licenses used in the manufacturing of our products.

Our Industry

Communication, productivity and safety among task workers has always been a central requirement in business-critical and mission-critical environments. Organizations with remote and disparate workers—from police and firefighters to construction, oil rig and manufacturing workers—need an extremely durable solution that provides reliable and secure voice, data and workflow applications.

Ruggedized mobile phones are well-suited for industrial enterprise and other critical infrastructure applications due to their durability and functionality in a range of environments. Equipping workers with smarter mobile phones also enables more efficient communication with and between field employees, and enhances the information that decision-makers use to deploy resources within their organizations.

Industrial Enterprise Market Opportunity

We estimate that in the United States and Canada in 2018, there were 37.6 million task workers across verticals in our industrial enterprise end markets who could benefit from our solutions, including construction, energy and utility, facilities management, manufacturing and transportation and logistics. The extreme durability and enhanced voice and text communication capabilities of our devices enable these workers to be stationed in remote and hazardous environments, while remaining connected to their central command center at all times.

Public Sector Market Opportunity

Mobile phones enable public safety officers to gather real-time information collected across multiple systems and to respond and react to changing circumstances. Following the tragic events of September 11, 2001, Congress, U.S. public safety agencies and other critical infrastructure entities took action to ensure that the mobile phones of first responders remain fully functional and interoperable at all times. The establishment of a nationwide public safety broadband network, or FirstNet, in 2017 and other public safety-focused mobile networks has created a significant opportunity for us to be the leading mobile solution provider for public sector task workers.

Our Ruggedized Solution

- ***Durability and reliability.*** Our mobile phones can withstand a variety of harsh environments and are supported by our industry-leading three-year comprehensive manufacturer's warranty, which includes physical damage. Key features of our rugged devices include: (i) puncture, shock, pressure and impact resistance, (ii) waterproof and dustproof construction, (iii) dual-shift battery life, (iv) extra-loud audio, (v) glove-friendly design, (vi) operational in and resistant to extreme temperatures, and (vii) chemical resistance.
- ***Increased communication and visibility through an enterprise.*** Our solutions are used to track locations, update and manage various tasks and enable communication with and between task workers. In addition, our devices are specifically designed to capture, store and analyze multiple data types for enterprise needs, enabling them to make timely and more informed decisions.
- ***Enhanced functionality through software and hardware configurations.*** Our solutions allow end customers and task workers to customize our mobile phones using Android-based applications and vertical-specific accessories to address their varying needs. Enterprises and agencies can leverage the millions of applications available on the Google Play Store, our dozens of device-specific APIs, and our industrial accessories to create a purpose-built solution to meet the specific use cases of their task workers.

- ***Ease of use.*** Our devices are designed to look and function similarly to the latest generation of consumer-focused mobile phones with additional features for various enterprise-specific purposes, and also run on the Android operating system which has a familiar and intuitive interface. They provide familiar characteristics to many single-purpose devices, such as dedicated physical buttons for PTT and barcode scanning, and offer a simplified user interface, which helps minimize the learning curve for task workers who are transitioning from LMR or data capture devices.
- ***Consolidation of devices.*** By combining commonly-used applications and functionality into one ruggedized device with the option foradd-ons, enterprises can reduce the need for multiple, single-purpose devices. We believe that replacing outdated single-purpose devices with a Sonim device can enhance fleets' mobility and economically streamline equipment updates or replacements.

Our Strategy

- ***Invest in sales channel partnerships and brand marketing to drive sales.*** We intend to continue to invest in our channel partnerships to further penetrate the industrial enterprise and public sector markets we target by leveraging their large direct sales forces. We are also increasing our investment in marketing the Sonim brand and our solutions to end customers in these target markets. In doing so, we believe that we will be able to raise brand awareness, deepen existing channel partnerships, and acquire and retain new channel and end customers of our solutions.
- ***Position Sonim as the leading solution for the public sector.*** We intend to leverage the large-scale deployment of our solutions over dedicated LTE networks in the public safety market to further position us as a trusted solution within the cities that we serve. As public safety agencies continue to shift to these dedicated LTE networks, we intend to deliver mobility solutions to increase security, safety and efficiency across their cities.
- ***Expand our subscription-based products and services.*** We intend to expand our cloud-based software platform to (i) deploy value-added applications like Sonim Scan, which integrates a barcode scanning engine with the native camera on our XP8 device, (ii) be the launching point for third-party application providers and (iii) provide data analytics and reporting to our end customers. We intend to continue investing in the capabilities of our software platform to create and expand subscription-based products and services for our end customers.
- ***Expand internationally.*** We are exploring public safety infrastructure projects in Australia and Europe. We will continue to invest in and expand our international sales teams to address the needs of the agencies involved and their wireless carriers that are expected to build public safety wireless networks similar to those being deployed in North America.
- ***Expand into adjacent target markets.*** We intend to market our solutions in large adjacent vertical end markets, such as retail enterprises and additional agencies within the federal government.

Our Target Markets

Our ruggedized mobility solutions are designed for two end markets: industrial enterprise and public sector. For the industrial enterprise, our target markets include: (i) construction, (ii) energy and utility, (iii) facilities management, (iv) manufacturing and (v) transportation and logistics. For the public sector, our target markets include (i) public safety and (ii) federal government.

Preliminary Estimated Unaudited Financial Results for the Three Months Ended March 31, 2019

Set forth below are certain estimated preliminary results for the three months ended March 31, 2019. We have provided ranges, rather than specific amounts, because these interim results are preliminary and subject to

change. These ranges are based on the information currently available to us as of the date of this prospectus. Our actual unaudited financial results for the three months ended March 31, 2019 are not yet available and our closing procedures for the three months ended March 31, 2019 are not yet completed. As such, our actual results may vary from the estimated preliminary results presented here and will not be finalized until after the completion of this offering.

These are forward-looking statements and are not guarantees of future performance and may differ from actual results. These estimates should not be viewed as a substitute for our full interim or annual financial statements prepared in accordance with GAAP. There can be no assurance that these estimates will be realized, and estimates are subject to risks and uncertainties, many of which are not within our control. Please see the sections titled "Risk Factors" and "Special Note Regarding Forward-Looking Statements." These estimated interim preliminary results should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes thereto for prior periods included elsewhere in this prospectus.

The following estimated interim preliminary results have been prepared by, and are the responsibility of, management. Our independent registered public accounting firm, Moss Adams LLP, has not audited, reviewed or performed any procedures with respect to the interim preliminary financial results for the three months ended March 31, 2019 and the unaudited interim financial results for the three months ended March 31, 2018. Accordingly, Moss Adams LLP does not express an opinion or any other form of assurance with respect thereto.

	Three Months Ended		
	March 31, 2018	March 31, 2019	
		Low	High
	(unaudited, in thousands)		
Selected Financial Data			
Net revenue	$ 18,190	$25,000	$27,000
Gross profit	5,263	8,850	9,500
Net loss	(5,071)	(6,300)	(6,000)
Other Data			
Adjusted EBITDA(1)	$ (3,631)	$ (5,050)	$ (4,541)

(1) Adjusted EBITDA is a non-GAAP financial measure that is presented as supplemental disclosure. See footnote 2 to "—Summary Consolidated Financial Data" for a discussion of how we define and calculate Adjusted EBITDA and its limitations. The following table provides a reconciliation of net loss, the most closely comparable U.S. GAAP financial measure, to Adjusted EBITDA.

	Three Months Ended		
	March 31, 2018	March 31, 2019	
		Low	High
	(unaudited, in thousands)		
Net loss	$ (5,071)	$(6,300)	$(6,000)
Depreciation and amortization	467	534	550
Stock-based compensation	33	45	60
Interest expense	406	421	450
Income tax expense	534	250	399
Adjusted EBITDA	$ (3,631)	$(5,050)	$(4,541)

Total revenues

Our preliminary estimated total revenues for the three months ended March 31, 2019 compared to the three months ended March 31, 2018 improved by approximately $6.8 million to $8.8 million. The increase was

driven primarily by (i) the acceptance and launch of commercial sales of our XP3 device by Sprint and (ii) increased mobile phone sales volumes to major wireless carriers, including AT&T.

Gross profit and margin

Our preliminary estimated gross profit for the three months ended March 31, 2019 compared to the three months ended March 31, 2018 improved by approximately $3.6 million to $4.2 million. The improvement was driven primarily by an increase in revenues by approximately 37% to 48% from mobile phone sales in the three months ended March 31, 2019 compared to the three months ended March 31, 2018.

Net loss

Our preliminary estimated net loss for the three months ended March 31, 2019 compared to the three months ended March 31, 2018 increased by about approximately $0.9 million to $1.2 million, driven primarily by increases in operating expenses of approximately $5.0 million to $5.7 million, partially offset by an increase in total revenues and related gross profit. Third party engineering expenses increased by approximately $1.7 million to $1.9 million due to costs associated with technical approval processes required by wireless carrier customers as well as new product launches; research and development expenses increased by approximately $1.4 million to $1.6 million primarily due to increased employee headcount; sales and marketing expenses increased by approximately $1.1 million to $1.3 million due to new employee hires and new product launch marketing expenses; and general and administrative expenses increased by approximately $0.9 million to $1.0 million due to increased employee compensation and hiring of new consultants as well as higher audit fees.

Adjusted EBITDA

Our preliminary estimated Adjusted EBITDA for the three months ended March 31, 2019 compared to the three months ended March 31, 2018 decreased by approximately $0.9 million to $1.4 million, primarily due to higher operating expenses, partially offset by increased gross profit, as described above.

Risks Affecting Our Business

Our business is subject to numerous risks and uncertainties, including those highlighted in the section titled “Risk Factors” immediately following this prospectus summary. These risks include, but are not limited to, the following:

- We have not been profitable in recent years and may not achieve or maintain profitability in the future.
- We rely on our channel partners to generate a substantial majority of our revenues. If these channel partners fail to perform or if we cannot enter into agreements with channel partners on favorable terms, our operating results could be significantly harmed.
- We are materially dependent on the adoption of our solutions by both the industrial enterprise and public sector markets, and if end customers in those markets do not purchase our solutions, our revenues will be adversely impacted and we may not be able to expand into other markets.
- We participate in a competitive industry, which may become more competitive. Competitors with greater resources and significant experience in high-volume product manufacturing may be able to respond more quickly and cost-effectively than we can to new or emerging technologies and changes in customer requirements.
- Defects in our products could reduce demand for our products and result in a loss of sales, delay in market acceptance and injury to our reputation, which would adversely impact our business.

- If our business does not grow as we expect, or if we fail to manage our growth effectively, our operating results and business would suffer.
- We are required to undergo a lengthy customization and certification process for each wireless carrier customer, which increases our operating expenses, and failure to obtain such certification would adversely impact our results of operations and financial condition.
- If we fail to adequately forecast demand for our inventory and supply needs, we could incur additional costs or experience manufacturing delays, which could reduce our gross margin or cause us to delay or even lose sales.
- We may not be able to continue to develop solutions to address user needs effectively in an industry characterized by ongoing change and rapid technological advances.
- In 2017 and 2018, approximately 76% and 80%, respectively, of our revenues were derived from our top five channel partners. The loss of, or significant reduction in orders from, any of these channel partners could significantly reduce our revenues and adversely impact our operating results.

Channels for Disclosure of Information

Investors, the media and others should note that, following the completion of this offering, we intend to announce material information to the public through filings with the Securities and Exchange Commission, or the SEC, the investor relations page on our website, press releases, and public conference calls and webcasts.

Corporate Information

We were incorporated in Delaware in August 1999 as NaviSpin.com, Inc. In December 2001, we changed our name to Sonim Technologies, Inc. Our principal executive offices are located at 1875 South Grant Street, Suite 750, San Mateo, California 94402 and our telephone number is (650) 378-8100. Our website address is www.sonimtech.com. Our website and the information contained therein or accessible through it is not incorporated into this prospectus or the registration statement of which it forms a part.

“Sonim,” the Sonim logo and other trademarks or service marks of Sonim appearing in this prospectus are our property. This prospectus contains additional trade names, trademarks, and service marks of other companies, which are the property of their respective owners. We do not intend our use or display of other companies’ trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, these other companies.

Emerging Growth Company

We qualify as an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and related requirements that are otherwise generally applicable to public companies. These reduced requirements include:

- an exemption from compliance with the auditor attestation requirement on the effectiveness of our internal control over financial reporting;
- an exemption from compliance with any requirement that the Public Company Accounting Oversight Board may adopt regarding a supplement to the auditor’s report providing additional information about the audit and the financial statements;
- reduced disclosure about executive compensation arrangements;

- an exemption from the requirements to obtain a non-binding advisory vote on executive compensation or golden parachute arrangements; and
- extended transition periods for complying with new or revised accounting standards.

We may take advantage of these provisions until we are no longer an emerging growth company. We would cease to be an "emerging growth company" upon the earliest to occur of: (i) the last day of the fiscal year in which we have more than $1.07 billion in annual revenues; (ii) the date we qualify as a large accelerated filer under the rules of the SEC, which means the market value of our shares of common stock that is held by non-affiliates with at least $700.0 million as of the prior June 30th; (iii) the date on which we have, in any three-year period, issued more than $1.0 billion in non-convertible debt securities and (iv) the last day of the fiscal year ending after the fifth anniversary of this offering. We may choose to take advantage of some or all of these reduced reporting burdens. We have taken advantage of certain reduced reporting burdens in this prospectus. Accordingly, the information contained herein may be different from the information you receive from other public companies in which you hold stock.

The JOBS Act permits an emerging growth company like us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We have elected to use this extended transition period until we are no longer an emerging growth company or until we affirmatively and irrevocably opt out of the extended transition period. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

THE OFFERING

Common stock offered by us	3,571,429 shares
Over-allotment option to purchase additional shares of common stock	We and the selling stockholder have granted the underwriters an option for a period of 30 days to purchase up to 535,714 additional shares of our common stock. We will not receive any proceeds from any sale of our shares of common stock in this offering by the selling stockholder. The selling stockholder will only sell shares of common stock in this offering if the underwriters exercise their option to purchase additional shares.
Common stock to be outstanding after this offering	19,509,611 shares (or 20,015,325 shares if the underwriters exercise their option to purchase additional shares of common stock in full).
Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately $42.3 million, or approximately $48.9 million if the underwriters exercise their over-allotment option to purchase additional shares in full, assuming an initial public offering price of $14.00 per share (which is the midpoint of the price range set forth on the cover page of this prospectus), after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds of this offering primarily for general corporate purposes, including working capital, expanded sales and marketing activities, increased research and development expenditures and funding our growth strategies. We expect to use a portion of the net proceeds we receive to satisfy anticipated tax withholding and remittance obligations related to the RSA Settlement in connection with this offering. We may also use a portion of the net proceeds from the offering to prepay principal amounts outstanding and accrued interest under the B. Riley Convertible Note, including prepayment penalties. See "Use of Proceeds."
Directed Share Program	At our request, the underwriters have reserved up to 178,571 shares of common stock, or 5% of the shares offered by us pursuant to this prospectus for sale, at the initial public offering price, through a directed share program, to our employees and family members of our employees. If purchased by these persons and entities, these shares will not be subject to a 180-day lock-up restriction, except to the extent that the purchasers of such shares are otherwise subject to lock-up or market stand-off agreements as a result of their relationships with us. The number of shares of common stock available for sale to the general public will be reduced by the number of reserved shares sold to these persons and entities. Any reserved shares of our common stock that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of our common stock offered by this prospectus. See the section titled "Underwriting—Directed Share Program."

Proposed Nasdaq trading symbol	"SONM"
Risk factors	See "Risk Factors" for a discussion of risks you should carefully consider before investing in our common stock.

The number of shares of common stock that will be outstanding immediately after this offering is based on 15,938,182 shares of common stock (including (i) 155,227 shares of our common stock issuable upon the net exercise of a warrant immediately prior to the completion of this offering (based upon the assumed initial public offering price of $14.00 per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus), or the Warrant Exercise, and (ii) 191,598 shares of our common stock issuable upon the vesting and net settlement (after withholding an estimated amount of 191,598 shares to satisfy associated estimated income tax obligations (based on the assumed initial public offering price and applicable tax withholding rates)) of restricted stock awards prior to the closing of this offering (based on fully-diluted shares outstanding immediately prior to the closing of this offering before giving effect to the offering and sale of shares of common stock in this offering) that are expected to be granted to our chief executive officer immediately prior to the closing of this offering (as described under "Executive Compensation—Agreements with Our Named Executive Officers—Mr. Plaschke"), or the RSA Settlement) outstanding as of December 31, 2018, and excludes:

- 1,099,278 shares of common stock issuable upon the conversion of 75% of the aggregate principal amount and accrued interest outstanding as of December 31, 2018 under the subordinated secured convertible promissory note issued to B. Riley Principal Investments, LLC, or the B. Riley Convertible Note;
- 956 shares of common stock issuable upon the exercise of warrants outstanding as of December 31, 2018 with a weighted-average exercise price of $6.20 per share;
- 1,320,197 shares of common stock issuable upon the exercise of stock options outstanding as of December 31, 2018, with a weighted-average exercise price of $0.77 per share;
- 637,213 shares of common stock issuable upon the exercise of stock options granted after December 31, 2018, with an exercise price of $10.94 per share;
- 128,000 shares issuable upon the vesting of restricted stock units granted after December 31, 2018;
- 2,222,046 shares of our common stock reserved for future issuance under our equity compensation plans, which will become effective prior to the completion of this offering, consisting of:
    - 1,885,039 shares of common stock reserved for future issuance under our 2019 Plan, which will become effective upon the execution of the underwriting agreement for this offering, plus the number of shares underlying outstanding stock awards granted under the 2012 Plan that expire, or are forfeited, cancelled, withheld or reacquired, as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan; and
    - 337,007 shares of common stock reserved for issuance under our 2019 Employee Stock Purchase Plan, or ESPP, which will become effective upon the execution of the underwriting agreement for this offering as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan.

Upon the execution and delivery of the underwriting agreement related to this offering, we will cease granting awards under the 2012 Plan. We do not expect any shares to remain available for issuance under the 2012 Plan upon the execution and delivery of the underwriting agreement related to this offering. See the section titled "Executive Compensation—Employee Benefit Plans" for additional information.

Except as otherwise indicated herein, all information in this prospectus, including the number of shares of common stock that will be outstanding after this offering, assumes or gives effect to:

- the one-for-fifteen reverse stock split for our common stock effected in November 2018;
- the conversion of each share of our then-outstanding preferred stock to one share of our common stock effected in November 2018, or the Share Conversion;
- the filing and effectiveness of our amended and restated certificate of incorporation in Delaware and the adoption of our amended and restated bylaws, each of which will be in effect upon the completion of this offering;
- no exercise of outstanding options or warrants described above subsequent to December 31, 2018 (other than as set forth below with respect to the RSA Settlement and the Warrant Exercise);
- the issuance of 155,227 shares of our common stock immediately prior to the completion of this offering upon the Warrant Exercise;
- the issuance of 191,598 shares upon the RSA Settlement; and
- no exercise by the underwriters of their over-allotment option to purchase additional shares of our common stock from us and the selling stockholder.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following table summary is our consolidated financial and other data should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and notes thereto included elsewhere in this prospectus. The consolidated statement of income data for the years ended December 31, 2017 and 2018 and the consolidated balance sheet data as of December 31, 2017 and 2018 are derived from, and qualified by reference to, our audited consolidated financial statements included elsewhere in this prospectus and should be read in conjunction with those consolidated financial statements and notes thereto.

	Year Ended December 31,	
	2017	2018
	(in thousands, except per share data)	
Statements of Income Data:		
Net revenues	$ 59,031	$ 135,665
Cost of revenues	38,720	87,576
Gross profit	20,311	48,089
Operating expenses	27,081	42,695
Income (loss) from operations	(6,770)	5,394
Interest expense	(820)	(1,828)
Change in fair value of warrant liability	(460)	(970)
Other expense, net	(335)	(565)
Income (loss) before income taxes	(8,385)	2,031
Income tax expense	(134)	(754)
Net income (loss)	(8,519)	1,277
Dividends on Series A, Series A-1 and Series A-2 preferred shares	(6,836)	(10,152)
Net loss attributable to common stockholders	$ (15,355)	$ (8,875)
Net loss per share attributable to common stockholders, basic and diluted(1)	$ (14.96)	$ (2.57)
Weighted average common stock outstanding	1,026,616	3,447,283
Other Data:		
Net cash provided by (used in) operating activities	$ (8,906)	$ 3,861
Net cash used in investing activities	(999)	(2,545)
Net cash provided by financing activities	4,418	10,152
Adjusted EBITDA(2)	(5,685)	6,931

(1) See Note 1 to our consolidated financial statements for an explanation of the method used to compute basic and diluted net loss per share.

(2) Adjusted EBITDA is defined by us as net income (loss), adjusted to exclude the impact of stock-based compensation expense, depreciation and amortization, interest expense, net, income tax expense and change in fair value of warrant liability. Adjusted EBITDA is not a recognized term under U.S. GAAP and should not be considered as an alternative to net income (loss) or other measures of financial performance or liquidity derived in accordance with U.S. GAAP.

We believe that Adjusted EBITDA provides useful information to investors about us and our financial condition and results of operations for the following reasons: (i) Adjusted EBITDA is a key measure used by our management team to evaluate our operating performance and make day-to-day operating decisions; and (ii) Adjusted EBITDA is frequently used by securities analysts, investors and other interested parties as a common performance measure to compare results or estimate valuations across companies in our industry.

Adjusted EBITDA has limitations as an analytical tool, and you should not consider such measure either in isolation or as a substitute for net income (loss), cash flow or other methods of analyzing our results as reported under U.S. GAAP. Some of these limitations are:

- Adjusted EBITDA does not reflect all cash expenditures, future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital;
- Adjusted EBITDA does not reflect interest expense on our debt or the cash requirements necessary to service interest or principal payments; and
- other companies in our industry may define and/or calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA should not be considered as discretionary cash available to us to reinvest in the growth of our business or as a measure of cash that will be available to us to meet our obligations and accomplish our business plans.

The following table provides a reconciliation of net income (loss), the most closely comparable U.S. GAAP financial measure, to Adjusted EBITDA:

	Year Ended December 31,	
	2017	2018
	(in thousands)	
Net income (loss)	$ (8,519)	$ 1,277
Depreciation and amortization	1,316	1,850
Stock-based compensation	104	252
Interest expense	820	1,828
Change in fair value of warrant liability (1)	460	970
Income tax expense	134	754
Adjusted EBITDA	$ (5,685)	$ 6,931

(1) Prior to the Share Conversion (including the conversion of preferred stock issuable upon exercise of warrants), the fair value of outstanding warrants to purchase preferred stock was subject to periodic remeasurement, and any change in fair value was recognized as a change in fair value of warrant liability.

	As of December 31, 2018		
	Actual	Pro Forma (1) (2)	Pro Forma As Adjusted (2)(3)(4)
		(in thousands)	
Balance Sheet Data:			
Cash and cash equivalents	$13,049	$ 13,049	$ 55,349
Working capital	15,668	12,986	55,286
Total assets	67,345	67,345	109,645
Total liabilities	62,216	64,898	64,898
Stockholders' equity	5,129	2,447	44,747

(1) The pro forma data reflects (i) the net issuance of 155,227 shares of our common stock immediately prior to the completion of this offering upon the Warrant Exercise and (ii) in connection with the RSA Settlement, based upon the assumed initial public offering price of $14.00 per share (which is the midpoint of the price range set forth on the cover page of this prospectus) and estimated income tax obligations, (a) the net issuance of 191,598 shares of common stock, (b) stock-based compensation expense of approximately $5.4 million and (c) an increase to accrued and other current liabilities and an equivalent decrease to additional paid-in capital of approximately $2.7 million to satisfy estimated tax withholding and remittance obligations as described under the section titled "Use of Proceeds."

(2) Each $1.00 increase or decrease in the price of our common stock at the time of the RSA Settlement from the assumed initial public offering price of $14.00 per share, assuming no change in the applicable tax rates, would increase or decrease, respectively, the amount we would expect to pay to satisfy estimated tax withholding and remittance obligations related to the RSA Settlement by approximately $192,000.

(3) The pro forma as adjusted balance sheet data reflects (i) the pro forma adjustments set forth above and (ii) our receipt of net proceeds from the sale of 3,571,429 shares of common stock by us at the assumed initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

(4) Each $1.00 increase or decrease in the assumed initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, respectively, the amount of cash and cash equivalents, total assets and total stockholders' equity by approximately $3.3 million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us and notwithstanding the impact of such $1.00 increase or decrease on the RSA Settlement as stated in footnote 2 above. Similarly, each increase or decrease of 1.0 million shares of our common stock would increase or decrease the amount of cash and cash equivalents, working capital, total assets and stockholders' equity by approximately $13.0 million, assuming an initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions payable by us. The pro forma as adjusted information is illustrative only, and will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing.

RISK FACTORS

Investing in our securities involves a great deal of risk. Careful consideration should be made of the following factors as well as other information included in this prospectus before deciding to purchase our securities. There are many risks that affect our business and results of operations, some of which are beyond our control. If any of the following risks actually occur, our business, financial condition or operating results could be significantly harmed. This could cause the trading price of our common stock to decline, and you may lose all or part of your investment. Additional risks that we do not yet know of or that we currently think are immaterial may also affect our business and results of operations.

Risks Related to Our Business

We have not been profitable in recent years and may not achieve or maintain profitability in the future.

We have incurred significant net losses since 2013, including a net loss of $8.5 million in the year ended December 31, 2017. As of December 31, 2018, we had an accumulated deficit of $143.5 million. While we have experienced stronger revenue growth in recent periods, we are not certain whether or when we will obtain a high enough volume of sales of our products to sustain or increase our growth or achieve or maintain profitability in the future. We also expect our costs to increase in future periods, which could negatively impact our future operating results if our revenues do not increase. In particular, we expect to continue to expend substantial financial and other resources on:

- research and development related to our solutions, including investments in our engineering and technical teams;
- expansion of our sales and marketing efforts;
- general and administrative expenses, including legal and accounting expenses preparing for and related to being a public company; and
- continued expansion of our business.

These investments may not result in increased revenues or growth in our business. Additionally, we may encounter unforeseen operating expenses, difficulties, complications, delays and other unknown factors that may result in losses in future periods. If we are unable to increase our revenues at a rate sufficient to offset the expected increase in our costs, our business, operating results and financial position may be harmed, and we may not be able to achieve or maintain profitability over the long term.

We rely on our channel partners to generate a substantial majority of our revenues. If these channel partners fail to perform or if we cannot enter into agreements with channel partners on favorable terms, our operating results could be significantly harmed.

A substantial majority of our revenues are generated through sales by our channel partners, which are primarily wireless carriers who sell our phones through their sales channels. To the extent our channel partners are unsuccessful in selling or do not promote our products, or we are unable to obtain and retain a sufficient number of high-quality channel partners, our business and operating results could be significantly harmed.

We enter into master sales arrangements with the majority of our channel partners (including channel partners contributing over 90% of our total revenues for the year ended December 31, 2018) under which our partners purchase our products for distribution on a purchase order basis. While these arrangements are typically long term, they generally do not contain any firm purchase volume commitments. As a result, our channel partners are not contractually obligated to purchase from us any minimum number of products. We are generally required to satisfy any and all purchase orders delivered to us within specified delivery windows, with limited exceptions (such as orders significantly in excess of forecasts). If we are unable to efficiently manage our supply and satisfy purchase orders on a timely basis to our channel partners, we may be in breach of our sales

arrangements and lose potential sales. Our sales arrangements also generally include technical performance standards for our mobile phones and accessories sold, which vary by channel partner. If a technical issue with any of our covered products exceeds certain preset failure thresholds for the relevant performance standard or standards, the channel partner typically has the right to cease selling the product, cancel open purchase orders and levy certain monetary penalties. If our products suffer technical issues or failures following sales to our channel partners, we may be subject to significant monetary penalties and our channel partners may cease making purchase orders, which would significantly harm our business and results of operations. In addition, our channel partners retain sole discretion in which of their stocked products to offer their customers. While we may offer limited customer incentives, we generally have limited to no control over which products our channel partners decide to offer or promote, which directly impacts the number of products that our partners will purchase from us.

Our channel partners may be unsuccessful in marketing, selling and supporting our solutions. They may also market, sell and support solutions that are competitive with ours, and may devote more resources to the marketing, sales and support of such products. They may have incentives to promote our competitors' products in lieu of our products, particularly for our competitors with larger volumes of orders, more diverse product offerings and a longer relationship with our channel partners. As a result, our channel partners may stop selling our products completely. While we employ a small direct sales force, our channel partners have significantly larger sales teams who are not contractually obligated to promote any of our devices and often have multiple competing devices in stock to offer their customers. In addition, downstream sales by our channel partners often succeed due to attractive device prices and monthly rate plans, which we do not control. In certain cases, we may promote our own devices through customer incentives, typically in exchange for retail price reductions or contributions of funds for marketing purposes; however, there can be no assurance that any such incentives would contribute to increased purchases of our products. Further, given the impact of attractive pricing on ultimate sales, we generally must offer increased promotional funding or price reductions for our more expensive products. This promotional funding or price reductions operate to reduce our margins and significantly impact our profitability.

New sales channel partners may take several months or more to achieve significant sales. Our channel partner sales structure could subject us to lawsuits, potential liability and reputational harm if, for example, any of our channel partners misrepresents the functionality of our products or services to their customers, or violate laws or our corporate policies. Additionally, some of our master agreements with our wireless carrier customers contain most "favored nation" clauses. These clauses typically provide that if we enter into an agreement with another wireless carrier or customer on more favorable terms, we must offer some of those terms to our existing wireless carrier customers. These provisions may obligate us to provide different, more favorable, terms to our existing wireless carrier customers, which could, if applied, result in lower revenues or otherwise adversely impact our business, financial condition and results of operations.

If we fail to effectively manage our existing or future sales channel partners, our channel partners fail to promote our products effectively, we are unable to meet our obligations under our sales arrangements or future agreements that we may enter into with wireless carrier customers have terms that are more favorable to the customer, our business and results of operations would be harmed.

We are materially dependent on the adoption of our solutions by both the industrial enterprise and public sector markets, and if end customers in those markets do not purchase our solutions, our revenues will be adversely impacted, and we may not be able to expand into other markets.

Our revenues have been primarily in the industrial enterprise market, and we are materially dependent on the adoption of our solutions by both the industrial enterprise and public sector markets. End customers in the public sector market may remain, for reasons outside our control, tied to LMR solutions or other competitive alternatives to our phones. Sales of our products to these buyers may also be delayed or limited by these competitive conditions. If our products are not widely accepted by buyers in those markets, we may not be able

to expand sales of our products into new markets, and our business, results of operations and financial condition may be adversely impacted.

We participate in a competitive industry, which may become more competitive. Competitors with greater resources and significant experience in high-volume product manufacturing may be able to respond more quickly and cost-effectively than we can to new or emerging technologies and changes in customer requirements.

We face significant competition in developing and selling our solutions. Our primary competitors in thenon-rugged mobile device market include Apple Inc. and Samsung Electronics Co. Ltd. Our primary competitors in the rugged mobile device market include Bullitt Mobile Ltd. and Kyocera Corporation. We also face competition from large system integrators and manufacturers of private and public wireless network equipment and devices. Competitors in this space include Harris Corporation, JVC KENWOOD Corporation, Motorola Solutions, Inc., or MSI, and Tait International Limited. For the Data Capture and RFID portion of our product offerings, competitors include companies that provide a broad portfolio of barcode scanning products that are suitable for the majority of global market applications, such as Datalogic USA, Inc., Honeywell International Inc., Panasonic Corporation and Zebra Technologies Corporation.

We cannot assure we will be able to compete successfully against current or future competitors. Increased competition in mobile computing platforms, data capture products, or related accessories and software developments may result in price reductions, lower gross profit margins, and loss of market share, and could require increased spending on research and development, sales and marketing, and customer support. Some competitors may make strategic acquisitions or establish cooperative relationships with suppliers or companies that produce complementary products, which may create additional pressures on our competitive position in the marketplace.

Most of our competitors have longer operating histories, greater name recognition, larger customer bases and significantly greater financial, technical, sales, marketing and other resources and experience than we do. In addition, because of the higher volume of components that many of our competitors purchase from their suppliers, they are able to keep their supply costs relatively low and, as a result, may be able to recognize higher margins on their product sales than we do. Many of our competitors may also have existing relationships with the channel partners who we use to sell our products, or with our potential customers. This competition may result in reduced prices, reduced margins and longer sales cycles for our products. Our competitors may also be able to more quickly and cost-effectively respond to new or emerging technologies and changes in customer requirements. The combination of brand strength, extensive distribution channels and financial resources of the larger vendors could cause us to lose market share and could reduce our margins on our products. If any of our larger competitors were to commit greater technical, sales, marketing and other resources to our markets, our ability to compete would be adversely impacted. If we are unable to successfully compete with our competitors, our sales would suffer and as a result our financial condition will be adversely impacted.

Defects in our products could reduce demand for our products and result in a loss of sales, delay in market acceptance and injury to our reputation, which would adversely impact our business.

Complex software, components and assemblies used in our products may contain undetected defects that are subsequently discovered at any point in the life of the product. For example, in 2018, we recalled one batch of our XP8 devices from two wireless carriers due to manufacturing defects. Defects in our products may result in a loss of sales, delay in market acceptance and injury to our reputation and increased warranty costs.

Additionally, our software may contain undetected errors, defects or bugs. Although we have not suffered significant harm from any errors, defects or bugs to date, we may discover significant errors, defects, or bugs in the future that we may not be able to correct or correct in a timely manner. It is possible that errors, defects or bugs will be found in our existing or future software products and related services with the potential for delays in, or loss of market acceptance of, our products and services, diversion of our resources, injury to our reputation, increased service and warranty expenses, and payment of damages.

Further, errors, defects or bugs in our solutions could be exploited by hackers or could otherwise result in an actual or perceived breach of our information systems. Alleviating any of these problems could require significant expense and could cause interruptions, delays or cessation of our product licensing, which would reduce demand for our products and result in a loss of sales, delay in market acceptance and injure our reputation and could adversely impact our business, results of operations and financial condition.

If our business does not grow as we expect, or if we fail to manage our growth effectively, our operating results and business would suffer.

Our ability to successfully grow our business depends on a number of factors including our ability to:

- accelerate the adoption of our solutions by new end customers;
- expand into new vertical markets;
- develop and deliver new products and services;
- increase awareness of the benefits that our solutions offer; and
- expand our international footprint.

As usage of our solutions grows, we will need to continue to make investments to develop and implement new or updated solutions, technologies, security features and cloud-based infrastructure operations. In addition, we will need to appropriately scale our internal business systems and our services organization, including the suppliers of our detection equipment and customer support services, to serve our growing customer base. Any failure of, or delay in, these efforts could impair the performance of our solutions and reduce customer satisfaction.

Further, our growth could increase quickly and place a strain on our managerial, operational, financial and other resources, and our future operating results depend to a large extent on our ability to successfully manage our anticipated expansion and growth. To manage our growth successfully, we will need to continue to invest in sales and marketing, research and development, and general and administrative functions and other areas. We are likely to recognize the costs associated with these investments earlier than receiving some of the anticipated benefits, and the return on these investments may be lower, or may develop more slowly, than we expect, which could adversely impact our operating results.

If we are unable to manage our growth effectively, we may not be able to take advantage of market opportunities or develop new solutions or upgrades to our existing solutions, satisfy customer requirements, maintain the quality and security of our solutions or execute on our business plan, any of which could harm our business, operating results and financial condition.

We are required to undergo a lengthy customization and certification process for each wireless carrier customer, which increases our operating expenses, and failure to obtain such certification would adversely impact our results of operations and financial condition.

Each wireless carrier requires each of our devices to complete a thorough technical acceptance process before it can be stocked and sold. Such acceptance processes impose rigorous and complex requirements on our devices, which result in a lengthy testing and certification process, during which we incur substantial operating expenses related to the wireless carrier's technical acceptance of our devices. The acceptance processes and related costs to us vary across carrier customers depending on carrier size and level of customization required. During the two year period ended December 31, 2018, we incurred between $0.2 million and $1.1 million in operating expenses related to customization costs and between $0.4 million and $1.7 million in operating expenses related to certification and acceptance costs per device for our five largest wireless carrier customers. Generally, the certification process commences within one to three months of product concept development. During this development stage, certain carriers provide a technology roadmap and target demographics, allowing us to

define product specifications to meet carrier goals, while other carriers provide defined specifications and preferred price points. Once we receive approval of a product concept by the carrier, we and the carrier advance the product to the development stage. When the product is close to being a functioning model, we commence internal quality assurance processes and field testing, which may include third-party lab testing, in-market field testing and interoperability testing. Finally, as the last step in the testing phase, the wireless carrier typically conducts testing itself, following which the product may be certified and stocked. The entire process can last from six to 18 months depending on the particular wireless carrier and type of device. Any delay in the acceptance process or failure to satisfy the device certification requirements would affect our ability to bring products to market and adversely impacts our results of operations and financial condition.

If we fail to adequately forecast demand for our inventory and supply needs, we could incur additional costs or experience manufacturing delays, which could reduce our gross margin or cause us to delay or even lose sales.

Because our production volumes are based on a forecast of channel partner demand rather than purchase commitments from our major customers, there is a risk that our forecasts could be inaccurate and that we will be unable to sell our products at the volumes and prices we expect, which may result in excess inventory. We provide, and will continue to provide, forecasts of our demand to our third-party suppliers prior to the scheduled delivery of products to our channel partners. If we overestimate our requirements, our contract manufacturers may have excess component inventory, which could increase our costs. If we underestimate our requirements, our contract manufacturers may have inadequate component inventory, which could interrupt the manufacturing of our products and result in delays in shipments and revenues or even lost sales, or could incur unplanned overtime costs to meet our requirements, resulting in significant cost increases. For example, certain materials and components used to manufacture our products may reach end of life during any of our product's life cycles, following which suppliers no longer provide such expired materials and components. This would require us to either source and qualify an alternative component, which could require a re-certification of the device by the wireless carriers and/or regulatory agencies, or forecast product demand for a final purchase of such materials and components that may reach end of life to ensure that we have sufficient product inventory through a product's life cycle. If we overestimate forecasted demand, we would hold excess end-of-life materials and components resulting in increased costs. If we underestimate forecasted demand, we could experience delays in shipments and loss of revenues.

In addition, if we underestimate our requirements and the applicable supplier becomes insolvent or is no longer able to timely supply our needs in a cost-efficient manner or at all, we may be required to acquire components, which may need to be customized for our products, from alternative suppliers, including at significantly higher costs. For example, in 2018, one of our suppliers became insolvent and ceased all production, requiring us to seek alternative supply of complex components in a very short time frame. If we cannot source alternative suppliers and/or alternative components, we may suffer delays in shipments or lost sales. Similarly, credit constraints at our suppliers could require us to accelerate payment of our accounts payable, impacting our cash flow. Further, lead times for materials and components that we order vary significantly and depend on factors such as the specific supplier, contract terms, customization needed for any particular component and demand for each component at a given time. Any such failure to accurately forecast demand and manufacturing and supply requirements, and any need to obtain alternative supply sources, could materially harm our business, results of operations and financial condition.

We may not be able to continue to develop solutions to address user needs effectively in an industry characterized by ongoing change and rapid technological advances.

To be successful, we must adapt to rapidly changing technological and application needs by continually improving our products, as well as introducing new products and services, to address user demands.

Our industry is characterized by:

- evolving industry standards;

- frequent new product and service introductions;
- evolving distribution channels;
- increasing demand for customized product and software solutions;
- rapid competitive developments; and
- changing customer demands.

Future success will depend on our ability to effectively and economically adapt in this evolving environment. We could incur substantial costs if we must modify our business to adapt to these changes, and may even be unable to adapt to these changes.

In 2017 and 2018, approximately 76% and 80% of our revenues, respectively, were derived from our top five customers. We expect our revenues to continue to be heavily concentrated among our top customers, and the loss of, or significant reduction in orders from, any of these customers could significantly reduce our revenues and adversely impact our operating results.

Historically, our revenues have been concentrated among a very small number of customers. In fiscal year2017 and 2018, our top five wireless carriers customers accounted for approximately 76% and 80% of our revenues, respectively. In 2018, three of the four largest U.S. wireless carriers, and the three largest Canadian wireless carriers, began stocking our entire next generation product portfolio for the first time in our history following their certification of our products, resulting in significant revenue concentration among these few carriers. In addition to the certification and stocking of our products by these wireless carriers, revenue increased among such wireless carriers as a result of increases in awareness of our brand among end users and end customers over the past several years, new product launches and an increased focus by carriers such as AT&T and Verizon on dedicated public safety networks, including FirstNet. We expect our revenues to remain heavily concentrated among these top wireless carriers, and we will be substantially dependent on these wireless carriers continuing to purchase and promote our products to their sales channels as well as customer demand for devices and services from these wireless carriers (factors over which we do not have any control). The loss of one or more of these significant customers, or reduced demand or purchases from these significant customers, would result in significant harm to our revenues and results of operation, and our growth could be limited.

The markets for our devices and related accessories may not develop as quickly as we expect, or may not develop at all.

Our future success is substantially dependent upon continued adoption of devices and related accessories in the industrial enterprise and public sector markets, including the transition from LMR and PTT, to smartphone and LTE networks. These market developments and transitions may take longer than we expect or may not occur at all, and may not be as widespread as we expect. If the market does not develop as we expect, our business, operating results and financial condition would be significantly harmed.

Our dependence on third-party suppliers for key components of our products could delay shipment of our products and reduce our sales.

We depend on certain suppliers for the delivery of components used in the assembly of our products, including machined parts, injection molded plastic parts, printed circuit boards and other miscellaneous custom parts for our products. Our reliance on third-party suppliers creates risks related to our potential inability to obtain an adequate supply of components and reduced control over pricing and timing of delivery of components. In particular, we have little to no control over the prices at which our suppliers sell materials and components to us. Certain supplies of our components are available only from a single source or limited sources and we may not be able to diversify sources in a timely manner. We have experienced shortages in the past that have negatively impacted our results of operations and may experience such shortages in the future. For example, in 2018, we experienced a shortage in supply of a camera part from one of our suppliers for our XP8 phone, which resulted in delays in delivery of completed XP8 phones to certain of our channel partners.

We also do not have long-term supply agreements with any of our suppliers. Our current contracts with certain suppliers may be canceled or not extended by such suppliers and, therefore, do not afford us with sufficient protection against a reduction or interruption in supplies. Moreover, in the event any of these suppliers breach their contracts with us, our legal remedies associated with such a breach may be insufficient to compensate us for any damages we may suffer.

Any interruption of supply for any material components of our products, or inability to obtain required components from our third-party suppliers, could significantly delay the production and shipment of our products and harm our revenues, profitability and financial condition.

Our future success is dependent on our ability to create independent brand awareness for our company and products with end customers, and our inability to achieve such brand awareness could limit our prospects.

We depend on a small number of wireless carriers to distribute our products. While we intend to ramp up direct marketing and end-customer brand awareness initiatives in the future, our sales and marketing efforts have historically been predominantly focused on channel partners. As such, our operating expenses related to end-customer marketing efforts have historically been very small, representing less than 1.0% of our total sales and marketing expenses during fiscal year 2018. To increase end-customer brand awareness, we intend to develop sales tools for key verticals within are target markets, increase usage of social media and expand product training efforts, among other things. As a result, we expect our sales and marketing expenses to increase in the future, primarily from increased sales personnel expenses, which will require us to cost-efficiently ramp up our sales and marketing capabilities and effectively target end customers. However, there can be no assurance that we will successfully increase our brand awareness or do so in a cost-efficient manner while maintaining market share within our existing sales channels. Our failure to establish stand-alone brand awareness with end customers of our products will leave us vulnerable to the marketing and selling success of others, including our channel partners, and these developments could have an adverse impact on our prospects. If we are unable to significantly increase the awareness of our brand and solutions with end customers in a cost-efficient manner, we will remain significantly dependent on our channel partners for sales of our products, and our business, financial condition and results of operations could be adversely impacted.

We are dependent on the continued services and performance of a concentrated group of senior management and other key personnel, the loss of any of whom could adversely impact our business.

Our future success depends in large part on the continued contributions of a concentrated group of senior management and other key personnel. In particular, the leadership of key management personnel is critical to the successful management of our company, the development of our solutions and our strategic direction. We also depend on the contributions of key technical personnel.

We maintain “key person” insurance only for our Chief Executive Officer and do not maintain such insurance for any other member of our senior management team or any of our other key employees. Our senior management and key personnel are all employed on an at-will basis, which means that they could terminate their employment with us at any time, for any reason and without notice. The loss of any of our key personnel could significantly delay or prevent the achievement of our development and strategic objectives and harm our business.

We compete in a rapidly evolving market, and the failure to respond quickly and effectively to changing market requirements could cause our business and operating results to decline.

The mobile device market is characterized by rapidly changing technology, changing customer needs, evolving industry standards and frequent introductions of new products and services. In order to deliver a competitive mobile device, our solutions must be capable of operating in an increasingly complex network environment. As new wireless phones are introduced and standards in the mobile device market evolve, we may be required to modify our phones and services to make them compatible with these new products and standards. Likewise, if

our competitors introduce new devices and services that compete with ours, we may be required to reposition our solutions or introduce new phones and solutions in response to such competitive pressure. We may not be successful in modifying our current phones or introducing new ones in a timely or appropriately responsive manner, or at all. If we fail to address these changes successfully, our business and operating results could be significantly harmed.

If dedicated public safety LTE networks are not deployed at the rate we anticipate or at all, demand for our solutions may not grow as expected.

A key part of our strategy is to further expand the use of our solutions over dedicated LTE networks in the public safety market. If the deployment of dedicated LTE networks is delayed or such networks are not adopted at the rate we anticipate, demand for our solutions may not develop as we anticipate, which would have a negative effect on our revenues.

If we are unable to sell our solutions into new markets, our revenues may not grow.

Any new market into which we attempt to sell our solutions may not be receptive. Our ability to penetrate new markets depends on the quality of our solutions, the continued adoption of our public safety solution by first responders, the perceived value of our solutions as a risk management tool and our ability to design our solutions to meet the demands of our customers. If the markets for our solutions do not develop as we expect, our revenues may not grow.

Our ability to successfully face these challenges depends on several factors, including increasing the awareness of our solutions and their benefits, the effectiveness of our marketing programs, the costs of our solutions, our ability to attract, retain and effectively train sales and marketing personnel, and our ability to develop relationships with wireless carriers and other partners. If we are unsuccessful in developing and marketing our solutions into new markets, new markets for our solutions might not develop or might develop more slowly than we expect, either of which would harm our revenues and growth prospects.

If we are unable to attract, integrate and retain additional qualified personnel, including top technical talent, our business could be adversely impacted.

Our future success depends in part on our ability to identify, attract, integrate and retain highly skilled technical, managerial, sales and other personnel. We face intense competition for qualified individuals from numerous other companies, including other software and technology companies, many of whom have greater financial and other resources than we do. Some of these characteristics may be more appealing to high-quality candidates than those we have to offer. In addition, new hires often require significant training and, in many cases, take significant time before they achieve full productivity. We may incur significant costs to attract and retain qualified personnel, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards, and we may lose new employees to our competitors or other companies before we realize the benefit of our investment in recruiting and training them. Moreover, new employees may not be or become as productive as we expect, as we may face challenges in adequately or appropriately integrating them into our workforce and culture. If we are unable to attract, integrate and retain suitably qualified individuals who are capable of meeting our growing technical, operational and managerial requirements on a timely basis or at all, our business will be adversely impacted.

Volatility or lack of positive performance in our stock price may also affect our ability to attract and retain our key employees. Many of our senior management personnel and other key employees have become, or will soon become, vested in a substantial amount of stock or stock options. Employees may be more likely to leave us if the shares they own or the shares underlying their vested options have significantly appreciated in value relative to the original purchase prices of the shares or the exercise prices of the options, or, conversely, if the exercise prices of the options that they hold are significantly above the market price of our common stock. If we are unable to appropriately incentivize and retain our employees through equity compensation, or if we need to increase our compensation expenses in order to appropriately incentivize and retain our employees, our business, operating results and financial condition would be adversely impacted.

Our existing IT systems may not be adequate to manage our growth, and our implementation of updated IT systems could result in significant disruptions to our operations.

Our existing IT systems may be inadequate to manage our growth, and we are planning to implement various upgrades to our enterprise resource planning, or ERP, systems, as well as other complementary IT systems, over the next several years. Implementation of these solutions and systems is highly dependent on coordination of numerous software and system providers and internal business teams. The interdependence of these solutions and systems is a significant risk to the successful completion of the initiatives and the failure of any one system could have a significant adverse impact on the implementation of our overall IT infrastructure. We may experience difficulties as we transition to these new or upgraded systems and processes, including loss or corruption of data, delayed shipments, decreases in productivity as our personnel and third-party providers implement and become familiar with new systems, increased costs and lost revenues.

In addition, transitioning to these new systems requires significant capital investments and personnel resources. Difficulties in implementing new or upgraded information systems or significant system failures could disrupt our operations and have a significant adverse impact on our capital resources, financial condition, results of operations or cash flows. Implementation of this new IT infrastructure has a significant impact on our business processes and information systems across a significant portion of our operations. As a result, we will be undergoing significant changes in our operational processes and internal controls as our implementation progresses, which in turn will require significant change management, including recruiting and training of qualified personnel. If we are unable to successfully manage these changes as we implement these systems, including harmonizing our systems, data, processes and reporting analytics, our ability to conduct, manage and control routine business functions could be negatively affected and significant disruptions to our business could occur. In addition, we could incur material unanticipated expenses, including additional costs of implementation or costs of conducting business. These risks could result in significant business disruptions or divert management's attention from key strategic initiatives and have a significant adverse impact on our capital resources, financial condition and results of operations.

The application development ecosystem supporting our devices and related accessories is new and evolving.

The application development ecosystem supporting our devices and related accessories is new and evolving. Specifically, the number of application developers in the ecosystem supporting our devices and accessories is small. If the market or the application development ecosystem does not develop, timely or at all, demand for our products may be limited, and our business and results of operations will be significantly harmed.

Our business is difficult to evaluate because we have a limited operating history in our markets.

We have a limited operating history based on which you can evaluate our present business and future prospects. For example, in March 2018, we launched our XP5s and XP8 phones in the public safety market and also have limited operating history in the industrial enterprise market. Because of this limited operating history, we face challenges in predicting our business and evaluating its prospects. These challenges present risks and uncertainties relating to our ability to implement our business plan successfully. Our prospects must be considered in light of the risks, expenses and difficulties frequently encountered by newly-public companies that have recently launched a new product into a new market. If we are unsuccessful in addressing these risks and uncertainties, our business, results of operations and financial condition will be significantly harmed.

The impact of potential changes in customs, tariffs, and trade policies in the United States and the potential corresponding actions by other countries, including recent trade initiatives announced by the U.S. presidential administration against China, in which we do business could adversely impact our financial performance.

The U.S. government has made proposals that are intended to address trade imbalances, which include encouraging increased production in the United States. These proposals could result in increased customs duties

and tariffs, and the renegotiation of some U.S. trade agreements. We import a significant percentage of our products into the United States, and an increase in customs duties and tariffs with respect to these imports could negatively impact our financial performance. If such customs duties and tariffs are implemented, it also may cause U.S. trading partners to take actions with respect to U.S. imports or U.S. investment activities in their respective countries. Any potential changes in trade policies in the United States and the potential corresponding actions by other countries in which we do business could adversely impact our financial performance. Given the level of uncertainty over which provisions will be enacted, we cannot predict with certainty the impact of the proposals.

For example, in 2018, the U.S. presidential administration and Chinese government imposed significant tariffs on exports between the two countries. This evolving policy dispute between China and the United States is likely to have significant impact on the industries in which we participate, directly and indirectly, and no assurance can be given that any individual customer or significant groups of companies or a particular industry, will not be adversely impacted by any governmental actions taken by either China or the United States. In addition, we manufacture our mobile phones at our facility in Shenzhen, China, which could result in significant additional costs to us when shipping our products to various customers in the United States. It is not possible to predict with any certainty the outcome of the trade dispute between the United States and China, and prolonged or increased tariffs on imports from China to the United States would adversely impact our business, results of operations and financial condition.

Operating outside of the United States presents specific risks to our business, and we have substantial operations outside of the United States.

Most of our employee base and operations are located outside the United States, primarily in China and India. Most of our software development, third-party contract manufacturing, and product assembly operations are conducted outside the United States.

Risks associated with operations outside the United States include:

- effectively managing and overseeing operations that are distant and remote from corporate headquarters may be difficult and may impose increased operating costs;
- fluctuating foreign currency rates could restrict sales, increase costs of purchasing, and impact collection of receivables outside of the United States;
- volatility in foreign credit markets may affect the financial well-being of our customers and suppliers;
- violations of anti-corruption laws, including the Foreign Corrupt Practices Act and the U.K. Bribery Act could result in large fines and penalties;
- violations of privacy and data security laws could result in large fines and penalties;
- tax disputes with foreign taxing authorities, and any resultant taxation in foreign jurisdictions associated with operations in such jurisdictions, including with respect to transfer pricing practices associated with such operations;
- adverse changes in, or uncertainty of, local business laws or practices, including the following:
  - foreign governments may impose burdensome tariffs, quotas, taxes, trade barriers, or capital flow restrictions;
  - restrictions on the export or import of technology may reduce or eliminate the ability to sell in or purchase from certain markets;
  - political and economic instability, including deterioration of political relations between the United States and other countries, may reduce demand for our solutions or put our non-U.S. assets at risk;
  - potentially limited intellectual property protection in certain countries may limit recourse against infringing on our solutions or cause us to refrain from selling in certain geographic territories;

- staffing may be difficult along with higher turnover at international operations;
- a government-controlled exchange rate and limitations on the convertibility of currencies, including the Chinese yuan;
- transportation delays and customs related delays that may affect production and distribution of our products; and
- integration and enforcement of laws vary significantly among jurisdictions and may change significantly over time.

Our failure to manage any of these risks successfully could harm our international operations and adversely impact our business, operating results and financial condition.

A security breach or other significant disruption of our IT systems or those of our partners, suppliers or manufacturers, caused by cyberattacks or other means, could have a negative impact on our operations, sales, and operating results.

All IT systems are potentially vulnerable to damage, unauthorized access or interruption from a variety of sources, including but not limited to, cyberattacks, cyber intrusions, computer viruses, security breaches, energy blackouts, natural disasters, terrorism, sabotage, war, insider trading and telecommunication failures. A cyberattack or other significant disruption involving our IT systems or those of our outsource partners, suppliers or manufacturers could result in the unauthorized release of proprietary, confidential or sensitive information of ours or result in virus and malware installation on our devices. Such unauthorized access to, or release of, this information or other security breaches could: (i) allow others to unfairly compete with us, (ii) compromise safety or security, (iii) subject us to claims for breach of contract, tort, and other civil claims, and (iv) damage our reputation. Any or all of the foregoing could have a negative impact on our business, financial condition and results of operations.

We experience lengthy sales cycles for our products and the delay of an expected large order could result in a significant unexpected revenue shortfall.

The purchase of our products is often an enterprise-wide decision for prospective customers, which requires us to engage in sales efforts over an extended period of time and provide a significant level of education to prospective customers regarding the uses and benefits of such devices. Prospective customers, especially the wireless carriers that sell our products, often undertake a prolonged evaluation process that may take from several months to several years in certain cases. Consequently, if our forecasted sales from a specific customer are not realized, we may not be able to generate revenues from alternative sources in time to compensate for the shortfall. The loss or delay of an expected large order could also result in a significant unexpected revenue shortfall. Moreover, to the extent we enter into and deliver our products pursuant to significant contracts earlier than we expected, our operating results for subsequent periods may fall below expectations. We may spend substantial time, effort and money on our sales and marketing efforts without any assurance that our efforts will produce any sales. If we are unable to succeed in closing sales with new and existing customers, our business, operating results and financial condition will be harmed.

We may require additional capital to fund our business and support our growth, and our inability to generate and obtain such capital on acceptable terms, or at all, could harm our business, operating results, financial condition and prospects.

We intend to continue to make substantial investments to fund our business and support our growth. In addition, we may require additional funds to respond to business challenges, including the need to develop new features or enhance our solutions, improve our operating infrastructure or acquire or develop complementary businesses and technologies. As a result, in addition to the revenues we generate from our business and the proceeds from this offering, we may need to engage in additional equity or debt financings to provide the funds required for these and other business endeavors. If we raise additional funds through future issuances of equity or

convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. Any debt financing that we may secure in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. We may not be able to obtain such additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business may be adversely impacted. In addition, our inability to generate or obtain the financial resources needed may require us to delay, scale back, or eliminate some or all of our operations, which may have a significant adverse impact on our business, operating results and financial condition.

We have a limited history of high-volume commercial production of our devices, and we may face manufacturing capacity constraints.

We have limited history and experience in high-volume commercial production of our devices. For example, we launched our first high-volume products in March 2018. Because of this limited production history, we face challenges in predicting our business and evaluating its prospects, which may result in breakdowns of our ability to timely supply our devices to our customers. Moreover, we face manufacturing capacity constraints that present further risks to our business. If overall demand of our devices increases in the future, we will need to expand our manufacturing capacity in a cost-efficient manner. Failing to meet customer demand due to our failure to successfully address these risks and challenges could adversely impact our reputation and future sales, which would significantly harm our business, results of operations and financial condition.

Our ability to use our net operating losses to offset future taxable income will be subject to certain limitations.

As of December 31, 2018, we had U.S. federal and state net operating loss carryforwards, or NOLs, of $24.4 million and $9.6 million, respectively, due to prior period losses, a portion of which expire in various years beginning in 2035 and 2032, respectively, if not utilized. In general, under Section 382 of the Internal Revenue Code of 1986, as amended, or the Code, a corporation that undergoes an “ownership change” is subject to limitations on its ability to utilize its NOLs to offset future taxable income. Future changes in our stock ownership, some of which are outside of our control, could result in an ownership change. There is also a risk that due to regulatory changes, such as suspensions on the use of NOLs, or other unforeseen reasons, our existing NOLs could expire or otherwise be unavailable to offset future income tax liabilities. Under the Tax Cuts and Jobs Act, or the Tax Act, the amount of post 2017 NOLs that we are permitted to deduct from U.S. federal income taxes in any taxable year is limited to 80% of our taxable income in such year, where taxable income is determined without regard to the NOL deduction itself. The Tax Act generally eliminates the ability to carry back any NOL to prior taxable years, while allowing post 2017 unused NOLs to be carried forward indefinitely without expiration. Additionally, state NOLs generated in one state cannot be used to offset income generated in another state. For these reasons, we may not be able to realize a tax benefit from the use of our NOLs, whether or not we attain profitability.

The unfavorable outcome of any future litigation, arbitration or administrative action could have a significant adverse impact on our financial condition or results of operations.

From time to time we are a party to litigation, arbitration, or administrative actions. Our financial results and reputation could be negatively impacted by unfavorable outcomes to any future litigation or administrative actions, including those related to the Foreign Corrupt Practices Act, the U.K. Bribery Act, or other anti-corruption laws. There can be no assurances as to the favorable outcome of any litigation or administrative proceedings. In addition, it can be very costly to defend litigation or administrative proceedings and these costs could negatively impact our financial results.

The nature of our business may result in undesirable press coverage or other negative publicity, which would adversely impact our brand identity, future sales and results of operations.

Our solutions are used to assist law enforcement and other public safety personnel in situations involving public safety. The incidents in which our solutions are deployed may involve injury, loss of life and other negative outcomes, and such events are likely to receive negative publicity. Such negative publicity could have an adverse impact on new sales or renewals or expansions of coverage areas by existing customers, which would adversely impact our financial results and business.

Changes in the availability of federal funding to support local public safety or other public sector efforts could impact our opportunities with public sector end customers.

Many of our public sector end customers rely to some extent on funds from the U.S. federal government in order to purchase and pay for our solutions. Any reduction in federal funding for local public safety or other public sector efforts could result in our end customers having less access to funds required to continue, renew, expand or pay for our solutions. For example, changes in policies with respect to "sanctuary cities" may result in a reduction in federal funds available to our current or potential end customers. Additionally, the recent U.S. government partial shutdown, and any future U.S. government shutdowns, could result in delayed public safety spending or re-allocation of funding into other areas of public safety. If federal funding is reduced or eliminated and our end customers cannot find alternative sources of funding to purchase our solutions, our business will be harmed.

Economic uncertainties or downturns, or political changes, could limit the availability of funds available to our customers and potential customers, which could significantly adversely impact our business.

Current or future economic uncertainties or downturns could adversely impact our business and operating results. Negative conditions in the general economy both in the United States and abroad, including conditions resulting from changes in gross domestic product growth, financial and credit market fluctuations, political deadlock, natural catastrophes, warfare and terrorist attacks in North America, Europe, the Asia Pacific region or elsewhere, could cause a decrease in funds available to our customers and potential customers and negatively affect the growth rate of our business.

These economic conditions may make it extremely difficult for our customers and us to forecast and plan future budgetary decisions or business activities accurately, and they could cause our customers to reevaluate their decisions to purchase our solutions, which could delay and lengthen our sales cycles or result in cancellations of planned purchases. Furthermore, during challenging economic times or as a result of political changes, our customers may tighten their budgets and face constraints in gaining timely access to sufficient funding or other credit, which could result in an impairment of their ability to make timely payments to us. In turn, we may be required to increase our allowance for doubtful accounts, which would adversely impact our financial results.

We cannot predict the timing, strength or duration of any economic slowdown, instability or recovery, generally or within any particular industry, or the impact of political changes. If the economic conditions of the general economy or industries in which we operate worsen from present levels, or if recent political changes result in less funding being available to purchase our solutions, our business, operating results and financial condition could be adversely impacted.

We are subject to anti-corruption, anti-bribery, anti-money laundering, economic sanctions, export control, and similar laws.Non-compliance with such laws can subject us to criminal or civil liability and harm our business, revenues, financial condition and results of operations.

We are subject to the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, and other anti-bribery and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption and anti-bribery laws have been enforced aggressively

in recent years and are interpreted broadly to generally prohibit companies and their employees and third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. As we increase our international presence, we may engage with distributors and third-party intermediaries to market our solutions and to obtain necessary permits, licenses, and other regulatory approvals. In addition, we or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, contractors, partners and agents, even if we do not explicitly authorize such activities.

The United States has imposed economic sanctions that affect transactions with designated foreign countries, nationals and others. In particular, the United States prohibits U.S. persons from engaging with individuals and entities identified as "Specially Designated Nationals," such as terrorists and narcotics traffickers. These prohibitions are administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, or OFAC. OFAC rules prohibit U.S. persons from engaging in, or facilitating a foreign person's engagement in, transactions with or relating to the prohibited individual, entity or country, and require the blocking of assets in which the individual, entity or country has an interest. Blocked assets (e.g., property or bank deposits) cannot be paid out, withdrawn, set off or transferred in any manner without a license from OFAC. Other countries in which we operate, including Canada and the United Kingdom, also maintain economic and financial sanctions regimes.

Some of our solutions, including software updates and third-party accessories, may be subject to U.S. export control laws, including the Export Administration Regulations; however, the vast majority of our products are non-U.S.-origin items, developed and manufactured outside of the United States, and therefore not subject to these laws. For third-party accessories, we rely on manufactures to supply the appropriate export control classification numbers that determine our obligations under these laws.

We cannot assure you that our employees and agents will not take actions in violation of our policies and applicable law, for which we may be ultimately held responsible. As we increase our international presence, our risks under these laws, rules, and regulations may increase. Further, any change in the applicability or enforcement of these laws, rules, and regulations could adversely impact our business operations and financial results.

Detecting, investigating and resolving actual or alleged violations can require a significant diversion of time, resources, and attention from senior management. In addition, noncompliance with anti-corruption, anti-bribery, anti-money laundering, or economic sanctions laws, rules, and regulations could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, suspension and/or debarment from contracting with certain persons, the loss of export privileges, reputational harm, adverse media coverage, and other collateral consequences. If any subpoenas or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, revenues, financial condition, and results of operations would be significantly harmed. In addition, responding to any action will likely result in a significant diversion of management's attention and resources and significant defense costs and other professional fees. Enforcement actions and sanctions could further harm our business, financial condition and results of operations.

Foreign currency fluctuations may reduce our competitiveness and sales in foreign markets.

The relative change in currency values creates fluctuations in product pricing for international customers. These changes in foreignend-customer costs may result in lost orders and reduce the competitiveness of our products in certain foreign markets. These changes may also negatively impact the financial condition of some foreign customers and reduce or eliminate their future orders of our products.

We are subject to a wide range of product regulatory and safety, consumer, worker safety and environmental laws and regulations.

Our operations and the products we manufacture and/or sell are subject to a wide range of product regulatory and safety, consumer, worker safety and environmental laws and regulations. Compliance with such existing or future laws and regulations could subject us to future costs or liabilities, impact our production capabilities, constrict our ability to sell, expand or acquire facilities, restrict what solutions we can offer and generally impact our financial performance. Our products are designed for use in potentially explosive or hazardous environments. If our product design fails for any reason in such environments, we may be subject to product liabilities and future costs. In addition, some of these laws are environmental and relate to the use, disposal, remediation, emission and discharge of, and exposure to hazardous substances. These laws often impose liability and can require parties to fund remedial studies or actions regardless of fault. Environmental laws have tended to become more stringent over time and any new obligations under these laws could have a negative impact on our operations or financial performance.

Laws focused on the energy efficiency of electronic products and accessories, recycling of both electronic products and packaging, reducing or eliminating certain hazardous substances in electronic products, and the transportation of batteries continue to expand significantly. Laws pertaining to accessibility features of electronic products, standardization of connectors and power supplies, the transportation of lithium-ion batteries, and other aspects are also proliferating. There are also demanding and rapidly changing laws around the globe related to issues such as product safety, radio interference, radio frequency radiation exposure, medical related functionality, and consumer and social mandates pertaining to use of wireless or electronic equipment. These laws, and changes to these laws, could have a substantial impact on whether we can offer certain products, solutions, and services, and on what capabilities and characteristics our products or services can or must include.

These laws and regulations impact our products and could negatively impact our ability to manufacture and sell products competitively. In addition, we anticipate that we will see increased demand to meet voluntary criteria related to reduction or elimination of certain constituents from products, increasing energy efficiency and providing additional accessibility.

Changes in laws and regulations concerning the use of telecommunication bandwidth could increase our costs and adversely impact our business.

Our business depends on our ability to sell devices that use telecommunication bandwidth allocated to licensed and unlicensed wireless services, and that use of that bandwidth is subject to laws and regulations that are subject to change over time. Changes in the permitted uses of telecommunication bandwidth, reallocation of such bandwidth to different uses, and new or increased regulation of the capabilities, manufacture, importation, and use of devices that depend on such bandwidth could increase our costs, require costly modifications to our products before they are sold, or limit our ability to sell those products in to our target markets. In addition, we are subject to regulatory requirements for certification and testing of our products before they can be marketed or sold. Those requirements may be onerous and expensive. Changes to those requirements could result in significant additional costs and could adversely impact our ability to bring new products to market in a timely fashion.

Failure of our suppliers, subcontractors, distributors, resellers, and representatives to use acceptable legal or ethical business practices, or to fail for any other reason, could negatively impact our business.

We do not control the labor and other business practices of our suppliers, subcontractors, distributors, resellers and third-party sales representatives, or TPSRs, and cannot provide assurance that they will operate in compliance with applicable rules, and regulations regarding working conditions, employment practices, environmental compliance, anti-corruption, and trademark a copyright and patent licensing. If one of our suppliers, subcontractors, distributors, resellers, or TPSRs violates labor or other laws or implements labor or

other business practices that are regarded as unethical, the shipment of finished products to us could be interrupted, orders could be canceled, relationships could be terminated, and our reputation could be damaged. If one of our suppliers or subcontractors fails to procure the necessary license rights to trademarks, copyrights or patents, legal action could be taken against us that could impact the saleability of our products and expose us to financial obligations to a third party. Any of these events could have a negative impact on our sales and results of operations.

Moreover, any failure of our suppliers, subcontractors, distributors, resellers and TPSRs, for any reason, including bankruptcy or other business disruption, could disrupt our supply or distribution efforts and could have a negative impact on our sales and results of operations.

Natural or man-made disasters and other similar events may significantly disrupt our business, and negatively impact our operating results and financial condition.

Any of our facilities may be harmed or rendered inoperable by natural oman-made disasters, including earthquakes, tornadoes, hurricanes, wildfires, floods, nuclear disasters, acts of terrorism or other criminal activities, infectious disease outbreaks, and power outages, which may render it difficult or impossible for us to operate our business for some period of time. For example, our corporate headquarters is located in the San Francisco Bay Area, a region known for seismic activity. Our facilities would likely be costly to repair or replace, and any such efforts would likely require substantial time. Any disruptions in our operations could negatively impact our business and operating results, and harm our reputation. In addition, we may not carry business insurance or may not carry sufficient business insurance to compensate for losses that may occur. Any such losses or damages could have a significant adverse impact on our business, operating results and financial condition. In addition, the facilities of significant vendors may be harmed or rendered inoperable by such natural or man-made disasters, which may cause disruptions, difficulties or significant adverse impact on our business.

We are subject to a wide range of privacy and data security laws, regulations and other legal obligations.

Personal privacy and information security are significant issues in the United States and the other jurisdictions in which we operate or make our products and applications available. The legislative and regulatory framework for privacy and security issues worldwide is rapidly evolving and is likely to remain uncertain for the foreseeable future. Our handling of data is subject to a variety of laws and regulations, including regulation by various government agencies, including the U.S. Federal Trade Commission, or FTC, and various state, local and foreign agencies. We may collect personally identifiable information, or PII, and other data from our customers. We use this information to provide services to our customers and to support, expand and improve our business. We may also share customers' PII with third parties as allowed by applicable law and agreements and authorized by the customer or as described in our privacy policy.

The U.S. federal and various state and foreign governments have adopted or proposed limitations on the collection, distribution, transfer, use and storage of PII. In the United States, the FTC and many state attorneys general are applying federal and state consumer protection laws as imposing standards for the online collection, use and dissemination of data. Many foreign countries and governmental bodies, including Canada, the European Union and other relevant jurisdictions, have laws and regulations concerning the collection and use of PII obtained from their residents or by businesses operating within their jurisdiction. These laws and regulations often are more restrictive than those in the United States. Laws and regulations in these jurisdictions apply broadly to the collection, use, storage, disclosure and security of data that identifies or may be used to identify or locate an individual, such as names, email addresses and, in some jurisdictions, Internet Protocol, or IP, addresses. Within the European Union, legislators have adopted the General Data Protection Regulation, or GDPR, effective May 2018 which may impose additional obligations and risk upon our business and which may increase substantially the penalties to which we could be subject in the event of any non-compliance. We may incur substantial expense in complying with the obligations imposed by the governments of the foreign jurisdictions in which we do business or seek to do business and we may be required to make significant changes in our business operations, all of which may adversely impact our revenues and our business overall.

Although we are working to comply with those federal, state, and foreign laws and regulations, industry standards, contractual obligations and other legal obligations that apply to us, those laws, regulations, standards and obligations are evolving and may be modified, interpreted and applied in an inconsistent manner from one jurisdiction to another, and may conflict with one another, other requirements or legal obligations, our practices or the features of our products or applications. At state level, lawmakers continue to pass new laws concerning privacy and data security. Particularly notable in this regard is the California Consumer Privacy Act, or CCPA, which will become effective on January 1, 2020. The CCPA will introduce significant new disclosure obligations and provide California consumers with significant new privacy rights. Any failure or perceived failure by us to comply with federal, state or foreign laws or regulations, industry standards, contractual obligations or other legal obligations, or any actual or suspected security incident, whether or not resulting in unauthorized access to, or acquisition, release or transfer of PII or other data, may result in governmental enforcement actions and prosecutions, private litigation, fines and penalties or adverse publicity and could cause our customers to lose trust in us, which could have an adverse impact on our reputation and business. Any inability to adequately address privacy and security concerns, even if unfounded, or comply with applicable laws, regulations, policies, industry standards, contractual obligations, or other legal obligations could result in additional cost and liability to us, damage our reputation, inhibit sales and adversely impact our business.

We also expect that there will continue to be new proposed laws, regulations and industry standards concerning privacy, data protection and information security in the United States, the European Union and other jurisdictions, and we cannot yet determine the impact such future laws, regulations and standards may have on our business. New laws, amendments to or re-interpretations of existing laws and regulations, industry standards, contractual obligations and other obligations may require us to incur additional costs and restrict our business operations. Such laws and regulations may require companies to implement privacy and security policies, permit users to access, correct and delete personal information stored or maintained by such companies, inform individuals of security breaches that affect their personal information, and, in some cases, obtain individuals' consent to use PII for certain purposes. In addition, a foreign government could require that any PII collected in a country not be disseminated outside of that country, and we are not currently equipped to comply with such a requirement.

We are exposed to risks associated with strategic acquisitions and investments.

We may consider strategic acquisitions of companies with complementary technologies or intellectual property in the future. Acquisitions hold special challenges in terms of successful integration of technologies, products, services and employees. We may not realize the anticipated benefits of these acquisitions or the benefits of any other acquisitions we have completed or may complete in the future, and we may not be able to incorporate any acquired services, products or technologies with our existing operations, or integrate personnel from the acquired businesses, in which case our business could be harmed.

Acquisitions and other strategic decisions involve numerous risks, including:

- problems integrating and divesting the operations, technologies, personnel, services or products over geographically disparate locations;
- unanticipated costs, taxes, litigation and other contingent liabilities;
- continued liability for discontinued businesses and pre-closing activities of divested businesses or certain post-closing liabilities which we may agree to assume as part of the transaction in which a particular business is divested;
- adverse impacts on existing business relationships with suppliers and customers;
- cannibalization of revenues as customers may seek multi-product discounts;
- risks associated with entering into markets in which we have no, or limited, prior experience;
- incurrence of significant restructuring charges if acquired products or technologies are unsuccessful;

- significant diversion of management's attention from our core business and diversion of key employees' time and resources;
- licensing, indemnity or other conflicts between existing businesses and acquired businesses;
- inability to retain key customers, distributors, suppliers, vendors and other business relations of the acquired business; and
- potential loss of our key employees or the key employees of an acquired organization or as a result of discontinued businesses.

Financing for future acquisitions may not be available on favorable terms, or at all. If we identify an appropriate acquisition candidate for any of our businesses, we may not be able to negotiate the terms of the acquisition successfully, finance the acquisition or integrate the acquired business, products, service offerings, technologies or employees into our existing business and operations. Future acquisitions and divestitures may not be well-received by the investment community, which may cause the value of our stock to fall. We cannot ensure that we will be able to identify or complete any acquisition, divestiture or discontinued business in the future. Further, the terms of our indebtedness constrain our ability to make and finance additional acquisitions or divestitures.

If we acquire businesses, new products, service offerings or technologies in the future, we may incur significant acquisition-related costs. In addition, we may be required to amortize significant amounts of finite-lived intangible assets and we may record significant amounts of goodwill or indefinite-lived intangible assets that would be subject to testing for impairment. We have in the past and may in the future be required to write off all or part of the intangible assets or goodwill associated with these investments that could harm our operating results. If we consummate one or more significant future acquisitions in which the consideration consists of stock or other securities, our existing stockholders' ownership could be significantly diluted. If we were to proceed with one or more significant future acquisitions in which the consideration included cash, we could be required to use a substantial portion of our cash and investments. Acquisitions could also cause operating margins to fall depending on the businesses acquired.

Our strategic investments may involve joint development, joint marketing, or entry into new business ventures, or new technology licensing. Any joint development efforts may not result in the successful introduction of any new products or services by us or a third party, and any joint marketing efforts may not result in increased demand for our products or services. Further, any current or future strategic acquisitions and investments by us may not allow us to enter and compete effectively in new markets or enhance our business in our existing markets and we may have to impair the carrying amount of our investments.

The effects of the Tax Cuts and Jobs Act on our business have not yet been fully analyzed and could harm our results of operations

On December 22, 2017, U.S. President Donald Trump signed into law the Tax Act that significantly reforms the Code. The Tax Act, among other things, includes changes to U.S. federal corporate income tax rate, imposes significant additional limitations on the deductibility of interest, allows for the accelerated expensing of capital expenditures, and puts into effect the migration from a "worldwide" system of taxation to a territorial system. We continue to analyze the impact that the Tax Act may have on our business. Notwithstanding the reduction in the U.S federal corporate income tax rate, the overall impact of the Tax Act is uncertain, and our business and financial condition could be harmed.

We could be adversely impacted by changes in accounting standards and subjective assumptions, estimates and judgments by management related to complex accounting matters.

Generally accepted accounting principles and related accounting pronouncements, implementation guidelines, and interpretations with regard to a wide range of matters that are relevant to our businesses, including, but not

limited to, revenue recognition, asset impairment, inventories, customer rebates and other customer consideration, tax matters, and litigation and other contingent liabilities are highly complex and involve many subjective assumptions, estimates and judgments. Changes in these rules or their interpretation or changes in underlying assumptions, estimates or judgments could significantly change our reported or expected financial performance or financial condition. New accounting guidance may also require systems and other changes that could increase our operating costs and/or change our financial statements. For example, implementing future accounting guidance related to revenue, accounting for leases and other areas could require us to make significant changes to our accounting systems, impact existing debt agreements and result in adverse changes to our financial statements.

Risks Related to Our Intellectual Property

If we are unable to successfully protect our intellectual property, our competitive position may be harmed.

Our ability to compete is heavily affected by our ability to protect our intellectual property. We rely on a combination of patents, patent applications, copyright and trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect our proprietary rights. We also enter, and plan to continue to enter, into confidentiality, invention assignment or license agreements with our employees, consultants and other parties with whom we contract, and control access to and distribution of our software, documentation and other proprietary information. The steps we take to protect our intellectual property may be inadequate, and it is possible that some or all of our confidentiality agreements will not be honored and certain contractual provisions may not be enforceable. Existing trade secret, trademark and copyright laws offer only limited protection. Unauthorized parties may attempt to copy aspects of our products or obtain and use information which we regard as proprietary. Policing unauthorized use of our products is difficult, time consuming and costly, particularly in foreign countries where the laws may not protect our proprietary rights as fully as in the United States. We cannot assure you that our means of protecting our proprietary rights will be adequate or that our competitors will not independently develop similar technology, the effect of either of which would harm our competitive position in the market. Furthermore, disputes can arise with our strategic partners, customers or others concerning the ownership of intellectual property.

Others may claim that we infringe on their intellectual property rights, which may result in costly and time-consuming litigation and could delay or otherwise impair the development and commercialization of our products.

In recent years, there has been a significant increase in litigation in the United States involving patents and other intellectual property rights, and because our products are comprised of complex technology, we are often involved in or impacted by assertions, including both requests to take licenses and litigation, regarding infringement of patent and other intellectual property rights of third parties. Third parties have asserted, and in the future may assert, intellectual property infringement claims against us and against our channel partners, end customers and suppliers. Many of these assertions are brought by non-practicing entities whose principal business model is to secure patent licensing revenues from product manufacturing companies. Claims for alleged infringement and any resulting lawsuit, if successful, could subject us to significant liability for damages and invalidation of our intellectual property rights. Defending any such claims, with or without merit, including pursuant to indemnity obligations, could be time consuming, expensive, cause product shipment delays or require us to enter into a royalty or licensing agreement, any of which could delay the development and commercialization of our products or reduce our margins. If we are unable to obtain a required license, our ability to sell or use certain products may be impaired. In addition, if we fail to obtain a license, or if the terms of the license are burdensome to us, our operations could be significantly harmed.

Our use of open source software could subject us to possible litigation or otherwise impair the development of our products.

A portion of our technologies incorporates open source software, including open source operating systems such as Android, and we expect to continue to incorporate open source software into our platform in the future. Few

of the licenses applicable to open source software have been interpreted by courts, and their application to the open source software integrated into our proprietary technology platform may be uncertain. If we fail to comply with these licenses, then pursuant to the terms of these licenses, we may be subject to certain requirements, including requirements that we make available the source code for our software that incorporates the open source software. We cannot assure you that we have not incorporated open source software in our software in a manner that is inconsistent with the terms of the applicable licenses or our current policies and procedures. If an author or other third party that distributes such open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could incur significant legal expenses defending against such allegations. Litigation could be costly for us to defend, have a negative effect on our operating results and financial condition or require us to devote additional research and development resources to change our technology platform.

With respect to open source operating systems, if third parties cease continued development of such operating systems or restrict our access to such operating system, our business and financial results could be adversely impacted. We are dependent on third parties' continued development of operating systems, software application ecosystem infrastructures, and such third parties' approval of our implementations of their operating and system and associated applications. If such parties cease to continue development or support of such operating systems or restrict our access to such operating systems, we would be required to change our strategy for our devices. As a result, our financial results could be negatively impacted because a resulting shift away from the operating systems we currently use and the associated applications ecosystem could be costly and difficult.

Our inability to obtain and maintain any third-party license required to develop new products and product enhancements could seriously harm our business, financial condition and results of operations.

From time to time, we are required to license technology from third parties to develop new products or product enhancements. For example, we have entered into worldwide intellectual property cross license agreements or other technology license agreements with a number of global technology companies in the mobile telecommunications market. Third-party licenses may not be available to us on commercially reasonable terms, or at all. If we fail to renew any intellectual property license agreements on commercially reasonable terms, or any such license agreements otherwise expire or terminate, we may not be able to use the patents and technologies of these third parties in our products, which are critical to our success. We cannot assure you that we will be able to effectively control the level of licensing and royalty fees paid to third parties, and significant increase in such fees could have a significant and adverse impact on our future profitability. Seeking alternative patents and technologies may be difficult and time-consuming, and we may not be successful in finding alternative technologies or incorporating them into our products. Our inability to obtain any third-party license necessary to develop new products or product enhancements could require us to obtain substitute technology of lower quality or performance standards, or at greater cost, which could seriously harm our business, financial condition and results of operations.

Risks Related to this Offering and Our Common Stock

We expect that our stock price will fluctuate significantly, and you may not be able to resell your shares at or above the initial public offering price.

The trading price of our common stock is likely to be volatile and subject to wide price fluctuations in response to various factors, including:

- market conditions in the broader stock market in general, or in our industry in particular;
- actual or anticipated fluctuations in our quarterly financial and operating results;
- introduction of new products and services by us or our competitors;
- sales, or anticipated sales, of large blocks of our stock;
- issuance of new or changed securities analysts' reports or recommendations;

- failure of industry or securities analysts to maintain coverage of our company, changes in financial estimates by any industry or securities analysts that follow our company, or our failure to meet such estimates;
- additions or departures of key personnel;
- regulatory or political developments;
- changes in accounting principles or methodologies;
- acquisitions by us or by our competitors;
- litigation and governmental investigations; and
- economic, political and geopolitical conditions or events.

These and other factors may cause the market price and demand for our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have often instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business.

The initial public offering price of our common stock may not accurately reflect its future market performance.

The initial public offering price of our common stock has been determined based on negotiations between the underwriters, us and the selling stockholder. The initial public offering price may not be indicative of future market performance and may bear no relationship to the price at which our common stock will trade.

An active market for our common stock may not develop, which may inhibit the ability of our stockholders to sell common stock following this offering.

Prior to this offering, there has been no public market for shares of our common stock. We cannot predict the extent to which investor interest in our company will lead to the development of a trading market on The Nasdaq Global Market, or Nasdaq, or how liquid that market may become. If an active trading market does not develop, you may have difficulty selling any of our common stock that you purchase. The initial public offering price of shares of our common stock is, or will be, determined by negotiation between us and the underwriters and may not be indicative of prices that will prevail following the completion of this offering. The market price of shares of our common stock may decline below the initial public offering price, and you may not be able to resell your shares of our common stock at or above the initial public offering price.

Our executive officers and directors, and their affiliated entities, along with our two other largest stockholders, own a significant percentage of our stock and will be able to exert significant control over matters subject to stockholder approval.

Upon consummation of this offering (based on shares outstanding as of December 31, 2018, including (i) 155,227 shares of our common stock issuable immediately prior to the completion of this offering upon the Warrant Exercise and (ii) 191,598 shares of our common stock issuable upon the RSA Settlement), our executive officers and directors, together with entities affiliated with such individuals, along with our two other largest stockholders, will beneficially own approximately 64.4% of our common stock (approximately 62.6% if the underwriters' over-allotment option is exercised in full). Accordingly, these stockholders may, as a practical matter, continue to be able to control the election of a majority of our directors and the determination of all corporate actions after this offering. This concentration of ownership could delay or prevent a change in control of the Company.

New investors in our common stock will experience immediate and substantial dilution after this offering.

The initial public offering price of our common stock will be substantially higher than the pro forma net tangible book value per share of the outstanding common stock immediately after this offering. Based on an assumed initial public offering price of $14.00 per share (which is the midpoint of the price range set forth on the cover of this prospectus) and our net tangible book value as of December 31, 2018, if you purchase our common stock in this offering you will pay more for your shares than the amounts paid by our existing stockholders for their shares and you will suffer immediate dilution of approximately $11.71 per share in pro forma net tangible book value. As a result of this dilution, investors purchasing stock in this offering may receive significantly less than the full purchase price that they paid for the shares purchased in this offering in the event of a liquidation.

Immediately prior to the consummation of this offering, we expect to have approximately 1,902,690 outstanding stock options to purchase our common stock with exercise prices that are below the assumed initial public offering price of our common stock. To the extent that these options are exercised, there will be further dilution.

If a substantial number of shares become available for sale and are sold in a short period of time, the market price of our common stock could decline.

If our existing stockholders sell substantial amounts of our common stock in the public market following this offering, the market price of our common stock could decrease significantly. The perception in the public market that our existing stockholders might sell shares of common stock could also depress our market price. Upon completion of this offering, we will have outstanding 19,509,611 shares of common stock, assuming no exercise by the underwriters of their option to purchase additional shares, and options to purchase 1,902,690 shares of our common stock, based on our shares and options to be outstanding as of immediately prior to the consummation of this offering. Our directors, executive officers and other holders of our common stock will be subject to the lock-up agreements described in "Underwriting" and the Rule 144 holding period requirements described in "Shares Eligible for Future Sale." After all of these lock-up periods have expired and the holding periods have elapsed, up to approximately 14.5 million additional shares will be eligible for sale in the public market.

In addition, the holders of approximately 13,195,761 shares of common stock (without giving effect to the sale of shares in this offering by the selling stockholder to the extent the underwriters exercise their option to purchase additional shares) will have the right, subject to certain exceptions and conditions, to require us to register their shares of common stock under the Securities Act, and they will have the right to participate in future registrations of securities by us. Registration of any of these outstanding shares of common stock would result in such shares becoming freely tradable without compliance with Rule 144 upon effectiveness of the registration statement. Further, we intend to file one or more registration statements on Form S-8 under the Securities Act to register shares of our common stock or securities convertible into or exchangeable for shares of our common stock issued pursuant to our 2019 Equity Incentive Plan. Any such Form S-8 registration statements will automatically become effective upon filing, and shares registered under such registration statements will be available for sale in the open market. The market price of shares of our common stock may drop significantly when the restrictions on resale by our existing stockholders lapse or upon registration of our common stock on Form S-8. A decline in the price of shares of our common stock might impede our ability to raise capital through the issuance of additional shares of our common stock or other equity securities.

Since we do not expect to pay any cash dividends for the foreseeable future, investors in this offering may be forced to sell their stock in order to obtain a return on their investment.

We do not anticipate declaring or paying in the foreseeable future any cash dividends on our capital stock. Instead, we plan to retain any earnings to finance our operations and growth plans discussed elsewhere or incorporated by reference in this prospectus. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any return on their investment. As a result, investors seeking cash dividends should not purchase our common stock.

If securities or industry analysts do not publish research or reports about our business, or if they change their recommendations regarding our stock adversely, 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 securities analysts publish about us or our business. If one or more of the analysts who cover us downgrade our stock or describe us or our business in a negative manner, our stock price would likely decline. If one or more of these analysts cease coverage of our company or fails to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

Management may apply our net proceeds from this offering to uses that do not increase our market value or improve our operating results.

The timing and amount of our use of the proceeds from this offering will be based on many factors, including the amount of our cash flows from operations and the anticipated growth of our business. Our management will have considerable discretion in applying our net proceeds, and you will not have the opportunity, as part of your investment decision, to assess whether we are using our net proceeds appropriately. Until the net proceeds we receive are used, they may be placed in investments that do not produce income or that lose value. We may use our net proceeds for purposes that do not result in any increase in our results of operations, which could cause the price of our common stock to decline.

If we fail to maintain proper and effective internal controls or are unable to remediate any deficiencies or weaknesses in our internal controls, our ability to produce accurate financial statements on a timely basis could be impaired.

After the closing of this offering, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, and the rules and regulations of Nasdaq. Section 302 of the Sarbanes-Oxley Act requires, among other things, that we report on the effectiveness of our disclosure controls and procedures in our quarterly and annual reports and, beginning with our annual report for the year ending 2020, Section 404 of the Sarbanes-Oxley Act requires that we perform system and process evaluation and testing of our internal control over financial reporting to allow management to report on the effectiveness of our internal control over financial reporting in our Form 10-K filing for that year. This will require that we incur substantial additional professional fees and internal costs to expand our accounting and finance functions and that we expend significant management efforts. Prior to this offering, we have never been required to test our internal control within a specified period, and, as a result, we may experience difficulty in meeting these reporting requirements in a timely manner.

As a public company, we will be required to maintain internal control over financial reporting and to report any material weaknesses in those internal controls. With respect to the year ended December 31, 2018, we identified two material weaknesses in our internal controls over financial reporting related to accounting for revenue recognition and inventory reporting. Although we are making efforts to remediate these issues, these efforts may not be sufficient to avoid similar material weaknesses in the future.

If the material weakness in our internal controls is not fully remediated or if additional material weaknesses are identified, those material weaknesses could cause us to fail to meet our future reporting obligations, reduce the market's confidence in our financial statements, harm our stock price and subject us to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. In addition, our common stock may not be able to remain listed on Nasdaq or any other securities exchange. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected.

We are an "emerging growth company" and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors.

We are an "emerging growth company" as defined in the JOBS Act, and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. We cannot predict whether investors will find our common stock less attractive if we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business, particularly after we are no longer an "emerging growth company."

Following the completion of this offering, we will be required to comply with various regulatory and reporting requirements, including those required by the SEC. Complying with these reporting and other regulatory requirements will be time-consuming and will result in increased costs to us and could have a negative effect on our results of operations, financial condition or business.

As a public company, we will be subject to the reporting requirements of the Exchange Act and requirements of the Sarbanes-Oxley Act. These requirements may place a strain on our systems and resources. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls over financial reporting. To maintain and improve the effectiveness of our disclosure controls and procedures, we will need to commit significant resources, hire additional staff and provide additional management oversight. We will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. Sustaining our growth also will require us to commit additional management, operational and financial resources to identify new professionals to join our firm and to maintain appropriate operational and financial systems to adequately support expansion. These activities may divert management's attention from other business concerns, which could have a significant adverse impact on our results of operations, financial condition or business.

As an "emerging growth company" as defined in the JOBS Act, we intend to take advantage of certain temporary exemptions from various reporting requirements including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. In addition, we have elected under the JOBS Act to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

When these exemptions cease to apply, we expect to incur additional expenses and devote increased management effort toward ensuring compliance with them. We cannot predict or estimate the amount of additional costs we may incur as a result of becoming a public company or the timing of such costs.

Some provisions of Delaware law and our certificate of incorporation and bylaws may delay or prevent a change in control, and may discourage bids for our common stock at a premium over its market price.

Our certificate of incorporation and bylaws provide for, among other things:

- the authorization of undesignated preferred stock, the terms of which may be established and shares of which may be issued without stockholder approval;

- advance notice requirements for stockholder proposals; and
- certain limitations on convening special stockholder meetings.

These anti-takeover defenses could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and cause us to take other corporate actions than you desire.

Additionally, we are subject to the provisions of Section 203 of the Delaware General Corporation Law, or the DGCL. These provisions prohibit large stockholders, in particular a stockholder owning 15% or more of the outstanding voting stock, from consummating a merger or combination with a corporation unless this stockholder receives board approval for the transaction or 66 2/3% of the shares of voting stock not owned by the stockholder approve the merger or transaction. These provisions of Delaware law may have the effect of delaying, deferring or preventing a change in control, and may discourage bids for our common stock at a premium over its market price.

Our amended and restated certificate of incorporation will designate the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents.

Our amended and restated certificate of incorporation will provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees, agents or trustees to us or our stockholders, (iii) any action asserting a claim against us or any director or officer or other employee of ours arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our bylaws or (iv) any action asserting a claim against us or any director or officer or other employee of ours that is governed by the internal affairs doctrine, in each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of, and consented to, the provisions of our amended and restated certificate of incorporation described in the preceding sentence. Under our amended and restated certificate of incorporation, this exclusive forum provision will not apply to claims which are vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery of the State of Delaware, or for which the Court of Chancery of the State of Delaware does not have subject matter jurisdiction. For instance, the provision would not apply to actions arising under federal securities laws, including suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder, jurisdiction over which is exclusively vested by statute in the U.S. federal courts. This exclusive choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees or agents, which may discourage such lawsuits against us and such persons. If a court were to find the choice of forum provisions contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could have a significant impact on our business, financial condition and results of operations.

Our amended and restated certificate of incorporation will designate the U.S. federal district courts as the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. We may be unable to enforce these provisions.

Our amended and restated certificate of incorporation will provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall, to the fullest extent

permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. Accordingly, there is uncertainty as to whether a court would enforce such provision. The Court of Chancery of the State of Delaware recently determined that the exclusive forum provision of federal district courts of the United States of America for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable. However, this decision may be reviewed and ultimately overturned by the Delaware Supreme Court. If this ultimate adjudication were to occur, we would seek to enforce the federal district court exclusive forum provision in our amended and restated certificate of incorporation, which would result in additional costs and divert management. If we face relevant litigation and are unable to enforce these provisions, we may incur additional costs associated with resolving such matters in other jurisdictions, which could harm our business, financial condition, or results of operations.

You should not rely upon our forward-looking statements.

Some of the statements made in this prospectus discuss future events and developments, including our future business strategy and our ability to generate revenues, income and cash flow. In some cases, you can identify forward-looking statements by words or phrases such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue," "our future success depends," "seek to continue," or the negative of these words or phrases, or comparable words or phrases. These statements are only predictions. Actual events or results may differ materially. In evaluating these statements, you should specifically consider various facts, including the risks outlined under "Risk Factors." These factors may cause our actual results to differ materially from any forward-looking statement. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by law, we are under no duty to update any of the forward-looking statements after the date of this prospectus to conform these statements to actual results.

Our future quarterly results of operations may fluctuate significantly due to a wide range of factors, including reliance on our carrier distribution channels, significant competition and seasonality in our business, which makes our future results difficult to predict.

Our revenues and results of operations could vary significantly from quarter to quarter as a result of various factors, many of which are outside of our control, including:

- the expansion of our customer base;
- the renewal of sales arrangements with, and expansion of coverage areas by, existing channel partners;
- the size, timing and terms of our sales to both existing and new channel partners;
- the introduction of products or services that may compete with us for the limited funds available to our customers, and changes in the cost of such products or services;
- changes in our customers' and potential customers' budgets;
- our ability to control costs, including our operating expenses;
- our ability to hire, train and maintain our direct sales force;
- the timing of satisfying revenue recognition criteria in connection with initial deployment and renewals;
- fluctuations in our effective tax rate; and
- general economic and political conditions, both domestically and internationally.

Any one of these or other factors discussed elsewhere in this prospectus may result in fluctuations in our revenues and operating results, meaning thatquarter-to-quarter comparisons of our revenues, results of operations and cash flows may not necessarily be indicative of our future performance.

In addition, we have experienced, and expect to continue to experience, first quarter seasonality due, among other things, to customer capital spending patterns and the timing of our planned expenses. Such seasonality could have a significant adverse impact on our results of operations, particularly for our quarters ending March 31.

Because of the fluctuations described above, our ability to forecast revenues is limited and we may not be able to accurately predict our future revenues or results of operations. In addition, we base our current and future expense levels on our operating plans and sales forecasts, and our operating expenses are expected to be relatively fixed in the short term. Accordingly, we may not be able to reduce our costs sufficiently to compensate for an unexpected shortfall in revenues, and even a small shortfall in revenues could disproportionately and adversely impact our financial results for that quarter. The variability and unpredictability of these and other factors could result in our failing to meet or exceed financial expectations for a given period.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- our future financial performance, including our revenues, cost of revenues, gross profit, operating expenses, ability to continue to generate positive cash flow, and ability to be profitable;
- anticipated trends, such as the use of and demand for our products;
- our ability to attract and retain customers to purchase and use our products;
- our ability to attract wireless carriers as customers for our products;
- the evolution of technology affecting our products and markets;
- our ability to introduce new products and enhance existing products;
- our ability to successfully enter into new markets;
- our ability to maintain existing market share;
- the attraction and retention of qualified employees and key personnel;
- our ability to effectively manage our growth and future expenses and maintain our corporate culture;
- our anticipated investments in sales and marketing and research and development;
- our ability to maintain, protect, and enhance our intellectual property rights;
- our ability to successfully defend litigation brought against us;
- the sufficiency of our cash and cash equivalents to meet our liquidity needs;
- our ability to comply with modified or new laws and regulations applying to our business;
- the increased expenses associated with being a public company; and
- our use of the net proceeds from this offering.

We caution you that the foregoing list may not contain all of the forward-looking statements made in this prospectus. You should not place undue reliance upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this prospectus primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors described in the section titled “Risk Factors” and elsewhere in this prospectus. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this

prospectus to reflect events or circumstances after the date of this prospectus or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make.

In addition, “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this prospectus, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should read this prospectus and the documents that we reference in this prospectus and have filed with the SEC as exhibits to the registration statement of which this prospectus is a part with the understanding that our actual future results, levels of activity, performance, and events and circumstances may be materially different from what we expect.

INDUSTRY AND MARKET DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market size, is based on information from various sources, on assumptions that we have made that are based on those data and other similar sources, and on our knowledge of the markets for our solutions. This information involves a number of assumptions and limitations and is inherently imprecise, and you are cautioned not to give undue weight to these estimates. In addition, the industry in which we operate, as well as the projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate, are subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled “Risk Factors” and elsewhere in this prospectus, that could cause results to differ materially from those expressed in these publications and reports. We believe that these external sources and estimates are reliable, but have not independently verified them.

USE OF PROCEEDS

We estimate that the net proceeds from our issuance and sale of shares of common stock in this offering will be approximately $42.3 million, or approximately $48.9 million if the underwriters exercise their option to purchase additional shares of common stock in full, based upon an assumed initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any of the proceeds from any sale of shares in this offering by the selling stockholder.

Each $1.00 increase or decrease in the assumed initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, respectively, the amount of cash and cash equivalents, working capital, total assets and total stockholders' equity by approximately $3.3 million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase or decrease of 1.0 million shares of our common stock offered by us would increase or decrease the amount of cash and cash equivalents, working capital, total assets and stockholders' equity by approximately $13.0 million, assuming an initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

The principal purposes of this offering are to obtain additional capital to support our operations, establish a public market for our common stock and thereby enable access to the public equity markets for our employees and stockholders and increase our visibility in the marketplace. We intend to use the net proceeds of this offering for general corporate purposes, including working capital, expanded sales and marketing activities, increased research and development expenditures and funding our growth strategies. We expect to use some of the net proceeds from this offering to satisfy anticipated tax withholding and remittance obligations related to the RSA Settlement in connection with this offering. Based on approximately 384,000 RSAs that are expected to be granted and to vest immediately prior to the closing of this offering, and based on the assumed initial public offering price of $14.00 per share (the midpoint of the price range set forth on the cover page of this prospectus), we estimate that these tax withholding obligations upon the RSA Settlement would be approximately $2.7 million in the aggregate. Each $1.00 increase or decrease in the price of our common stock at the time of the RSA Settlement from the assumed initial public offering price of $14.00 per share, assuming no change in the applicable tax rates, would increase or decrease, respectively, the amount we would expect to pay by approximately $192,000. See the section titled "Executive Compensation—Agreements with Our Named Executive Officers—Mr. Plaschke."

We may use a portion of the net proceeds to prepay principal amounts outstanding and deferred accrued interest under the B. Riley Convertible Note (including a prepayment penalty of up to 2.0% of the outstanding principal amount prepaid, which fee is waived if the total outstanding principal amount following prepayment does not fall below $10.0 million). The B. Riley Convertible Note has an interest rate of 10.0% per year, matures on September 1, 2022, and had an outstanding principal balance, including deferred accrued interest, of $13.0 million as of December 31, 2018. We may also use a portion of the net proceeds to acquire or invest in complimentary businesses, although we currently have no agreements or understandings with respect to any such acquisitions or investments. Pending their application, we intend to invest the net proceeds in short-term, interest-bearing, investment-grade investments, certificates of deposit or guaranteed obligations of the U.S. government.

DIVIDEND POLICY

We have not declared or paid any cash dividends on our capital stock. Any future determinations relating to our dividends and earning retention policies will be made at the discretion of our board of directors, who will review such policies from time to time in light of our earnings, cash flow generation, financial position, results of operations, the terms of our indebtedness and other contractual restrictions, capital requirements, business prospects and other factors our board of directors may deem relevant.

CAPITALIZATION

The following table sets forth our cash, cash equivalents and capitalization as of December 31, 2018 on:

- an actual basis;
- a pro forma basis giving effect to (i) the net issuance of 155,227 shares of our common stock immediately prior to the completion of this offering upon the Warrant Exercise and (ii) in connection with the RSA Settlement, based upon the assumed initial public offering price of $14.00 per share (which is the midpoint of the price range set forth on the cover page of this prospectus) and estimated income tax obligations, (a) the net issuance of 191,598 shares of common stock, (b) stock-based compensation expense of approximately $5.4 million and (c) an increase to accrued and other current liabilities and an equivalent decrease to additional paid-in capital of approximately $2.7 million to satisfy estimated tax withholding and remittance obligations as described under the section titled "Use of Proceeds;" and
- a pro forma as adjusted basis giving effect to the issuance and sale by us of 3,571,429 shares of our common stock in this offering by us based on an assumed initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

The pro forma as adjusted information set forth in the table below is illustrative only of our capitalization following the closing of this offering and will be adjusted based on the actual initial public offering price and other final terms of this offering. You should read this table together with the sections titled "Use of Proceeds," "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes appearing elsewhere in this prospectus.

	December 31, 2018		
	Actual	Pro Forma(1) (2)	Pro Forma As Adjusted
Cash and cash equivalents	$ 13,049	$ 13,049	$ 55,349
Long-term debt	$ 13,510	$ 13,510	$ 13,510
Stockholders' equity:			
Common stock, $0.001 par value per share, 100,000,000 shares authorized and 15,591,357 shares outstanding, actual; 100,000,000 shares authorized and 15,938,182 shares outstanding, pro forma; and 100,000,000 shares authorized and 19,509,611 shares outstanding, pro forma as adjusted	15	16	19
Additional paid-in capital	148,641	151,323	193,620
Accumulated deficit	(143,527)	(148,892)	(148,892)
Total stockholders' equity	5,129	2,447	44,747
Total capitalization	$ 18,639	$ 15,957	$ 58,257

(1) The pro forma data as of December 31, 2018 gives effect to stock-based compensation expense of approximately $5.4 million associated with the RSA Settlement. The pro forma adjustment related to stock-based compensation expense has been reflected as an increase to additional paid-in capital and accumulated deficit.

(2) Each $1.00 increase or decrease in the price of our common stock at the time of the RSA Settlement from the assumed initial public offering price of $14.00 per share, assuming no change in the applicable tax rates, would increase or decrease, respectively, the amount we would expect to pay to satisfy estimated tax withholding and remittance obligations related to the RSA Settlement by approximately $192,000.

Each $1.00 increase or decrease in the assumed initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, respectively, the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately $3.3 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us and notwithstanding the impact of such $1.00 increase or decrease on the RSA Settlement as stated in footnote 2 above. Similarly, each increase or decrease of 1.0 million shares of our common stock offered by us would increase or decrease, respectively, the pro forma as adjusted amount of cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately $13.0 million, based on the assumed initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters' over-allotment option were exercised in full, pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' equity, total capitalization and shares of our common stock outstanding as of December 31, 2018 would be approximately $61.9 million, $200.2 million, $51.3 million, $64.8 million and 20.0 million , respectively.

The pro forma as adjusted column in the table above, is based on 15,938,182 shares of common stock (including (i) 155,227 shares of our common stock issuable immediately prior to the completion of this offering upon the Warrant Exercise and (ii) 191,598 shares of our common stock issuable upon the RSA Settlement) outstanding as of December 31, 2018, and excludes:

- 1,099,278 shares of common stock issuable upon the conversion of 75% of the aggregate principal amount and accrued interest outstanding as of December 31, 2018 under the B. Riley Convertible Note;
- 956 shares of common stock issuable upon the exercise of warrants outstanding as of December 31, 2018 with a weighted-average exercise price of $6.20 per share;
- 1,320,197 shares of common stock issuable upon the exercise of stock options outstanding as of December 31, 2018, with a weighted-average exercise price of $0.77 per share;
- 637,213 shares of common stock issuable upon the exercise of stock options granted after December 31, 2018, with an exercise price of $10.94 per share;
- 128,000 shares issuable upon the vesting of restricted stock units granted after December 31, 2018;
- 2,222,046 shares of our common stock reserved for future issuance under our equity compensation plans, which will become effective prior to the completion of this offering, consisting of:
    - 1,885,039 shares of common stock reserved for future issuance under our 2019 Plan, which will become effective upon the execution of the underwriting agreement for this offering, plus the number of shares underlying outstanding stock awards granted under the 2012 Plan that expire, or are forfeited, cancelled, withheld or reacquired, as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan; and
    - 337,007 shares of common stock reserved for issuance under the ESPP, which will become effective upon the execution of the underwriting agreement for this offering as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan.

DILUTION

If you invest in our common stock in this offering, your ownership interest will be diluted immediately to the extent of the difference between the initial public offering price per share of our common stock and the pro forma as adjusted net tangible book value per share of our common stock immediately after the closing of this offering. Net tangible book value dilution per share to new investors represents the difference between the amount per share paid by purchasers of shares of our common stock in this offering and the pro forma as adjusted net tangible book value per share of our common stock immediately after completion of this offering.

Our pro forma net tangible book value of our common stock as of December 31, 2018 was $2.4 million, or $0.15 per share. Pro forma net tangible book value per share is determined by dividing our total tangible assets less our total liabilities by the number of shares of our common stock outstanding as of December 31, 2018, after giving effect to (i) the net issuance of 155,227 shares of our common stock immediately prior to the completion of this offering upon the Warrant Exercise and (ii) the net issuance of 191,598 shares upon the RSA Settlement.

After giving effect to the receipt of the net proceeds from our issuance and sale of 3,571,429 shares of common stock in this offering at an assumed initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of December 31, 2018, would have been $44.7 million, or $2.29 per share. This represents an immediate increase in pro forma net tangible book value of $2.14 per share to our existing stockholders and immediate dilution of $11.71 per share to investors purchasing our common stock in this offering.

The following table illustrates this dilution on a per share basis to new investors:

Assumed initial public offering price per share		$14.00
Pro forma net tangible book value per share as of December 31, 2018	$0.15	
Increase in pro forma net tangible book value per share attributable to new investors purchasing shares in this offering	2.14	
Pro forma as adjusted net tangible book value per share after this offering		2.29
Dilution per share to investors purchasing shares in this offering		$11.71

Each $1.00 increase or decrease in the assumed initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, respectively, our pro forma as adjusted net tangible book value per share after this offering by $0.17 per share and the dilution to new investors by $0.83 per share, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us and excluding the impact of such $1.00 increase or decrease on the RSA Settlement. Similarly, each increase or decrease of 1.0 million shares of our common stock offered by us would increase or decrease, respectively, the pro forma as adjusted net tangible book value by $0.53 or $0.58 per share, respectively, and the dilution to new investors by $0.53 or $0.58 per share, respectively, assuming the assumed initial public offering price remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares in full, the pro forma as adjusted net tangible book value per share after giving effect to this offering would be $2.56 per share, and the dilution in pro forma as adjusted net tangible book value per share to new investors in this offering would be $11.44 per share.

The following table presents, on a pro forma as adjusted basis, as of December 31, 2018 (after giving effect to the RSA Settlement and Warrant Exercise):

- the total number of shares of our common stock purchased from us by our existing stockholders and by new investors purchasing shares in this offering;

- the total consideration paid or to be paid to us by our existing stockholders and by new investors purchasing shares in this offering; and
- the average price per share paid or to be paid by existing stockholders and by new investors purchasing shares in this offering, assuming an initial public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, before deducting the underwriting discounts and commissions and estimated offering expenses payable by us in connection with this offering.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders	15,938,182	82%	$ 84,355,091	63%	$ 5.29
New investors(1)	3,571,429	18	50,000,006	37	14.00
Total	19,509,611	100.0%	$134,355,097	100.0%	$ 6.89

(1) May include purchases, if any, of the shares in this offering by existing stockholders through a directed share program, as described in this prospectus, or otherwise, at the initial public offering price.

Each $1.00 increase or decrease in the assumed initial public offering price of $14.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, respectively, the total consideration paid by new investors by approximately $3.6 million and increase or decrease, respectively, the total consideration paid by new investors by approximately 1.6%, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and before deducting underwriting discounts and commissions and estimated offering expenses payable by us.

Except as otherwise indicated, the above discussion and tables assume no exercise of the underwriters' option to purchase additional shares. If the underwriters exercise their option to purchase additional shares in full, our existing stockholders would own 79% and our new investors would own 21% of the total number of shares of our common stock outstanding upon the closing of this offering.

The dilution information above is for illustration purposes only. Our pro forma as adjusted net tangible book value following the consummation of this offering is subject to adjustment based on the actual initial public offering price of our shares and other terms of this offering determined at pricing.

The number of shares of common stock that will be outstanding immediately after this offering is based on 15,938,182 shares of common stock (including (i) 155,227 shares of our common stock issuable immediately prior to the completion of this offering upon the Warrant Exercise and (ii) 191,598 shares of our common stock issuable upon the RSA Settlement) outstanding as of December 31, 2018, and excludes:

- 1,099,278 shares of common stock issuable upon the conversion of 75% of the aggregate principal amount and accrued interest outstanding as of December 31, 2018 under the B. Riley Convertible Note;
- 956 shares of common stock issuable upon the exercise of warrants outstanding as of December 31, 2018 with a weighted-average exercise price of $6.20 per share;
- 1,320,197 shares of common stock issuable upon the exercise of stock options outstanding as of December 31, 2018, with a weighted-average exercise price of $0.77 per share;
- 637,213 shares of common stock issuable upon the exercise of stock options granted after December 31, 2018, with an exercise price of $10.94 per share;
- 128,000 shares issuable upon the vesting of restricted stock units granted after December 31, 2018;

- 2,222,046 shares of our common stock reserved for future issuance under our equity compensation plans, which will become effective prior to the completion of this offering, consisting of:
    - 1,885,039 shares of common stock reserved for future issuance under our 2019 Plan, which will become effective upon the execution of the underwriting agreement for this offering, plus the number of shares underlying outstanding stock awards granted under the 2012 Plan that expire, or are forfeited, cancelled, withheld or reacquired, as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan; and
    - 337,007 shares of common stock reserved for issuance under the ESPP, which will become effective upon the execution of the underwriting agreement for this offering as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan.

To the extent that additional options or other securities are issued under our equity incentive plans, or we issue additional shares of common stock in the future, there will be further dilution to investors participating in this offering. In addition, we may choose to raise additional capital because of market conditions or strategic considerations, even if we believe that we have sufficient funds for our current or future operating plans. If we raise additional capital through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders.

SELECTED CONSOLIDATED FINANCIAL DATA

The following selected consolidated financial data of Sonim Technologies, Inc. should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and notes thereto included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future. The consolidated statement of income data for the years ended December 31, 2017 and 2018 and the consolidated balance sheet data as of December 31, 2017 and 2018 are derived from, and qualified by reference to, our audited consolidated financial statements included elsewhere in this prospectus and should be read in conjunction with those consolidated financial statements and notes thereto.

	Year Ended December 31,	
	2017	2018
	(in thousands, except per share data)	
Statements of Income Data:		
Net revenues	$ 59,031	$ 135,665
Cost of revenues	38,720	87,576
Gross profit	20,311	48,089
Operating expenses	27,081	42,695
Income (loss) from operations	(6,770)	5,394
Interest expense	(820)	(1,828)
Change in fair value of warrant liability	(460)	(970)
Other expense, net	(335)	(565)
Income (loss) before income taxes	(8,385)	2,031
Income tax expense	(134)	(754)
Net income (loss)	(8,519)	1,277
Dividends on Series A, Series A-1 and Series A-2 preferred shares	(6,836)	(10,152)
Net loss attributable to common stockholders	$ (15,355)	$ (8,875)
Net loss per share attributable to common stockholders, basic and diluted(1)	$ (14.96)	$ (2.57)
Weighted average common stock outstanding	1,026,616	3,447,283
Other Data:		
Net cash provided by (used in) operating activities	$ (8,906)	$ 3,861
Net cash used in investing activities	(999)	(2,545)
Net cash provided by financing activities	4,418	10,152

(1) See Note 1 to our consolidated financial statements for an explanation of the method used to compute basic and diluted net loss per share.

	As of December 31,	
	2017	2018
Balance Sheet Data:		
Cash and cash equivalents	$ 1,581	$13,049
Working capital	(664)	15,668
Total assets	30,247	67,345
Total liabilities	39,761	62,216
Stockholders' equity (deficit)	(89,911)	5,129

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with the section titled "Selected Consolidated Financial and Other Data" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should review the section titled "Risk Factors" for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Company Overview

We are a leading U.S. provider of ultra-rugged mobile phones and accessories designed specifically for task workers physically engaged in their work environments, often in mission-critical roles. We currently sell our ruggedized mobile phones and accessories to three of the four largest wireless carriers in the United States—AT&T, Sprint and Verizon—as well as the three largest wireless carriers in Canada—Bell, Rogers and Telus Mobility. Our phones and accessories connect workers with voice, data and workflow applications in two end-markets: industrial enterprise and public sector.

We generate revenues from sales of our (i) mobile phones, (ii) industrial-grade accessories and (iii) beginning in 2019, cloud-based software and application services. We sell our mobile phones and accessories primarily to wireless carriers in both the United States and Canada, who then resell our products in conjunction with network services to end customers.

Our first mobile device was introduced and began shipping in low volumes in 2006, primarily in Europe, and in increasing volumes in 2012 in Canada through Bell. In late 2012, we first shipped to U.S. wireless carriers, AT&T and Sprint, but between 2012 and 2017, we had (i) only one or two mobile phones in our product portfolio being sold at any one time, (ii) only a handful of wireless carriers selling such phones and (iii) such phones being sold generally as a non-stocked product. In 2018, three of the four largest U.S. wireless carriers and the three largest Canadian wireless carriers certified certain of our products and decided to stock our entire next generation product portfolio, for the first time in our history, resulting in our revenues increasing by more than 100% from the year ended December 31, 2017 to the year ended December 31, 2018. Revenues have grown from $59.0 million for the year ended December 31, 2017 to $135.7 million for the year ended December 31, 2018. In 2018, we sold approximately 300,000 mobile phones to wireless carriers with approximately 42% and 19% sold to AT&T and Verizon, respectively, compared to a total of approximately 99,000 to wireless carriers in 2016. In addition to acceptance by these large wireless carriers of our product portfolio, expanded adoption of our mobile phones was driven by increases in awareness over the past several years following sales and marketing efforts directed at wireless carriers, new product launches and the increased focus by carriers, such as AT&T and Verizon on dedicated public safety networks, including FirstNet. We expect to continue unit sales volumes with these wireless carriers and anticipate launching additional products starting in 2019 following customization and certification processes. In March 2019 and April 2019, we launched commercial sales of our XP3 mobile phone on the Sprint network and AT&T network (including FirstNet), respectively, in each case following technical acceptance by the applicable wireless carrier.

Because our U.S. sales channel is primarily comprised of large wireless carriers, the number of customers that we sell to is limited. For the year ended December 31, 2018, approximately 86% of our revenues came from this channel and 80% came from our top five channel partner customers. For the year ended December 31, 2018, our smartphones accounted for approximately 66% of our revenues and our feature phones accounted for approximately 26% of our revenues.

To help control and manage the quality, cost and reliability of our supply chain, we directly manage the procurement of all final assembly materials used in our products, which include LCDs, housings, camera modules and antennas. In addition, we complete the final assembly of our devices in our Shenzhen, China facility.

To continue to develop differentiated products to attract and retain customers, we have made significant investments in research and development. While the hardware design of our devices remains generally the same for all wireless carriers, each product must be configured specifically to conform to the requirements of each carrier's network, resulting in higher development expenses as the number of wireless carriers we sell through increases. In addition to the unique configurations, we must go through a technical acceptance process for each device at each wireless carrier before it can be stocked. The acceptance process for each device at each wireless carrier has historically cost up to $1.7 million. Since this task tends to be cyclical in nature, we employ third-party experts on a carrier-by-carrier and product-by-product basis to assist with this acceptance process.

Key Metrics

We review a variety of key financial metrics to help us evaluate growth trends, establish budgets, measure the effectiveness of our business strategies and assess operational efficiencies. In addition to our financial results determined in accordance with GAAP, we believe the following non-GAAP and operational measures are useful in evaluating our performance. We have not historically reviewed or tracked any metrics related to our mobile device accessories or cloud-based software and application services. Our revenues to date from accessories and services have been limited and do not account for a significant portion of our total revenues. As we develop and introduce new accessories and services to increase revenues related to these product areas, we will begin to review related metrics.

	Year Ended December 31,	
	2017	2018
	(in thousands)	
Smartphones	58	160
Feature Phones	88	151
Total Units Sold	146	311
Adjusted EBITDA	$ (5,685)	$ 6,931
Adjusted Covenant EBITDA	$ (5,339)	$ 7,480

Units Sold

We define units sold as the total number of devices delivered to our channel partner customers during the calendar year, including both smartphones and feature phones. We believe that our ability to increase the number of units sold is an indicator of our market penetration, the growth of our business and our potential future business opportunities.

Our smartphones include the XP6, XP7 and XP8 models, and our feature phones include the XP5 and XP5s (and in 2019, XP3) models.

Adjusted EBITDA and Adjusted Covenant EBITDA

We define Adjusted EBITDA as net income (loss) adjusted to exclude the impact of stock-based compensation expense, depreciation and amortization, interest expense, net, income tax expense and change in fair value of warrant liability. We define Adjusted Covenant EBITDA as Adjusted EBITDA further adjusted to exclude the impact of exchange rate changes. Adjusted EBITDA and Adjusted Covenant EBITDA are useful financial metrics in assessing our operating performance from period to period by excluding certain items that we believe

are not representative of our core business, such as certain material non-cash items and other adjustments such as stock-based compensation and changes in the fair value of the warrant liability. We use Adjusted Covenant EBITDA to periodically assess compliance with certain covenants and other provisions under our loan and security agreement, as amended from time to time, or the Loan Agreement, with East West Bank, or EWB.

We believe that Adjusted EBITDA and Adjusted Covenant EBITDA, viewed in addition to, and not in lieu of, our reported GAAP results, provide useful information to investors regarding our performance and overall results of operations for various reasons, including:

- non-cash equity grants made to employees at a certain price do not necessarily reflect the performance of our business at such time, and as such, stock-based compensation expense is not a key measure of our operating performance; and
- costs associated with certain one-time events, such as changes in fair value of warrant liability, are not considered a key measure of our operating performance.

We use Adjusted EBITDA and Adjusted Covenant EBITDA:

- as a measure of operating performance;
- for planning purposes, including the preparation of budgets and forecasts;
- to allocate resources to enhance the financial performance of our business;
- to evaluate the effectiveness of our business strategies;
- to periodically assess compliance with certain covenants and other provisions under the Loan Agreement;
- in communications with our board of directors concerning our financial performance; and
- as a consideration in determining compensation for certain key employees.

Adjusted EBITDA and Adjusted Covenant EBITDA have limitations as analytical tools, and should not be considered in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations include:

- they do not reflect all cash expenditures, future requirements for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, working capital needs;
- they do not reflect interest expense on our debt or the cash requirements necessary to service interest or principal payments; and
- other companies in our industry may define and/or calculate these metrics differently than we do, limiting their usefulness as comparative measures.

Set forth below is a reconciliation from net income (loss) to Adjusted EBITDA and Adjusted Covenant EBITDA for the years ended December 31, 2017 and 2018.

	Year Ended December 31,	
	2017	2018
	(in thousands)	
Net income (loss)	$(8,519)	$1,277
Depreciation and amortization	1,316	1,850
Stock-based compensation	104	252
Interest expense	820	1,828
Change in fair value of warrant liability(1)	460	970
Income tax	134	754
Adjusted EBITDA	(5,685)	6,931
Exchange rate	346	549
Adjusted Covenant EBITDA	$(5,339)	$7,480

(1) Prior to the Share Conversion (including the conversion of preferred stock issuable upon exercise of warrants), the fair value of outstanding warrants to purchase preferred stock was subject to periodic remeasurement, and any change in fair value was recognized as a change in fair value of warrant liability.

Factors Affecting Our Results of Operations

We believe that the growth and future success of our business depend on many factors. While these factors present significant opportunities for our business, they also pose important challenges that we must successfully address in order to sustain our growth and improve our results of operations.

Research and Development

We believe that our performance is significantly dependent on the investments we make in research and development and that we must continue to develop and introduce innovative new products on a two to three year cycle. While the hardware design of our devices is generally the same for all wireless carriers, each device must be configured to conform to the requirements of each wireless carrier's network, resulting in higher development expenses as the number of wireless carriers we sell through increases. In addition to the design and configuration costs, each device must undergo a multi-month technical approval process at each carrier before it can be stocked. The approval process for each device for each carrier has historically cost up to $1.7 million. Prior to commencement of development of a product for certification, we generally do not receive any purchase orders or commitments. Following a carrier's review of product concepts, we may receive a product award letter from that carrier to move forward with the development and certification process, at which time we may begin receiving advance purchase orders or commitments. Since the timing of when we seek technical approval with our wireless carriers tends to be cyclical in nature, quarter-over-quarter expenditures may vary significantly depending on the number of approvals in process during the quarter. If we fail to innovate and enhance our product offerings, our brand, market position and revenues may be adversely affected. If our research and development efforts are not successful, we will not recover these investments that we make.

New Customer Acquisitions

We are focused on continuing to acquire new customers, both in North America and overseas, to support our long-term growth. Historically, we have been dependent on a small number of wireless carriers distributing our products. We have invested, and expect to continue to invest, heavily in our sales and marketing efforts to drive new customer acquisition. In particular, a key part of our strategy is to further expand the use of our solutions over dedicated LTE networks in the public safety market. We will also continue to invest in and expand our

international sales teams. As a result, we expect our sales and marketing costs to increase as we seek to acquire new customers. Sales and marketing investments will often occur in advance of any sales benefits from these activities, and it may be difficult for us to determine if we are efficiently allocating our sales and marketing resources.

Customer Concentration

While we have had success in achieving a stocked status for a number of our devices at several of the largest wireless carriers in the United States and Canada, our customer base is concentrated among a relatively small number of wireless carriers. In 2017 and 2018, our five largest customers accounted for 72% and 80% of our revenues, respectively. In 2018, each of Southern Linc and AT&T, and in 2017, each of AT&T, Bell and Ecom Instruments, accounted for at least 10% of our revenues. The demand from our wireless carriers for our products will depend on their resources committed to, and success in, marketing, selling and supporting our solutions compared to other products, including those of our competitors. As a result, our revenues from sales of our products through these wireless carriers may fluctuate period over period.

Seasonality

Historically, we have delivered the largest unit volumes in the third and fourth quarters of the year. We have chosen to introduce new products and features early in the calendar year to coincide with the wireless carriers' product decision-making cycle. As a result, we tend to deliver the smallest unit volumes in our first quarter each year as old products are phased out and new products are released.

Components of Our Results of Operations

The following describes the line items set forth in our consolidated statements of operations.

Revenues

Revenues are recognized on the date that the customer receives the products sold. Any discounts, marketing development funds, product returns or other revenue reductions are treated as offsets to revenues, which is presented on a net basis. We have also historically entered into customer agreements with channel partners that include a combination of products and non-recurring engineering services, or NRE services. When a customer agreement includes NRE services which involve significant design modification and customization of the product software that is essential to the functionality of the hardware, revenues are also recognized according to the contractual milestones in the agreements. If a milestone is deemed non-substantive, we defer, if applicable, and recognize such non-substantive milestones over the estimated period of performance applicable to each agreement on a straight-line basis, as appropriate. All of our revenues are derived from a single segment.

Our customer agreements with channel partners set forth the terms pursuant to which our channel partners purchase our products for distribution on a purchase order basis. While these arrangements are typically long term, they generally do not contain any firm purchase volume commitments. As a result, our channel partners are not contractually obligated to purchase from us any minimum number of products. However, while our channel partners provide us with demand forecasts under these sales arrangements, we are generally required to satisfy any and all purchase orders delivered to us within specified delivery windows, with limited exceptions (such as orders significantly in excess of forecasts). Our sales arrangements also generally include technical performance standards for our mobile phones and accessories sold, which vary by channel partner. If a technical issue with any of our covered products exceeds certain preset failure thresholds for the relevant performance standard or standards, the channel partner typically has the right to cease selling the product, cancel open purchase orders and levy certain monetary penalties. In addition, our channel partners retain sole discretion in which of their stocked products to offer their customers.

We also offer our channel partners channel marketing and other limited promotional incentives, such as sales volume incentives, in exchange for retail price reductions. Under certain of our customer agreements, we may

also offer NRE services in the form of third-party design services relating to the design of materials and software licenses used in the manufacturing of our products.

Cost of Revenues and Gross Profit/Gross Margin

Cost of revenues primarily consists of the following:

- Direct costs consist of raw materials, supplies and sub-assemblies used in the production of our products. We purchase all materials and sub-assemblies from our supply chain directly and do all final assembly and testing at our facility in Shenzhen, China. Direct materials represent the majority of our direct manufacturing expenses.
- Direct labor costs expended in the final assembly and testing of our products. Labor is charged to each product based on the actual time required to build that specific product.
- Other direct costs related to the shipment of the final product to the customer, including such items as shipping costs, royalties on third-party technology included in the product, warranty cost accruals and packaging and handling costs.
- Indirect manufacturing expense associated with producing our products, such as rent on production facilities, depreciation on production equipment and tooling, engineering and support salaries and other indirect manufacturing costs.

Gross profit is defined as revenues less cost of revenues. Gross margin is gross profit expressed as a percentage of revenues. We expect that our gross margin may fluctuate from period to period, primarily as a result of changes in average selling price, revenue mix among our devices, and manufacturing costs. In addition, we may reserve against the value at which we carry our inventory based upon the device's lifecycle and conditions in the markets in which we sell.

Operating Expenses

Our operating expenses consist of the following categories:

Research and development. Research and development expenses consist primarily of personnel-related expenses, including salaries, bonuses, stock-based compensation and employee benefits. Research and development expenses also include the costs of developing new products and supporting existing products. Research and development activities include the design of new products, refinement of existing products and design of test methodologies to ensure compliance with required specifications, as well as all costs associated with achieving technical acceptance with each product at each carrier. All research and development costs are expensed as incurred. We expect our research and development expenses to increase in absolute dollars as we continue to expand our available solutions.

Sales and marketing. Sales expenses consist primarily of personnel-related expenses, including salaries, bonuses, stock-based compensation, commissions to independent sales representatives, travel costs and employee benefits, as well as field support and customer training costs. Marketing expenses include all social media and collateral print media, and brand development expenses. We expect our sales and marketing costs to increase in absolute dollars as we seek to expand our product lines and customer base and increase brand awareness with end customers.

General and administrative. General and administrative expenses consist primarily of personnel-related expenses, including salaries, bonuses, stock-based compensation, travel costs and employee benefits, as well as professional and consulting fees, legal fees, trade shows, depreciation expense and occupancy costs. We expect our general and administrative expenses to increase in absolute dollars as we expand our organization to better support our customers and our anticipated growth. Additionally, these expenses will increase as we establish the necessary infrastructure to operate effectively as a public company.

Income taxes. On December 22, 2017, the 2017 Tax Act was enacted into law. The Tax Act contains several key tax provisions that affect us, including the reduction of the corporate income tax rate to 21% that went effective on January 1, 2018. We are required to recognize the effect of the tax law changes in the period of enactment. As a result of the reduction in the federal corporate income tax rate, we recorded a non-cash deferred tax expense of approximately $4.1 million related to the remeasurement of our deferred tax assets, fully offset by our valuation allowance, in 2017.

On December 22, 2017, the Securities and Exchange Commission, or SEC, staff issued Staff Accounting Bulletin No. 118, or SAB 118, to address the accounting implications of the Tax Act. SAB 118 allows a company to record provisional amounts during a measurement period not to extend beyond one year of the enactment date. The Financial Accounting Standards Board, or FASB, staff has stated that if a private company entity applies SAB 118, it would be in compliance with GAAP. Subsequently, in May 2018, the FASB issued ASU 2018-05 – Income Taxes (Topic 740), Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118 (SEC Update). The amendment represents changes to certain SEC material in Topic 740 for the income tax accounting implications of the Tax Act. The ASU was effective upon issuance. In accordance with SAB 118, we have determined that the $4.1 million of deferred tax remeasurement (offset by the our full valuation allowance) recorded in connection with the reduction of the U.S. corporate tax rate enacted as part of the Tax Act was a provisional amount and a reasonable estimate at December 31, 2017. No estimate was made and no provisional amounts were recorded in the consolidated financial statements for the impact of the Global Intangible Low-Taxed Income (GILTI) provision of the Tax Act at December 31, 2017. The GILTI provision imposes taxes on foreign earnings in excess of a deemed return on tangible assets. This tax is effective for us beginning in 2018. We have elected to treat GILTI related book-tax differences as a period cost. Additionally, in our valuation allowance analysis, we elected the Incremental Cash Tax Savings Approach in determining its U.S. valuation allowance with respect to the GILTI. As of December 22, 2018, we completed our assessment of the provisional amounts recognized within the one-year period provided by SAB 118, which did not result in significant changes.

Historically, we have operated at a net loss from operations and have accumulated approximately $24.4 million in federal net operating loss carryforwards as of December 31, 2018.

Results of Operations

Years Ended December 31, 2017 and 2018

The following table summarizes our results of operations for the years ended December 31, 2017 and 2018:

	Year Ended December 31,		Change
	2017	2018	(%)
	(in thousands, except per share data)		
Net revenues	$ 59,031	$ 135,665	129.8%
Cost of revenues	38,720	87,576	126.2
Gross profit	20,311	48,089	136.8
Operating expenses:			
Research and development	13,008	23,247	78.7
Sales and marketing	7,361	12,228	66.1
General and administrative	6,712	7,220	7.6
Total operating expense	27,081	42,695	57.7
Income (loss) from operations	(6,770)	5,394	179.7
Interest expense	(820)	(1,828)	(122.9)
Change in fair value of warrant liability	(460)	(970)	(110.9)
Other expense, net	(335)	(565)	(68.7)
Income (loss) before income taxes	(8,385)	2,031	124.2
Income tax expense	(134)	(754)	(462.7)
Net income (loss)	$ (8,519)	$ 1,277	115.0%

Total revenues. Total revenues increased by $76.7 million, or 129.8%, from $59.0 million for the year ended December 31, 2017 to $135.7 million for the year ended December 31, 2018. The increase in revenues can be attributed to (i) the introduction of two new phone products in the first quarter of 2018, the XP8 smartphone and the XP5s feature phone, comprising $98.3 million of revenues for the year ended December 31, 2018, and (ii) the acceptance of those two products as stocked phones at several of the major wireless carriers in both the United States and Canada, including AT&T, comprising $95.9 million of revenues for the year ended December 31, 2018. Total revenues from mobile phone sales to AT&T and Group O, a provider for AT&T, were $14.5 million and $54.4 million for the years ended December 31, 2017 and December 31, 2018, respectively. While we do not have access to specific end customer data from our wireless carriers, we believe that the 275% year-over-year growth in revenues derived from sales of mobile phones to AT&T was primarily attributable to the launch of our XP5s feature phone and XP8 smartphone as stocked products at AT&T as well as AT&T's recent sales activities in the public sector with FirstNet.

Cost of revenues. Total cost of revenues increased $48.9 million, or 126.2%, from $38.7 million, or 65.6% of revenues, for the year ended December 31, 2017 to $87.6 million, or 64.6% of revenues, for the year ended December 31, 2018. This increase primarily resulted from the 113% increase in the total number of mobile phones sold from 146,000 units sold in 2017 to 311,000 units sold in 2018.

Gross profit and margin. Gross profit increased $27.8 million, or 136.8%, from $20.3 million, or 34.4% of revenues, for the year ended December 31, 2017 to $48.1 million, or 35.4% of revenues, for the year ended December 31, 2018. The increase in gross profit and margin primarily resulted from an increase in revenues from mobile phone sales by 145% for the year ended December 31, 2018 as compared to the year ended December 31, 2017.

Research and development. Research and development expenses increased by $10.2 million or 78.7%, from $13.0 million for the year ended December 31, 2017 to $23.2 million for the year ended December 31, 2018.

The increase resulted primarily from development costs related to the design of the XP5s and the XP8 for multiple wireless carriers and the related certification costs. While the hardware design remains generally the same for all wireless carriers, each product must be configured specifically to conform to the technical requirements of each wireless carrier's network, resulting in higher development expenses as the number of wireless carriers that we sell phones to increases.

Sales and marketing. Sales and marketing expenses increased by $4.8 million, or 66.1%, from $7.4 million for the year ended December 31, 2017 to $12.2 million for the year ended December 31, 2018. These expenses increased to support the year-over-year revenue growth in 2018, and resulted primarily from $1.8 million in additional marketing costs related to the launch of our new XP5s and XP8 products, an increase in salaries expense of $1.3 million primarily associated with an increase in headcount and bonuses and additional commissions of $1.0 million.

General and administrative. General and administrative expenses increased by $0.5 million, or 7.6%, from $6.7 million for the year ended December 31, 2017 to $7.2 million for the year ended December 31, 2018. The increase resulted from additional personnel and increased facility costs related to year-over-year revenue growth, including commencement of sales to multiple new carriers in 2018.

Interest expense/Other expense, net. Interest expense/other expense increased by $1.2 million, or 107.2%, from $1.2 million for the year ended December 31, 2017 to $2.4 million for the year ended December 31, 2018. The increase was due almost entirely to an increase in interest expense resulting from the issuance of the B. Riley Convertible Note, in October 2017. The original principal amount outstanding under the note was $7.0 million, which amount was increased to $12.0 million in March 2018. As of December 31, 2018, $13.0 million principal amount remained outstanding under the B. Riley Convertible Note, including $1.0 million of deferred accrued interest.

Net income (loss). We had a net loss of $8.5 million for the year ended December 31, 2017 and net income of $1.3 million for the year ended December 31, 2018, an increase in profitability of $9.8 million. The increase resulted from the increase in revenues and the corresponding increase in gross margin, partially offset by the increases in operating expenses discussed above.

Liquidity and Capital Resources

We had a working capital deficit of $0.7 million as of December 31, 2017 and a working capital surplus of $15.7 million as of December 31, 2018. The increase in working capital from December 31, 2017 to December 31, 2018 resulted primarily from cash generated from operations of $3.9 million, additional borrowing on the B. Riley Convertible Note of $5.0 million and the net proceeds from a private equity financing of shares of our common stock for an aggregate of $8.3 million in November 2018. Historically, we have funded operations from a combination of private equity financings, convertible loans from existing investors and borrowings under loan agreements. As of December 31, 2018, we had an aggregate of $13.0 million principal and deferred accrued interest outstanding under the B. Riley Convertible Note.

Under the B. Riley Convertible Note, we have borrowed $12.0 million aggregate principal amount on a subordinated secured basis. Borrowings bear interest at 10% per year; interest amounts accrued and compounded into principal outstanding until October 2018, following which we are required to pay periodic interest in cash. The B. Riley Convertible Note matures on September 1, 2022. Borrowings under the B. Riley Convertible Note are secured by a subordinated lien on substantially all of our assets, subject to permitted liens. The principal amount of indebtedness under the B. Riley Convertible Note is convertible into shares of our common stock at $8.87 per share. Between the first and second anniversary of the original issue date of the note, between the second and the third anniversary of the original issue date of the note, following the third anniversary of the original issue date of the note and following the fourth anniversary of the original issue date of the note, B. Riley Principal Investments, LLC may elect to convert 75.0%, 50.0%, 25.0% and 12.5%,

respectively, of the then-outstanding total principal amount and accrued interest outstanding under the note at the conversion price per share of $8.87. We have the right to prepay amounts under the B. Riley Convertible Note at any time with a 2.0% prepayment fee if paid off before October 2019, a 1.0% prepayment fee if paid off between October 2019 and October 2020 and no prepayment fee thereafter. The prepayment fees are waived if the outstanding principal balance does not fall below $10.0 million following prepayment.

We maintain a credit line with EWB pursuant to the Loan Agreement. During 2016, we repaid outstanding amounts of $1.6 million in full under the Loan Agreement. In the future, we may borrow up to $8.0 million under the line of credit available under the Loan Agreement. As of December 31, 2018, no amounts were outstanding under the Loan Agreement. Borrowings under the Loan Agreement bear interest at 1.0% plus the prime lending rate. Borrowings under the Loan Agreement are secured by a senior lien on substantially all of our assets, including inventory and receivables, subject to permitted liens. In the event of a default under the Loan Agreement, entities affiliated with B. Riley Financial and Investec Investments (UK) Limited, two of our stockholders, have the right to purchase the indebtedness under the Loan Agreement from EWB at par and to exercise remedies for the default, in their discretion, as the holders of the indebtedness.

The Loan Agreement contains certain negative and affirmative covenants as well as financial covenants, including covenants that restrict our ability to, among other things, incur or prepay indebtedness on subordinated debt, dispose of assets, engage in mergers and consolidations, make acquisitions or other investments, exceed annual capital expenditure limits, as defined, and make changes in the nature of the business. Objective events of default, therein, include, without limitation, nonpayment of principal, interest or other obligations, violation of the covenants, insolvency, and court-ordered judgments. Audited financial statements are required to be submitted to the lenders no later than 120 days after year end. In particular, we are required to maintain a minimum availability under the line of credit under the Loan Agreement of $750,000 and maintain a fixed charge coverage ratio, defined as the sum of Adjusted Covenant EBITDA plus capital expenditures minus taxes and dividends over fixed charges, of at least 1.05 to 1.00 as of the last of each month. In 2018, the financial covenants were amended to temporarily suspend the obligation to comply with the minimum fixed charge coverage ratio through September 30, 2018, to increase the minimum fixed charge coverage ratio as of December 31, 2018, and for the last day of each month thereafter, from 1.00 to 1.10, and to increase the minimum excess availability to $1.2 million. In 2018, the financial covenants were amended to permanently remove the requirement to maintain positive Adjusted Covenant EBITDA. As a result, as of the quarter ended March 31, 2018, we were no longer subject to this Adjusted Covenant EBITDA financial covenant. As of December 31, 2018, we were in compliance with all of its financial covenants and there were no events of default associated during the year then ended.

While we did not have any borrowings outstanding under the Loan Agreement as of December 31, 2018, if we fail to comply with the covenants in the Loan Agreement, including the minimum fixed charge coverage ratio, and are unable to cure, we would be restricted from making future borrowings and could face liquidity problems and could be forced to sell assets, seek additional capital or seek to restructure the Loan Agreement, particularly if we increase our level of borrowings under the Loan Agreement. These alternative measures may harm our financial condition and may not be successful or feasible. In particular, the Loan Agreement restricts our ability to sell assets or incur additional indebtedness, subject to limited exceptions. Even if we could consummate those sales or incur additional indebtedness, the proceeds that we realize from them may not be adequate to meet any debt service obligations then due under the Loan Agreement or otherwise. Further, if an event of default were to occur with respect to the Loan Agreement, including a cross-default of at least $250,000 in aggregate indebtedness under other debt agreements, EWB could, among other things, accelerate the maturity of any indebtedness outstanding under the Loan Agreement or foreclose on its security interest to satisfy outstanding indebtedness under the Loan Agreement . For the quarters ended September 30, 2017 and December 31, 2017, we were out of compliance with our Adjusted Covenant EBITDA covenant and obtained a waiver from EWB.

Based on our current plans and market conditions, we believe that our existing cash, cash equivalents and short-term investments, together with cash generated from operations, will be sufficient to satisfy our anticipated cash

requirements for at least the next 12 months. However, we may require or desire additional funds to support our operating expenses and capital requirements or for other purposes, such as acquisitions, and may seek to raise such additional funds through equity or debt financings or from other sources. We cannot assure you that additional financing will be available at all or that, if available, such financing would be obtainable on terms favorable to us and would not be dilutive. Our future liquidity and cash requirements will depend on numerous factors, including the introduction of new products and potential acquisitions of related businesses or technologies.

Cash Flows

The following table summarizes our sources and uses of cash for the period presented:

	2017	2018
Net cash provided by (used in) operating activities	$(8,906)	$ 3,861
Net cash used in investing activities	(999)	(2,545)
Net cash provided by financing activities	4,418	10,152

Cash flows from operating activities

For the year ended December 31, 2018, cash provided by operating activities was $3.9 million, primarily attributable to net income of $1.3 million and non-cash charges of $4.2 million, partially offset by a net cash outflow of $1.1 million from changes in our net operating assets and liabilities, and non-cash revenue of $0.5 million under our trade-in guarantee program. Non-cash charges primarily consisted of $1.8 million in depreciation and amortization, $1.0 million for the change in fair value of warrant liability, $1.0 million in interest expense, and $0.3 million in stock-based compensation. The net cash outflow in our net operating assets and liabilities was primarily due to an $8.1 million increase in accounts receivable, a $12.8 million increase in inventory, and a $4.1 million increase in prepaid expenses and other current assets, partially offset by a $16.0 million increase in accounts payable, a $7.4 million increase in accrued expenses, and a $0.4 million increase in income tax payable.

For the year ended December 31, 2017, cash used in operating activities was $8.9 million, attributable to a net loss of $8.5 million and a net change in our net operating assets and liabilities of $2.5 million, partially offset by non-cash charges of $2.1 million. Non-cash charges primarily consisted of $1.3 million in depreciation and amortization, $0.5 million in change in fair value of warrant liability, $0.4 million in interest expense and $0.1 million in stock-based compensation, partially offset by $0.3 million in income tax expense. The change in our net operating assets and liabilities was primarily due to a $3.7 million increase in accounts receivables, $3.4 million decrease in inventory, a $2.2 million increase in prepaid expenses and other current assets, $2.6 million increase in deferred revenue and a $3.4 million decrease in accounts payable.

Cash flows from investing activities

For the year ended December 31, 2018, cash used in investing activities was $2.5 million, attributable to tooling development and purchases of software licenses of $1.7 million and purchases of property and equipment of $0.8 million.

For the year ended December 31, 2017, cash used in investing activities was $1.0 million, attributable to tooling development and purchases of software licenses of $1.0 million and purchases of property and equipment of $0.2 million, partially offset by the collection of $0.2 million from a related party loan.

Cash flows from financing activities

For the year ended December 31, 2018, cash provided by financing activities was $10.2 million, attributable primarily to net proceeds from additional net borrowings under the B. Riley Convertible Note of $5.0 million,

increasing the related convertible note balance, inclusive of approximately $1.0 million in deferred accrued interest, from $7.1 million as of December 31, 2017 to $13.0 million by December 31, 2018, and net proceeds from a private equity financing of shares of our common stock for an aggregate of $8.3 million in November and December 2018, partially offset by the net repayment on our lines of credit of $2.9 million. In addition, during 2018, the borrowing capacity under our line of credit with EWB was increased from $6.0 million to $8.0 million. We use this line of credit as a primary source of funds for operational purposes. As of December 31, 2018, the full borrowing capacity under the line of credit was available and we had borrowed the maximum amount available under our B. Riley Convertible Note. As of December 31, 2018, we had 818,231 additional shares of common stock available for sale under our November 2018 Securities Purchase Agreement, of which 227,628 shares were sold in January 2019 for gross proceeds of $1.6 million.

Contractual Obligations and Commitments

The table below presents a summary of our contractual obligations as of December 31, 2018 (in thousands):

	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
B. Riley Convertible Note(1)	13,001	$ —	$ —	$13,001	$ —
Other long-term borrowing(2)	956	301	368	287	—
Operating leases(3)	4,855	1,403	1,730	938	784
Purchase obligations(4)	4,650	4,650	—	—	—
Total	$23,462	$ 6,354	$ 2,098	$14,226	$ 784

(1) Represents principal maturity of the B. Riley Convertible Note, including $1.0 million of interest that has been compounded into principal. See Note 5 to our consolidated financial statements.

(2) Represents principal maturity on the line of credit under a credit agreement, royalty payments under promissory notes and principal under other financing arrangements. Amounts exclude interest. See Note 5 to our consolidated financial statements.

(3) Represents minimum lease payments under noncancelable operating leases and excludes maintenance, insurance and taxes. See Note 9 to our consolidated financial statements.

(4) Represents noncancelable commitments to purchase inventory components. See Note 9 to our consolidated financial statements.

We are required to pay per unit royalties to wireless essential patent holders and other providers of integrated technologies on mobile phones delivered, which, in aggregate, amount to less than 5% of net revenues associated with each unit.

Off-Balance Sheet Arrangements

As of December 31, 2018, we had not entered into anyoff-balance sheet arrangements and did not have any holdings in variable interest entities.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate sensitivities. We had cash and cash equivalents of $1.6 million and $13.0 million as of December 31, 2017 and 2018, respectively, which consist of bank deposits, money market funds and marketable securities. Such interest-earning instruments carry a degree of interest rate risk; however, historical fluctuations in interest income have not been significant for us.

Critical Accounting Policies and Estimates

Management’s discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation

of these consolidated financial statements requires us to make estimates and assumptions for the reported amounts of assets, liabilities, revenues, expenses and related disclosures. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and any such differences may be material.

While our significant accounting policies are more fully described in the Note 1 to our consolidated financial statements appearing elsewhere in this prospectus, we believe the following discussion addresses our most critical accounting policies, which are those that are most important to our financial condition and results of operations and require our most difficult, subjective and complex judgments.

Revenue Recognition

We recognize revenues primarily from the sale of products. We also enter into multiple-element agreements that include a combination of products and NRE services.

Revenues from the sale of our mobile phones and accessories is recognized when all of the following conditions per Accounting Standards Codification, or ASC, Topic 605, *Revenue Recognition*, or ASC 605, are met: (i) there is persuasive evidence of an arrangement; (ii) the product has been delivered to the customer; (iii) the collection of the fees is reasonably assured; and (iv) the amount of fees to be paid by the customer is fixed or determinable. Terms of product sales are generally FOB destination. Revenue recognition also incorporates allowances for discounts, price protection, returns and customer incentives that can be reasonably estimated.

When revenue arrangements involve multiple elements, each element, referred to as a deliverable, is evaluated to determine whether it represents a separate unit of accounting in accordance with ASC 605-25, *Revenue Recognition – Multiple-Element Arrangements*. We perform this evaluation at the inception of an arrangement and as each item is delivered in the arrangement. Generally, we account for a deliverable separately if the delivered item has stand-alone value to the customer and delivery or performance of the undelivered item or service is probable and substantially in our control. When multiple elements can be separated into separate units of accounting, arrangement consideration is allocated at the inception of the arrangement, based on each unit's relative selling price, and recognized based on the method most appropriate for that unit. When an arrangement includes NRE services which involve significant production, modification or customization of the product software that is essential to the functionality of the hardware, revenues are recognized according to the milestone method in accordance with the provisions of ASC Topic 605-35, *Construction-Type and Production-Type Contract*. Under this method, we recognize revenues from milestone payments when: (i) the milestone event is substantive and its achievability was not reasonably assured at the inception of the agreement, and (ii) we do not have ongoing performance requirements related to the achievement of the milestone earned. Milestone payments are considered substantive if all of the following conditions are met: the milestone payment (i) is commensurate with either our performance to achieve the milestone or the enhancement of the value of the delivered item or items as a result of a specific outcome resulting from our performance to achieve the milestone, (ii) relates solely to past performance, and (iii) is reasonable relative to all of the deliverables and payment terms (including other potential milestone consideration) within the arrangement. If a milestone is deemed non-substantive, we defer, if applicable, and recognize such non-substantive milestones over the estimated period of performance applicable to each agreement on a straight-line basis, as appropriate.

Stock-Based Compensation

We account for stock-based payments at fair value. The fair value of stock options is measured using the Black-Scholes option-pricing model. For share-based awards that vest subject to the satisfaction of a service requirement, the fair value measurement date for stock-based compensation awards is the date of grant and the expense is recognized on a straight-line basis, over the vesting period. We account for forfeitures as they occur.

The fair value of each stock option grant is determined using the methods and assumptions discussed below (see "—Fair Value of Common Stock"). Each of these inputs is subjective and generally requires significant judgment and estimation by management.

- *Expected term*. The expected term represents the period that stock-based awards are expected to be outstanding. Our historical share option exercise information is limited due to a lack of sufficient data points and does not provide a reasonable basis upon which to estimate an expected term. The expected term for option grants is therefore determined using the simplified method. The simplified method deems the expected term to be the midpoint between the vesting date and the contractual life of the stock-based awards.
- *Expected volatility*. The expected volatility is derived from the historical stock volatilities of comparable peer public companies within our industry that are considered to be comparable to our business over a period equivalent to the expected term of the stock-based awards, since there has been no trading history of our common stock.
- *Risk-free interest rate*. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the date of grant forzero-coupon U.S. Treasury notes with maturities approximately equal to the stock-based awards' expected term.
- *Expected dividend yield*. The expected dividend yield is zero as we have not paid nor do we anticipate paying any dividends on our common stock in the foreseeable future.

For the year ended December 31, 2018, stock-based compensation was $252,000. As of December 31, 2018, we had $864,000 of total unrecognized stock-based compensation, which we expect to recognize over a weighted-average period of three years. Based upon the assumed initial public offering price of $14.00 per share (which is the midpoint of the estimated price range set forth on the cover of this prospectus), the aggregate intrinsic value of options outstanding as of December 31, 2018 was approximately $17.5 million, of which approximately $8.3 million related to vested options and approximately $9.2 million related to unvested options.

Fair Value of Common Stock

Historically, for all periods prior to this initial public offering, the fair values of the shares of our common stock underlying our share-based awards were estimated on each grant date by our board of directors. In order to determine the fair value of our common stock underlying option grants, our board of directors considered, among other things, valuations of our common stock prepared by an independent third-party valuation firm in accordance with the guidance provided by the American Institute of Certified Public Accountants Practice Guide, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation.*

The fair value of our common stock was estimated by first estimating our aggregate implied equity value using a weighting of discounted cash flows method (income approach) and comparable public companies method (market approach). Prior to the conversion of all of our outstanding preferred stock into common stock, an option pricing model, or OPM, was used to allocate the total equity value to the different classes of equity according to their rights and privileges. To apply the OPM, we estimated the expected time to liquidity, volatility and risk-free rate.

Given the absence of a public trading market for our common stock, our board of directors exercised their judgment and considered a number of objective and subjective factors to determine the best estimate of the fair value of our common stock, including valuations performed by an independent third party, developments in our operations, sales of preferred stock, the prices, rights, preferences and privileges of our preferred stock relative to the common stock, actual operating results and financial performance and capital resources, the conditions in the our industry and the economy and capital markets in general, the stock price performance and volatility of comparable public companies, the likelihood of achieving a liquidity event for shares of our common stock

underlying these stock options, such as an initial public offering or sale of our company, and the lack of liquidity of our common stock, among other factors. After the closing of this offering, our board of directors will determine the fair value of each share of underlying common stock based on the closing price of our common stock as reported on the date of the grant. Our board of directors intended all options granted to be exercisable at a price per share not less than the per share fair value of our common stock underlying those options on the grant date.

Provision for Income Taxes

The provision for income taxes is computed using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets are expected to be realized or settled. We record a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax regulations in multiple tax jurisdictions. We may be periodically reviewed by domestic and foreign tax authorities regarding the amount of taxes due. These reviews may include questions regarding the timing and amount of deductions and the allocation of income among various tax jurisdictions. In evaluating the exposure associated with various filing positions, we record estimated reserves when it is more likely than not that an uncertain tax position will not be sustained upon examination by a taxing authority. Such estimates are subject to change.

Inventory Valuation

We report inventories at the lower of cost or net realizable value, in accordance with the adoption of Accounting Standards Update (ASU) No. 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*. Cost is determined using a first-in, first-out method, or FIFO, and includes materials, labor, shipping and manufacturing overhead related to the purchase and production of inventories. Net realizable value is the estimated selling price in the ordinary course of business less reasonably predictable costs of completion, disposal and transportation.

Warranty Reserves

We provide standard warranty coverage on our accessories and devices for one and three years, respectively, providing labor and parts necessary to repair the systems during the warranty period. We account for the estimated warranty cost as a charge to cost of revenues when revenue is recognized. The estimated warranty cost is based on historical product performance and field expenses. We update this estimate periodically. The actual product performance and/or field expense profiles may differ, and in those cases we adjust warranty accruals accordingly.

Convertible Preferred Stock Warrant Liability

Prior to the November 2018 conversion of all our preferred stock into common stock, we accounted for our freestanding warrants to purchase shares of our convertible preferred stock as liabilities at fair value upon issuance primarily because the shares underlying the warrants contain contingent redemption features outside our control. The warrants were subject to re-measurement at each balance sheet date with any change in fair value being recognized as the change in fair value of warrant liability. Subsequent to this conversion, the remaining convertible preferred stock warrants became warrants to purchase common stock and the related liability was reclassified to additional paid-in capital, a component of stockholders' equity (deficit).

Recent Accounting Pronouncements

See Note 1 to our consolidated financial statements included elsewhere in this prospectus for more information.

BUSINESS

Overview

We are a leading U.S. provider of ultra-rugged mobile phones and accessories designed specifically for task workers physically engaged in their work environments, often in mission-critical roles. We currently sell our ruggedized mobile phones and accessories to three of the four largest wireless carriers in the United States—AT&T, Sprint and Verizon—as well as the three largest wireless carriers in Canada—Bell, Rogers and Telus Mobility. Our phones and accessories connect workers with voice, data and workflow applications in two end markets: industrial enterprise and public sector.

Task workers in these end markets have historically been limited to pen and paper and single-purpose electronic devices, such as barcode scanners, location-tracking devices and sensors, to accomplish specific tasks. These single-purpose devices have historically run on proprietary networks, such as LMR networks that enable PTT services for voice communications. We provide Android-based devices that consolidate and integrate multiple functions into a single ruggedized solution running on commercial wireless networks at a total cost of ownership that we believe is significantly lower with improved productivity and safety of task workers.

Our solutions fall into three main categories: (i) ultra-rugged mobile phones based on the Android platform which are capable of attaching to both public and private wireless networks, (ii) industrial-grade accessories and (iii) cloud-based software and application services. End customers of our solutions include construction, energy and utility, hospitality, logistics, manufacturing, public sector and transportation entities that primarily purchase our devices and accessories through their wireless carriers. The key attributes of our solutions are specifically tailored for the needs of our end users, including impact resistance, waterproof and dustproof construction, extended battery life and extra loud audio, supported by a three-year comprehensive warranty. All of our devices run on the Android operating system, providing a familiar and intuitive user interface, and our smartphones have access to a library of millions of applications available through the Google Play Store. We have also implemented dozens of application programming interfaces, or APIs, specific to our mobile phones and have partnered with over 800 application developers to create a purpose-built experience for our end users using these applications on our mobile phones.

As of January 2019, we were the only privately held mobile phone provider to have a stocked product with three of the four largest U.S. wireless carriers: AT&T, Sprint and Verizon, meaning that these carriers test and certify our mobile phones on their networks and maintain inventory in their warehouses that they then sell through their enterprise and retail sales teams to end customers, often on a subsidized or financed basis. Our full product portfolio has been stocked with the three largest Canadian wireless carriers since 2015 and with multiple large U.S. wireless carriers since 2018. In 2018, we sold approximately 30,000 mobile phones in Canada and 260,000 in the United States, representing 30% and 5% of the Canadian and U.S. rugged mobile device markets, respectively (which markets include rugged feature phones, smart consumer rugged phones, smart ultra rugged phones and life-proofed smart phones).

We enter into master sales arrangements with the majority of our channel partners (including channel partners contributing over 90% of our total revenues for the year ended December 31, 2018) under which our partners purchase our solutions for distribution on a purchase order basis. Under these arrangements, we and the channel partners determine sales channel distribution in connection with pricing (including any discounts and price protection) and market positioning of each particular mobile phone product. We also offer our channel partners channel marketing and other promotional incentives, such as sales volume incentives, in exchange for retail price reductions. We may also offer NRE services in the form of third-party design services relating to the design of materials and software licenses used in the manufacturing of our products.

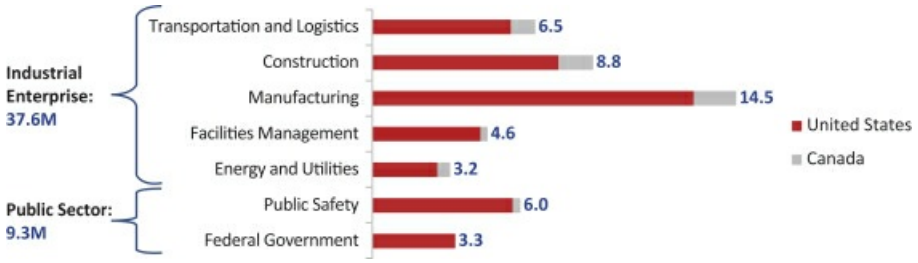
For the years ended December 31, 2017 and 2018, our revenues were $59.0 million, and $135.7 million, respectively, representing year-over-year growth of 130%. For the years ended December 31, 2017 and 2018, our net loss was $8.5 million and our net income was $1.3 million, respectively. In 2018, each of Southern Linc and AT&T accounted for at least 10% of our revenues.

Our Industry

Communication, productivity and safety among task workers has always been a central requirement in business-critical and mission-critical environments. Organizations with remote and disparate workers—from police and firefighters to construction, oil rig and manufacturing workers—need an extremely durable solution that provides reliable and secure voice, data and workflow applications. Historically, task workers had limited options, and in many cases resorted to using pen and paper. In the 1930s, public safety organizations introduced LMR networks that enabled PTT services, allowing workers to instantly and reliably initiate communications. In the 1970s, proprietary bar code scanners and other proprietary single-purpose tools were introduced to assist task workers in accomplishing specific tasks. In addition, in the mid-1990s, Nextel's iDEN service provided organizations the benefits of PTT without the upfront equipment and infrastructure investments required with LMR. The advent and proliferation of LTE and advancements in smartphone technologies led to the start of the decommissioning of the Nextel iDEN network in the United States by Sprint in 2013. These developments paved the way for commercial wireless carriers to deliver mobility solutions that rival the speed, reliability and durability of those offered by traditional LMR networks and other proprietary devices and applications.

Rugged smartphones and handheld computers comprise the largest share of the rugged display market, which is expected to reach $10.3 billion by 2023 according to MarketsandMarkets. Ruggedized mobile phones are well-suited for industrial enterprise and other critical infrastructure applications due to their durability and functionality in a range of environments. Equipping workers with smarter mobile phones also enables more efficient communication with and between field employees, and enhances the information that decision-makers use to deploy resources within their organizations. The PTT over cellular network market, such as smartphones on LTE with PTT functions, has been steadily growing and is poised to overtake the LMR market. According to Absolute Reports, in North America and globally, the PTT over cellular market is expected to grow at a compound annual growth rate of 16.8% and 11.5%, respectively, from 2013 to 2025 compared to 2.8% and 5.2%, respectively, for traditional LMR.

Sector Breakdown of Task Workers in North America (Millions)*



* Industrial Enterprise and Federal Government data are as of 2018. Public Safety data are as of 2017 except data for Canada security guards, which are as of 2016.

Industrial Enterprise Market Opportunity

Within the industrial enterprise market, we primarily focus on providing our solutions for business-critical tasks. We estimate that in the United States and Canada in 2018, there were 37.6 million task workers across verticals in our industrial enterprise end market, including transportation and logistics, construction, manufacturing, facilities management and energy and utility, who could benefit from our products. Our purpose-built solutions offer functions such as time sheet automation, job dispatch and various other data and workflow capabilities, which can meaningfully increase task worker productivity. The extreme durability and enhanced voice and text communication capabilities of our devices, enable these workers to be stationed in remote and hazardous environments, while remaining connected to their central command center at all times.

The functionality and durability requirements for workers in the industrial enterprise market significantly differ from that provided by a consumer-focused mobile device. Our solutions provide enterprises with the ability to centrally manage and control device functions and data stored on the phone remotely. Enterprises seeking to reduce their operating expenses by optimizing workflows can enhance their workers' productivity by leveraging specialized, purpose-built rugged platforms with functions such as PTT, location tracking, barcode scanning and extra-loud audio. These features are especially crucial for business-critical applications across the industrial enterprise.

Public Sector Market Opportunity

Public Safety and Critical Infrastructure. Historically, U.S. public safety agencies and other critical infrastructure entities like utilities and municipalities have utilized rugged two-way radios running on proprietary LMR networks to ensure reliable and immediate communication. As these closed networks were locally funded, built and controlled, they were designed not to be interoperable across cities and states and other agencies. Over time, these users have incrementally augmented their LMR radios with mobile devices running on commercial wireless networks. These mobile devices enabled public-safety officers to gather real-time information, collected across multiple systems, and to respond and react to changing circumstances.

On September 11, 2001, many firefighters perished in part due to the lack of interoperability between the LMR systems of the multiple responding agencies in New York City and surrounding areas. Additionally, commercial cellular communications were halted due to the significant increase in call volumes. Based on the 9/11 Commission Report's recommendations, Congress passed legislation in 2012 to establish the First Responder Network Authority under the Department of Commerce, which was tasked with deploying a nationwide public safety broadband network.

In March 2017, the Department of Commerce and the First Responder Network Authority awarded AT&T a contract to build, maintain and operate a nationwide high-speed broadband network for public safety, or FirstNet, for 25 years. The contract provided AT&T with 20 MHz of spectrum and $6.5 billion in funding to support this network and established subscriber targets, milestone buildouts and disincentive fees to help ensure that AT&T fulfills its commitments to public safety. The contract provides AT&T a 25-year lease of FirstNet spectrum subject to AT&T enlisting a minimum number of emergency responders across the United States. As of October 2018, AT&T had signed on 3,600 public safety agencies, representing 250,000 users, to FirstNet. Due to AT&T's focus on growing its number of public safety users, other major U.S. wireless carriers including Sprint and Verizon have been focused on defending their market positions, creating a highly competitive market for public safety users among the major U.S. wireless carriers.

In the first quarter of 2018, we commenced sales of our latest-generation devices to AT&T and other wireless carriers in the United States focused on servicing the public safety market. We have master sales arrangements with these wireless carriers and a portfolio of stocked products with them. Our mobile phones are offered by AT&T on a retail basis, providing us with a direct opportunity to grow our market share in the public safety market. Through our partnerships with AT&T and other wireless carriers that provide similar networks, as well as wireless carriers seeking to obtain market share through other dedicated LTE networks, we believe we are in a strong position to provide our ruggedized solutions through these channel partners to the public safety market as FirstNet and competing public safety networks mature. We intend to leverage our access to end customers and end users on FirstNet to increase brand awareness and become the favored solution for dedicated LTE public safety networks offered by other wireless carrier customers as well as end customers, which in turn may drive adoption of our ruggedized solutions across the public safety market generally. We also believe that broader adoption of our ruggedized solutions for use across these public safety networks may result in the establishment of additional dedicated LTE networks. We believe that the general momentum to convert to LTE-based systems, either dedicated or prioritized for public safety, is a global trend where Western European countries and Australia are considering similar networks.

Municipalities and Smart Cities. Historically, cities' communications systems have been dictated by their public safety agencies requirements. As these agencies convert to LTE/Broadband-based systems, city

managers are leveraging this shift to use these same networks to introduce applications for smart cities, which use different types of electronic data collection sensors to supply information to manage assets and resources efficiently. These networks will be used to support initiatives related to Internet of Things, or IoT, that smart cities plan to deploy to manage traffic and streetlights, utilities, parking, security and other services.

Our Ruggedized Solution

- ***Durability and reliability.*** Our mobile phones can withstand a variety of harsh environments and are supported by our industry-leading three-year comprehensive manufacturer's warranty, which includes physical damage. Key features of our rugged phones include:
  - *Puncture, shock, pressure and drop and impact resistance.* Durable rubber and Gorilla Glass construction protects against damage from sharp objects, falls, vigorous movements and compression by heavy weights.
  - *Waterproof and dustproof construction.* Reinforced seals and waterproof mesh membranes prevent potential damage caused by moisture and debris.
  - *Dual-shift battery life*. Replaceable battery designed to provide sufficient power to last through a dual eight-hour shift in most real-world conditions.
  - *Extra-loud audio*. Produces high sound quality at high volumes and uses noise cancellation technology for loud background noise environments.
  - *Glove-friendly design.* Screens and buttons are responsive to touch through gloves and water.
  - *Operational in and resistant to extreme temperatures.* Protective exterior prevents damage to our devices' hardware from very cold and hot temperatures.
  - *Chemical resistance.* Ability to effectively sterilize and sanitize, regardless of potential contaminants.
- ***Increased communication and visibility through an enterprise.*** Our solutions are used to track locations, update and manage various tasks and enable communication with and between task workers. For example, location tracking and data analytics enable fleet optimization, help enterprises make asset allocation and deployment decisions and ensure that fleets are at the right place at the right time. In addition, our solutions are specifically designed to capture, store and analyze multiple data types for enterprise needs, enabling them to make decisions. For example, by leveraging this data, task workers such as first responders can more strategically plan their logistics resulting in decreased response times. Finally, by providing a reliable mode of communication between employees, supervisors and command centers, those not in the field have crucial insight into the status and performance of task workers in the field. This can also result in improved safety for employees that work in high-risk environments.
- ***Enhanced functionality through software and hardware configurations.*** Our solutions allow end customers and task workers to customize our mobile phones using Android-based applications and vertical-specific accessories to address their varying needs. Enterprises and agencies can leverage the millions of applications available on the Google Play Store, our dozens of device-specific APIs, and our industrial accessories to create a purpose-built solution to meet the specific use cases of their task workers. For example, school bus operators can combine our ruggedized phones, an industrial car kit, a PTT application that leverages our APIs and a location-tracking application to ensure that they have a solution that enables constant communication with dispatchers that is compliant with the U.S. Department of Transportation's hands-free driving regulations and that can also automatically alert parents of route delays. The ability for enterprises and agencies to customize their solutions allows their task workers to use a single device for tasks that would previously require multiple and often more costly devices.
- ***Ease of use.*** Our devices are designed to look and function similarly to the latest generation of consumer-focused mobile phones with additional features for various enterprise-specific purposes, and also run on the Android operating system which has a familiar and intuitive interface. They provide familiar characteristics

to many single-purpose devices, such as dedicated physical buttons for PTT and barcode scanning, and offer a simplified user interface which helps minimize the learning curve for task workers who are transitioning from LMR or data capture devices. Furthermore, all of our mobile phones come equipped with our SCOUT application, which helps IT administrators more quickly provision and deploy our devices to task workers, reducing the cost and effort associated with converting to our solutions.

- ***Consolidation of devices.*** A large number of devices can lead to excess bulk carried by task workers and can inhibit their mobility in the field. These specialized devices can also be expensive and typically require full replacement after end-of-life, which can be a cumbersome and costly process. By combining commonly-used applications and functionality into one ruggedized device with the option for add-ons, enterprises can reduce the need for multiple, single-purpose devices. We believe that replacing outdated single-purpose devices with a Sonim device can enhance fleets' mobility and economically streamline equipment updates or replacements.

As a result of these key attributes, we believe that our ruggedized, purpose-built mobile phones can increase the productivity of task workers and significantly reduce total cost of ownership for entities deploying our solutions.

Our Strategy

- ***Invest in sales channel partnerships and brand marketing to drive sales.*** Our channel partners are leading global wireless carriers and communications system integrators. These channel partners have large sales forces who sell our solutions to end customers in our target markets. They enable us to cost-effectively scale our business without employing a large direct sales force of our own. We intend to continue to invest in our channel partnerships to further penetrate the public sector and industrial enterprise markets we target by leveraging their large direct sales forces. We are also increasing our investment in marketing the Sonim brand and our solutions to end customers in these target markets. In doing so, we believe that we will be able to raise brand awareness, deepen existing channel partnerships, and acquire and retain new channel and end customers of our solutions.
- ***Position Sonim as the leading solution for the public sector.*** We believe that we are at the forefront of a public safety market that has a current need for dedicated LTE networks, such as AT&T's FirstNet, and the devices that enable their use. We intend to leverage the large-scale deployment of our solutions over dedicated LTE networks in the public safety market to further position us as a trusted solution within the cities that we serve. As public safety agencies continue to shift to these dedicated LTE networks, we intend to deliver mobility solutions to increase security, safety and efficiency across their cities. By successfully deploying our solutions in the public safety market within cities, we believe that city managers will increasingly look to us to provide communication capabilities and enable location information and data analytics for their entire municipality to improve efficiency and safety of all their task workers, taking the first steps toward "smart cities."
- ***Expand our subscription-based products and services.*** We intend to expand our cloud-based software platform to (i) deploy value-added applications like Sonim Scan, (ii) be the launching point for third-party application providers and (iii) provide data analytics and reporting to our end customers. We intend to continue investing in the capabilities of our software platform to create subscription-based data analytics products and services for our end customers. As a result, we plan to both expand the revenue contribution of these subscription-based products and services and potentially increase sales to end customers of new phones and accessories as these customers adopt our subscription-based products and services.
- ***Expand internationally.*** The transition from existing LMR network infrastructure toLTE-based replacements for public safety has commenced outside of the United States and Canada. We are exploring public safety infrastructure projects in Australia and Europe. We will continue to invest in and expand our international sales teams to address the needs of the agencies involved and their wireless carriers that are expected to build dedicated public safety wireless networks similar to those being deployed in North America.

- ***Expand into adjacent target markets.*** We intend to market our solutions in large adjacent vertical end markets, such as retail enterprises and the federal government. Within the retail industry, onsite workers are traditionally equipped with multiple devices to perform on-the-job tasks and track efficiency. For these workers, our solutions offer an all-in-one consolidated option with the multi-functionality of a radio, barcode scanner and mobile phone, among other functions. In addition, our devices offer solutions such as time sheet automation, real-time tracking and data collection, which can help streamline processes and deepen operational insight. For federal government, we believe that multiple agencies, including the U.S. Department of Defense and Department of Homeland Security, can utilize our ruggedized devices, enabling more connected and cost-effective operations.

Our Target Markets

We believe our solutions can improve communication reliability, operational efficiency and safety for end customers and task workers in both commercial and public sectors. Our ruggedized mobility solutions target two end markets: industrial enterprise and public sector. These markets include:

Industrial Enterprise

Transportation and Logistics. Enterprises and fleet workers across supply chain, delivery services and field management rely on mobile devices to operate safely and efficiently in environments that are often susceptible to inclement weather. For enterprises looking to improve supply chain functionality, our mobile resource management applications such as location tracking, mileage tracking and job dispatch can help businesses monitor operations more efficiently. We believe that a weather-resistant and long-battery ruggedized device, combined with productivity applications and services like Sonim Scan—which integrates a barcode scanning engine with the native camera on our XP8 device—provides a more reliable communication device for an estimated 6.5 million transportation and logistics workers in the United States and Canada in 2018. In addition, our solutions reduce the number of devices and tools that these task workers carry in the field by consolidating the functionality of multiple single-purpose devices into one purpose-built mobile device.

Construction. We estimate that there were 8.8 million workers in the construction industry spread across the United States and Canada in 2018. We offer these workers a crush-, puncture-, scratch- and impact-resistant device, which we believe to be crucial in environments where there is a high risk of such occurrences. Additionally, we believe our phones help promote worker safety and productivity, with support for lone-worker safety applications and with features such as extended battery life and extra-loud speakers. For business decision-makers, we offer a consolidated device with a total cost of ownership that we believe is significantly lower versus comparable offerings, that enables real-time reporting, which can help eliminate costly delays by capturing verbal, visual and location data from job sites.

Manufacturing. As market demand and competition in the manufacturing sector require more nimble production lines, equipment for reliable communication and safety standard compliance are necessary to improve efficiency and keep workers safe. Our devices' PTT functionality and extra-loud speakerphones are designed to keep lines of communication open and functional in fast-changing and loud environments, while our glove-friendly touch screen displays allow for workers to have access to real-time data, thus reducing production down time. Additionally, our devices are designed to survive blunt force and can be sanitized and sterilized for safe use in food or medical processing facilities. We believe that these features can enhance the productivity of workers in the manufacturing industry in the United States and Canada, which totaled an estimated 14.5 million workers in 2018.

Facilities Management. We estimate the facilities management industry employed 4.6 million workers across the United States and Canada in 2018. Service-based operations in large indoor and outdoor facilities require management of mobile teams. Our mobile phones consolidate radio, guard tour verification, panic button systems and scanners, which otherwise would require separate and single-purpose equipment. Our devices can improve business operations through functionalities such as automated work order dispatch and job completion verification tools delivered via proprietary third-party applications integrated with our devices.

Energy and Utility. The safety standards for mobile phones used in the energy and utility industry are more stringent due to the reactive characteristics of the natural resources being procured and serviced, as well as the potentially high-voltage or explosive environments. In 2018, there were an estimated 3.2 million energy and utility workers in the United States and Canada. We believe we are uniquely positioned to serve these workers because our devices are designed for use in potentially explosive or hazardous environments (rated Non-Incendive or Intrinsically Safe by either the CSA Group, ATEX or IECEx notified bodies), and their resistance to various chemicals and extreme temperatures. Reliable communication devices are often mission-critical for workers to stay safe while performing energy- and utility-related operations.

Public Sector

Public Safety. We estimate there were more than 6.0 million workers in the public safety sectors in the United States and Canada in 2017 (and, with respect to data for Canadian security guards, in 2016). In the United States, AT&T's FirstNet network provides one of several reliable networks for this sector. Due to AT&T's focus on growing its number of public safety users, other major U.S. wireless carriers, including Sprint and Verizon, have been forced to defend their market positions, creating a highly competitive market for public safety users among the major U.S. wireless carriers. Through our partnerships with AT&T and other wireless carriers that provide similar networks, we believe we are in a strong position to provide mission-critical solutions to the public safety market as FirstNet and competing public safety networks mature. In the first quarter of 2018, we commenced sales of our latest-generation devices to AT&T and other wireless carriers in the United States focused on servicing the public safety market. Through enhanced communication capabilities, we believe our devices can decrease the response time of first responders and help public safety workers stay safe and connected in hazardous, isolated or emergency conditions. We believe that the durability of our phones combined with their purpose-built functionality, provide a lower total cost of ownership compared to similar products, which is highly attractive to city and state decision-makers.

Federal Government. We believe that the estimated 3.3 million federal government task workers in the United States and Canada as of 2018 can improve the efficiency and quality of their services to citizens and residents by leveraging our solutions. Whether during natural disasters or day-to-day operations, our devices provide functionality and reliability that is crucial for federal workers to protect and serve their nation. Our mobile solutions support purpose-built voice communications and data capture applications that allow federal workers to stay connected and quickly make more informed decisions while in the field.

Competitive Landscape

We believe that major consumer-focused mobile device manufacturers have historically not actively competed in the industrial enterprise and public sector markets because these manufacturers are fundamentally focused on a different consumer audience. In particular, these manufacturers primarily target the consumer markets using retail channels; certain of these manufacturers have over 250 direct retail stores and locations in the United States. In addition, we believe that the requirements to manufacture ruggedized phones are too different from those for these manufacturers' core products. We believe that these manufacturers have historically been focused on continuous design and feature innovation. From 2013 to 2016, consumers averaged approximately 22 months between product upgrades from these major consumer-focused mobile device manufacturers.

In addition, we believe that in the LTE market, traditional LMR providers have not historically entered primarily to avoid harming their significant existing LMR business. For example, certain major LMR providers have historically achieved over $3.0 billion in annual revenues from device sales. Further, these LMR providers typically do not have stocked products with major U.S. and Canadian wireless carriers, and achieving stocked product status with the wireless carriers is associated with substantial cost and technical know-how regarding carrier certification requirements. In 2018, there were no traditional LMR devices stocked at any of the four largest U.S. and three largest Canadian wireless carriers. Stocking products at the wireless carriers may also result in competition against existing dealers for LMR providers, with certain such providers transacting with over 700 dealers in North America.

Products and Technology

Features of Our Ruggedized Mobile Phones

Our mobile phones can withstand a variety of harsh environments and are supported by our industry-leading three-year comprehensive manufacturer's warranty. We developed our devices to meet industry standards for protection from the ingress of water and/or micro-particles (IEC standard 60529). Our devices are rated a minimum of IP-68, allowing them to be submersed in up to six and a half feet of water for up to 30 minutes, and our XP8 smartphone has been further tested and certified to withstand sprays of high pressure streams (up to 1,450 PSI) of hot (80°C) water (IPx9K). We have additionally designed and manufactured our devices to withstand repeated drops to concrete across all angles and faces, attaining MIL-STD-810G ratings and, in 2011, earning the Sonim XP3300 the title of World's Toughest Phone by the Guinness Book of World Records after surviving a fall from 82 feet 11.7 inches to concrete. Engineered with a protective glass lens that is up to three times thicker than that of other cellular devices in the market and a unique blend of plastic and rubber used in the housings, our ultra-rugged mobile phones are designed to be resistant to punctures caused by impacts from external objects up to 2J on the display lens and 4J on the housing. Furthermore, we understand that the jobs of our end users often take them into extreme environments. As a result, we have designed our devices to operate from -4°F to +131°F, be usable while wearing work gloves (glove-friendly touch display, large physical buttons), be audible in noisy environments with loud 100+ dB loudspeakers and multiple microphone noise-cancellation technology, and, for our XP5s and XP8 phones to last throughout an average day based on ordinary use without needing to be recharged with large, extended-life batteries. We have also designed, manufactured and certified our devices to be safe for use in potentially hazardous or explosive environments.

In addition, our devices provide a wide range of connectivity options for our end customers (including LTE, 3G, GSM, WiFi, NFC, location tracking and Bluetooth for certain of our devices), and our XP5s and XP8 phones support a wide range of global frequencies allowing them to be used almost anywhere in the world where there is cellular coverage. Our XP5s and XP8 phones are certified to work on multiple mobile network operators and come equipped with LTE Band 14 to support FirstNet. We continue to explore how and when to best support the latest technologies, including 5G, and we plan to incorporate them into our product roadmap when our end market segments require such functionality and the technology has reached a reasonable level of maturity.

Our Devices

Sonim XP8. The Sonim XP8 is an Android-based LTE smartphone that is certified as Android Enterprise Recommended by Google. The Sonim XP8 comes equipped with a five-inch durable, glove-friendly display, an ultra-rugged exterior, physical programmable buttons (including a large PTT button), and unique accessory ports and connectors that enable modular capabilities and functionality.

Sonim XP5s. The Sonim XP5s is a purpose-built LTE feature phone designed for task workers who have a "no frills" attitude about their communications tool. It comes equipped with a 2.64-inch non-touch display, dual front-facing loudspeakers, a large PTT button, and the same XPand and SecureAudio connector ports, enabling full access to our complete ecosystem of industrial accessories.

Sonim XP3. The Sonim XP3 is an LTE feature phone in a clamshell form factor that offers our customers a cost-effective voice and/or PTT solution without distracting end users from doing their jobs with things like an application store or email. Built with an over-sized PTT button, a physical numeric keypad and a loud front-facing speaker, the Sonim XP3 delivers a reliable voice-centric experience to those who operate in these industrial environments.

Accessories

Our portfolio of industrial-grade accessories extends beyond the traditional consumer cellular ecosystem of wall chargers and cases. We work with a number of accessory manufacturers and design partners to deliver

innovative purpose-built accessories that enhance the functionality and usability of our devices. Our audio accessories take advantage of our SecureAudio Connector, which allows for accessories, like a Remote Speaker Microphone, or RSM, to be physically secured to the device via a screw mechanism that prevents accidental disconnection. Our multi-bay charging accessories allow for enterprises and agencies to charge multiple devices at once via a single unit, ensuring that at the start of a shift, the device is fully charged and ready to go. We also support a wide range of in-vehicle solutions that enable hands-free voice communications for those end users who work from the road. For end users who operate outside of traditional public or private wireless coverage, we have solutions to help them stay connected. From a Direct Mode solution which utilizes the innovative XPand Connector on our devices and unlicensed 900MHz ISM bands to allow end users to speak, text and share location with each other over short distances without needing any cellular or wireless connectivity, to our Rapid Deployment kits that enable first responder agencies to quickly bring in LTE coverage via satellite when they are operating in low- or no-cellular coverage environments.

Cloud-based Applications

In addition to the ecosystem of Android developers and their applications, which are supported on our devices, we have developed our own cloud-based applications and back-end systems and services aimed at (i) making it easier for our end users to do their jobs and (ii) providing visibility to and analysis of data which previously had not existed. For example, our Sonim Scan application, launched in March 2019, aims to address the former by integrating a barcode scanning engine with the native camera on the Sonim XP8, allowing end users to scan up to 45 1D or 2D barcodes per minute. As of April 2019, the average end user performs approximately 60 scans per day.

We intend to continue investing in the capabilities of our cloud-based software platform to provide data analytics products and services to offer on a subscription basis. We currently employ 12 cloud services and application developers to progress these applications. We plan to iteratively develop, based on customer and partner feedback and together with third-party developers, new software and service applications that collect and analyze data from task workers in the field using our solutions, which provide end customers with real-time visibility into day-to-day operations and efficiency. We intend to initially focus on developing applications and services that utilize location and sensor data collected from our mobile phones used in the field for subsequent analytics. In the medium term, we will continue leveraging data collected through use of our solutions in the field to develop software and service applications specific to our mobile phones and accessories that provide additional functionality important to end users, including more advanced barcode scanning capabilities, emergency alerts and notifications and enhancements to device management and provisioning capabilities. We believe that by providing these products and applications on a subscription basis, we will have the ability to more directly interact with end customers and upsell them on future new features and services. As a result, we plan to both expand the revenue contribution of these subscription-based products and services, resulting in a greater portion of our revenue being recurring, and potentially increasing sales to end customers of new phones and accessories as these customers adopt our subscription-based products and services.

This disruptive technology allows enterprises to consolidate devices and transition from a capital expenditure-based model to an operating expenses-based model by paying a monthly subscription fee.

Sales and Marketing

As of December 31, 2018, our sales and marketing team consisted of 35 professionals located in the United States, Canada and Europe. We sell our products directly to wireless carriers, through distributors and resellers to channel partners and also directly to end customers. Our marketing efforts consist of product marketing, channel partner/carrier marketing and corporate marketing. Product marketing focuses on ensuring that carrier requirements related to product specifications are in-line with our brand requirements. Channel partner marketing focuses on go-to-market strategy as well as developing supplemental sales tools, carrier and non-carrier marketing campaigns, industry trade show materials and brand awareness. Corporate marketing consists of public relations, social and digital marketing and lead generation operations.

Manufacturing

To help control and manage the quality, cost and reliability of our supply chain, we directly manage the procurement of all final assembly materials used in our products, which include LCDs, housings, camera modules and antennas. In addition, we complete the final assembly of our devices in our Shenzhen, China facility.

In our final assembly facility, we assemble and perform quality assurance on our devices, across three production lines. The assembly of each of our products requires over 800 components, primarily related to mounting components onto circuit boards, and requires multiple custom components for ruggedization of the device, which includes housing, display and glass lens, printed circuit board assembly, camera function, battery, speakers and unique accessory ports, among others. Some of the components used to assemble our products are custom-made and obtained through single-source suppliers.

As of March 2019, this facility has a designed capacity to produce up to 100,000 units per month. We believe that the capacity of this facility is sufficient to support demand through the near term; however, we have started to explore options within the United States and in other non-U.S. locations for additional manufacturing capacity.

Competition

We operate in a highly competitive environment serving end customers in the industrial enterprise and public sector markets. These markets are highly fragmented, evolving and increasingly competitive. Competition in our industry is intense and has been characterized by rapidly changing technologies, evolving industry standards, frequent new product introductions and rapid changes in end user requirements.

We face competition from manufacturers of non-rugged mobile phones such as Apple Inc. and Samsung Electronics Co. Ltd., to the extent end users decide to purchase traditional devices for use in environments that we believe are better suited for ruggedized mobile phones. We also face competition from manufacturers of rugged mobile phones such as Bullitt Mobile Ltd. and Kyocera Corporation as well as from large system integrators and manufacturers of private and public wireless network equipment and devices. Competitors in this space include Harris Corporation, JVC KENWOOD Corporation, Motorola Solutions, Inc. and Tait International Limited. For the Data Capture and RFID portion of our product offerings, competitors include companies that provide a broad portfolio of barcode scanning products that are suitable for the majority of global market applications, such as Datalogic USA, Inc., Honeywell International Inc., Panasonic Corporation and Zebra Technologies Corporation.

We believe the principal competitive factors affecting the market for our products are the products' performance, features (including security features), quality, design innovation, reliability, price, customer service, reputation in the industry, brand loyalty and a strong third-party software and accessories ecosystem. We believe that our strongest competitive advantages are our products' durability and reputation in the industry. In order to compete, we will be required to continue to respond promptly and effectively to the challenges of technological changes and our competitors' innovations.

Intellectual Property

Our competitiveness and future success are dependent on our ability to protect our own proprietary technology and to access other important intellectual property. We protect our freedom to operate in the markets and mitigate intellectual property costs by proactively securing licenses with key patent holders, filing our own patents, trademarks, and copyrights and participating in defensive patent pools. As of January 1, 2019, we held 28 utility and design patents in the United States and 11 outside the United States and have filed six utility and design patent applications in the United States and one outside the United States. We also have contractual

rights to standard essential patents for 2G, 3G, 4G and 5G wireless technologies, some of which require significant royalty payments. In addition, as of January 1, 2019, we held eight trademarks in the United States and 27 trademarks outside the United States, and have filed 10 trademark applications in the United States and 10 outside the United States. We opportunistically negotiate licenses with other patent holders where appropriate for our technology.

Our products are built to conform to wireless standards which are covered by numerous essential patents held by third parties. Our wireless carriers require us to provide patent indemnification for the products we sell to them, and in turn we secure intellectual property indemnification from our suppliers.

We do not believe that our products infringe on the proprietary rights of any third parties. There can be no assurance, however, that third parties will not claim such infringement by us or our channel partners and end customers with respect to current or future products. In the past, we have had third parties assert exclusive patent or other intellectual property rights to technologies that are important to our business. Any such claims, with or without merit, could be time consuming, result in costly litigation, cause product shipment delays or require us to enter into a royalty or licensing agreement, any of which could delay the development and commercialization of our products.

Our devices use the Android operating system based on the Android Open Source Project. We additionally integrate third-party licensed software on commercially reasonable terms. Several Android-based apps and extension enablers of Android are developed internally by our employees.

Certain License Agreements

In September 2008, we entered into a multi-year patent license agreement, as amended in January 2019, or the Nokia Agreement, with Nokia Corporation, or Nokia, pursuant to which Nokia granted us a license to certain Nokia-owned cellular standard essential patents for our devices that include such cellular standard technology. The Nokia Agreement is currently effective and contains customary termination clauses.

In January 2017, we entered into an amended and restated global patent license agreement, as amended in December 2018, or the Ericsson Agreement, with Telefonaktiebolaget LM Ericsson (Publ), or Ericsson, pursuant to which Ericsson granted us a license under certain Ericsson patents to manufacture and sell mobile phones that comply with certain telecommunications standards. Under the agreement, we made a one-time payment to Ericsson to partially settle royalty arrears and are obligated to pay Ericsson (i) single-digit U.S. dollar amounts per unit, which amounts are based on the particular product sold and the standards with which such products are compliant, and (ii) quarterly payments to cover the remaining royalty arrears. The Ericsson Agreement continues until January 1, 2024, unless terminated earlier by the parties. Ericsson has the right to terminate in the event (i) we materially breach the agreement and do not cure such breach within 30 days, or (ii) in the event of a change of control of our company, where the successor does not agree to the terms of the agreement. Further, Ericsson may terminate certain rights under the agreement with respect to third-party manufacturers if a third-party manufacturer files an infringement suit relating to any patents owned by Ericsson.

Legislation and Regulation

Wireless communication devices use radio spectrum, which is regulated by government agencies throughout the world. In the United States, use of spectrum is regulated by the Federal Communications Commission, or FCC, and the National Telecommunications and Information Administration, or NTIA, for non-federal government entities and federal government entities, respectively. The FCC and NTIA allocate spectrum for various uses, including commercial wireless services and public safety services, and regulate the use of that spectrum and the devices, such as our products, that operate on that spectrum. The FCC and NTIA also adopt requirements that affect wireless equipment, such as limits on radio emissions and rules requiring that handsets have specified capabilities, such as providing location information to 911 operators. The FCC also regulates the testing and certification for the import and/or sale of certain wireless devices.

Other countries also have regulatory bodies that define and implement the rules for using radio spectrum, pursuant to their respective national laws and international coordination under the International Telecommunications Union. Our ability to manufacture and sell products in other countries could be affected by such rules. In addition, any significant variations between the rules in the United States and rules in other countries, including differences in available spectrum bands for wireless communication, could increase the costs of designing and manufacturing our products.

Research and Development

We allocate a significant amount of resources and funds to developing robust and innovative solutions for the end users of our products and ensuring that these solutions meet their exacting requirements for functionality and reliability. Our research and development initiatives are led by our internal teams and are supported by third-party original design manufacturers as needed. Our product management team and our sales and marketing team spend their time interacting with a combination of end users and IT administrators in our target markets, wireless carriers and application and accessory ecosystem partners to better understand the market requirements for our solution. Once defined, our engineering organization develops and tests the solution against these requirements and works to achieve technical certification and approval from the wireless carriers which allows the solutions to be sold to our end users.

Employees

As of December 31, 2018, we had 321 full-time employees, including 30 in sales and marketing and business development, 37 in general and administrative, 200 in research and development and 54 in supply chain manufacturing, and 378 full-time independent contractors, including five in sales and marketing and business development, five in general and administrative, 153 in research and development and 215 in supply chain manufacturing. None of our employees are represented by a labor union or covered by a collective bargaining agreement. We have not experienced any work stoppages, and we consider our relations with our employees to be good.

Facilities

We maintain our corporate functions, along with sales support, marketing and finance at a leased facility totaling 8,416 square feet in San Mateo, California. The lease expires in August 2025. Our final assembly and testing facility is located in Shenzhen, China. We also have a software development center in Bangalore, India and a research and development center in Beijing, China. We believe that our facilities are suitable to meet our current needs. We may expand our existing facilities or move them to other locations in the future, and we believe that suitable additional or alternative space will be available as needed to accommodate any such growth or moves. However, we expect to incur additional expenses in connection with any such new or expanded facilities.

Legal Proceedings

From time to time we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. We are not presently a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, revenues, financial condition or results of operations. The results of any future litigation cannot be predicted with certainty and, regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management time and resources and other factors.

MANAGEMENT

Executive Officers, Key Employees and Directors

The following table sets forth information concerning our executive officers, key employees and directors, including their ages as of March 31, 2019.

Name	Age	Position
Executive Officers and Key Employees		
Robert Plaschke	55	Chief Executive Officer and Director
James Walker	70	Chief Financial Officer
Charles Becher	51	Chief Sales and Marketing Officer
Jeffrey Pon	31	Senior Vice President of Product
Peter Liu	51	Senior Vice President of Operations
Bengt Jonassen	56	Senior Vice President of Engineering
Directors		
Maurice Hochschild(3)	57	Chairman of the Board of Directors
Alan Howe(1)	57	Director
Kenny Young(2)	55	Director
Susan G. Swenson(1)(2)	70	Director
John Kneuer(1)(2)	50	Director
Jeffrey D. Johnson(3)	59	Director

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

(3) Member of the Nominating and Corporate Governance Committee.

Executive Officers and Key Employees

Robert Plaschke has served as our Chief Executive Officer and a member of our board of directors since December 2005. From 2002 to 2005, Mr. Plaschke served in multiple roles at Sonim, including Chief Financial Officer, Chief Marketing Officer and Head of Business Development. From 2001 to 2002, Mr. Plaschke served as Entrepreneur in Residence at Sutter Hill Ventures, a venture capital firm, where he served as a senior executive for a venture capital fund. Mr. Plaschke received a M.B.A. from the University of Chicago and a B.S. in Computer Engineering from Northwestern University.

We believe that Mr. Plaschke is qualified to serve as a member of our board of directors based on the perspective and experience he brings as our Chief Executive Officer.

James Walker has served as our Chief Financial Officer since January 2018. From March 2014 to November 2017, Mr. Walker served as a consulting chief financial officer of The Brenner Group, LLC, a professional services and consulting company. From January 2012 to March 2014, Mr. Walker served as the Chief Financial Officer of Spigit, Inc., a management software provider. Mr. Walker received a M.B.A. from Santa Clara University and a B.A. in Mathematics from San Jose State University.

Charles Becher has served as our Chief Sales and Marketing Officer since December 2016. From 2000 to December 2016, Mr. Becher served in numerous roles at Kyocera Communications, Inc., a mobile phone manufacturer, including as Senior Vice President and General Manager of Sales and Marketing from April 2013 to December 2016, and prior to that, as Senior Director of Strategic Account Sales, United States, Senior Director of Sales, International, and Director of Sales and Regional Sales Manager, Latin America. Mr. Becher received a B.B.A. in Finance from the University of Michigan.

Jeffrey Pon has served as our Senior Vice President of Product since January 2017. From May 2008 to January 2017, Mr. Pon served in numerous other roles at Sonim with increasing levels of responsibility, the most recent of which was as Senior Vice President of Global Sales. Mr. Pon received his B.S. in Business Administration from the University of California, Berkeley.

Peter Liu has served as our Senior Vice President of Operations since September 2010. From 2007 to 2010, Mr. Liu served as Global Quality Director for LOM/Perlos, an international VI supplier of mobile phones. From 2005 to 2007, Mr. Liu was the Head of Quality for the Strategic Growth Engine business at Motorola Solutions, Inc., a multinational telecommunications company. Mr. Liu received a M.B.A. from Lawrence Technological University and a Bachelor's in Engineering from Tianjin University.

Bengt Jonassen has served as our Senior Vice President of Engineering since July 2016 and as our Head of Platform since January 2014. Mr. Jonassen has also headed our Beijing, China site as General Manager and is currently overseeing all engineering development in both Beijing, China and Bangalore, India. From 2001 to 2014, Mr. Jonassen served as a Research and Development Manager and Concepting Product Program Manager at Nokia Corporation, a multinational telecommunications, IT and consumer electronics company. Mr. Jonassen received a Bachelor's in Electrical Engineering from Frankfurt University of Applied Sciences.

Non-Employee Directors

Maurice Hochschild has served as a member of our board of directors since November 2012 and as Chairman of our board of directors since March 2019. From 2001 to March 2019, Mr. Hochschild served in various roles at Investec Bank plc, an international specialist banking and asset management group, including Global Head of Project and Infrastructure Finance and head of commercial and institutional banking in North America. Mr. Hochschild received a B.A. from the University of Pennsylvania.

We believe that Mr. Hochschild's extensive experience in project development and public infrastructure qualifies him to serve on our board of directors.

Alan Howe has served as a member of our board of directors since October 2017. Since April 2001, Mr. Howe has served as co-founder and Managing Partner of Broadband Initiatives, LLC, a boutique corporate development and strategic consulting firm. Previously, Mr. Howe held various executive management positions at Covad Communications, Inc., a provider of broadband voice and data communications, Teletrac, Inc., a location-tracking software company, Sprint Corporation, a telecommunications company, and Manufacturers Hanover Trust Company, a commercial bank. Mr. Howe currently serves on the boards of directors of WidePoint Corporation, a provider of technology products and services, Resonant Inc., a hardware development company for mobile devices, Data I/O Corporation, a systems manufacturer for integrated circuits (as Chairman), and Determine, Inc., a provider of life cycle management solutions software (as Vice Chairman). Mr. Howe previously served on the boards of directors of magicJack VocalTec Ltd., a cloud communications company, CafePress Inc., an online retailer, Urban Communications, Inc., a provider of fiber optic services, and Qualstar Corporation, a data storage products manufacturer. Mr. Howe received a M.B.A. in Finance from the Kelley School of Business, Indiana University, and a B.S. in Business Administration from the University of Illinois, Urbana-Champaign.

We believe that Mr. Howe's extensive financial, executive and board experience with multiple private and public companies qualifies him to serve on our board of directors.

Kenny Young has served as a member of our board of directors since April 2018. Since July 2018, Mr. Young has served as President of B. Riley Financial, Inc. Since October 2017, Mr. Young also served as Chief Executive Officer of Babcock & Wilcox Enterprises Inc., a provider of energy and environmental technologies and services. Since October 2016, Mr. Young has served as Chief Executive Officer of B. Riley Principal Investments, a wholly owned subsidiary of B. Riley Financial, Inc. In addition, since November 2018, Mr. Young has served as Chief Executive Officer of magicJack VocalTec Ltd., a cloud communications

company. Since 2016, Mr. Young has served as Chief Executive Officer of United Online, Inc., an internet and communications services provider. Each of magicJack VocalTec Ltd. and United Online, Inc. is a wholly-owned subsidiary of B. Riley Financial, Inc. From 2008 to 2016, Mr. Young served in numerous leadership roles at Lightbridge Communications Corporation, a telecommunications services company, including as President and Chief Executive Officer of Lightbridge Communications Corporation International and President of Americas and Chief Operating Officer of Lightbridge Communications Corporation. Mr. Young currently serves on the boards of directors of Liberty Tax Inc., a provider of tax services, Bebe Stores, Inc., a women's apparel retailer, and Orion Energy Systems, a LED lighting and intelligent controls company. Mr. Young previously served on the boards of directors of Imagine Communications Corporation, a media services company, Global Star, Inc., a satellite communications company, B. Riley Financial Inc., a full service investment bank, Standard Diversified Inc., a holding company for various industrial businesses, and Proxim Wireless Corporation, a broadband wireless networking company. Mr. Young received a M.B.A. in Business from Southern Illinois University, Edwardsville, and a B.S. in Computer Science and Mathematics from Graceland University.

We believe that Mr. Young's extensive operational, executive and board experience with numerous companies primarily within the communications and finance industries qualifies him to serve on our board of directors.

Susan G. Swenson has served as a member of our board of directors since March 2019. From August 2012 to August 2018, Ms. Swenson served on the board of FirstNet and chaired the board of directors from August 2014 to August 2018. From October 2015 to June 2017, Ms. Swenson served as Chair person and Chief Executive Officer of Inseego Corporation, a wireless internet solutions and telematics provider, and served as the Board Chairperson from April 2014 to June 2017. From February 2004 to October 2005, Ms. Swenson served as the President and Chief Operating Officer of T-Mobile US, Inc., a wireless network operator. From 1999 to 2004, Ms. Swenson served as President of Leap Wireless International, Inc., a telecommunications operator, and Chief Executive Officer of Cricket Communications, Inc., a prepaid wireless service provider and subsidiary of Leap. Ms. Swenson currently serves on the board of Harmonic, Inc., a video delivery and media company, and chairs the Governance and Nominating Committee. Since October 2018 she has also served as Chairman of the Board of Directors of Vislink Technologies, Inc., a video capture and broadcasting company. Ms. Swenson received a B.A. in French from San Diego State University.

We believe that Ms. Swenson's extensive leadership experience at various media and communications companies and at FirstNet qualifies her to serve on our board of directors.

John Kneuer has served as a member of our board of directors since March 2019. Since November 2007, Mr. Kneuer has served as the founding Managing Member of JKC Consulting LLC, a strategic consulting and advisory firm. He has also served as Senior Advisor to the American Continental Group, a public policy consulting firm, since April 2017. Since June 2017, Mr. Kneuer has served on the Board of Directors of TerreStar Corporation, a telecommunications company. From 2011 until 2018, he served as a member of the Board of Directors of Globalstar, Inc., a satellite communications company, where he served as a member of the audit and compensation committees. From October 2003 to November 2007, Mr. Kneuer served first as the Deputary Assistant Secretary, and then as U.S. Assistant Secretary, of Commerce for Communications and Information. As Assistant Secretary, Mr. Kneuer served as Administrator of the National Telecommunications and Information Administration. Mr. Kneuer received a B.A. and J.D. from Catholic University of America.

We believe that Mr. Kneuer's extensive business consulting experience and leadership experience at various strategic consulting and communications companies as well as federal telecommunications authorities qualifies him to serve on our board of directors.

Jeffrey D. Johnson has served as a member of our board of directors since March 2019 and previously served as a member of our board of directors from July 2017 to April 2018. Since 2010, Mr. Johnson has served as the Chief Executive Officer of the Western Fire Chiefs Association. Since 2016, he has served as the Chief Executive

Officer of Brody's Meats, Inc., a smoked meat company. From 2012 until August 2018, he served as Vice President of the Board of Directors of FirstNet. From 1995 until 2010, he served as the Tualatin Valley Fire and Rescue Chief. Mr. Johnson received a B.S. in Business and Communications from Concordia University.

We believe that Mr. Johnson's extensive leadership experience in local and national public safety and advisory and board roles for numerous technology companies qualifies him to serve on our board of directors.

Family Relationships

Our executive officers are appointed by, and serve at the discretion of, our board of directors. There are no family relationships between our board of directors and our executive officers.

Board of Director Composition

Certain members of our board of directors were elected pursuant to the provisions of an amended and restated voting agreement, which terminated in November 2018 in connection with the Share Conversion, following which time none of our stockholders have had any special rights regarding the election or designation of members of our board of directors.

Our board of directors will consist of seven members upon the closing of this offering. At each annual meeting of stockholders, each of our directors' terms will expire and our entire board of directors will stand for election.

After this offering, the number of directors will be fixed by our board of directors, subject to the terms of our amended and restated certificate of incorporation and amended and restated bylaws that will become effective immediately prior to the completion of this offering. Each of our current directors will continue to serve as a director until the election and qualification of his or her successor, or until his or her earlier death, resignation or removal.

Director Independence

In connection with this offering, we have applied to list our common stock on Nasdaq. Under the listing requirements and rules of Nasdaq, independent directors must comprise a majority of our board of directors as a listed company within one year of the closing of this offering. In addition, the rules of Nasdaq require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and corporate governance committees be independent. Under the rules of Nasdaq, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Our board of directors has undertaken a review of its composition, the composition of its committees and the independence of each director. Based upon information requested from and provided by each director concerning his background, employment and affiliations, including family relationships, our board of directors has determined that Ms. Swenson, Mr. Kneuer, Mr. Johnson, Mr. Hochschild, Mr. Howe and Mr. Young do not have any relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the applicable rules and regulations of the SEC and the listing requirements and rules of Nasdaq. Mr. Plaschke is not independent given his position as our Chief Executive Officer. In making this determination, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including their beneficial ownership of our capital stock.

Committees of the Board of Directors

Our board of directors will establish, effective prior to the completion of this offering, an audit committee, a compensation committee and a nominating and corporate governance committee, each of which will have the

composition and responsibilities described below. Members will serve on the committees until their resignation or until as otherwise determined by our board of directors. From time to time, the board may establish other committees to facilitate the management of our business.

Audit Committee

Our audit committee consists of Mr. Howe, Ms. Swenson and Mr. Kneuer, with Mr. Howe serving as the chairperson of the audit committee. Our board of directors has determined that Mr. Howe is an audit committee financial expert, as defined by SEC rules and regulations.

Our board of directors has determined that each of Mr. Howe, Ms. Swenson and Mr. Kneuer is an independent director under Nasdaq listing rules is independent under Rule 10A-3 of the Exchange Act. Our board of directors has further determined that each of the members of the audit committee satisfy the financial literacy and sophistication requirements of the SEC and Nasdaq listing rules.

The principal duties and responsibilities, among others, of our audit committee include:

- recommending and retaining an independent registered public accounting firm to serve as independent auditor to audit our financial statements, overseeing the independent auditor's work and determining the independent auditor's compensation;
- approving in advance all audit services and non-audit services to be provided to us by our independent auditor;
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls, auditing or compliance matters, as well as for the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters;
- overseeing our risk assessment and risk management processes;
- reviewing and ratifying all related party transactions, based on the standards set forth in our related party transactions policy;
- reviewing and discussing with management and our independent auditor the results of the annual audit and the independent auditor's review of our quarterly financial statements; and
- conferring with management and our independent auditor about the scope, adequacy and effectiveness of our internal accounting controls, the objectivity of our financial reporting and our accounting policies and practices.

Both our independent registered public accounting firm and management periodically will meet privately with our audit committee.

Compensation Committee

Our compensation committee consists of Mr. Young, Ms. Swenson and Mr. Kneuer, each of whom is anon-employee member of our board of directors as defined in Rule 16b-3 under the Exchange Act. Mr. Young will be the chairperson of the compensation committee. Our compensation committee will review and determine, or recommend to the full board of directors for approval of, the compensation of all our executive officers.

The principal duties and responsibilities, among others, of our compensation committee include:

- establishing and approving, and making recommendations to the board of directors regarding, performance goals and objectives relevant to the compensation of our chief executive officer, evaluating the performance of our chief executive officer in light of those goals and objectives and setting, or recommending to the full board of directors for approval, the chief executive officer's compensation, including incentive-based and equity-based compensation, based on that evaluation;

- setting the compensation of our other executive officers, based in part on recommendations of the chief executive officer;
- exercising administrative authority under our equity incentive plan and employee benefit plans;
- establishing policies and making recommendations to our board of directors regarding director compensation;
- overseeing risks and exposures associated with executive and director compensation plans and arrangements;
- reviewing and discussing with management the compensation discussion and analysis that we may be required from time to time to include in SEC filings; and
- preparing a compensation committee report on executive and director compensation as may be required from time to time to be included in our annual proxy statements or annual reports on Form 10-K filed with the SEC.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of Mr. Hochschild and Mr. Johnson. Mr. Hochschild will be the chairperson of the nominating and corporate governance committee.

The principal duties and responsibilities, among others, of our nominating and corporate governance committee will include:

- assessing the need for new directors and identifying individuals qualified to become directors;
- recommending to the board of directors the persons to be nominated for election as directors and to each of the board's committees;
- assessing individual director performance, participation and qualifications;
- developing, recommending, overseeing the implementation of and monitoring compliance with, our corporate governance guidelines, and periodically reviewing and recommending any necessary or appropriate changes to our corporate governance guidelines;
- monitoring the effectiveness of the board and the quality of the relationship between management and the board; and
- overseeing an annual evaluation of the board's performance.

Code of Business Conduct and Ethics for Employees, Executive Officers and Directors

We will adopt a Code of Business Conduct and Ethics, or the Code of Conduct, applicable to all of our employees, executive officers and directors. The Code of Conduct will be available on our website at www.sonimtech.com. The nominating and corporate governance committee of our board of directors will be responsible for overseeing the Code of Conduct and must approve any waivers of the Code of Conduct for employees, executive officers and directors. We expect that any amendments to the Code of Conduct, or any waivers of its requirements, will be disclosed on our website.

Compensation Committee Interlocks and Insider Participation

None of our directors who serve as a member of our compensation committee is, or has at any time during the past year been, one of our officers or employees. None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee of any other entity that has one or more executive officers serving on our board of directors or compensation committee. See the section titled "Certain Relationships and Related Party Transactions" for information about related-party transactions involving members of our compensation committee or their affiliates.

Non-Employee Director Compensation

Prior to the closing of this offering, we expect to implement a formal policy pursuant to whichour non-employee directors will be eligible to receive compensation for service on our board of directors and committees of our board of directors.

The following table sets forth information regarding compensation earned during the year ended December 31, 2018 by ournon-employee directors who served as directors during such year. Mr. Plaschke, our Chief Executive Officer, serves on our board of directors but did not receive compensation for his service as a director and the compensation paid to Mr. Plaschke as an employee during the year ended December 31, 2018 is set forth in the "Summary Compensation Table" below.

Name	Fees Earned or Paid in Cash	Option Awards (1)(2)	Total
Maurice Hochschild	$ 50,000 (3)	$ —	$ 50,000
Alan Howe	35,000 (4)		35,000
Kenny Young	200,000 (5)	—	200,000
Jeffrey Johnson	27,208 (6)	—	27,208 (6)

(1) As of December 31, 2018, Mr. Howe held an option to purchase 2,333 shares of our common stock. None of our other non-employee directors held outstanding equity awards as of December 31, 2018.

(2) This column reflects the full grant date fair value for options granted during the year ended December 31, 2018 as measured pursuant to ASC Topic 718 as stock-based compensation in our consolidated financial statements. The assumptions we used in valuing options are described in Note 7 to our consolidated financial statements included elsewhere in this prospectus.

(3) Commencing in 2018, Mr. Hochschild receives an annual retainer of $50,000 for continued service on the board of directors. Mr. Hochschild has directed that his 2018 retainer of $50,000 be remitted to Investec Bank plc.

(4) Commencing in 2018, Mr. Howe receives an annual retainer of $35,000 for continued service on the board of directors.

(5) Fees for Mr. Young's service as a director are paid to B. Riley Principal Investments, LLC, Mr. Young's employer, pursuant to a management services agreement entered into in October 2017.

(6) Mr. Johnson served as a member of our board of directors from July 2017 through April 2018. For Mr. Johnson's service as a director from January 1, 2018 through his resignation from the board of directors in April 2018, we paid Mr. Johnson total fees for board service of $25,000 and travel expense reimbursements of $2,208.

We currently reimburse our directors for theirreasonable out-of-pocket expenses in connection with attending board of directors meetings. In January 2018, we entered into a board services agreement with Mr. Hochschild pursuant to which we pay an annual retainer of $50,000 to Mr. Hochschild for his continued service on our board of directors. Mr. Hochschild has directed that his 2018 retainer of $50,000 be remitted to Investec Bank plc. In November 2017, we entered into a board services agreement with Mr. Howe pursuant to which we pay an annual retainer of $35,000 to Mr. Howe for his continued service on our board of directors. In addition, pursuant to the board services agreement with Mr. Howe, in September 2018, we granted Mr. Howe an option to purchase 2,333 shares of our common stock with an exercise price of $0.90 per share. 25% of the shares of common stock underlying the option vested on October 31, 2018, and the remainder vest in 36 equal monthly installments thereafter, with full acceleration upon a change in control of the Company. In October 2017, we entered into a management services agreement with B. Riley Principal Investments, LLC pursuant to which, among other things, Mr. Young serves as a member of our board of directors. Pursuant to the management series agreement, we pay B. Riley Principal Investments, LLC an annual fee of $200,000 for services provided, including for Mr. Young's continued service on our board of directors. The management services agreement will terminate upon the consummation of this offering.

EXECUTIVE COMPENSATION

Our named executive officers for the year ended December 31, 2018, consisting of our principal executive officer and the next two most highly compensated executive officers who were serving as executive officers as of December 31, 2018, were:

- Robert Plaschke, our Chief Executive Officer;
- James Walker, our Chief Financial Officer; and
- Charles Becher, our Chief Sales and Marketing Officer.

Summary Compensation Table for Year Ended December 31, 2018

The following table sets forth information regarding compensation earned during the year ended December 31, 2018 by our named executive officers.

Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards (1)	Non-Equity Incentive Plan Compensation (2)	All Other Compensation	Total
Robert Plaschke *Chief Executive Officer*	2018	$381,250	$575,000 (3)	$ —	$ —	$ 400,000	$ 22,500 (6)	$1,378,750
James Walker *Chief Financial Officer*	2018	291,667 (4)	—	—	372,810	206,250	—	870,727
Charles Becher *Chief Sales and Marketing Officer*	2018	350,000	—	—	246,486	250,000 (5)	—	846,486

(1) This column reflects the full grant date fair value for options granted during the year ended December 31, 2018 as measured pursuant to ASC Topic 718 as stock-based compensation in our consolidated financial statements. The assumptions we used in valuing options are described in Note 7 to our consolidated financial statements included elsewhere in this prospectus.

(2) Represents payments made under our Executive Bonus Plan for 2018 as well as a revenue-based bonus for Mr. Becher. Under the Executive Bonus Plan for 2018, Mr. Plaschke, Mr. Walker and Mr. Becher were paid bonus amounts equal to 100%, 75% and 20% of each of their 2019 annual base salaries, respectively. No discretionary bonus amounts were paid to any of our executive officers in 2018. See "—Executive Bonus Plan." Mr. Becher was also paid an additional $150,000 in sales commissions in the form of a revenue-based bonus pursuant to the terms of his employment agreement. See "—Agreements with Our Named Executive Officers—Mr. Becher."

(3) In March 2019, our board of directors approved a $575,000 discretionary bonus to Mr. Plaschke for 2018.

(4) From January 2018 through July 2018, Mr. Walker served as our interim Chief Financial Officer and was paid prorated salary amounts based on an annual salary of $300,000. From August 2018 through the end of 2018, Mr. Walker became a full-time Chief Financial Officer and was paid prorated salary amounts based on an annual salary of $275,000.

(5) Amount includes $150,000 in sales commissions based on revenue targets.

(6) Pursuant to his employment agreement, Mr. Plaschke is entitled to receive up to $22,500 in funds each year from us for his participation in World Presidents Organization activities. In 2018, he received $22,500 for such activities.

Outstanding Equity Awards at December 31, 2018

The following table provides information about outstanding equity awards held by each of our named executive officers at December 31, 2018. All awards were granted under our 2012 Plan, the terms of which are described below under "—2012 Equity Incentive Plan."

		Option Awards (1)				
		Number of Securities Underlying Unexercised Options (#)		Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options(#)	Option Exercise Price	Option Expiration Date
Name	Grant Date	Exercisable	Unexercisable			
Robert Plaschke	6/10/2013	103,703 (2)	—	—	$ 0.45	6/9/2023
	10/26/2017	44,722 (3)	108,611 (3)	—	0.45	10/9/2027
James Walker	9/10/2018	— (4)	201,666 (4)	—	0.90	9/9/2028
Charles Becher	2/14/2017	95,833 (5)	104,167 (5)	—	0.75	2/13/2027
	9/10/2018	— (6)	133,333 (6)	—	0.90	9/9/2028

(1) All option awards listed in this table were granted pursuant to our 2012 Plan, the terms of which are descried below under "—2012 Equity Incentive Plan."

(2) Shares underlying this option vested on an annual basis upon the achievement by us of certain performance-based metrics based on operating profit up to the date of completion of our audit for fiscal year 2015. Following such time, all unvested shares underlying this option expired. All remaining 103,703 shares underlying this option are exercisable immediately.

(3) 25% of the shares of common stock underlying the option, or 38,333 shares, vested in October 2018, the first anniversary of the vesting commencement date, and the remainder will vest in 36 equal monthly installments thereafter, subject to Mr. Plaschke's continuous service through the relevant vesting dates. In the event of a change in control, vesting of this option will accelerate in full immediately prior to the effective date of the change in control.

(4) 25% of the shares of common stock underlying the option, or 50,416 shares, vested in January 2019, the first anniversary of the vesting commencement date, and the remainder will vest in 36 equal monthly installments thereafter, subject to Mr. Walker's continuous service through the relevant vesting dates. During the 13 months following a change in control, if we terminate Mr. Walker's employment without cause or if Mr. Walker resigns for good season, all remaining shares underlying this option will immediately vest. Following the listing of our shares of common stock on Nasdaq, (i) 50% of the shares underlying the option will vest once our enterprise value (as defined in Mr. Walker's employment agreement) is at least $125.0 million or if the our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 25% or more of the shares of our capital stock held as of August 2018 by financial investors, and (ii) 100% will vest once our enterprise value is at least $150.0 million or if the our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 50% or more of the shares of our capital stock held as of August 2018 by financial investors, or immediately prior to a change in control.

(5) 25% of the shares of common stock underlying the option, or 50,000 shares, vested in January 2018, the first anniversary of the vesting commencement date, and the remainder will vest in 36 equal monthly installments thereafter, subject to Mr. Becher's continuous service through the relevant vesting dates. During the 13 months following a change in control, if we terminate Mr. Becher's employment without cause or if Mr. Becher resigns for good season, vesting of this option will accelerate with respect to such number of shares that would have vested had Mr. Becher remained employed for 24 months following the date of termination.

(6) 33,333 shares of common stock underlying this option will vest at the end of each fiscal year in which the revenue plan set forth in Mr. Becher's employment agreements is exceeded by at least 25%, 33,333 shares underlying this option will vest at the end of each fiscal year in which our gross margin exceeds 39%, and 33,333 shares underlying this option will vest at the end of each fiscal year in which our gross margin exceeds 42%. During the 13 months following a change in control, if we terminate Mr. Becher's employment without cause or if Mr. Becher resigns for good reason, 25% of the shares underlying this option will accelerate.

Agreements with Our Named Executive Officers

Set forth below are descriptions of our employment agreements with our named executive officers. For a discussion of the severance pay and other benefits to be provided in connection with a termination of employment and/or a change in control under the arrangements with our named executive officers, see "—Potential Payments upon Termination or Change in Control."

Mr. Plaschke. In August 2018, we entered into an employment agreement with Mr. Plaschke. Under the terms of the employment agreement, Mr. Plaschke is entitled to an annual base salary of $400,000 and is eligible to receive an annual performance bonus with a target of 100% of his base salary based on our performance against EBITDA objectives, as determined by our board of directors. In addition, Mr. Plaschke is entitled to receive up to $22,500 in funds each year from us for his participation in World Presidents Organization activities. Mr. Plaschke is also eligible to participate in the employee benefit plans generally available to our employees. Upon the listing of our common stock on Nasdaq in connection with this offering, Mr. Plaschke is entitled to a restricted stock award, or the Liquidity Bonus, to be granted immediately prior to the closing of this offering for a number of shares equal to 2% of our fully-diluted shares outstanding as of the date of grant, or 383,197 shares of common stock. 50% of the shares underlying the award will vest once our enterprise value (as defined in Mr. Plaschke's employment agreement) is at least $125 million or if our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 25% or more of the shares of our capital stock held as of August 2018 by financial investors, and 100% will vest once our enterprise value is at least $150 million or if the our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 50% or more of the shares of our capital stock held as of August 2018 by financial investors, or immediately prior to a change in control (as defined in Mr. Plaschke's employment agreement). We expect to grant Mr. Plaschke the Liquidity Bonus immediately prior to the closing of this offering. We expect the Liquidity Bonus to vest in full upon grant based on the Company's enterprise value immediately prior to the closing of the offering (based on the assumed initial public offering price of $14.00 per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus) and expect to use a portion of the net proceeds we receive from this offering to satisfy withholding tax and remittance obligations related to the vesting of the Liquidity Bonus. See "Use of Proceeds." In addition, Mr. Plaschke will receive immediate vesting of all outstanding unvested options and stock awards previously granted to him by us upon a qualified change in control (as defined in Mr. Plaschke's employment agreement).

Mr. Walker. In August 2018, we entered into an employment agreement with Mr. Walker. Under the terms of the employment agreement, Mr. Walker is entitled to an annual base salary of $275,000 and is eligible to receive an annual performance bonus with a target of 75% of his base salary based on our performance against EBITDA objectives, as determined by our board of directors. In September 2018, we granted to Mr. Walker an option to purchase 201,066 shares of common stock. 25% of the shares of common stock underlying the option, or 50,416 shares, vested in January 2019, the first anniversary of the vesting commencement date, and the remainder will vest in 36 equal monthly installments thereafter, subject to Mr. Walker's continuous service through the relevant vesting dates and accelerated vesting upon a change in control (as defined in Mr. Walker's employment agreement) in which our enterprise value is at least $125.0 million. Following the listing of our shares of common stock on Nasdaq, (i) 50% of the shares underlying the option will vest once our enterprise value (as defined in Mr. Walker's employment agreement) is at least $125.0 million or if the our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 25% or more of the shares of our capital stock held as of August 2018 by financial investors, and (ii) 100% will vest once our enterprise value is at least $150.0 million or if the our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 50% or more of the shares of our capital stock held as of August 2018 by financial investors, or immediately prior to a change in control. Enterprise value is determined based on the 45-day trailing average of the closing price of our common stock on Nasdaq multiplied by the number of shares of our common stock outstanding on a fully-diluted basis. Mr. Walker is also eligible to participate in the employee benefit plans generally available to our employees.

Mr. Becher. In February 2019, we entered into an employment agreement with Mr. Becher. Under the terms of the employment agreement, Mr. Becher is entitled to an annual base salary of $500,000 (previously $300,000 in 2018) and is eligible to receive an annual performance bonus based on our performance against EBITDA objectives, as determined by our board of directors. In addition to the annual cash performance bonus, Mr. Becher is also eligible to receive a revenue bonus based on our financial performance and certain agreed-upon targets. In September 2018, we granted to Mr. Becher an option to purchase 133,333 shares of common stock subject to performance-based vesting. Mr. Becher is also eligible to participate in the employee benefit plans generally available to our employees.

In addition to amounts paid to Mr. Becher under our executive bonus plan for 2018, Mr. Becher also received $150,000 in 2018 from sales commissions in the form of a revenue-based bonus equal to a base bonus amount plus a percentage of fixed revenue targets based on 100% attainment of such targets. The revenue-based bonus plan for Mr. Becher expired on December 31, 2018. We may enter into similar revenue-based bonus plans with Mr. Becher for future years.

Potential Payments upon Termination or Change in Control

Each of our named executive officers is eligible to receive certain benefits pursuant to his employment agreement with us, as described below. “Cause,” “good reason,” “enterprise value,” “financial investors” and “change in control” are defined in the applicable employment agreements with each of our named executive officers.

Mr. Plaschke. Upon Mr. Plaschke’s termination with cause or resignation without good reason, Mr. Plaschke will receive three months of continued base salary. In the event Mr. Plaschke’s employment is terminated without cause, or his employment is terminated due to death, permanent disability or for good reason, in either case at any time prior to a change in control or more than 13 months after a change in control, Mr. Plaschke will receive 12 months of continued base salary and reimbursement for COBRA health insurance premiums for up to 12 months following the date of termination. In the event that Mr. Plaschke’s employment is terminated by us for any reason, his employment terminates due to his death or permanent disability, or he resigns for good reason, he will be entitled to a pro rata portion of his target bonus for the year of termination. Mr. Plaschke will receive immediate vesting of all outstanding unvested options and stock awards previously granted to him by us upon a qualified change in control (as defined in Mr. Plaschke’s employment agreement). In the event Mr. Plaschke’s employment is terminated without cause or he resigns for good reason within 13 months after a change in control of the Company, Mr. Plaschke will receive 18 months of continued base salary, reimbursement for COBRA health insurance premiums for a period of up to 18 months and accelerated vesting of any then-outstanding options or stock awards that would have vested within 24 months after the date of termination. In addition, if at any time Mr. Plaschke’s employment is terminated or he resigns, for any reason, Mr. Plaschke will be entitled to an additional severance payment equal to $140,000, to be paid in four equal quarterly payments, unless Mr. Plaschke receives the Liquidity Bonus. Such payments and benefits are conditioned upon Mr. Plaschke continuing to comply with certain restrictive covenants applicable to him and upon execution of an effective general release of claims. In addition, any amount payable upon a termination of employment under the employment agreement will be paid only if the termination constitutes a separation from service under Section 409A of the Code.

Mr. Walker. In the event Mr. Walker’s employment is terminated without cause, or his employment is terminated due to death, permanent disability or for good reason, in either case at any time prior to a change in control or more than 13 months after a change in control, Mr. Walker will receive nine months of continued base salary and reimbursement for COBRA health insurance premiums for a period of up to nine months following the date of termination. In the event that Mr. Walker’s employment is terminated by us for any reason, his employment terminates due to his death or permanent disability, or he resigns for good reason, he will be entitled to a pro rata portion of his target bonus for the year of termination. In the event Mr. Walker’s employment is terminated without cause or he resigns for good reason within 13 months after our change in

control, Mr. Walker will receive 12 months of continued base salary, reimbursement for COBRA health insurance premiums for a period of up to 12 months following the date of termination and immediate vesting of any then-outstanding options or stock awards. Such payments and benefits are conditioned upon Mr. Walker continuing to comply with certain restrictive covenants applicable to him and upon execution of an effective general release of claims. In addition, any amount payable upon a termination of employment under the employment agreement will be paid only if the termination constitutes a separation from service under Section 409A of the Code.

Mr. Becher. In the event Mr. Becher's employment is terminated without cause, or his employment is terminated due to death, permanent disability or for good reason, in either case at any time prior to a change in control or more than 13 months after a change in control, Mr. Becher will receive six months of continued base salary. In the event Mr. Becher's employment is terminated without cause or he resigns for good reason within 13 months after a change in control of the Company, Mr. Becher will receive 12 months of continued base salary, reimbursement for COBRA health insurance premiums for a period of up to six months following the date of termination, accelerated vesting of the shares granted under Mr. Becher's option granted in February 2017 that would have vested within 24 months after the date of termination, and accelerated vesting of 25% of the shares granted under Mr. Becher's option granted in September 2018. Such payments and benefits are conditioned upon Mr. Becher continuing to comply with certain restrictive covenants applicable to him and upon execution of an effective general release of claims. In addition, any amount payable upon a termination of employment under the employment agreement will be paid only if the termination constitutes a separation from service under Section 409A of the Code.

Executive Bonus Plan

Our board of directors has approved an executive bonus plan in 2018 whereby the board has approved a target bonus pool for allocation to our executive officers, including our named executive officers, and includes a discretionary fund to be distributed to employees with a title of "vice president" or "director" as well as an additional discretionary pool for our Chief Executive Officer. Each eligible participant has an opportunity to earn a payment based on achievement of corporate performance goals relating to EBITDA targets for the year ended December 31, 2018. Executive officers are eligible for a merit-based bonus in an amount set based on employment grade (ranging from 37.5% to 100% of base annual salary), which is then multiplied by a percentage (ranging from 40% up to 175%) based on achievement of EBITDA targets. For 2018, we paid an aggregate of approximately $1.3 million pursuant to such executive bonus plan. We plan to adopt an executive bonus plan for 2019.

Emerging Growth Company Status

We are an "emerging growth company," as defined in the JOBS Act. As an emerging growth company we will be exempt from certain requirements related to executive compensation, including the requirements to hold a nonbinding advisory vote on executive compensation and to provide information relating to the ratio of total compensation of our Chief Executive Officer to the median of the annual total compensation of all of our employees, each as required by the Investor Protection and Securities Reform Act of 2010, which is part of the Dodd-Frank Act.

Pension Benefits

Our named executive officers did not participate in, or otherwise receive any benefits under, any pension or retirement plan sponsored by us during 2018.

Nonqualified Deferred Compensation

Our named executive officers did not participate in, or earn any benefits under, a nonqualified deferred compensation plan sponsored by us during 2018.

Employee Benefit Plans

We believe that our ability to grant equity-based awards is a valuable and necessary compensation tool that aligns the long-term financial interests of our employees, consultants and directors with the financial interests of our stockholders. In addition, we believe that our ability to grant options and other equity-based awards helps us to attract, retain and motivate employees, consultants and directors and encourages them to devote their best efforts to our business and financial success.

The principal features of our equity incentive plans and our 401(k) plan are summarized below. Our board of directors adopted, and our stockholders approved, the 2019 Equity Incentive Plan, or the 2019 Plan, in March 2019 and April 2019, respectively, and the 2019 Plan will become effective upon the effectiveness of the registration statement of which this prospectus forms a part. The 2019 Plan will supersede and replace our 2012 Equity Incentive Plan, or the 2012 Plan. After the 2019 Plan becomes effective, no further stock awards will be granted under the 2012 Plan. These summaries are qualified in their entirety by reference to the actual text of the plans, which, other than the 401(k) plan, are filed as exhibits to the registration statement of which this prospectus is a part.

2019 Equity Incentive Plan

Our 2019 Plan provides for the grant of incentive stock options, or ISOs, nonstatutory stock options, or NSOs, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance-based stock awards, and other stock awards, or collectively, stock awards. ISOs may be granted only to our employees, including our officers, and the employees of our affiliates. All other awards may be granted to our employees, including our officers, our non-employee directors and consultants and the employees and consultants of our affiliates.

Authorized Shares. Initially, the aggregate number of shares of our common stock that may be issued pursuant to stock awards under our 2019 Plan after it becomes effective is the sum of (i) 1,885,039 shares and (ii) any shares subject to outstanding stock options or other stock awards that were granted under our 2012 Plan that are forfeited, terminated, expire or are otherwise not issued. Additionally, the number of shares of our common stock reserved for issuance under our 2019 Plan will automatically increase on January 1 of each calendar year for 10 years, starting January 1, 2020 (assuming the 2019 Plan becomes effective in calendar year 2019) and ending on and including January 1, 2029, in an amount equal to 5% of the total number of shares of our capital stock outstanding on December 31 of the prior calendar year, unless our board of directors or compensation committee determines prior to the date of increase that there will be a lesser increase, or no increase.

Shares subject to stock awards granted under our 2019 Plan that expire or terminate without being exercised in full, or that are paid out in cash rather than in shares, do not reduce the number of shares available for issuance under our 2019 Plan. Additionally, shares become available for future grant under our 2019 Plan if they were issued under stock awards under our 2019 Plan and we repurchase them or they are forfeited. This includes shares used to pay the exercise price of a stock award or to satisfy the tax withholding obligations related to a stock award.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, will administer our 2019 Plan. Our board of directors may also delegate to one or more of our officers the authority to (i) designate employees (other than officers) to receive specified stock awards, and (ii) determine the number of shares subject to such stock awards. Under our 2019 Plan, our board of directors has the authority to determine and amend the terms of awards, including:

- recipients;
- the exercise, purchase or strike price of stock awards, if any;
- the number of shares subject to each stock award;
- the fair market value of a share of our common stock in the event no public market exists for our common stock;

- the vesting schedule applicable to the awards, together with any vesting acceleration; and
- the form of consideration, if any, payable upon exercise or settlement of the award.

Under our 2019 Plan, our board of directors also generally has the authority to effect, with the consent of any adversely affected participant:

- the reduction of the exercise, purchase or strike price of any outstanding award;
- the cancellation of any outstanding stock award and the grant in substitution therefor of other awards, cash or other consideration; or
- any other action that is treated as a repricing under generally accepted accounting principles.

Non-Employee Director Limitation. The maximum number of shares of common stock subject to awards granted under the 2019 Plan or otherwise during any one calendar year to any non-employee director, taken together with any cash fees paid by us tothe non-employee director during that year for service on the Board, will not exceed $600,000 in total value (calculating the value of the awards based on the grant date fair value for financial reporting purposes), or, with respect to the calendar year in which a non-employee director is first appointed or elected to the board of directors, $1,000,000.

Stock Options. ISOs and NSOs are granted pursuant to stock option agreements adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of our 2019 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our common stock on the date of grant. Options granted under our 2019 Plan vest at the rate specified in the stock option agreement as determined by the plan administrator. The maximum number of shares of our common stock that may be issued upon the exercise of ISOs under our 2019 Plan is equal to three times the aggregate number of shares initially reserved under the 2019 Plan.

Tax Limitations on ISOs. The aggregate fair market value, determined at the time of grant, of our common stock with respect to ISOs that are exercisable for the first time by an optionholder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will generally be treated as NSOs. No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our affiliates unless (i) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant and (ii) the term of the ISO does not exceed five years from the date of grant.

Restricted Stock Unit Awards. Restricted stock unit awards are granted pursuant to restricted stock unit award agreements adopted by the plan administrator. Restricted stock unit awards may be granted in consideration for any form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. A restricted stock unit award may be settled by cash, delivery of stock, a combination of cash and stock as deemed appropriate by the plan administrator or in any other form of consideration set forth in the restricted stock unit award agreement. Additionally, dividend equivalents may be credited in respect of shares covered by a restricted stock unit award. Except as otherwise provided in the applicable award agreement, restricted stock units that have not vested will be forfeited once the participant's continuous service ends for any reason.

Restricted Stock Awards. Restricted stock awards are granted pursuant to restricted stock award agreements adopted by the plan administrator. A restricted stock award may be awarded in consideration for cash, check, bank draft or money order, past services to us or any other form of legal consideration (including future services) that may be acceptable to our board of directors and permissible under applicable law. The plan administrator determines the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ceases for any reason, we may receive any or all of the shares of common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Stock Appreciation Rights. Stock appreciation rights are granted pursuant to stock appreciation grant agreements adopted by the plan administrator. The plan administrator determines the purchase price or strike price for a stock appreciation right, which generally cannot be less than 100% of the fair market value of our common stock on the date of grant. A stock appreciation right granted under our 2019 Plan vests at the rate specified in the stock appreciation right agreement as determined by the plan administrator.

Other Stock Awards. Our 2019 Plan administrator may grant other awards based in whole or in part by reference to our common stock. Our 2019 Plan administrator will set the number of shares under the stock award and all other terms and conditions of such awards.

Changes to Capital Structure. In the event that there is a specified type of change in our capital structure, such as a stock split or recapitalization, appropriate adjustments will be made to (i) the class and the maximum number of shares reserved for issuance under our 2019 Plan, (ii) the class and the maximum number of shares that may be issued upon the exercise of ISOs, and (iii) the class and the number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions. Our 2019 Plan provides that in the event of certain specified significant corporate transactions including: (i) a sale of all or substantially all of our assets, (ii) the sale or disposition of more than 50% of our outstanding securities, (iii) the consummation of a merger or consolidation where we do not survive the transaction and (iv) the consummation of a merger or consolidation where we do survive the transaction but the shares of our common stock outstanding prior to such transaction are converted or exchanged into other property by virtue of the transaction, each outstanding award will be treated as the plan administrator determines unless otherwise provided in an award agreement or other written agreement between us and the award holder. The administrator may take one of the following actions with respect to such awards:

- arrange for the assumption, continuation or substitution of a stock award by a successor corporation;
- arrange for the assignment of any reacquisition or repurchase rights held by us to a successor corporation;
- accelerate the vesting, in whole or in part, of the stock award and provide for its termination prior to the transaction;
- arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us; or
- cancel or arrange for the cancellation of the stock award before the transaction in exchange for a cash payment or no payment, as determined by our board of directors; or
- make a payment, in the form determined by our board of directors, equal to the excess, if any, of the value of the property the participant would have received on exercise of the awards before the transaction over any exercise price payable by the participant in connection with the exercise, multiplied by the number of shares subject to the stock award. Any escrow, holdback, earnout or similar provisions in the definitive agreement for the transaction may apply to such payment to the holder of a stock award to the same extent and in the same manner as such provisions apply to holders of our common stock.

The plan administrator is not obligated to treat all stock awards or portions of stock awards, even those that are of the same type, in the same manner in the event of a corporate transaction.

In the event of a change in control, awards granted under our 2019 Plan will not receive automatic acceleration of vesting and/or exercisability, although this treatment may be provided for in an award agreement or in any other written agreement between us and the participant. Under our 2019 Plan, a change in control generally will be deemed to occur in the event: (i) the acquisition by any a person or company of more than 50% of the combined voting power of our then outstanding stock; (ii) a merger, consolidation, or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined outstanding voting power of the surviving entity or the parent of the surviving entity; (iii) a sale, lease, exclusive license or other disposition of all or substantially all of our assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders; or (iv) an unapproved change in the majority of our board of directors.

Transferability. A participant generally may not transfer stock awards under our 2019 Plan other than by will, the laws of descent and distribution, or as otherwise provided under our 2019 Plan.

Amendment or Termination. Our board of directors has the authority to amend, suspend, or terminate our 2019 Plan, provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No ISOs may be granted after the tenth anniversary of the date our board of directors adopted our 2019 Plan. No stock awards may be granted under our 2019 Plan while it is suspended or after it is terminated.

2012 Equity Incentive Plan

Our board of directors and our stockholders approved our 2012 Plan in November 2012. As of December 31, 2018, a total of 2,817,071 shares of our common stock were reserved for issuance under our 2012 Plan. As of December 31, 2018, there were 455,557 shares of our common stock remaining available for the future grant of stock awards under our 2012 Plan. As of December 31, 2018, there were outstanding stock options covering a total of 1,320,197 shares of our common stock that were granted under our 2012 Plan. We do not expect to have any shares of common stock remaining available for issuance under the 2012 Plan at the pricing of this offering.

No future grants will be made under our 2012 Plan, which will terminate in connection with this offering upon the effectiveness of the 2019 Plan. Any outstanding awards granted under our 2012 Plan will remain subject to the terms of our 2012 Plan and the applicable award agreements.

Stock Awards. Our 2012 Plan provides for the grant of ISOs within the meaning of Section 422 of the Code to employees, including employees of any parent or subsidiary, and for the grant of NSOs, stock appreciation rights, restricted stock awards, or RSAs, restricted stock unit awards and other forms of stock awards to employees, directors and consultants, including employees and consultants of our affiliates. We have granted stock options and RSAs under our 2012 Plan.

Authorized Shares. Subject to certain capitalization adjustments, the aggregate number of shares of common stock that may be issued pursuant to stock awards under our 2012 Plan will not exceed the number of shares underlying options outstanding under the 2012 Plan as of its termination date upon the effectiveness of the 2019 Plan, or 455,639 shares.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, administers our 2012 Plan and is referred to as the "plan administrator" herein. The plan administrator may delegate to one or more of our officers the authority to (i) designate employees (other than officers) to receive specified stock awards and (ii) determine the number of shares subject to such stock awards. Under the 2012 Plan, the plan administrator also has the authority to determine award recipients, dates of grant, the numbers, cash value and types of stock awards to be granted, the applicable fair market value and the provisions of each stock award, including the period of their exercisability and the vesting schedule applicable to a stock award. The plan administrator is also authorized to establish, adopt, amend or revise rules relating to administration of our 2012 Plan, subject to certain restrictions.

Under the 2012 Plan, the plan administrator also generally has the authority to effect, with the consent of any adversely affected participant, (i) the reduction of the exercise, purchase or strike price of any outstanding award, (ii) the cancellation of any outstanding award and the grant in substitution therefore of other awards, cash or other consideration, or (iii) any other action that is treated as a repricing under generally accepted accounting principles.

Stock Options. ISOs and NSOs are granted under stock option agreements adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of the 2012 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our common stock on the date of grant. Options granted under the 2012 Plan vest at the rate specified in the stock option agreement as determined by the plan administrator.

The plan administrator determines the term of stock options granted under the 2012 Plan, up to a maximum of 10 years. If an optionholder's service relationship with us or any of our affiliates ceases for any reason other than disability, death or cause, the optionholder may generally exercise any vested options for a period of three months following the cessation of service. This period may be extended in the event that exercise of the option is prohibited by applicable securities laws or our insider trading policy. If an optionholder's service relationship with us or any of our affiliates ceases due to death, or an optionholder dies within a certain period following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 18 months following the date of death. If an optionholder's service relationship with us or any of our affiliates ceases due to disability, the optionholder may generally exercise any vested options for a period of 12 months following the cessation of service. In the event of a termination for cause, options generally terminate upon the termination date. In no event may an option be exercised beyond the expiration of its term.

Acceptable consideration for the purchase of common stock issued upon the exercise of a stock option will be determined by the plan administrator and may include (i) cash, check, bank draft or money order, (ii) a broker-assisted cashless exercise, (iii) the tender of shares of our common stock previously owned by the optionholder, (iv) a net exercise of the option if it is an NSO, (v) a deferred payment arrangement or (vi) other legal consideration approved by the plan administrator.

Unless the plan administrator provides otherwise, options generally are not transferable except by will or the laws of descent and distribution. Subject to approval of the plan administrator or a duly authorized officer in each case, (i) an option may be transferred pursuant to a domestic relations order, official marital settlement agreement, or other divorce or separation instrument and (ii) an optionholder may designate a beneficiary who may exercise the option following the optionholder's death.

Tax Limitations on ISOs. The aggregate fair market value, determined at the time of grant, of our common stock with respect to ISOs that are exercisable for the first time by an optionholder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will generally be treated as NSOs. No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our affiliates unless (i) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant and (ii) the term of the ISO does not exceed five years from the date of grant.

Restricted Stock Awards. Restricted stock awards are granted under restricted stock award agreements adopted by the plan administrator. A restricted stock award may be awarded in consideration for cash, check, bank draft or money order, past or future services to us, or any other form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. The plan administrator determines the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ends for any reason, we may receive any or all of the shares of common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to (i) the class and maximum number of shares reserved for issuance under the 2012 Plan, (ii) the class and maximum number of shares that may be issued on the exercise of ISOs and (iii) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions. Our 2012 Plan provides that in the event of certain specified significant corporate transactions, unless otherwise provided in an award agreement or other written agreement between us and the award holder, the plan administrator may take one or more of the following actions with respect to such stock awards:

- arrange for the assumption, continuation, or substitution of a stock award by a surviving or acquiring corporation;

- arrange for the assignment of any reacquisition or repurchase rights held by us to the surviving or acquiring corporation;
- accelerate the vesting, in whole or in part, of the stock award and provide for its termination if not exercised (if applicable) at or before the effective time of the transaction;
- arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us;
- cancel or arrange for the cancellation of the stock award, to the extent not vested or not exercised before the effective time of the transaction, in exchange for a cash payment, if any; and
- make a payment equal to the excess, if any, of (i) the value of the property the participant would have received on exercise of the award immediately before the effective time of the transaction, over (ii) any exercise price payable by the participant in connection with the exercise.

Change in Control. Under the 2012 Plan, a stock award may be subject to additional acceleration of vesting and exercisability upon or after a change in control as may be provided in the stock award agreement for such stock award or as may be provided in any other written agreement between us or any affiliate and the participant, but in the absence of such provision, no such acceleration will occur. Under the 2012 Plan, a change in control is generally (i) the acquisition by any person or company of more than 50% of the combined voting power of our then outstanding stock, (ii) a consummated merger, consolidation or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity) in substantially the same proportions as their ownership immediately prior to such transaction, (iii) our stockholders approve or the board approves a plan of complete dissolution or liquidation of the Company, or a complete dissolution or liquidation of the Company will otherwise occur, except for a liquidation into a parent corporation, or (iv) a consummated sale, lease, exclusive license or other disposition of all or substantially all of our assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders in substantially the same proportions as their ownership of our outstanding voting securities immediately prior to such transaction.

Plan Amendment or Termination. Our board of directors has the authority to amend, suspend, or terminate our 2012 Plan, provided that such action does not impair (or with respect to amendments, materially impair) the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No stock awards may be granted under our 2012 Plan while it is suspended or after it is terminated.

2019 Employee Stock Purchase Plan

Our board of directors adopted, and our stockholders approved, our 2019 Employee Stock Purchase Plan, or ESPP, in March 2019 and April 2019, respectively. The ESPP will become effective in connection with this offering. The purpose of the ESPP is to secure the services of new employees, to retain the services of existing employees, and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates. The ESPP is intended to qualify as an "employee stock purchase plan" within the meaning of Section 423 of the Code for U.S. employees. In addition, the ESPP authorizes grants of purchase rights that do not comply with Section 423 of the Code under a separate non-423 component. In particular, where such purchase rights are granted to employees who are employed or located outside the United States, our board of directors may adopt rules that are beyond the scope of Section 423 of the Code.

Share Reserve. Following this offering, the ESPP authorizes the issuance of 337,007 shares of our common stock under purchase rights granted to our employees or to employees of any of our designated affiliates. The number of shares of our common stock reserved for issuance will automatically increase on February 1st of each calendar year, beginning on January 1, 2020 (assuming the ESPP becomes effective in calendar year ending December 31, 2019) and ending on and including January 1, 2029, by the lesser of (i) 1% of the total number of shares of our capital stock outstanding on the last day of the calendar month before the date of the automatic increase, and (ii) 500,000 shares; unless our board of directors or compensation committee

determines prior to the date of the increase that there will be a lesser increase, or no increase. As of the date hereof, no shares of our common stock have been purchased under the ESPP.

Administration. Our board of directors has delegated its authority to administer the ESPP to our compensation committee. The ESPP is implemented through a series of offerings under which eligible employees are granted purchase rights to purchase shares of our common stock on specified dates during such offerings. Under the ESPP, we may specify offerings with durations of not more than 27 months, and may specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of our common stock will be purchased for employees participating in the offering. We currently intend to have 24-month offerings with multiple purchase periods (of approximately six months in duration) per offering, except that the first purchase period under our first offering may be shorter or longer than six months, depending on the date on which the underwriting agreement relating to this offering becomes effective. An offering under the ESPP may be terminated under certain circumstances.

Payroll Deductions. Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, may participate in the ESPP and may contribute, normally through payroll deductions, up to 15% of their earnings (as defined in the ESPP) for the purchase of our common stock under the ESPP. Unless otherwise determined by our board of directors, common stock will be purchased for the accounts of employees participating in the ESPP at a price per share that is at least the lesser of (i) 85% of the fair market value of a share of our common stock on the first date of an offering, or (ii) 85% of the fair market value of a share of our common stock on the date of purchase. For the initial offering, which we expect will commence on the execution and delivery of the underwriting agreement relating to this offering, the fair market value on the first day of the offering period will be the price at which shares of common stock are first sold to the public.

Limitations. Employees may have to satisfy one or more of the following service requirements before participating in the ESPP, as determined by our board of directors, including: (i) being customarily employed for more than 20 hours per week, (ii) being customarily employed for more than five months per calendar year, or (iii) continuous employment with us or one of our affiliates for a period of time (not to exceed two years). No employee may purchase shares under the ESPP at a rate in excess of $25,000 worth of our common stock in any calendar year based on the fair market value per share of our common stock at the beginning of an offering for each year such a purchase right is outstanding. Finally, no employee will be eligible for the grant of any purchase rights under the ESPP if immediately after such rights are granted, such employee has voting power over 5% or more of our outstanding capital stock measured by vote or value under Section 424(d) of the Code.

Changes to Capital Structure. In the event that there occurs a change in our capital structure through such actions as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or similar transaction, the board of directors will make appropriate adjustments to: (i) the number of shares reserved under the ESPP, (ii) the number of shares and purchase price of all outstanding purchase rights, and (iii) the number of shares that are subject to purchase limits under ongoing offerings.

Corporate Transactions. In the event of certain significant corporate transactions, such as a merger or change in control, a successor corporation may assume, continue or substitute each outstanding purchase right. If the successor corporation does not assume, continue or substitute for the outstanding purchase rights, the offering in progress will be shortened and a new exercise date will be set. The participants' purchase rights will be exercised on the new exercise date and such purchase rights will terminate immediately thereafter.

Amendment or Termination. Our board of directors has the authority to amend or terminate our ESPP, provided that except in certain circumstances such amendment or termination may not materially impair any outstanding purchase rights without the holder's consent. Our ESPP will remain in effect until terminated by our board of directors in accordance with the terms of our ESPP.

Health and Welfare Benefits

We pay premiums for medical insurance, dental insurance and vision insurance for all full-time employees, including our named executive officers. These benefits are available to all full-time employees, subject to applicable laws.

401(k) Plan

We maintain a defined contribution retirement plan that provides eligible U.S. employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees may defer eligible compensation on a pre-tax, or after-tax, basis, up to the statutorily prescribed annual limits on contributions under the Code. Contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. Employees are immediately and fully vested in their contributions. The 401(k) plan is intended to be qualified under Section 401(a) of the Code with the 401(k) plan's related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to the 401(k) plan are deductible by us when made, and contributions and earnings on those amounts are not taxable to the employees until withdrawn or distributed from the 401(k) plan. We do not currently provide a matching contribution under the 401(k) plan.

Limitations on Liability and Indemnification Matters

Upon the closing of this offering, our amended and restated certificate of incorporation will contain provisions that allow us to limit the liability of our current and former directors for monetary damages to the fullest extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to the corporation or its stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions; or
- any transaction from which the director derived an improper personal benefit.

Such limitation of liability does not apply to liabilities arising under federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission.

Our amended and restated certificate of incorporation will provide us with the authority to, and our amended and restated bylaws will provide that we are required to, indemnify our directors and executive officers to the fullest extent permitted by Delaware law. Our amended and restated bylaws will also provide that, upon satisfaction of certain conditions, we shall advance expenses incurred by a director or executive officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee, or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws will also provide our board of directors with discretion to indemnify our other officers and employees when determined appropriate by our board of directors. We have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by the board of directors. With certain exceptions, these agreements provide for indemnification for related expenses including, among other things, attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding.

We believe that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain directors' and officers' liability insurance.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following is a description of transactions since January 1, 2016 to which we have been a participant and in which (i) the amount involved exceeded or will exceed $120,000, and (ii) any of our directors, executive officers or holders of more than 5% of our share capital, or any members of their immediate family, had or will have a direct or indirect material interest, other than compensation arrangements which are described in the sections titled "Executive Compensation" and "Management—Non-Employee Director Compensation."

Private Financings

Common Stock Financing

From November 2018 through January 2019, we issued and sold an aggregate of 1,498,533 shares of our common stock at a purchase price of $7.18 per share to certain investors party to a securities purchase agreement, or the SPA, for an aggregate purchase price of approximately $10.8 million. We may issue from time to time an additional 590,603 shares of common stock pursuant to the SPA until May 2019, unless extended by the parties to the SPA. The following table summarizes purchases of our common stock by holders of more than 5% of our capital stock and their affiliated entities. None of our directors or executive officers purchased shares of common stock.

Name	Shares of Common Stock	Aggregate Purchase Price
Nokomis Capital Master Fund, L.P.	696,378	$ 4,999,994
Entities Affiliated with B. Riley Financial, Inc. (1)	355,411	2,551,851
Verdoso Holdings Limited	55,710	399,998

(1) Represents shares of common stock purchased by B. Riley Financial, Inc. and BRC Partners Opportunity Fund, LP.

Preferred Stock Financings

In August 2016, we issued and sold 147,431 shares of our SeriesA-1 preferred stock, 616,219 shares of our Series A preferred stock and a warrant to purchase 466,014 shares of our Series A preferred stock to Motorola Solutions, Inc., or MSI, a holder of more than 5% of our capital stock, for an aggregate purchase price of approximately $10.0 million. We have issued to MSI 310,676 shares of Series A preferred stock pursuant to prior exercises of the warrant. The remaining 155,338 shares of common stock issuable under the warrant will vest immediately prior to the closing of this offering. The holder of the warrant may, in lieu of exercising the warrant for 155,338 shares of our common stock, convert the warrant into a number of shares of common stock based on the fair value of such shares as determined by our board of directors. However, immediately prior to the closing of this offering, the holder of the warrant may, in lieu of exercising the warrant for 155,338 shares of our common stock, convert the warrant into a number of shares of common stock at a conversion price per share equal to the offering price to the public set forth on the cover page of this prospectus. The warrant will no longer be exercisable following the closing of this offering.

In December 2016, we issued and sold 1,127,337 shares of our SeriesA-2 preferred stock at a purchase price of $8.85 per share to JVC KENWOOD Corporation, a holder of more than 5% of our capital stock, for an aggregate purchase price of approximately $10.0 million.

B. Riley Loan Agreement

In October 2017, we entered into a subordinated term loan and security agreement, or the Loan Agreement, with B. Riley Principal Investments, LLC, or B. Riley Investments, an affiliate of B. Riley Financial, Inc., a holder of more than 5% of our capital stock, as amended in March 2018, pursuant to which we may borrow up to $12.0 million principal amount of secured subordinated indebtedness from time to time. Borrowings under the Loan Agreement bear interest at a fixed rate of 10% per annum. In connection with the Loan Agreement, we

granted B. Riley Investments a subordinated lien on substantially all of our assets, subject to permitted liens. In October 2017, January 2018 and April 2018, we borrowed $7.0 million, $3.0 million and $2.0 million, respectively, aggregate principal amount of secured subordinated indebtedness under the Loan Agreement pursuant to the B. Riley Convertible Note. As of the date of this prospectus, B. Riley Investments may elect to convert 75% of the total principal amount and accrued interest outstanding under the note, or approximately $9.8 million, into 1,099,278 shares of our common stock at a conversion price per share of $8.87. Between the second and the third anniversary of the original issue date of the note, following the third anniversary of the original issue date of the note and following the fourth anniversary of the original issue date of the note, B. Riley Investments may elect to convert 50%, 25% and 12.5%, respectively, of the then-outstanding total principal amount and accrued interest outstanding under the note at a conversion price per share of $8.87. We made approximately $141,000 in interest payments on the note for the year ended December 31, 2018.

Convertible Notes

In May 2016, we issued and sold approximately $2.0 million principal amount of convertible subordinated notes to Investec Investments (UK) Limited and Verdoso Investments S.A., each a holder or affiliate of a holder of more than 5% of our capital stock, in connection with a convertible debt bridge financing. The notes accrued interest at a rate of 15% per year and converted into shares of our preferred stock at the option of the holders at various conversion prices based on purchase prices of shares in subsequent preferred share financings. As of December 31, 2018, all convertible notes held by Investec Investments (UK) Limited and Verdoso Investments S.A. have converted into shares of our common stock at the applicable conversion rates then in effect.

FBR Capital Markets Engagement

In March 2016, we entered into an engagement letter with B. Riley FBR, Inc., or FBR, an affiliate of B. Riley Financial, Inc., pursuant to which FBR performed certain financial advisory services in connection with the issuance of the convertible notes described above and secondary sales of our preferred stock in October 2017. In connection with these services, we paid to FBR an aggregate of approximately $2.0 million in fees and expenses. The engagement letter was terminated in July 2018 and FBR waived all rights to any tail fees set forth in the engagement letter.

Management Services Agreement

In October 2017, we entered into a management services agreement with B. Riley Principal Investments, pursuant to which B. Riley Investments agreed to provide advisory and consulting services to us for management fees of up to $200,000 per year. We incurred approximately $47,000 and $200,000 of fees under this agreement during the years ended December 31, 2017 and 2018, respectively. The management services agreement will terminate upon the closing of this offering.

Agreements with Motorola

In August 2016, we entered into a supply and distribution agreement, or the MSI Supply Agreement, with MSI, a more than 5% holder, pursuant to which we supply hardware and software to MSI and certain of its affiliates at predetermined price schedules set forth in the MSI Supply Agreement. The MSI Supply Agreement has an initial term of three years, after which time the agreement remains in effect until terminated by either party. Since August 2016, we have received approximately $2.2 million in total payments under the MSI Supply Agreement.

In April 2017, we entered into the WAVE® 7000 Public Safety Communication Services Software Development Kit License Agreement, or the WAVE License, with MSI pursuant to which we licensed the WAVE 7000 workgroup communication platform, including related proprietary interfaces, in North America. The WAVE License has an initial term of three years, plus a one year extension at MSI's election. In addition,

in April 2017, we entered into the Radio Application Link Protocol License Agreement, or the Radio Link License, with MSI pursuant to which we licensed the iDEN® radio application link protocol from MSI for the development of products to interface with MSI's products. The Radio Link License has a term of three years. Each of the WAVE License and the Radio Link License were entered into with MSI in connection with our master services agreement with Southern Communications Services, Inc.

Management Loans

In September 2016, Mr. Plaschke, our Chief Executive Officer and a member of our board of directors, borrowed $175,000 from us pursuant to a note and security agreement. The loan accrued interest at 3% per year and was secured against certain future compensation payable to Mr. Plaschke as well as certain shares of our common stock held by Mr. Plaschke. The loan was repaid in 2017.

Limitation of Liability and Indemnification of Officers and Directors

We expect to adopt an amended and restated certificate of incorporation, which will become effective immediately prior to the completion of this offering, and which will contain provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Delaware law. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for the following:

- any breach of their duty of loyalty to our company or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or
- any transaction from which they derived an improper personal benefit.

Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. If the Delaware General Corporation Law is amended to provide for further limitations on the personal liability of directors of corporations, then the personal liability of our directors will be further limited to the greatest extent permitted by the Delaware General Corporation Law.

In addition, we expect to adopt amended and restated bylaws, which will become effective immediately prior to the completion of this offering, and which will provide that we will indemnify, to the fullest extent permitted by law, any person who is or was a party or is threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was one of our directors or officers or is or was serving at our request as a director or officer of another corporation, partnership, joint venture, trust or other enterprise. Our amended and restated bylaws are expected to provide that we may indemnify to the fullest extent permitted by law any person who is or was a party or is threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was one of our employees or agents or is or was serving at our request as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise. Our amended and restated bylaws will also provide that we must advance expenses incurred by or on behalf of a director or officer in advance of the final disposition of any action or proceeding, subject to limited exceptions.

Further, we have entered into or will enter into indemnification agreements with each of our directors and executive officers that may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements require us, among other things, to indemnify our directors and executive officers against liabilities that may arise by reason of their status or service. These indemnification agreements also require us to advance all expenses incurred by the directors and executive officers in investigating or defending any such action, suit or proceeding. We believe that these agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

The limitation of liability and indemnification provisions that are expected to be included in our amended and restated certificate of incorporation, amended and restated bylaws and in indemnification agreements that we have entered into or will enter into with our directors and executive officers may discourage stockholders from bringing a lawsuit against our directors and executive officers for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against our directors and executive officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and executive officers as required by these indemnification provisions. At present, we are not aware of any pending litigation or proceeding involving any person who is or was one of our directors, officers, employees or other agents or is or was serving at our request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, for which indemnification is sought, and we are not aware of any threatened litigation that may result in claims for indemnification.

We have obtained insurance policies under which, subject to the limitations of the policies, coverage is provided to our directors and executive officers against loss arising from claims made by reason of breach of fiduciary duty or other wrongful acts as a director or executive officer, including claims relating to public securities matters, and to us with respect to payments that may be made by us to these directors and executive officers pursuant to our indemnification obligations or otherwise as a matter of law.

Certain of our non-employee directors may, through their relationships with their employers, be insured and/or indemnified against certain liabilities incurred in their capacity as members of our board of directors.

The underwriting agreement will provide for indemnification by the underwriters of us and our officers and directors for certain liabilities arising under the Securities Act or otherwise.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling our company pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Registration Rights

We are party to an investors' rights agreement which provides, among other things, that certain holders of our capital stock have the right to demand that we file a registration statement or request that their shares of our capital stock be covered by a registration statement that we are otherwise filing. The parties to the investors' rights agreement include Robert Plaschke, our Chief Executive Officer and a member of our board of directors, and entities affiliated with B. Riley Financial, Inc., BRC Partners Opportunity Fund, L.P., Nokomis Capital Master Fund, L.P., Verdoso Holdings Limited, Verdoso Investments S.A., Investec Investments (UK) Limited, Motorola Solutions, Inc. and JVC KENWOOD Corporation. See the section titled "Description of Capital Stock—Registration Rights."

Directed Share Program

At our request, the underwriters have reserved up to 178,571 shares of common stock, or 5% of the shares offered by us pursuant to this prospectus, for sale at the initial public offering price, through a directed share program, to our employees and family members of our employees.

Policies and Procedures for Related Party Transactions

Following the completion of this offering, our audit committee will have the primary responsibility for reviewing and approving or disapproving "related party transactions," which are transactions between us and related persons in which the aggregate amount involved exceeds or may be expected to exceed $120,000 and in which a related person has or will have a direct or indirect material interest. Upon completion of this offering,

our policy regarding transactions between us and related persons will provide that a related person is defined as a director, executive officer, nominee for director, or greater than 5% beneficial owner of our common stock, in each case since the beginning of the most recently completed year, and any of their immediate family members. Our audit committee charter that will be in effect upon completion of this offering will provide that our audit committee shall review and approve or disapprove any related party transactions.

All of the transactions described in this section were entered into prior to the adoption of this policy.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth the beneficial ownership of our common stock as of March 31, 2019 by:

- each person, or group of affiliated persons, who is known by us to beneficially own more than 5% of our common stock;
- each of our named executive officers;
- each of our directors;
- all of our current executive officers and directors as a group; and
- the selling stockholder.

The percentage ownership information before the offering is based upon 15,873,705 shares of common stock outstanding as of March 31, 2019. The percentage ownership information after the offering assumes the sale and issuance of 3,571,429 shares by us in this offering and no exercise by the underwriters of their option to purchase shares of additional common stock.

We have determined beneficial ownership in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities. In addition, the rules include common stock issuable pursuant to the exercise of options that are either immediately exercisable or exercisable on or before May 30, 2019, which is 60 days after March 31, 2019. These shares are deemed to be outstanding and beneficially owned by the person holding those options for the purpose of computing the percentage ownership of that person, but they are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Unless otherwise indicated, the persons or entities identified in this table have sole voting and investment power with respect to all shares shown as beneficially owned by them, subject to applicable community property laws.

Except as otherwise noted below, the address for persons or entities listed in the table is c/o Sonim Technologies, Inc., 1875 South Grant Street, Suite 750, San Mateo, CA 94402. When we refer to the "selling stockholder" in this prospectus, we mean the person listed in the table below as offering shares, as well as the pledgees, donees, assignees, transferees, successors and others who may hold any of the selling stockholder's interest. The selling stockholder indicated in the table below will only sell shares of common stock in this offering if the underwriters exercise their option to purchase additional shares.

Name and Address of Beneficial Owner	Shares Beneficially Owned Before this Offering		Number of Shares to be Offered and Sold by the Selling Stockholder if Underwriters Exercise Option in Full	Shares Beneficially Owned After this Offering Assuming Underwriters Exercise Option in Full	
	Number	Percent		Number	Percent
5% Stockholders					
Nokomis Capital Master Fund, L.P. (1)	3,692,080	23.3%	—	3,692,080	18.5%
Entities Affiliated with B. Riley Financial (2)	3,312,021	20.0%	—	3,212,021	15.7%
Entities Affiliated with Verdoso Holdings Limited (3)	1,468,743	9.3%	—	1,468,743	7.4%
Investec Investments (UK) Limited (4)	1,409,124	8.9%	—	1,409,124	7.1%
Motorola Solutions, Inc. (5)	1,316,771	8.3%	—	1,471,998	7.3%
JVC KENWOOD Corporation (6)	1,233,159	7.8%	—	1,233,159	6.2%
Directors and Named Executive Officers					
Robert Plaschke (7)	420,889	2.6%	30,000	582,487	2.9%
James Walker (8)	67,222	*	—	201,066	1.0%
Charles Becher (9)	116,666	*	—	116,666	*
Maurice Hochschild	—	*	—	—	*
Alan Howe (10)	875	*	—	875	*
Kenny Young (11)	3,312,021	20.0%	—	3,312,021	15.7%
Susan G. Swenson	—	*	—	—	*
John Kneuer	—	*	—	—	*
Jeffrey D. Johnson	—	*	—	—	*
All Directors and Executive Officers as a Group (12 persons) (12)	5,532,157	33.8%	30,000	4,419,075	21.6%

* Represents beneficial ownership of less than one percent.

(1) Consists of shares of common stock held of record by Nokomis Capital Master Fund, L.P. Nokomis Capital Advisors, L.P. and Nokomis Capital, L.L.C. are the general partners of Nokomis Capital Master Fund, L.P. Nokomis Capital L.L.C. is the general partner of Nokomis Capital Advisors, L.P. Brett Hendrickson is the sole member of Nokomis Capital L.L.C. and has sole voting and dispositive power over the shares of our common stock held by Nokomis Capital Master Fund, L.P. The address for Nokomis Capital Master Fund, L.P. is 2305 Cedar Springs Road, Suite 420, Dallas, Texas 75201.

(2) Consists of (i) 1,139,085 shares of common stock held of record by B. Riley Financial, Inc., (ii) 1,099,278 shares issuable upon conversion of a convertible promissory note issued to B. Riley Financial, Inc. within 60 days of March 31, 2019, and (iii) 1,073,658 shares held of record by BRC Partners Opportunity Fund, L.P. B. Riley Financial, Inc. and BRC Partners Opportunity Fund, L.P. are collectively referred to as the B. Riley Entities. BRC Partners Management GP, LLC is the general partner of BRC Partners Opportunity Fund, LP. B. Riley Asset Management, a division of B. Riley Capital Management, LLC, is the investment manager of BRC Partners Opportunity Fund, LP. B. Riley Capital Management, LLC is the sole member of BRC Partners Management GP, LLC and a wholly-owned subsidiary of B. Riley Financial, Inc. Bryant Riley, as Chief Executive Officer of B. Riley Capital Management, LLC and Chairman and Co-Chief Executive Officer of B. Riley Financial, Inc., has voting and dispositive power over the shares held by BRC Partners Opportunity Fund, L.P. and B. Riley Financial, Inc. The address for B. Riley Financial, Inc. is 21255 Burbank Blvd. Suite 400 Woodland Hills, CA 91367, and the address for BRC Partners Opportunity Fund, LP is 11100 Santa Monica Blvd. Suite 800 Los Angeles, CA 90025.

(3) The address for Verdoso Holdings Limited and Verdoso Investments S.A. is c/o Verdoso Holdings Limited, Connect House, 133-137, Alexandra Road, Wimbledon, London SW19 7JY, United Kingdom.

(4) Investec Bank plc may be deemed to have voting and dispositive power over the shares held by Investec Investments (UK) Limited. The address for Investec Investments (UK) Limited is 30 Gresham Street, London, EC2V 7QP, United Kingdom.

(5) Includes 155,227 shares of common stock issuable pursuant to the net exercise of an outstanding warrant that vests immediately prior to the closing of this offering. The address for Motorola Solutions, Inc. is 500 W. Monroe Street, Chicago, Illinois 60661.

(6) The address for JVC KENWOOD Corporation is 3-12, Moriyacho, Kanagawa-ku, Yokohama-shi, Kanagawa, 221-0022 Japan.

(7) Consists of (i) 256,492 shares of common stock held of record and (ii) 164,397 shares issuable pursuant to stock options exercisable within 60 days of March 31, 2019. The amount shown under the column "Shares Beneficially Owned Before this Offering" do not include any shares of common stock issuable upon the RSA Settlement, which are included in the amount shown under the column "Shares Beneficially Owned After this Offering Assuming Underwriters Exercise Option in Full" on a net settlement basis, or an estimated amount of 191,598 shares.

(8) The amount shown under the column "Shares Beneficially Owned Before this Offering" consists of 67,222 shares of common stock issuable pursuant to a stock option exercisable within 60 days of March 31, 2019. The amount shown for Mr. Walker under the column "Shares Beneficially Owned After this Offering Assuming Underwriters Exercise Option in Full" includes all shares of common stock underlying Mr. Walker's stock option, or 201,066 shares, which are expected to vest in full upon the pricing of this offering. See the section titled "Executive Compensation—Agreements with Our Named Executive Officers—Mr. Walker."

(9) Consists of 116,666 shares of common stock issuable pursuant to stock options exercisable within 60 days of March 31, 2019.

(10) Consists of 875 shares of common stock issuable pursuant to a stock option exercisable within 60 days of March 31, 2019.

(11) Mr. Young does not own shares in his individual capacity. He is the President of B. Riley Financial, Inc. Mr. Young does not have either voting or investment control over the B. Riley Entities' shares and he disclaims beneficial ownership of the B. Riley Entities' shares.

(12) Consists of (i) 5,036,969 shares of common stock beneficially owned by our directors (or their affiliated entities) and executive officers and (ii) 495,188 shares issuable pursuant to stock options and warrants exercisable within 60 days of March 31, 2019.

DESCRIPTION OF CAPITAL STOCK

General

Upon the closing of this offering, our authorized capital stock will consist of 100,000,000 shares of common stock, $0.001 par value per share, and 5,000,000 shares of undesignated preferred stock, $0.001 par value per share. The following description summarizes the most important terms of our capital stock. Because it is only a summary, it does not contain all the information that may be important to you. For a complete description, you should refer to our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective upon consummation of this offering and are included as exhibits to the registration statement of which this prospectus forms a part, and to the provisions of applicable Delaware law. The descriptions of the common stock and preferred stock reflect changes to our capital structure that will be in effect upon the closing of this offering.

Common Stock

As of December 31, 2018, there were 15,938,182 shares of our common stock outstanding (assuming (i) the issuance of 155,227 shares of our common stock immediately prior to the completion of this offering upon the Warrant Exercise and (ii) the issuance of 191,598 shares of our common stock upon the RSA Settlement), held by 324 stockholders of record, and no shares of our preferred stock outstanding. Immediately after the closing of this offering, there will be 19,509,611 shares of our common stock outstanding.

Dividend Rights

Subject to preferences that may apply to shares of preferred stock outstanding at the time, the holders of outstanding shares of our common stock are entitled to receive dividends out of funds legally available at the times and in the amounts that our board of directors may determine.

Voting Rights

Each holder of our common stock is entitled to one vote for each share of common stock held on all matters submitted to a vote of stockholders. Cumulative voting for the election of directors is not provided for in our certificate of incorporation, which means that the holders of a majority of our shares of common stock voted can elect all of the directors then standing for election.

Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights and is not subject to conversion or redemption. The rights of the holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that our board of directors may designate and issue in the future.

Liquidation Rights

Upon our liquidation, dissolution, or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time after payment of liquidation preferences, if any, on any outstanding shares of preferred stock and payment of other claims of creditors.

Fully Paid and Non-Assessable

In connection with this offering, our legal counsel will opine that the shares of our common stock to be issued pursuant to this offering will be fully paid and non-assessable.

Preferred Stock

Upon the closing of this offering, our board of directors will be authorized, subject to limitations prescribed by Delaware law, to issue up to 5,000,000 shares of our preferred stock in one or more series, to establish from time to time the number of shares to be included in each series, to fix the designation, powers, preferences, and rights of the shares of each series and any of its qualifications, limitations, or restrictions, in each case without further action by our stockholders. Our board of directors can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, unless approved by the affirmative vote of the holders of a majority of our capital stock entitled to vote, or such other vote as may be required by the certificate of designation establishing the series. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of the common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring, or preventing a change in our control and might adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock. We have no current plan to issue any shares of preferred stock.

Options

As of December 31, 2018, we had outstanding stock options to purchase an aggregate of 1,320,197 shares of our common stock under our 2012 Plan. We intend to adopt the 2019 Plan to replace our 2012 Plan upon the completion of this offering.

Anti-Takeover Effects of Delaware General Corporation Law and Our Certificate of Incorporation and Bylaws

Our amended and restated certificate of incorporation and our amended and restated bylaws will contain certain provisions that could have the effect of delaying, deterring, or preventing another party from acquiring control of our company. These provisions and certain provisions of the DGCL, which are summarized below, may discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed, in part, to encourage persons seeking to acquire control of our company to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate more favorable terms with an unfriendly or unsolicited acquirer outweigh the disadvantages of potentially discouraging a proposal to acquire our company.

Undesignated Preferred Stock

As discussed above, our board of directors has the ability to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to acquire control of our company. These and other provisions may have the effect of deterring hostile takeovers or delaying changes in control or management of our company.

Limits on Ability of Stockholders to Act by Written Consent or Call a Special Meeting

Our certificate of incorporation will provide that our stockholders may not act by written consent, which may lengthen the amount of time required to take stockholder actions. As a result, a holder controlling a majority of our capital stock would not be able to amend our bylaws or remove directors without holding a meeting of our stockholders called in accordance with our bylaws.

In addition, our bylaws will provide that special meetings of the stockholders may be called only by the chairperson of our board, our Chief Executive Officer, or our board of directors. Stockholders may not call a special meeting, which may delay the ability of our stockholders to force consideration of a proposal or for holders controlling a majority of our capital stock to take any action, including the removal of directors.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our bylaws will establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of our board of directors or a committee of our board of directors. These provisions may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed. These provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.

No Cumulative Voting

Our certificate of incorporation and bylaws will not permit cumulative voting in the election of directors. Cumulative voting allows a stockholder to vote a portion or all of the stockholder's shares for one or more candidates for seats on the board of directors. Without cumulative voting, a minority stockholder may not be able to gain as many seats on our board of directors as the stockholder would be able to gain if cumulative voting were permitted. The absence of cumulative voting makes it more difficult for a minority stockholder to gain a seat on our board of directors to influence our board's decision regarding a takeover or otherwise.

Amendment of Charter Provisions

The amendment of the above provisions of our certificate of incorporation and bylaws requires approval by holders of at leasttwo-thirds of our outstanding capital stock entitled to vote generally in the election of directors.

Delaware Anti-Takeover Statute

We are subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. In general, Section 203 prohibits a publicly held Delaware corporation from engaging, under certain circumstances, in a business combination with an interested stockholder for a period of three years following the date the person became an interested stockholder unless:

- prior to the date of the transaction, our board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, calculated as provided under Section 203; or
- at or subsequent to the date of the transaction, the business combination is approved by our board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

Generally, a business combination includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. An interested stockholder is a person that, together with affiliates and associates, owns or, within three years prior to the determination of interested stockholder status, did own 15% or more of a corporation's outstanding voting stock. The existence of this provision may have an anti-takeover effect with respect to transactions our board of directors does not approve in advance. We also anticipate that Section 203 may also discourage attempts that might result in a premium over the market price for the shares of common stock held by stockholders.

The provisions of the DGCL and the provisions of our certificate of incorporation and bylaws, to be in effect upon the consummation of the corporate conversion, could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, might also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions

might also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders might otherwise deem to be in their best interests.

Choice of Forum

Our amended and restated certificate of incorporation will provide that the Court of Chancery of the State of Delaware will be the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a breach of fiduciary duty owed by any director, officer or other employee to us or our stockholders; (iii) any action asserting a claim against us or any director or officer or other employee arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation or amended and restated bylaws; or (iv) any action asserting a claim against us or any director or officer or other employee that is governed by the internal affairs doctrine. This provision would not apply to claims brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our amended and restated certificate of incorporation further provides that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

Registration Rights

After the completion of this offering, certain holders of our common stock will be entitled to rights with respect to the registration of their shares under the Securities Act. These registration rights are contained in our Amended and Restated Investors' Rights Agreement, or IRA, dated as of November 12, 2012. The demand, piggyback and Form S-3 registration rights described below under " —Demand Registration Rights," " —Piggyback Registration Rights" and " —Form S-3 Registration Rights" and set forth in the IRA will expire five years following the completion of this offering, or, with respect to any particular stockholder, when such stockholder holds 1% or less of our common stock and is able to sell all of its shares pursuant to Rule 144 of the Securities Act during any three month period. We will pay the registration expenses (other than underwriting discounts, selling commissions and stock transfer taxes) of the holders of the shares registered pursuant to the registrations described below. In an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions, to limit the number of shares such holders may include. We expect that our stockholders will waive their rights under the IRA (i) to notice of this offering and (ii) to include their registrable shares in this offering. In addition, in connection with this offering, we expect that each stockholder that has registration rights will agree not to sell or otherwise dispose of any securities without the prior written consent of Oppenheimer & Co. Inc. for a period of 180 days after the date of this prospectus, subject to certain exceptions. See the section titled "Underwriting."

Demand Registration Rights. The holders of approximately 13,195,761 shares of our common stock are entitled to certain demand registration rights (without giving effect to the sale of shares in this offering by the selling stockholder to the extent the underwriters exercise their option to purchase additional shares). The holders of at least 40% of these shares may, on not more than two occasions, request that we register all or a portion of their shares. Such request for registration must anticipate aggregate proceeds, before underwriting discounts and commissions, of at least $7.5 million. These holders may not make any such demands for registration under certain other conditions, including if we intend to file a registration statement for a public offering or such holders propose to sell shares of common stock pursuant to a registration statement on Form S-3 as described below under "—Form S-3 Registration Rights."

Piggyback Registration Rights. In the event that we propose to register any of our securities under the Securities Act, either for our own account or for the account of other security holders, the holders of these shares will be entitled to certain "piggyback" registration rights allowing the holder to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration

statement under the Securities Act, other than with respect to a demand registration or a registration statement on Forms S-4 or S-8 or related to capital stock issued upon conversion of debt securities, the holders of these shares are entitled to notice of the registration and have the right, subject to limitations that the underwriters may impose on the number of shares included in the registration, to include their shares in the registration.

In connection with this offering, the holders of approximately 13,195,761 shares of our common stock were entitled to, and the necessary percentage of holders waived, their demand registration rights as well as rights to notice of this offering and to include their shares of registrable securities in this offering.

Form S-3 Registration Rights. Following the closing of this offering, we expect that the holders of approximately 13,195,761 shares of our common stock will be entitled to certain Form S-3 registration rights. The holders of these shares can make a request that we register their shares on Form S-3 if we are qualified to file a registration statement on Form S-3 and if the reasonably anticipated aggregate gross proceeds of the shares offered would equal or exceed $3.0 million. We will not be required to effect more than two registrations on Form S-3 in any 12-month period.

Transfer Agent and Registrar

Upon the closing of this offering, the transfer agent and registrar for our common stock will be American Stock Transfer and Trust Company, LLC. The transfer agent's address is 6201 15th Avenue, Brooklyn, New York 11219.

Listing

We have applied to list our common stock on Nasdaq under the trading symbol "SONM."

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, no public market existed for our common stock. Future sales of our common stock in the public market after this offering, or the perception that these sales could occur, could adversely affect prevailing market prices for our common stock and could impair our future ability to raise equity capital.

Based on the number of shares of common stock outstanding as of December 31, 2018 (assuming (i) the issuance of 155,227 shares of our common stock immediately prior to the completion of this offering upon the Warrant Exercise and (ii) the issuance of 191,598 shares of our common stock upon the RSA Settlement), upon the closing of this offering and assuming no exercise by the underwriters of their option to purchase additional shares of common stock, 19,509,611 shares will be outstanding. All of the shares of common stock sold in this offering, including both the shares sold by us and any shares sold by the selling stockholder as a result of the exercise of the underwriters of their option to purchase additional shares, will be freely tradable without restrictions or further registration under the Securities Act, except for any shares sold to our affiliates, as defined in Rule 144 under the Securities Act. The remaining 15,938,182 shares of common stock held by existing stockholders are restricted securities, as that term is defined in Rule 144 under the Securities Act. Restricted securities may be sold in the public market only if registered or if their resale qualifies for exemption from registration described below under Rule 144 promulgated under the Securities Act.

As a result of contractual restrictions described below and the provisions of Rules 144 and 701, the shares of common stock sold in this offering and the restricted securities will be available for sale in the public market as follows:

- all the shares of common stock sold in this offering will be eligible for immediate sale upon the closing of this offering; and
- up to approximately 14.5 million shares of common stock will be eligible for sale in the public market upon expiration of lock-up agreements 181 days after the date of this prospectus, subject to certain exceptions as described in the section titled “Underwriting” and in certain circumstances to the volume, manner of sale and other restrictions under Rule 144 and Rule 701.

Rule 144

In general, persons who have beneficially owned our common stock for at least six months, and any affiliate of the company who owns our common stock, are entitled to sell their securities without registration with the SEC under an exemption from registration provided by Rule 144 under the Securities Act.

Non-Affiliates

Any person who is not deemed to have been one of our affiliates at the time of, or at any time during the three months preceding, a sale may sell an unlimited number of shares of common stock under Rule 144 if:

- the shares have been held for at least six months, including the holding period of any prior owner other than one of our affiliates;
- we have been subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale; and
- we are current in our Exchange Act reporting at the time of sale.

Any person who is not deemed to have been an affiliate of ours at the time of, or at any time during the three months preceding, a sale and has held the shares of common stock for at least one year, including the holding period of any prior owner other than one of our affiliates, will be entitled to sell an unlimited number of shares without regard to the length of time we have been subject to Exchange Act periodic reporting or whether we are current in our Exchange Act reporting.

Affiliates

Persons seeking to sell restricted securities who are our affiliates at the time of, or any time during the three months preceding, a sale, would be subject to the restrictions described above. They are also subject to additional restrictions, by which such person would be required to comply with the manner of sale and notice provisions of Rule 144 and would be entitled to sell within any three-month period only that number of securities that does not exceed the greater of either of the following:

- 1% of the number of our shares of common stock then outstanding, which will equal approximately 195,096 shares immediately after the closing of this offering based on the number of shares outstanding as of December 31, 2018 (assuming (i) the issuance of 155,227 shares of our common stock immediately prior to the completion of this offering upon the Warrant Exercise and (ii) the issuance of 191,598 shares of our common stock upon the RSA Settlement); or

- the average weekly trading volume of our shares of common stock on Nasdaq during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Additionally, persons who are our affiliates at the time of, or any time during the three months preceding, a sale may sell unrestricted securities under the requirements of Rule 144 described above, without regard to the six-month holding period of Rule 144, which does not apply to sales of unrestricted securities.

Rule 701

Rule 701 under the Securities Act, as in effect on the date of this prospectus, permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period requirement. Our employees, executive officers or directors who purchase shares under a written compensatory plan or contract will be entitled to rely on the resale provisions of Rule 701, but any holders of Rule 701 shares will be required to wait until 90 days after the date of this prospectus before selling their shares. However, all our Rule 701 shares are subject to lock-up agreements as described below and in the section titled “Underwriting” and will become eligible for sale upon the expiration of the restrictions set forth in those agreements.

Form S-8 Registration Statements

As soon as practicable after the closing of this offering, we intend to file with the SEC one or more registration statements on Form S-8 under the Securities Act to register shares of our common stock that are issuable pursuant to our equity incentive plans. These registration statements will become effective immediately upon filing. Shares covered by these registration statements will then be eligible for sale in the public markets, subject to vesting restrictions, any applicable lock-up agreements described below and Rule 144 limitations applicable to affiliates.

Lock-up Agreements

We and the holders of substantially all of our common stock outstanding on the date of this prospectus, including each of our executive officers and directors and the selling stockholder, have entered into lock-up agreements with the underwriters or otherwise agreed, subject to certain exceptions, that we and they will not, directly or indirectly, offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale, or otherwise dispose of or hedge any of our common stock, any options or warrants to purchase shares of our common stock, or any securities convertible into, or exchangeable for or that represent the right to receive shares of our common stock, without the prior written consent of Oppenheimer & Co. Inc. for a period of 180 days from the date of this prospectus. The restrictions described above do not apply to the sales of shares of common stock by us and, to the extent the underwriters exercise their option to purchase additional shares, the selling stockholder, to the underwriters in this offering. Oppenheimer & Co. Inc. may release any of the securities subject to these the lockup agreements at any time. See the section titled “Underwriting” for more information on the lock-up agreements.

Registration Rights

Pursuant to the IRA, upon the closing of this offering, certain holders of shares of our common stock will be entitled to rights with respect to the registration of their shares under the Securities Act. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration. See “Description of Capital Stock—Registration Rights” for additional information.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS OF COMMON STOCK

The following is a general discussion of the material U.S. federal income tax consequences of the acquisition, ownership and disposition of our common stock by "Non-U.S. Holders" (as defined below). This discussion is for general information purposes only and does not consider all aspects of U.S. federal income taxation that may be relevant to particular Non-U.S. Holders in light of their individual circumstances or to certain types ofNon-U.S. Holders subject to special tax rules, including partnerships or other pass-through entities for U.S. federal income tax purposes, banks, financial institutions or other financial services entities, broker-dealers, insurance companies, tax-exempt organizations, pension plans, real estate investment trusts, regulated investment companies, controlled foreign corporations, passive foreign investment companies, corporations that accumulate earnings to avoid U.S. federal income tax, persons who use or are required to use mark-to-market accounting, persons that hold our shares as part of a "straddle," a "hedge", a "conversion transaction," "synthetic security", integrated investment or other risk reduction strategy, persons that have a functional currency other than the U.S. dollar, certain former citizens or permanent residents of the United States, persons who hold or receive shares of our common stock pursuant to the exercise of an employee stock option or otherwise as compensation, persons that own, or are deemed to own, more than 5% of our common stock (except to the extent specifically set forth below), or investors in pass-through entities (or entities that are treated as disregarded entities for U.S. federal income tax purposes). In addition, this discussion does not address the effects of any applicable gift or estate tax, the potential application of the alternative minimum tax or Medicare contribution tax on net investment income, any election to apply Section 1400Z-2 of the Code to gains recognized with respect to shares of our common stock, or any tax considerations that may apply to Non-U.S. Holders of our common stock under state, local or non-U.S. tax laws and any U.S. federal tax laws other than income tax laws.

This discussion is based on the Internal Revenue Code of 1986, as amended, or the Code, and applicable Treasury Regulations promulgated thereunder and rulings, administrative pronouncements and judicial decisions that are issued and available as of the date of this registration statement, all of which are subject to change or differing interpretations at any time with possible retroactive effect. We have not sought, and will not seek, any ruling from the Internal Revenue Service, or the IRS, with respect to the tax consequences discussed herein, and there can be no assurance that the IRS will not take a position contrary to the tax consequences discussed below or that any position taken by the IRS would not be sustained. This discussion is limited to a Non-U.S. Holder who will hold our common stock as a capital asset within the meaning of the Code (generally, property held for investment). For purposes of this discussion, the term "Non-U.S. Holder" means a beneficial owner of our shares that is not a partnership (or entity or arrangement treated as a partnership for U.S. federal income tax purposes) and is not, for U.S. federal income tax purposes, any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation) created or organized in the United States or under the laws of the United States or of any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust if (i) a court within the United States can exercise primary supervision over the trust's administration and one or more U.S. persons have the authority to control all of the trust's substantial decisions or (ii) the trust has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

If a partnership (or entity or arrangement treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of our common stock, the tax treatment of such partnership and a partner in such partnership generally will depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding our shares, you should consult your tax advisor regarding the tax consequences of the purchase, ownership, and disposition of our common stock.

THIS SUMMARY IS NOT INTENDED TO BE TAX ADVICE. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF OUR COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS AND ANY OTHER U.S. FEDERAL TAX LAWS.

Distributions on Our Common Stock

In general, subject to the discussion below under the headings "Information Reporting and Backup Withholding" and "Foreign Accounts," distributions, if any, paid on our common stock to a Non-U.S. Holder (to the extent paid out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles) will constitute dividends and be subject to U.S. withholding tax at a rate equal to 30% of the gross amount of the dividend, or a lower rate prescribed by an applicable income tax treaty, unless the dividends are effectively connected with a trade or business carried on by the Non-U.S. Holder within the United States. Any distribution not constituting a dividend (because such distribution exceeds our current and accumulated earnings and profits) will be treated first as reducing the Non-U.S. Holder's basis in its shares of common stock, but not below zero, and to the extent it exceeds the Non-U.S. Holder's basis, as capital gain from the sale or exchange of such shares of Common Stock (see "Gain on Sale, Exchange or Other Disposition of Our Common Stock" below).

A Non-U.S. Holder who claims the benefit of an applicable income tax treaty generally will be required to satisfy certain certification and other requirements prior to the distribution date. Such Non-U.S. Holders must generally provide us and/or our paying agent, as applicable, with a properly executed IRS FormW-8BEN or IRS Form W-8BEN-E (or other appropriate form) claiming an exemption from or reduction in withholding under an applicable income tax treaty. Such certificate must be provided before the payment of dividends and must be updated periodically. If a Non-U.S. Holder holds common stock through a financial institution or other agent acting on theNon-U.S. Holder's behalf, the Non-U.S. Holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or our paying agent, either directly or through intermediaries. If tax is withheld in an amount in excess of the amount applicable under an income tax treaty, a refund of the excess amount may generally be obtained by a Non-U.S. Holder by timely filing an appropriate claim for refund with the IRS.Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under an applicable income tax treaty.

Dividends that are effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, attributable to a U.S. permanent establishment or fixed base of the Non-U.S. Holder) generally will not be subject to U.S. federal withholding tax if theNon-U.S. Holder satisfies applicable certification and disclosure requirements, including providing IRS Form W-8ECI, with us and/or our paying agent, as applicable, but instead generally will be subject to U.S. federal income tax on a net income basis at regular graduated rates in the same manner as if the Non-U.S. Holder were a resident of the United States. A corporateNon-U.S. Holder that receives effectively connected dividends may be subject to an additional branch profits tax at a rate of 30%, or a lower rate prescribed by an applicable income tax treaty.

Gain on Sale, Exchange or Other Disposition of Our Common Stock

In general, subject to the discussion below under the headings "Information Reporting and Backup Withholding" and "Foreign Accounts," aNon-U.S. Holder will not be subject to U.S. federal income tax or withholding tax on any gain realized upon such holder's sale, exchange or other disposition of shares of our common stock unless:

(i) the gain is effectively connected with a trade or business carried on by theNon-U.S. Holder within the United States (and, if required by an applicable income tax treaty, attributable to a U.S. permanent establishment or fixed base of the Non-U.S. Holder);

(ii) the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met; or

(iii) we are or have been a "United States real property holding corporation" for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition or the period that the Non-U.S. Holder held the common stock, and, in the case where shares of our common stock are regularly traded on an established securities market, the Non-U.S. Holder owns, or is treated as owning, more than 5% of our common stock at any time during the foregoing period.

Net gain realized by a Non-U.S. Holder described in clause (i) above generally will be subject to U.S. federal income tax in the same manner as if the Non-U.S. Holder were a resident of the United States. Any gains of a corporate Non-U.S. Holder described in clause (i) above may also be subject to an additional "branch profits tax" at a 30% rate, or such lower rate as may be specified by an applicable income tax treaty.

Gain realized by an individual Non-U.S. Holder described in clause (ii) above will be subject to a flat 30% tax, or such lower rate specified in an applicable income tax treaty, which gain may be offset by U.S. source capital losses, even though the individual is not considered a resident of the United States, provided that the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

For purposes of clause (iii) above, a corporation is a United States real property holding corporation, or USRPHC, if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its United States real property interests, the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. We believe that we are not, and we do not anticipate that we will become, a USRPHC. However, because the determination of whether we are a USRPHC depends on the fair market value of our U.S. real property interests relative to the fair market value of our worldwide real property interests and other business assets, there can be no assurance that we will not become a USRPHC in the future. Even if we became a USRPHC, a Non-U.S. Holder would not be subject to U.S. federal income tax on a sale, exchange or other taxable disposition of our common stock by reason of our status as a USRPHC so long as our common stock is regularly traded on an established securities market (within the meaning of the applicable regulations) and such Non-U.S. Holder does not own and is not deemed to own (directly, indirectly or constructively) more than 5% of our outstanding common stock at any time during the shorter of the five-year period ending on the date of disposition and such holder's holding period. However, no assurance can be provided that our common stock will be regularly traded on an established securities market for purposes of the rules described above. If we are a USRPHC and either our common stock is not regularly traded on an established securities market or a Non-U.S. Holder holds or is deemed to hold (directly, indirectly or constructively) more than 5% of our outstanding common stock during the applicable testing period, a Non-U.S. Holder will generally be taxed on its net gain derived from the disposition of our common stock at the graduated U.S. federal income tax rates applicable to U.S. persons (as defined in the Code). Prospective investors are encouraged to consult their own tax advisors regarding the possible consequences to them if we are, or were to become, a USRPHC.

Information Reporting and Backup Withholding

Generally, we must report annually to the IRS and to each Non-U.S. Holder the amount of dividends paid, the name and address of the recipient, and the amount, if any, of tax withheld. These information reporting requirements apply even if withholding was not required because the dividends were effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States or withholding was reduced by an applicable income tax treaty. Under applicable income tax treaties or other agreements, the IRS may make its reports available to the tax authorities in the Non-U.S. Holder's country of residence or country in which the Non-U.S. Holder was established.

Dividends paid to a Non-U.S. Holder that is not an exempt recipient generally will be subject to backup withholding, currently at a rate of 24%, unless the Non-U.S. Holder certifies to the payor as to its foreign status, which certification may generally be made on an applicable IRS Form W-8.

Proceeds from the sale or other disposition of common stock by aNon-U.S. Holder effected by or through a U.S. office of a broker will generally be subject to information reporting and backup withholding, currently at a rate of 24%, unless the Non-U.S. Holder certifies to the withholding agent under penalties of perjury as to, among other things, its name, address and status as a Non-U.S. Holder or otherwise establishes an exemption. Payment of disposition proceeds effected outside the United States by or through a non-U.S. office of a non-U.S. broker generally will not be subject to information reporting or backup withholding if the payment is not received in the United States. Information reporting, but generally not backup withholding, will apply to such a payment if the broker has certain connections with the United States unless the broker has documentary evidence in its records that the beneficial owner thereof is a Non-U.S. Holder and specified conditions are met or an exemption is otherwise established.

Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules from a payment to aNon-U.S. Holder that results in an overpayment of taxes generally will be refunded, or credited against the holder's U.S. federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

Foreign Accounts

Subject to the discussion of certain proposed U.S. Treasury Regulations below, the Foreign Account Tax Compliance Act, or FATCA, generally imposes a 30% withholding tax on dividends on, and gross proceeds from the sale or disposition of, our common stock if paid to a foreign entity unless (i) if the foreign entity is a "foreign financial institution," the foreign entity undertakes certain due diligence, reporting, withholding, and certification obligations, (ii) if the foreign entity is a "non-financial foreign entity," the foreign entity identifies certain direct and indirect U.S. holders of debt or equity interests in such foreign entity or certifies that there are none or (iii) the foreign entity is otherwise exempt from FATCA.

Withholding under FATCA generally (i) applies to payments of dividends on our common stock and (ii) will apply to payments of gross proceeds from a sale or other disposition of our common stock made after December 31, 2018. An intergovernmental agreement between the United States and an applicable foreign country may modify the requirements described in this section. Under certain circumstances, a Non-U.S. Holder may be eligible for refunds or credits of the tax.Non-U.S. Holders should consult their own tax advisors regarding the possible implications of FATCA on their investment in our common stock.

The U.S. Treasury recently released proposed regulations which, if finalized in their present form, would eliminate the federal withholding tax of 30% applicable to the gross proceeds of a sale or other disposition of our common stock. In its preamble to such proposed regulations, the U.S. Treasury stated that taxpayers may generally rely on the proposed regulations until final regulations are issued. Prospective investors should consult their own tax advisors regarding the possible impact of these FATCA rules on their investment in our common stock, and the possible impact of FATCA and the proposed regulations on the entities through which they hold our common stock, including, without limitation, the process and deadlines for meeting the applicable requirements to prevent the imposition of this 30% withholding tax.

UNDERWRITING

We and the selling stockholder entered into an underwriting agreement with the underwriters named below on , 2019. Oppenheimer & Co. Inc. and Lake Street Capital Markets, LLC are acting as the representatives of the underwriters.

The underwriting agreement provides for the purchase of a specific number of shares of common stock by each of the underwriters. The underwriters' obligations are several, which means that each underwriter is required to purchase a specified number of shares of common stock, but is not responsible for the commitment of any other underwriter to purchase shares of common stock. Subject to the terms and conditions of the underwriting agreement, each underwriter has severally agreed to purchase the number of shares of common stock set forth opposite its name below:

Underwriter	Number of Shares of Common Stock
Oppenheimer & Co. Inc.	
Lake Street Capital Markets, LLC	
National Securities Corporation	
Total	3,571,429

The underwriters have agreed to purchase all of the shares of common stock offered by this prospectus (other than those covered by the over-allotment option described below), if any are purchased.

The shares of common stock offered hereby are expected to be ready for delivery on or about , 2019 against payment in immediately available funds.

The underwriters are offering the shares of common stock subject to various conditions and may reject all or part of any order. The representatives of the underwriters have advised us that the underwriters propose initially to offer the shares of common stock to the public at the public offering price set forth on the cover page of this prospectus and to dealers at a price less a concession not in excess of $ per share of common stock to brokers and dealers. After the shares of common stock are released for sale to the public, the representatives may change the offering price, the concession, and other selling terms at various times.

We and the selling stockholder have granted the underwriters an over-allotment option. This option, which is exercisable for up to 30 days after the date of this prospectus, permits the underwriters to purchase a maximum of 535,714 additional shares of common stock from us and the selling stockholder to cover over-allotments, if any, of which 30,000 shares will be sold by the selling stockholder. If the underwriters exercise all or part of this option, they will purchase shares of common stock covered by the option at the public offering price that appears on the cover page of this prospectus, less the underwriting discounts and commissions. If this option is exercised in full, the total price to public will be $, the total proceeds to us, before expenses, will be $ million, and the total proceeds to the selling stockholder will be $ million.

The following table provides information regarding the amount of the discounts and commissions to be paid to the underwriters by us and the selling stockholder, before expenses:

	Per Share of Common Stock	Total Without Exercise of Over-Allotment Option	Total With Full Exercise of Over-Allotment Option
Public offering price	$	$	$
Underwriting discounts and commissions to be paid by:			
Us	$	$	$
The selling stockholder	$	$	$
Proceeds, before expenses, to us	$	$	$
Proceeds to the selling stockholder	$	$	$

We estimate that our total expenses of the offering, excluding the estimated underwriting discounts and commissions, will be approximately $4.2 million. We have agreed to reimburse the underwriters for expenses related to this offering, including up to $600,000 of the representatives' reasonable, documented out-of-pocket costs and expenses incident to the performance of its obligations under the underwriting agreement (including, without limitation, the reasonable fees and expenses of the underwriters' outside counsel).

Entities affiliated with B. Riley Financial, which beneficially owns more than 5% of our common stock, own approximately 49% of National Holdings Inc., which wholly owns National Securities Corporation, one of the underwriters in this offering.

We and the selling stockholder have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

We and the holders of substantially all of our common stock outstanding on the date of this prospectus, including each of our executive officers and directors and the selling stockholder, have agreed to a 180-day "lock-up" with respect to our shares of common stock and other of our securities that they beneficially own, including securities that are convertible into shares of common stock and securities that are exchangeable or exercisable for shares of common stock. This means that, subject to certain exceptions, for a period of 180 days following the date of this prospectus, we and such persons may not offer, sell, pledge or otherwise dispose of these securities without the prior written consent of Oppenheimer & Co. Inc. The restrictions described above do not apply to the sales of shares of common stock by us and, to the extent the underwriters exercise their option to purchase additional shares, the selling stockholder, to the underwriters in this offering.

Rules of the SEC may limit the ability of the underwriters to bid for or purchase shares of common stock before the distribution is completed. However, the underwriters may engage in the following activities in accordance with the rules:

- Stabilizing transactions—The representatives may make bids or purchases for the purpose of pegging, fixing or maintaining the price of the common stock, so long as stabilizing bids do not exceed a specified maximum.
- Over-allotments and syndicate covering transactions—The underwriters may sell more shares of common stock in connection with this offering than the number of shares of common stock that they have committed to purchase. This over-allotment creates a short position for the underwriters. This short sales position may involve either "covered" short sales or "naked" short sales. Covered short sales are short sales made in an amount not greater than the underwriters' over-allotment option to purchase additional shares of common stock in this offering described above. The underwriters may close out any covered short position either by exercising its over-allotment option or by purchasing shares of common stock in the open market. To determine how they will close the covered short position, the underwriters will consider, among other things, the price per share of common stock available for purchase in the open market, as compared

to the price at which they may purchase shares of common stock through the over-allotment option. Naked short sales are short sales in excess of the over-allotment option. The underwriters must close out any naked short position by purchasing shares of common stock in the open market. A naked short position is more likely to be created if the underwriters are concerned that, in the open market after pricing, there may be downward pressure on the price per share of common stock that could adversely affect investors who purchase shares of common stock in this offering.

- Penalty bids—If the representatives purchases shares of common stock in the open market in a stabilizing transaction or syndicate covering transaction, it may reclaim a selling concession from the underwriters and selling group members who sold those shares of common stock as part of this offering.
- Passive market making—Market makers in the common stock who are underwriters or prospective underwriters may make bids for or purchases of shares of common stock, subject to limitations, until the time, if ever, at which a stabilizing bid is made.
- Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales or to stabilize the market price of our common stock may have the effect of raising or maintaining the market price of our common stock or preventing or mitigating a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The imposition of a penalty bid might also have an effect on the price of the common stock if it discourages resales of our shares of common stock.

Neither we nor the underwriters make any representation or prediction as to the effect that the transactions described above may have on the price of our common stock. These transactions may occur on Nasdaq or otherwise. If such transactions are commenced, they may be discontinued without notice at any time.

Electronic Delivery of Preliminary Prospectus

A prospectus in electronic format may be delivered to potential investors by one or more of the underwriters participating in this offering. The prospectus in electronic format will be identical to the paper version of such prospectus. Other than the prospectus in electronic format, the information on any underwriter's website and any information contained in any other website maintained by an underwriter is not part of this prospectus or the registration statement of which this prospectus forms a part.

Directed Share Program

At our request, the underwriters have reserved up to 178,571 shares of common stock, or 5% of the shares offered by us pursuant to this prospectus for sale, at the initial public offering price, through a directed share program, to our employees and family members of our employees. If purchased by these persons and entities, these shares will not be subject to a 180-day lock-up restriction, except to the extent that the purchasers of such shares are otherwise subject to lock-up or market stand-off agreements as a result of their relationship with us. The number of shares of common stock available for sale to the general public will be reduced by the number of reserved shares sold to these persons and entities. Any reserved shares of our common stock that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of our common stock offered by this prospectus. We have agreed to indemnify the underwriters against certain liabilities and expenses, including liabilities under the Securities Act, in connection with sales of the reserved shares.

Notice to Non-U.S. Investors

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), an offer to the public of our common shares may not be made in

that Relevant Member State, except that an offer to the public in that Relevant Member State of our common shares may be made at any time under the following exemptions under the Prospectus Directive:

- To any legal entity which is a qualified investor as defined in the Prospectus Directive;
- To fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the representatives for any such offer; or
- In any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer or shares of our common stock shall result in a requirement for the publication by us or any placement agent of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to public" in relation to our common shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and our common shares to be offered so as to enable an investor to decide to purchase our common shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (as amended), including by Directive 2010/73/EU and includes any relevant implementing measure in the Relevant Member State.

This European Economic Area selling restriction is in addition to any other selling restrictions set out below.

United Kingdom

In the United Kingdom, this prospectus is only addressed to and directed as qualified investors who are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (Order); or (ii) high net worth entities and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this prospectus relates is available only to relevant persons and will only be engaged with relevant persons. Any person who is not a relevant person should not act or relay on this prospectus or any of its contents.

Canada

This document constitutes an "exempt offering document" as defined in and for the purposes of applicable Canadian securities laws. No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the securities described herein, or the Securities. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or on the merits of the Securities and any representation to the contrary is an offence.

Canadian investors are advised that this document has been prepared in reliance on section 3A.3 of National Instrument33-105 Underwriting Conflicts, or NI 33-105. Pursuant to section 3A.3 of NI 33-105, this document is exempt from the requirement to provide investors with certain conflicts of interest disclosure pertaining to "connected issuer" and/or "related issuer" relationships as would otherwise be required pursuant to subsection 2.1(1) of NI 33-105.

Resale Restrictions. The offer and sale of the securities in Canada is being made on a private placement basis only and is exempt from the requirement to prepare and file a prospectus under applicable Canadian securities laws. Any resale of Securities acquired by a Canadian investor in this offering must be made in accordance with applicable Canadian securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with Canadian prospectus requirements, a statutory exemption from the prospectus requirements, in a transaction exempt from the prospectus requirements or otherwise under a discretionary exemption from the prospectus requirements granted by the applicable local Canadian securities regulatory authority. These resale restrictions may under certain circumstances apply to resales of the securities outside of Canada.

Representations of Purchasers. Each Canadian investor who purchases the securities will be deemed to have represented to the issuer and to each dealer from whom a purchase confirmation is received, as applicable, that the investor (i) is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or redistribution; (ii) is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 *Prospectus Exemptions*, or NI 45-106, or, in Ontario, as such term is defined in section 73.3(1) of the *Securities Act* (Ontario); and (iii) is a "permitted client" as such term is defined in section 1.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

Taxation and Eligibility for Investment. Any discussion of taxation and related matters contained in this document does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a Canadian investor when deciding to purchase the securities and, in particular, does not address any Canadian tax considerations. No representation or warranty is hereby made as to the tax consequences to a resident, or deemed resident, of Canada of an investment in the securities or with respect to the eligibility of the securities for investment by such investor under relevant Canadian federal and provincial legislation and regulations.

Rights of Action for Damages or Rescission. Securities legislation in certain of the Canadian jurisdictions provides certain purchasers of securities pursuant to an offering memorandum, including where the distribution involves an "eligible foreign security" as such term is defined in Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions* and in Multilateral Instrument 45-107 *Listing Representation and Statutory Rights of Action Disclosure Exemptions*, as applicable, with a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where the offering memorandum, or other offering document that constitutes an offering memorandum, and any amendment thereto, contains a "misrepresentation" as defined under applicable Canadian securities laws. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed under, and are subject to limitations and defences under, applicable Canadian securities legislation. In addition, these remedies are in addition to and without derogation from any other right or remedy available at law to the investor.

Language of Documents. Upon receipt of this document, each Canadian investor hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

Israel

This prospectus does not constitute a prospectus under the Israeli Securities Law, 5728-1968, or the Securities Law, and has not been filed with or approved by the Israel Securities Authority. In the State of Israel, this document is being distributed only to, and is directed only at, and any offer of the common stock is directed only at, investors listed in the first addendum to the Israeli Securities Law, or the Addendum, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds, entities with equity in excess of NIS 50 million and "qualified individuals", each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors (in each case purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors will be required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it.

Switzerland

The securities may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (SIX) or on any other stock exchange or regulated trading facility in Switzerland. This prospectus has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the offering, us, or the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (CISA). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

LEGAL MATTERS

The validity of the shares of common stock offered hereby will be passed upon for us by Cooley LLP, Palo Alto, California. As of the date of this prospectus, GC&H Investments, LLC, an entity comprised of attorneys of Cooley LLP, beneficially owns an aggregate of 4,437 shares of our common stock. Goodwin Procter LLP, Redwood City, California, is representing the underwriters.

EXPERTS

The consolidated financial statements of Sonim Technologies, Inc. as of December 31, 2018 and 2017 and for the years then ended included in this prospectus have been audited by Moss Adams LLP, an independent registered public accounting firm, as set forth in their report included herein. Such consolidated financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act, with respect to the shares of common stock being offered by this prospectus. This prospectus, which constitutes part of the registration statement, does not contain all of the information in the registration statement and its exhibits. For further information with respect to our company and the common stock offered by this prospectus, we refer you to the registration statement and its exhibits. Statements contained in this prospectus as to the contents of any contract or any other document referred to are not necessarily complete, and in each instance, we refer you to the copy of the contract or other document filed as an exhibit to the registration statement. Each of these statements is qualified in all respects by this reference. You can read our SEC filings, including the registration statement, over the internet at the SEC's website at http://www.sec.gov.

Upon the closing of this offering, we will be subject to the information reporting requirements of the Exchange Act, and we will file reports, proxy statements and other information with the SEC. These reports, proxy statements and other information will be available for inspection and copying at the website of the SEC referred to above. We also maintain a website at www.sonimtech.com, at which you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. The information contained in, or that can be accessed through, our website is not part of, and is not incorporated into, this prospectus.

SONIM TECHNOLOGIES, INC.

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of
Sonim Technologies, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Sonim Technologies, Inc. (the "Company") as of December 31, 2017 and 2018, the related consolidated statements of operations, convertible preferred stock and stockholders' equity (deficit), and cash flows for the years then ended, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2017 and 2018, and the consolidated results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("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 and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated 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 consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Moss Adams LLP

Campbell, CA
April 3, 2019

We have served as the Company's auditor since 2013.

SONIM TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2017 and 2018
(IN THOUSANDS OF U.S. DOLLARS EXCEPT SHARE AND PER SHARE AMOUNTS)

	2017	2018
Assets		
Cash and cash equivalents	$ 1,581	$ 13,049
Accounts receivable, net	10,817	18,877
Inventory	8,984	21,831
Prepaid expenses and other current assets	5,985	10,111
Total current assets	27,367	63,868
Property and equipment, net	724	1,071
Other assets	2,156	2,406
Total assets	$ 30,247	$ 67,345
Liabilities, convertible preferred stock, and stockholders' equity (deficit)		
Current portion of long-term debt	$ 217	$ 301
Line of credit with a bank	2,915	—
Accounts payable	11,249	27,295
Accrued expenses	8,973	16,381
Deferred revenue	4,677	4,223
Total current liabilities	28,031	48,200
Income tax payable	392	807
Long-term debt, less current portion	7,553	13,209
Warrant liability	3,785	—
Total liabilities	39,761	62,216
Commitments and contingencies (Note 9)		
Convertible preferred stock, $0.001 par value per share, 15,186,664 shares authorized:		
Series A; 9,333,333 shares authorized, 7,471,765 shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of $45,084) ; no shares authorized, issued or outstanding at December 31, 2018	44,564	—
Series A-1; 1,733,333 shares authorized: 1,586,024 shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of $9,570) ; no shares authorized, issued or outstanding at December 31, 2018	4,487	—
Series A-2; 1,186,666 shares authorized: 1,183,703 shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of zero); no shares authorized, issued or outstanding at December 31, 2018	9,733	—
Series A-3; 1,266,666 shares authorized; zero shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of zero); no shares authorized, issued or outstanding at December 31, 2018	—	—
Series B; 1,666,666 shares authorized: 1,665,291 shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of $24,141), no shares authorized, issued or outstanding at December 31, 2018	21,613	—
Preferred stock, $0.001 par value per share, 5,000,000 shares authorized: no shares issued or outstanding at December 31, 2018	—	—
Total convertible preferred stock	80,397	—
Stockholders' equity (deficit)		
Common stock, $0.001 par value per share; 18,666,666 shares authorized: 1,027,113 shares issued and outstanding at December 31, 2017; 100,000,000 shares authorized; 15,591,357 shares issued and outstanding at December 31, 2018	1	15
Additional paid-in capital	54,892	148,641
Accumulated deficit	(144,804)	(143,527)
Total stockholders' equity (deficit)	(89,911)	5,129
Total liabilities, convertible preferred stock, and stockholders' equity (deficit)	$ 30,247	$ 67,345

See accompanying notes.

SONIM TECHNOLOGIES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31, 2017 AND 2018
(IN THOUSANDS OF U.S. DOLLARS EXCEPT SHARE AND PER SHARE AMOUNTS)

	2017	2018
Net revenues	$ 59,031	$ 135,665
Cost of revenues	38,720	87,576
Gross profit	20,311	48,089
Operating expenses:		
Research and development	13,008	23,247
Sales and marketing	7,361	12,228
General and administrative	6,712	7,220
Total operating expenses	27,081	42,695
Income (loss) from operations	(6,770)	5,394
Interest expense	(820)	(1,828)
Change in fair value of warrant liability	(460)	(970)
Other expense, net	(335)	(565)
Income (loss) before income taxes	(8,385)	2,031
Income tax expense	(134)	(754)
Net income (loss)	(8,519)	1,277
Dividends on Series A, Series A-1 and Series A-2 preferred stock	(6,836)	(10,152)
Net loss attributable to common stockholders	$ (15,355)	$ (8,875)
Net loss per share attributable to common stockholders, basic and diluted	$ (14.96)	$ (2.57)
Weighted–average shares used in computing net loss per share attributable to common stockholders, basic and diluted	1,026,616	3,447,283

See accompanying notes.

SONIM TECHNOLOGIES, INC.
CONSOLIDATED STATEMENTS OF CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY (DEFICIT)
YEARS ENDED DECEMBER 31, 2017 AND 2018
(IN THOUSANDS EXCEPT SHARE AMOUNTS)

	Series A convertible preferred stock		Series A-1 convertible preferred stock		Series A-2 convertible preferred stock		Series B convertible preferred stock		Common stock		Additional paid-in capital	Accumulated deficit	Total stockholders' equity (deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balance at January 1,, 2017	6,497,194	$ 38,683	1,510,513	$ 4,031	1,127,337	$ 9,233	1,665,291	$ 21,613	1,026,270	$ 1	$ 61,624	$ (136,285)	$ (74,660)
2017 dividends declared and paid on Series A, Series A-1, and Series A-2 convertible preferred stock	974,571	5,881	75,511	456	56,366	500	—	—	—	—	(6,836)	—	(6,836)
Employee and nonemployee stock-based compensation	—	—	—	—	—	—	—	—	—	—	104	—	104
Issuance of common stock upon exercise of stock options	—	—	—	—	—	—	—	—	427	—	—	—	—
Employee and nonemployee stock-based vesting of restricted stock awards	—	—	—	—	—	—	—	—	416	—	—	—	—
Net Loss	—	—	—	—	—	—	—	—	—	—	—	(8,519)	(8,519)
Balance at December 31, 2017	7,471,765	44,564	1,586,024	4,487	1,183,703	9,733	1,665,291	21,613	1,027,113	1	54,892	(144,804)	(89,911)
Exercise of warrants	310,676	47	—	—	—	—	—	—	—	—	—	—	—
2018 dividends declared and paid on Series A, Series A-1, and Series A-2 convertible preferred Stock	944,694	9,380	66,255	622	49,456	150	—	—	—	—	(10,152)	—	(10,152)
Issuance of common stock upon exercise of stock options	—	—	—	—	—	—	—	—	15,475	—	17	—	17
Reclassification of warrants from liability to preferred stock upon exercise	—	2,951	—	—	—	—	—	—	—	—	—	—	—
Recapitalization of Series A, Series A-1, Series A-2, and Series B convertible preferred stock into common stock	(8,727,135)	(56,942)	(1,652,279)	(5,109)	(1,233,159)	(9,883)	(1,665,291)	(21,613)	13,277,864	13	93,534	—	93,547
Reclassification of warrant from liability to equity upon conversion and elimination of preferred stock	—	—	—	—	—	—	—	—	—	—	1,804	—	1,804
Issuance of common stock, net of issuance costs of $831	—	—	—	—	—	—	—	—	1,270,905	1	8,294	—	8,295
Employee and nonemployee stock-based compensation	—	—	—	—	—	—	—		—	—	252		252
Net income	—	—	—	—	—	—	—	—	—	—	—	1,277	1,277
Balance at December 31, 2018	—	—	—	—	—	—	—	—	15,591,357	$ 15	$ 148,641	$ (143,527)	$ 5,129

See accompanying notes

SONIM TECHNOLOGIES, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2017 AND 2018
(IN THOUSANDS OF U.S. DOLLARS)

	2017	2018
Cash flows from operating activities:		
Net income (loss)	$ (8,519)	$ 1,277
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,316	1,850
Stock-based compensation	104	252
Trade-in guarantee	—	(537)
Warrant liability re-measurement	460	970
Noncash interest expense	398	1,031
Deferred income taxes	(284)	140
Provision for doubtful accounts	70	5
Changes in operating assets and liabilities:		
Accounts receivable	(3,673)	(8,065)
Inventory	3,367	(12,847)
Prepaid expenses and other current assets	(2,198)	(4,127)
Other assets	(91)	(42)
Accounts payable	(3,355)	16,049
Accrued expenses	694	7,408
Deferred revenue	2,617	82
Income tax payable	188	415
Net cash provided by (used in) operating activities	(8,906)	3,861
Cash flows from investing activities:		
Purchase of property and equipment	(149)	(787)
Development of tooling and purchased software licenses	(1,025)	(1,758)
Proceeds from repayment of related party loan	175	—
Net cash used in investing activities	(999)	(2,545)
Cash flows from financing activities:		
Proceeds from borrowings on long-term debt, net of discount of $588 and $8, respectively	6,886	4,992
Proceeds on line of credit	59,054	72,135
Repayment on line of credit	(61,310)	(75,050)
Proceeds from issuance of common stock, net of costs	—	8,295
Cost associated with amendments to credit agreements	(170)	(69)
Proceeds from exercise of warrants	—	47
Proceeds from exercise of stock options	—	17
Repayment of long-term debt	(42)	(215)
Net cash provided by financing activities	4,418	10,152
Net increase (decrease) in cash and cash equivalents	(5,487)	11,468
Cash and cash equivalents at beginning of the year	7,068	1,581
Cash and cash equivalents at end of the year	$ 1,581	$ 13,049
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 306	$ 546
Cash paid for income taxes	198	259
Non-cash investing and financing activities:		
Other assets included in accounts payable	250	40
Payment of dividends in shares of convertible preferred stock	6,836	10,152
Conversion of preferred stock to common stock	—	93,547
Reclassification of warrant from liability to preferred stock upon exercise of preferred stock	—	2,951
Reclassification of warrant from liability to additional paid-in capital upon conversion and elimination of preferred stock	—	1,804

See accompanying notes

SONIM TECHNOLOGIES, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the years ended December 31, 2017 and 2018
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

NOTE 1—THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES

Description of Business—Sonim Technologies, Inc. was incorporated in the state of Delaware on August 5, 1999 and is headquartered in San Mateo, California. The Company is a leading U.S. provider of ultra-rugged mobile phones and accessories designed specifically for task workers physically engaged in their work environments, often in mission-critical roles.

Principles of Consolidation—The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and include the accounts of Sonim Technologies. Inc. and its wholly-owned foreign subsidiaries, Sonim Technologies Spain SL, Sonim Technologies India Private Limited, Sonim Technologies (Shenzhen) Limited, Sonim Technologies (Hong Kong) Limited, and Sonim Communications India Private Limited (collectively, the "Company"). All significant intercompany transactions and balances have been eliminated in consolidation.

Liquidity—At December 31, 2018, the Company had an accumulated deficit of $143,527. In November 2018, the Company raised $8,295 in connection with a securities purchase agreement with several investors, increased available financing under its subordinated term loan with B. Riley Principal Investments, LLC by approximately $2,000, and renegotiated its outstanding debt facility resulting in additional available borrowings of $5,000 in total under its term loan agreement with East West Bank and has also experienced significant revenue growth, all of which the Company believes are sufficient to continue to meet its working capital requirements until at least April 2020. As of December 31, 2018, the Company had positive stockholder's equity of $5,129. Nonetheless, there can be no assurance that management's future plans and operating performance will provide sufficient funding to continue its operations.

Reverse Stock Split—In November 2018, the Company's stockholders approved a one-for-fifteen reverse stock split of its common and convertible preferred stock which was effected on November 2, 2018. The par value of the common stock and convertible preferred stock were not adjusted as a result of the reverse stock split. Accordingly, all share and per share amounts for the period presented in the consolidated financial statements and notes thereto have been adjusted retrospectively to reflect this reverse stock split.

Estimates—The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These estimates include, but are not limited to, estimates related to revenue recognition; valuation assumptions regarding the determination of the fair value of common stock, as well as stock warrants; the useful lives of our long-lived assets; product warranties; loss contingencies; and the recognition and measurement of income tax assets and liabilities, including uncertain tax positions; The Company bases its estimates on historical experience and on various other assumptions that the Company believes to be reasonable under the circumstances. Actual results could differ from those estimates.

Concentrations of Credit Risk—The Company's product revenues are concentrated in the technology industry, which is highly competitive and rapidly changing. Significant technological changes in the industry or customer requirements, or the emergence of competitive products with new capabilities or technologies, could adversely affect the Company's consolidated operating results. Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents and accounts receivable. Cash and cash equivalents are deposited with high-quality, federally insured commercial banks in the United States and cash balances are in excess of federal insurance limits at December 31, 2017 and 2018. The Company generally does

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not require collateral or other security in support of accounts receivable. To reduce credit risk, management performs ongoing credit evaluations of its customers' financial condition. The Company analyzes the need for reserves for potential credit losses and records allowances for doubtful accounts when necessary. The Company had allowances for such losses totaling approximately $47 and $11 at December 31, 2017 and 2018, respectively, and recognized $70 and $5 in bad debt expense during the years ended December 31, 2017 and 2018, respectively.

Receivables from four customers approximated 30%, 27%, 11% and, 10% of total accounts receivable at December 31, 2017 and two customers approximated 44% and 43% of total accounts receivable at December 31, 2018. Revenue from three customers in 2017 and 2018 accounted for approximately the following percentage of total revenues:

	2017	2018
Customer A	25%	20%
Customer B	16%	*
Customer C	14%	*
Customer D	*	25%
Customer E	*	20%
Total	55%	65%

* Customer revenue did not exceed 10% in the respective year.

Segment Information—The Company operates in one reporting segment. Operating segments are defined as components of an enterprise about which separate financial information is evaluated regularly by the chief operating decision maker, who is the chief executive officer, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker allocates resources and assesses performance based upon discrete financial information at the consolidated level.

Cash and Cash Equivalents—The Company considers all highly liquid investments with an original maturity from the date of purchase of 90 days or less to be cash equivalents. As of December 31, 2017 and 2018, cash and cash equivalents consist of cash deposited with banks and money market funds. Included in the Company's cash and cash equivalents are amounts held by foreign subsidiaries. The Company had $368 and $884 of foreign cash and cash equivalents included in the Company's cash positions at December 31, 2017 and 2018, respectively.

Accounts Receivable and Allowance for Doubtful Accounts—Accounts receivable consist primarily of amounts due from customers in the course of normal business activities. Collateral on trade accounts receivable is generally not required. The Company maintains an allowance for doubtful accounts for estimated uncollectible accounts receivable. The allowance is based on our assessment of known delinquent accounts.

Accounts are written off against the allowance account when they are determined to be no longer collectible.

Inventory—The Company reports inventories at the lower of cost or net realizable value. Cost is determined using afirst-in, first-out method ("FIFO") and includes materials, labor, and manufacturing overhead related to the purchase and production of inventories. Net realizable value is the estimated selling price in the ordinary course of business less reasonably predictable costs of completion, disposal, and transportation.

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The Company periodically reviews its inventory for potential slow-moving or obsolete items and writes down specific items to net realizable value, as appropriate. The Company writes down inventory based on forecasted demand and technological obsolescence. These factors are impacted by market and economic conditions, technology changes, new product introductions, and changes in strategic direction, and require estimates that may include uncertain elements. Actual demand may differ from forecasted demand and such differences may have a material effect on recorded inventory values. Any write-down of inventory to the lower of cost or net realizable value at the close of a fiscal period creates a new cost basis that subsequently would not be marked up based on changes in underlying facts and circumstances.

Property and Equipment—Property and equipment are stated at cost less accumulated depreciation and amortization. The cost for molds and tooling used in the Company's manufacturing processes are capitalized and included in equipment. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the respective assets, generally 24 to 36 months. Leasehold improvements are amortized over the shorter of estimated useful lives of the assets or the lease term. Expenditures for repairs and maintenance are charged to expense as incurred. Upon disposition, the cost and related accumulated depreciation and amortization are removed from the accounts and the resulting gain or loss is reflected in the consolidated statements of operations.

Non-recurring Engineering ("NRE") Tooling and Purchased Software Licenses—Third-party design services relating to the design of tooling materials and purchased software licenses used in the manufacturing process are capitalized and included in other assets within the consolidated balance sheets. Amortization of NRE tooling and NRE software costs approximating $1,015 and $1,410 were charged to cost of revenues for the years ended December 31, 2017 and 2018, respectively.

Long-lived Assets—The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No such impairments have been identified to date.

Revenue Recognition—The Company recognizes revenue primarily from the sale of products. The Company also enters into multiple-element agreements that include a combination of products and NRE services.

Revenues from the sale of handsets and accessories ("products") are recognized when all of the following conditions per Accounting Standards Codification ("ASC"), Topic 605, *Revenue Recognition* ("ASC 605") are met: (i) there is persuasive evidence of an arrangement; (ii) the product has been delivered to the customer; (iii) the collection of the fees is reasonably assured; and (iv) the amount of fees to be paid by the customer is fixed or determinable. The Company's handsets typically require a technical approval process. This process entails design and configuration activities required to conform the Company's devices to a wireless carrier customer's specific network requirements. Each wireless carrier defines its own specific functional requirements and certification process in order for the product to be ready for manufacture. While the technical approval process does involve some level of customization, in addition to design and configuration, the Company does not charge separately and is not reimbursed for these activities to the extent that they do not involve significant customization and does not incur these costs in advance of entering into binding agreements with its wireless carrier customers. The Company expenses these design and development costs as incurred. Costs incurred prior to having a binding agreement are insignificant. Such technical approval is obtained prior to shipment.

Terms of product sales are generally FOB destination. Revenue recognition also incorporates allowances for discounts, price protection, returns and customer incentives that can be reasonably estimated. In addition to

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cooperative marketing and other incentive programs, the Company has arrangements with some distributors, which allow for price protection and limited rights of return, generally through stock rotation programs. Under the price protection programs, the Company gives distributors credits for the difference between the original price paid and the Company's then current price. Under the stock rotation programs, certain distributors are able to exchange certain products based on the number of qualified purchases made during the period. The Company monitors and tracks these programs and records a provision, at the time of the sale, for future payments or credits granted as reductions of revenue based on historical experience. Recorded revenues are reduced by these allowances.

When a revenue arrangement involves multiple elements, the multiple elements, referred to as deliverables, are evaluated to determine whether they represent separate units of accounting in accordance with ASC 605-25, *Revenue Recognition—Multiple-Element Arrangements*. The Company performs this evaluation at the inception of an arrangement and as each item is delivered in the arrangement. Generally, the Company accounts for a deliverable separately if the delivered item has stand-alone value to the customer and delivery or performance of the undelivered item or service is probable and substantially in the Company's control. When multiple elements can be separated into separate units of accounting, arrangement consideration is allocated at the inception of the arrangement, based on each unit's relative selling price, and recognized based on the method most appropriate for that unit of accounting. When an arrangement includes NRE services which involve significant design modification and customization of the product software that is essential to the functionality of the hardware, revenue is recognized according to the milestone method in accordance with the provisions of Financial Accounting Standards Board ("FASB") ASC Topic 605-35, *Revenue Recognition—Construction-Type and Production-Type Contract.* Under this method, the Company recognizes revenue from milestone payments when: (i) the milestone event is substantive and its achievability is not reasonably assured at the inception of the agreement, and (ii) the Company does not have ongoing performance requirements related to the achievement of the milestone earned. Milestone payments are considered substantive if all of the following conditions are met: the milestone payment (i) is commensurate with either the Company's performance to achieve the milestone or the enhancement of the value of the delivered item or items as a result of a specific outcome resulting from the Company's performance to achieve the milestone, (ii) relates solely to past performance, and (iii) is reasonable relative to all of the deliverables and payment terms (including other potential milestone consideration) within the arrangement.

Revenue recognized during the years ended December 31, 2017 and 2018, includes revenue recognized from two customers that were related to milestones achieved during the years, which totaled $3,587 and $4,168, respectively. The summary of revenue from these two customers were as follows:

	2017	2018
Customer A	$2,795	$1,067
Customer B	792	3,101
Total	$3,587	$4,168

The Company's agreement with these customers entitle it to additional payments upon the achievement of certain milestones totaling $1,285 and zero as of December 31, 2017 and 2018, respectively, related to product design and development, and achievement of regulatory and industry specific certifications. If a milestone is deemed to be substantive, the Company is permitted to recognize revenue related to the milestone payment in its entirety. In the event, milestones are deemed non-substantive, the Company recognizes, and defers if

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applicable, payments for the achievement of such non-substantive milestones over the estimated period of performance applicable to each agreement on a straight-line basis, as appropriate.

Cost of Revenues—Cost of revenues includes direct and indirect costs associated with the manufacture of the Company's products as well as with the performance of NRE services in connection with significant design modification and customization. Direct costs include material and labor, royalty, depreciation and amortization while indirect costs include other labor and overhead costs incurred in manufacturing the product.

Advertising—The Company expenses the costs of advertising, including promotional expenses, as incurred. Advertising expenses for the years ended December 31, 2017 and 2018 were approximately $53 and $27, respectively.

Shipping and Handling Costs—When the Company bills customers for shipping and handling it includes such amounts as part of revenue. Costs incurred for shipping and handling are recorded in cost of revenues.

Deferred Revenues—Deferred revenues represents the amount that is allocated to undelivered elements in multiple element arrangements. We limit the revenue recognized to the amount that is not contingent on the future delivery of products or services or meeting other specified performance conditions.

Research and Development—Research and development expenses consist of compensation costs, employee benefits, subcontractors, research supplies, allocated facility related expenses and allocated depreciation and amortization. Research and development expenses include costs incurred for the design and configuration activities of new products to conform to the specific functional requirements of the Company's wireless carrier customers necessary to prepare the product for manufacture. All research and development costs are expensed as incurred.

Stock Warrants—Freestanding warrants related to shares that could be subject to a deemed liquidation event under the circumstances described in Note 5 are accounted for in accordance with ASC 480, *Distinguishing Liabilities from Equity Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity* ("ASC 480"). Freestanding warrants that are related to the Company's convertible preferred stock are classified as liabilities on the consolidated balance sheets and are subject to remeasurement at each balance sheet date, with the change in fair value being recognized as a component of other income (expense) until the earlier of: (i) the exercise or expiration of the warrants, (ii) an equity recapitalization event that would result in the warrant agreement being classified as part of stockholders' equity or (iii) the completion of a liquidation event, including the completion of an initial public offering ("IPO"). On August 30, 2018, a portion of the convertible preferred stock warrants were exercised (See Note 6). Further, on November 1, 2018, the Company converted all outstanding shares of convertible preferred stock into shares of common stock, at which time the remaining convertible preferred stock warrants were converted into warrants to purchase common stock and the related liability was reclassified to permanent equity, specifically to additional paid-in capital.

Stock-Based Compensation—The Company measures equity classified stock-based awards granted to employees and directors based on the estimated fair value on the date of grant and recognizes compensation expense of those awards, net of estimated forfeitures, on a straight-line basis over the requisite service period, which is generally the vesting period of the respective award. For awards subject to performance conditions, the Company evaluates the probability of achieving each performance condition at each reporting date and begins to recognize expense over the requisite service period when it is deemed probable that a performance condition will be met using the accelerated attribution method.

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The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option pricing model, which is described more fully in Note 7. The fair value of each restricted stock award is measured as the fair value per share of the Company's common stock on the date of grant.

Compensation expense related to share-based awards issued to nonemployees is recognized as the awards vest. At each reporting date, the Company revalues the fair value of the award, also using the Black-Scholes option pricing model, and expense related to the unvested portion of such nonemployee awards. As a result, compensation expense related to the unvested share-based awards issued to nonemployees fluctuates as the fair value of the Company's common stock fluctuates.

Warranty—The Company provides standard warranty coverage on its accessories and handsets for one and three years, respectively, providing labor and parts necessary to repair the systems during the warranty period. The Company accounts for the estimated warranty cost as a charge to cost of revenues when revenue is recognized. The estimated warranty cost is based on historical product performance and field expenses.

Utilizing actual service records, the Company calculates the average service hours and parts expense per system to determine the estimated warranty charge. The Company updates these estimated charges periodically. The actual product performance and/or field expense profiles may differ, and in those cases the Company adjusts warranty accruals accordingly. As of December 31, 2017 and 2018, the Company had accruals for warranty costs of approximately $1,742 and $1,103, respectively. See Note 3 for rollforward of annual warranty activity.

From time to time, the Company ships mobile devices to its customers as seed stock. The seed stock represents extra units of mobile devices beyond the original mobile devices ordered by the customer and are primarily used to facilitate warranty coverage of mobile devices received by our customers from their direct customers.

Trade-in Guarantee—The Company has provided certain end customers, who purchase a particular device during a defined promotional period, the right to trade-in their original device for a newer model at no additional cost, however, only for a subsequent and defined period of time. The Company accounts for this trade-in right as a guarantee liability and recognizes product revenue net of the fair value of such right, with subsequent changes to the guarantee liability recognized within revenue on a straight-line basis as the trade-in right expires. The guarantee liability is initially measured at fair value and is determined based on assumptions including the probability and timing of a customer upgrading to a new device and the value of the upgraded device. As of December 31, 2017 and 2018, the guarantee liability related to this trade-in was $805 and $268, respectively, and is reflected in deferred revenue on the consolidated balance sheets. Revenue recognized in 2017 and 2018 approximated zero and $537, respectively.

Comprehensive Income or Loss—The Company had no items of comprehensive income or loss other than net income (loss) for the years ended December 31, 2017 and 2018. Therefore, a separate statement of comprehensive income (loss) has not been included in the accompanying consolidated financial statements.

Foreign currency translation—The Company uses the U.S. dollar as its functional currency for its significant subsidiaries. Foreign currency assets and liabilities are translated into U.S. dollars at the end-of-period exchange rates except for property, plant and equipment, and related depreciation and amortization, which are translated at the historical exchange rates. Expenses are translated at average exchange rates in effect during each period. Gains or losses from these foreign currency transactions, which have not been significant to date, are included in net loss.

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Foreign assets held directly by the Company include certain accounts receivable balances and bank accounts which are translated into the U.S. dollar at the end-of-period exchange rates. Expenses are translated at average exchange rates in effect during each period. During the years ended December 31, 2017 and 2018, the Company had approximately $346 and $549, respectively, in net foreign currency transactions losses, which are included in other expense, net on the consolidated statement of operations.

Sales taxes—Sales and value added taxes are accounted for on a net basis and collected from customers and remitted to governmental authorities are not included in revenue.

Income taxes—The provision for income taxes is computed using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets are expected to be realized or settled. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

Compliance with income tax regulations requires the Company to make decisions relating to the transfer pricing of revenue and expenses between each of its legal entities that are located in several countries. The Company's determinations include many decisions based on management's knowledge of the underlying assets of the business, the legal ownership of these assets, and the ultimate transactions conducted with customers and other third parties. The calculation of the Company's tax liabilities involves dealing with uncertainties in the application of complex tax regulations in multiple tax jurisdictions. The Company may be periodically reviewed by domestic and foreign tax authorities regarding the amount of taxes due. These reviews may include questions regarding the timing and amount of deductions and the allocation of income among various tax jurisdictions. In evaluating the exposure associated with various filing positions, the Company records estimated reserves when it is more likely than not that an uncertain tax position will not be sustained upon examination by a taxing authority. Such estimates are subject to change in the near term.

On December 22, 2017, the Securities and Exchange Commission ("SEC") staff issued Staff Accounting Bulletin No. 118 ("SAB 118") to address the accounting implications of the U.S. federal tax reform enacted on December 22, 2017. SAB 118 allows a company to record provisional amounts during a measurement period not to extend beyond one year of the enactment date. The Financial Accounting Standards Board ("FASB") staff has stated that if a private company entity applies SAB 118, it would be in compliance with GAAP. Subsequently, in May 2018, the FASB issued Accounting Standards Update ("ASU") 2018-05—*Income Taxes (Topic 740), Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin NO. 118 (SEC Update)*. The amendment represents changes to certain SEC material in Topic 740 for the income tax accounting implications of the issued Tax Cut and Jobs Act (the Tax Act). The ASU was effective upon issuance. In accordance with SAB 118, the Company has determined that the deferred tax remeasurement of $4,120 (offset by the Company's full valuation allowance) recorded in connection with the reduction of the U.S. corporate tax rate enacted as part of the Tax Act was a provisional amount and a reasonable estimate at December 31, 2017. No estimate was made and no provisional amounts were recorded in the consolidated financial statements for the impact of the Global Intangible Low-Taxed Income ("GILTI") provision of the Tax Act at December 31, 2017. The GILTI provision imposes taxes on foreign earnings in excess of a deemed return on tangible assets. This tax is effective for the Company beginning in 2018. The Company has elected to treat GILTI related book-tax differences as a period cost. Additionally, in the Company's valuation allowance

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analysis the Company elected the incremental cash tax savings approach in determining its U.S. valuation allowance with respect to the GILTI. As of December 22, 2018, the Company had completed its assessment of the provisional amounts recognized within the one-year period provided by SAB118, which did not result in significant changes.

In November 2015, FASB issued ASU2015-17, *Balance Sheet Classification of Deferred Taxes,* which will require entities to present deferred tax assets ("DTAs") and deferred tax liabilities ("DTLs") as noncurrent in a classified balance sheet. The ASU simplifies the current guidance, which requires entities to separately present DTAs and DTLs as current and noncurrent in a classified balance sheet. This ASU is effective for nonpublic business entities for annual reporting periods beginning after December 15, 2017, with early adoption permitted. The Company has early adopted this standard as of December 31, 2017.

Net Loss per Share Attributable to Common Shareholders—The Company follows the two-class method when computing net income per share as the Company has issued shares that meet the definition of participating securities. The two-class method determines net income per share for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common shareholders for the period to be allocated between common and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed.

Net loss per share is calculated by dividing the net loss attributable to common shareholders by the weighted- average number of shares of common stock outstanding during the period. For the years ended December 31, 2017 and 2018, for purposes of the calculation of diluted net loss per share, convertible preferred stock, warrants to purchase stock, unvested restricted common stock and stock options to purchase common stock are considered potentially dilutive securities but have been excluded from the calculation of diluted net loss per share as their effect is antidilutive. As a result, diluted net loss per common share is the same as the basic net loss per share for the periods presented.

The computation of net income/loss available to common stockholders is computed by deducting the dividends declared and cumulative dividends, whether or not declared, in the period on preferred stock (whether or not paid) from the reported net income/loss. For the year ended December 31, 2017, this resulted in an increase in the reported net loss; whereas for the year ended December 31, 2018, the deduction of dividends resulted in the 2018 net income being reduced in a net loss available to common stockholders for purposes of the computations of earnings per share.

The Company's convertible preferred stock outstanding as of December 31, 2017 and through November 1, 2018, the date prior to the conversion of all preferred stock, contractually entitle the holders of such stock to participate in dividends but do not contractually require the holders of such stock to participate in losses of the Company. Accordingly, in periods in which the Company reports a net loss attributable to common stockholders, such losses are not allocated to such participating securities. In periods in which the Company reports a net loss attributable to common stockholders, diluted net loss per share attributable to common shareholders is the same as basic net loss per share attributable to common stockholders, since dilutive common stock are not assumed to have been issued if their effect is antidilutive.

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The potential shares of common stock excluded from the computation of diluted net loss per share attributable to common stockholders for the years ended December 31, 2017 and 2018, because including them would have been antidilutive, are as follows:

	2017	2018
Shares of convertible preferred stock	11,906,783	—
Shares subject to option to purchase common stock	1,126,722	1,320,197
Shares subject to warrant to purchase convertible preferred stock	472,947	—
Shares subject to warrant to purchase common stock	—	156,294
Shares subject to term debt optional conversion into convertible preferred stock	800,450	—
Shares subject to term debt optional conversion into common stock	—	1,099,278
Total	14,306,902	2,575,769

New accounting pronouncements:

Pronouncements adopted in 2018:

The Company is an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies. Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that an emerging growth company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's consolidated financial statements with another public company, which is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period, difficult or impossible because of the potential differences in accounting standards used.

In May 2017, the FASB issued ASU2017-09, *Scope of Modification Accounting.* ASU 2017-09 clarifies when changes to the terms or conditions of a share-based payment award must be accounted for as modifications.

ASU 2017-09 allows companies to make certain changes to awards, such as vesting conditions, without accounting for them as modifications. It does not change the accounting for modifications. ASU 2017-09 is applied prospectively to awards modified on or after the adoption date. As required by the ASU, the Company adopted this standard beginning in 2018, which had no impact on its consolidated financial statements.

In March 2016, the FASB issued ASU2016-09, *Improvements to Employee Share-Based Payment Accounting (Topic 718),* which simplifies several aspects of the accounting for employee (and nonemployee) share-based payments including the accounting for income taxes, forfeitures and statutory tax withholding requirements. A**s**

required by the ASU, the Company adopted this standard beginning in 2018 electing to recognize forfeitures when they occur, which had no material impact to the consolidated financial statements.

Pronouncements not yet adopted:

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820)*—Changes to the Disclosure Requirements for FairValue Measurement. The ASU eliminates certain disclosure requirements for fair value measurements for all entities and modifies some disclosure requirements. This ASU is effective for nonpublic entities beginning after December 15, 2019, with early adoption permitted. The Company is currently evaluating this new standard and the impact it will have on its existing accounting policies or presentation of the consolidated financial statements.

In June 2018, the FASB issued ASU 2018-07, *Compensation—Stock Compensation (Topic 718)*. This ASU simplifies the accounting for share-based payments granted to nonemployees for goods and services. Under the ASU, most of the guidance on such payments to nonemployees would be aligned with the requirements for share-based payments granted to employees. This ASU is effective for nonpublic business entities for annual reporting periods beginning after December 15, 2019, with early adoption permitted. The Company is currently evaluating this new standard and the impact it will have on its existing accounting policies or presentation of the consolidated financial statements.

In July 2017, the FASB issued ASU 2017-11, *Earnings Per Share (Topic 260), Distinguishing Liabilities from Equity (Topic 480) and Derivatives and Hedging (Topic 815): I. Accounting for Certain Financial Instruments with Down Round Features; II. Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Non-Controlling Interests with a Scope Exception.* Part I of this update addresses the complexity of accounting for certain financial instruments with down round features. Down round features are features of certain equity-linked instruments (or embedded features) that result in the strike price being reduced on the basis of the pricing of future equity offerings.

Current accounting guidance creates cost and complexity for entities that issue financial instruments (such as warrants and convertible instruments) with down round features that require fair value measurement of the entire instrument or conversion option. Part II of this update addresses the difficulty of navigating Topic 480, *Distinguishing Liabilities from Equity,* because of the existence of extensive pending content in the FASB Accounting Standards Codification. This pending content is the result of the indefinite deferral of accounting requirements about mandatorily redeemable financial instruments of certain nonpublic entities and certain mandatorily redeemable noncontrolling interests. The amendments in Part II of this update do not have an accounting effect. This ASU is effective for fiscal years, and interim periods within those years, beginning after December 15, 2018. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

In October 2016, the FASB issued ASU 2016-16*, Income Taxes—Intra-Entity Transfers of Assets Other Than Inventory.* ASU 2016-16 requires entities to recognize income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. The amendments in ASU 2016-16 are effective for annual reporting periods beginning after December 15, 2018 and requires a modified retrospective method of adoption. Early adoption is permitted. The Company has not yet determined the potential effects of this ASU on its consolidated financial statements.

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In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230)* - Classification of Certain Cash Receipts and Cash Payments, which clarifies eight specific cash flow issues in an effort to reduce diversity in practice in how certain transactions are classified within the statement of cash flows. This ASU is effective for nonpublic business entities beginning after December 15, 2019 with early adoption permitted. The Company is currently evaluating this new standard and the impact it will have on its existing accounting policies or presentation of the consolidated statement of cash flows.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842),* as amended, which requires lessees to recognize a liability associated with obligations to make payments under the terms of the arrangement in addition to a right-of-use asset representing the lessee's right to use, or control the use of the given asset assumed under the lease. The standard will be effective for nonpublic business entities beginning after December 15, 2019. The Company is currently evaluating these new standards and the impact they will have on its consolidated financial statements, information technology systems, process, and internal controls.

In January 2016, the FASB issued ASU 2016-01*, Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, which affect various aspects of recognition, measurement, presentation and disclosure of financial instruments. The amendment is effective for public entities for annual periods beginning after December 15, 2017, including interim periods. All other entities, effective fiscal year beginning after December 15, 2018 and interim periods beginning after December 15, 2019. Early application of certain provisions is permitted.

In May 2014, the FASB, issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606),* as amended, which affects any entity that either enters into contracts with customers to transfer goods and services or enters into contracts for the transfer of nonfinancial assets. ASU 2014-09 will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The standard has a five-step approach which includes identifying the contract or contracts, identifying the performance obligations, determining the transaction price, allocating the transaction price and recognizing revenue. In doing so, companies will need to use more judgment and make more estimates than under the currently effective guidance. These judgments may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. The new standard may, in certain circumstances, impact the timing of when revenue is recognized for products shipped, and the timing and classification of certain sales incentives, which are expected to generally be recognized earlier than historical guidance. The standard also significantly expands the quantitative and qualitative disclosure requirements for revenue, which are intended to help users of financial statements understand the nature, amount, timing and uncertainty of revenue and the related cash flows. The standard will be effective for nonpublic business entities beginning after December 15, 2018 and interim reporting periods within annual reporting periods beginning after December 15, 2019. While, early adoption is permitted, we plan to adopt the standard when it effective for us in 2019.

The guidance permits two methods of adoption, the full retrospective method applying the standard to each prior reporting period presented, or the modified retrospective method with a cumulative effect of initially applying the guidance recognized at the date of initial application. The standard also allows entities to apply certain practical expedients at their discretion. We currently anticipate adopting the standard using the modified retrospective method with a cumulative adjustment and will provide additional disclosures comparing results to

previous GAAP in our 2019 consolidated financial statements. We plan to apply the new revenue standards only to contracts not completed as of the date of initial application, referred to as open contracts.

While the Company's evaluation of the impact of this new guidance is not complete, we believe the impact of the new standard related to revenue recognition will not have a material impact on our consolidated financial statements other than potentially expanded disclosures. More judgements and estimates are required under Topic 606 than are required under Topic 605, including estimating the stand alone selling price ("SSP") for each performance obligation identified within our arrangements with multiple elements and estimating the amount of variable considerations at inception of the arrangement. We will continue to evaluate sales incentives provided to our customers in order to determine the transaction price at inception of the contract.

This preliminary assessment is based on the revenue arrangements currently in place. The exact impact of ASC 606 will be dependent on facts and circumstances at adoption and could vary from quarter to quarter. New products or offerings, or changes to current offerings, may yield significantly different impacts than currently expected. Our conclusions will be reassessed periodically based on current facts and circumstances. We are also evaluating accounting systems, processes and internal controls over revenue recognition to assist us in the application of the new standard.

NOTE 2—FAIR VALUE MEASUREMENT

The fair value measurements standard establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under the standard are described below:

Level 1— Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2— Inputs to the valuation methodology include:

- Quoted market prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3— Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2018.

Money market funds are classified within level 1 of the fair value hierarchy because they are valued using quoted market prices.

The warrant liability was classified within level 3 of the fair value hierarchy because there was no active market for the warrant or for similar warrants. The Company revalued its Series A and Series B warrants outstanding at December 31, 2017 and November 1, 2018, the day prior to the conversion of all outstanding preferred shares. The fair value of the Series A and Series B warrants at December 31, 2017 and November 1, 2018, was estimated by first applying a weighting of the income approach and the market approach to determine the equity value of the Company. An Option-Pricing Method ("OPM") was then used to allocate the total equity value of the Company to the different classes of equity according to their rights and preferences. As the Company is a private company, the fair value measurement was based on significant inputs that are not observable in the market thus represents Level 3 inputs. As of December 31, 2018, as a result of the Company's November 2018 stock conversion of preferred shares into common shares (See Note 5), all Series A and Series B warrants outstanding are now exercisable into common stock and are no longer required to be remeasured at fair value on a recurring basis.

Trade-in guarantee liability is classified within level 3 of the fair value hierarchy because the fair value measurement is based on inputs that are not observable in the market, including the probability and timing of a customer upgrading to a new device and the value of the upgraded device.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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The following tables sets forth by level, within the fair value hierarchy, the Company's assets and liabilities at fair value as of December 31:

	2017			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds *	$ 1	$ —	$ —	$ 1
Liabilities:				
Warrant liability	$ —	$ —	$3,785	$3,785
Trade-in Guarantee	—	—	805	805
	$—	$—	$4,590	$4,590

	2018			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds *	$11,006	$ —	$ —	$11,006
Liabilities:				
Trade-in Guarantee	$ —	$ —	$ 268	$ 268

* Included in cash and cash equivalents in the consolidated balance sheets.

The table below sets forth a summary of changes in the fair value of the Company's level 3 liabilities for the years ended December 31, 2017 and 2018:

	Warrant liability	Trade-In Guarantee
Balance, January 1, 2017	$ 3,325	$ —
New instrument	—	805
Change in fair value	460	—
Balance at December 31, 2017	3,785	805
New instrument	—	—
Recognition of revenue	—	(537)
Change in fair value	970	—
Exercised and reclassified to equity	(1,804)	—
Conversion of preferred stock to common stock and reclassified to equity	(2,951)	—
Balance at December 31, 2018	$ —	$ 268

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NOTE 3—SIGNIFICANT BALANCE SHEET COMPONENTS

Inventory—Inventory consisted of approximately the following at December 31:

	2017	2018
Devices—for resale **	$ 5,259	$ 11,319
Work in process	172	—
Raw materials	3,201	8,826
Accessories	352	1,686
	$ 8,984	$ 21,831

** Included in devices for resale is $863 and zero of product at a customer's warehouse as December 31, 2017 and 2018, respectively.

Prepaid expenses and other current assets—Prepaid expenses and other current assets consisted of approximately the following at December 31:

	2017	2018
Deposits for manufacturing inventory	$ 3,500	$ 4,294
Prepaid taxes	311	606
Refundable value added taxes	1,346	2,561
Prepaid licenses and royalties	350	1,128
Other	478	1,522
	$ 5,985	$ 10,111

Property and equipment—Property and equipment consisted of approximately the following at December 31:

	2017	2018
Computer equipment	$ 3,699	$ 4,182
Software	970	981
Furniture, fixtures, and office equipment	73	173
Leasehold improvements	45	152
	4,787	5,488
Less: accumulated depreciation and amortization	(4,063)	(4,417)
	$ 724	$ 1,071

Depreciation and amortization expense of property and equipment for the years ended December 31, 2017 and 2018 was $301 and $440, respectively.

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Accrued expenses—Accrued expenses consisted of approximately the following at December 31:

	2017	2018
Accrual for goods received not invoiced	$ 2,200	$ 2,700
Employee-related liabilities	1,484	3,077
Warranties	1,742	1,103
Research and development	841	462
Royalties	723	1,212
Customer allowances	552	5,732
Shipping	300	480
Interest	262	275
Commissions	183	290
Settlement liability (Note 9)	96	—
Other	590	1,050
	$ 8,973	$ 16,381

Warranty Liability—The table below sets forth the activity in the warranty liability for the years ended December 31, 2017 and 2018:

Balance, January 1, 2017	$ 1,815
Additions	1,025
Cost of warranty claims	(1,098)
Balance, December 31, 2017	$ 1,742
Additions	355
Cost of warranty claims	(994)
Balance, December 31, 2018	$ 1,103

NOTE 4—BORROWINGS

Senior Credit Agreement

The Company has a loan and security agreement ("LSA") with East West Bank (the "Senior Lender"). Under the terms of the LSA, as amended, the Senior Lender has provided for a $6,000 line of credit.

During 2017, the Senior Lender and the Company agreed to amendments and restatements of the LSA in May, June, August and October. As a result of these amendments, at December 31, 2017, the borrowings available under the line of credit were extended through January 2018 at a maximum amount of $6,000, with interest at the greater of 3.5% or the Wall Street Journal Prime Rate (the "Prime Rate"), plus 5% (8.5% at December 31, 2017). The loan covenants as required under the LSA were also amended and restated to the end of the term

In 2018, the maximum borrowings available under the line of credit was increased to $8,000 and will bear interest at 1% plus the Prime Rate (5.5% at December 31, 2018) with a new maturity date of May 2019.

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Borrowings under the LSA are secured by substantially all the Company's assets. Prior to the 2018 amendments, the LSA contained certain financial debt covenants which require that the Company maintain a minimum availability under the line of credit in the amount of $750, have positive EBITDA (earnings before interest, taxes, depreciation and amortization) results for each of the quarters ended September 30, 2017 and December 31, 2017, and maintain a fixed charge coverage ratio of at least 1.05 to 1.00 as of the last of each month, beginning with March 31, 2018.

The LSA also contains negative and affirmative covenants, in addition to the financial covenants, including covenants that restrict the ability of the Company and its subsidiaries' ability to, among other things, incur or prepay indebtedness on subordinated debt, dispose of assets, engage in mergers and consolidations, make acquisitions or other investments, exceed annual capital expenditure limits, as defined, and make changes in the nature of the business. Objective events of default, therein, include, without limitation, nonpayment of principal, interest or other obligations, violation of the covenants, insolvency, and court-ordered judgments. Audited financial statements are required to be submitted to the lenders no later than 120 days after year-end.

In 2018, the financial covenants were amended to temporarily suspend the obligation to comply with the minimum fixed charge coverage ratio through September 30, 2018, to increase the minimum fixed charge coverage ratio as of December 31, 2018, and for the last day of each month thereafter, from 1.00 to 1.10 and to increase the minimum excess availability to $1,200. In 2018, the financial covenants were also amended to permanently remove the requirement to maintain positive quarterly EBITDA. Therefore, as of the quarter ended March 31, 2018, the Company was no longer subject to this EBITDA financial covenant. As of December 31, 2018, the Company was in compliance with all of its financial covenants and there were no events of default during the year then ended relating to the 2018 financial results.

For the quarters ended September 30, 2017 and December 31, 2017, the Company was out of compliance with its EBITDA financial covenant and obtained a waiver from the Senior Lender. As of December 31, 2017 and 2018, the Company had borrowed $2,915 and zero against the line of credit and had a remaining borrowing capacity of $3,085 and $8,000, respectively.

Long-Term Debt

Riley Loan—On October 26, 2017 (the "Effective Date"), the Company entered into a Subordinated Term Loan and Security agreement (the "Loan Agreement") with B. Riley Principal Investments, LLC ("BRPI"), an affiliate of B. Riley Financial, Inc., a shareholder of the Company. B. Riley Financial, Inc. became a holder of Series A convertible preferred stock ("Series A") in a concurrent equity transfer between certain holders of Series A and a group of new investors pursuant to which a total of 5,000,000 shares, of holders of Series A were sold to new investors for total consideration of $27,000 (the "Equity Transfer"). Under the Loan Agreement, the Company could borrow an aggregate principal amount of up to $10,000 via a subordinated secured convertible promissory note (the "Convertible Note"), with an optional conversion feature as described below.

As of March 30, 2018, the Company had borrowed the full $10,000 under the Loan Agreement and negotiated an amendment to the Loan Agreement ("Amended Loan Agreement") to increase the term loan commitment from $10,000 to $12,000. On April 9, 2018, the Company amended and restated the Convertible Note ("Amended Convertible Note") to reflect the borrowing of the additional $2,000 in available funds under the Amended Loan Agreement. The amendments were accounted for as a modification and direct costs incurred as part of the amended agreements, approximating $8 are being amortized as an adjustment to interest expense

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over the remaining term of the modified debt agreements on a straight-line basis. The Amended Loan Agreement did not change the terms of the original Loan Agreement other than to provide a waiver of the defined prepayment penalties if any repayment does not reduce the principal amount outstanding below $10,000. The Amended Loan Agreement matures on September 1, 2022 (the "Maturity Date"), carries a stated interest rate of 10% and provides that the first year of interest be compounded into the principal on October 26, 2018. After October 26, 2018, interest-only payments begin.

As of December 31, 2017 and 2018, the total outstanding borrowings under the applicable loan agreement were $7,000 and $12,000, respectively, and total accrued interest outstanding was $100 and $1,113 respectively, of which $100 and $1,000 were compounded into principal.

Optional Conversion— On November 2, 2018, in conjunction with the Company's conversion of all of its outstanding shares of preferred stock into shares of common stock (See Note 5) and the 15-to-1 reverse stock split, the Company amended the optional conversion terms of its Amended Convertible Note. These amended terms provide that at any time, on or prior to the Maturity Date, BRPI may elect to convert principal amounts outstanding, including accrued interest, as limited below, into shares of common stock at $8.87 per share. The number of shares of common stock to be issued upon conversion is limited to the sum of (A) the lesser of (i) the principal outstanding and (ii) the aggregate principal amount borrowed under the Loan Agreement to date multiplied by the Designated Percentage as described below, and (B) the accrued interest on such date, including any amounts not yet compounded and added to the Note's principal prior to the first anniversary of the Effective Date. The "Designated Percentage" is one hundred percent (100%) if the conversion date is prior to the first anniversary of the Effective Date, seventy-five percent (75%) in Year 2 of the Loan Agreement, fifty percent (50%) in Year 3, twenty-five percent (25%) in Year 4, and twelve and a half of percent (12.5%) in the final year of the agreement on or prior to the Maturity Date.

The Amended Loan Agreement contains negative and affirmative covenants that restrict the ability of the Company and its subsidiaries' ability to, among other things, incur or prepay indebtedness, engage in mergers and consolidations, make acquisitions or other investments, exceed annual capital expenditure limits, as defined, and make changes in the nature of the business. The covenants also require the Company to maintain compliance with laws, maintain collateral in good condition, make timely payment of material taxes. Audited financial statements are required to be submitted to the lender no later than 120 days after year-end.

Under specified Events of Default (including failure to pay any amounts when due, covenant defaults, and material adverse changes), BRPI has various rights of action including declaring all outstanding amounts immediately due and payable. Additionally, the Company has the right to prepay all or any portion of principal amount borrowed under the Loan Agreement, provided all accrued interest is also prepaid, along with a prepayment penalty, if applicable, of 3% in Year 1, 2% in Year 2, and 1% in Year 3, with no prepayment penalty in years thereafter. The Amended Loan Agreement provides for a waiver of prepayment penalties if the prepayment does not reduce the outstanding principal balance below $10,000. The Company was in compliance with all of its financial covenants as of December 31, 2018 and 2017 and there were no events of default during the years ended December 31, 2018 and 2017.

In connection with the October 27, 2017 Equity Transfer and Term Loan agreements, the Company incurred $1,298 in costs, of which $588 related to the issuance and which was recorded as a discount to the long-term debt balance in the accompanying consolidated balance sheets and subject to amortization under the effective interest method over the life of the Convertible Note. The remaining balance of $710 represents cost associated

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with the Equity Transfer which were expensed as incurred. As of December 31, 2018 and 2017, $119 and $29, respectively, of the Convertible Note discount was amortized as additional interest expense in the accompanying consolidated statements of operations.

Subordination Agreement—On October 26, 2017, BRPI and the Senior Lender also entered into a Subordination Agreement, in which BRPI agreed that all Junior Debt is subordinated to borrowings under the LSA (the "Senior Debt"). Pursuant to the Subordination Agreement, BRPI has the right to purchase from Senior Lender all of Senior Lender's right, title, and interest in and to the Senior Debt at any time after (i) acceleration of the Senior Debt which is not rescinded; (ii) the commencement of an Enforcement Action by Senior Lender which is not rescinded, (iii) the passage of a period of 45 days during the continuance of a Senior Debt default, or (iv), commencement of any insolvency proceedings against the Company. Under a side letter dated October 26, 2017 ("Side Letter"), with another major investor, BRPI has agreed that if it purchases the senior loan, BRPI will offer to certain other preferred stockholders the right to purchase undivided pro rata participation interests, in up to 50% of each of the Senior Debt and Junior Debt. The major investor and the other preferred shareholders referenced in the Side Letter all sold portions of their Series A holdings to BRPI's affiliate and other purchasers in October 2017, as referenced above.

Promissory Notes Payable—In 2014 and 2017, the Company entered into agreements with one of its suppliers whereby certain of its trade payables for royalties and royalty up-front payments were converted to payment plans. In December 2018, the Company amended its accounts payable financing agreements, effective January 1, 2019, which provides for the $736 outstanding balance to be paid in twenty equal quarterly installments. The amounts due under these agreements would be paid in quarterly installments (totaling approximately $798 and $718 at December 31, 2017 and 2018, respectively) over periods from two to four years, with interest ranging up to 8%.

Other Financing Arrangements—In 2017, the Company entered three financing arrangements totaling approximately $472 with maturity dates of November 2018, June 2020 and August 2020 respectively.

Prior to the December 2018 amendment, these arrangements bear interest at rates varying between 3% and 13.6%, and required monthly repayments of approximately $21 in total. The aggregate balance of these three financings as of the years ended December 31, 2017 and 2018 was $431 and $238, respectively.

The balances of the long-term debt balance are as follows as of December 31:

	2017	2018
Convertible note	$7,100	$13,001
Less unamortized discount and debt issuance costs	(559)	(447)
Subtotal Convertible note	6,541	12,554
Promissory notes payable	798	718
Other	431	238
Subtotal long-term debt	7,770	13,510
Less current portion December 31, 2017 and 2018, respectively	(217)	(301)
Total long-term debt	7,553	13,209

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Future aggregate annual principal payment on all long-term debt are as follows for the next 5 years:

Years Ending December 31:	
2019	$ 301
2020	224
2021	144
2022	13,145
2023	143
	$13,957

NOTE 5—CONVERTIBLE PREFERRED STOCK AND STOCKHOLDER'S EQUITY (DEFICIT)

Under the Company's Amended and Restated Certificate of Incorporation dated October 23, 2017 the authorized capital stock of the Company consisted of 33,853,333 shares of capital stock (par value of $0.001 per share), comprising 18,666,666 shares of common stock and 15,186,664 shares of convertible preferred stock, of which 1,266,666 shares were designated as Series A-3, 1,186,666 shares were designated as Series A-2 convertible preferred stock ("Series A-2"), 1,733,333 shares were designated as Series A-1 convertible preferred stock ("Series A-1"), 9,333,333 shares were designated as Series A, and 1,666,666 shares have been designated as Series B convertible preferred stock ("Series B").

On November 2, 2018, the Company amended and restated its previous certificate of incorporation and adjusted its authorized capital stock (par value of $.001) to consist of 100,000,000 shares of common stock and 5,000,000 shares of preferred stock.

On November 1, 2018, the Company also converted all outstanding shares of Series A, Series A-1, Series A-2 and Series B into shares of common stock. Prior to this conversion, the Company also approved the payment of dividends to all holders of Series A, Series A-1 and Series A-2 of record on this date. The value of the dividends of $6,539 were determined in accordance with the terms of the Amended and Restated Certificate of Incorporation dated October 23, 2017 based on the stated dividend rate per respective Series. The total Series A, Series A-1 and Series A-2 shares issued as dividends in the year ended December 31, 2018 was 944,694, 66,255 and 49,456, respectively. The dividends of $10,152 were recorded at fair value as of the date of Board approval. The total outstanding preferred shares of 13,277,864, inclusive of historical shares issued as dividends, were converted into common stock. Each outstanding share of common stock entitles the holder to one vote of each matter property submitted to the stockholders of the Company for vote. During the year ended December 31, 2018, no rights or terms of the preferred class of authorized stock were defined or issued.

On November 2, 2018, the Company entered into a Securities Purchase Agreement for the sale of 2,089,136 shares of common stock, under which 1,270,905 shares of common stock were sold as of December 31, 2018, at $7.18 per share for net proceeds of approximately $8,295. Issuance cost approximating $831 were incurred and netted against the proceeds within the consolidated statements of stockholder's equity (deficit). The Company sold an additional 227,628 shares of common stock for gross proceeds of $1,634 in January 2019.

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As of December 31, 2017 and 2018, the Company had reserved shares of common stock for future issuance as follows:

	2017	2018
Shares of convertible preferred stock	11,906,783	—
Stock options to purchase common stock	1,126,722	1,320,197
Warrants to purchase convertible preferred stock	472,947	—
Warrants to purchase common stock	—	156,294
Term debt conversion option into convertible preferred stock	800,450	—
Term debt conversion option into common stock	—	1,099,278
Stock options available for future issuance	392,538	455,557
Total shares of common stock reserved	14,699,440	3,031,326

The following summarizes the terms of the convertible preferred stock outstanding under the Amended and Restated Certificate of Incorporation dated October 23, 2017 prior to the November 2018 conversion into common stock.

Convertible preferred stock—Preferred stock was not redeemable.

Dividend provisions—The holders of Series A-3, Series A-2, Series A-1 and Series A in preference to the holders of Series B and common stock, were entitled to receive cumulative dividends at a rate of 5%, 5%, 5% and 15%, respectively, of the Series A-3, Series A-2, Series A-1, and Series A original issue prices per annum, respectively, on each outstanding share of Series A-3, Series A-2, Series A-1, and Series A, respectively, (as adjusted for any stock dividends, combinations, splits, and the like with respect to such shares). The Series A-3, Series A-2, Series A-1 and Series A dividends accrued on each outstanding share of Series A-3, Series A-2, Series A-1 and Series A, respectively, from day to day commencing on the date of original issuance whether or not earned or declared by the Board of Directors, whether or not there are profits, surplus, or other funds legally available for the payment thereof and shall be cumulative to the extent not actually paid. The Series A-3, Series A-2, Series A-1, and Series A dividends were payable in cash or in SeriesA-3, Series A-2, Series A-1 and Series A shares, respectively, at the original SeriesA-3, Series A-2, Series A-1, and Series A issue price, respectively. The original issue prices for Series A-1 and Series A was approximately $6.03. The original issue prices for SeriesA-3, and Series A-2 was approximately $8.87.

Dividends on the Series B were only payable in the event the Company paid dividends to common stockholders. Through November 2, 2018, no dividends were declared or paid to common stockholders.

Through November 2018, cumulative dividends of approximately $32,499 have been paid through the issuance of 4,467,139 shares of Series A, 164,604 shares of Series A-1, and 105,822 shares of Series A-2.

Liquidation preference—In the event of any liquidation, dissolution, or winding up of the Company, or in the event that the Company is party to an acquisition or asset transfer, the holders of Series A-1 shares outstanding were entitled to be paid, out of the available funds and assets, and prior and in preference to any payment or distribution of any such funds on any shares of Series A-3, Series A-2, Series A, Series B, or common stock, an amount per share equal to the original issue price of Series A-1, plus all cumulative unpaid dividends. If assets were not sufficient to permit payment in full to all holders of Series A-1, such assets would be distributed among the holders of SeriesA-1 ratably in proportion to the full amounts to which they would be entitled.

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After payment in full to the holders of Series A-1, as mentioned above, the holders of Series A shares outstanding were entitled to be paid, out of the available funds and assets, and prior and in preference to any payment, or distribution of any such funds on any shares of Series A-3, Series A-2, Series B or common stock, an amount per share equal to one times the original issue price of Series A, respectively, plus cumulative dividends at the rate of 15% of the original issue price. If assets were not sufficient to permit payment in full to all holders of Series A, such assets would be distributed among the holders of Series A ratably in proportion to the full amounts to which they would be entitled.

In addition to the foregoing and in connection with the August 2016 preferred stock agreement, the Company was obligated to pay to the August 2016 Investor (concurrently with the payment of the Series A Liquidation Preference and Series A-1 Liquidation Preference, as applicable, and prior to the payment of any Series B Liquidation Preference or Participation Payments, if any) an amount that is equal to $5.22 multiplied by the amount the August 2016 Investor actually receives in such liquidation pursuant to payment of the Series A-1 Liquidation Preference and Series A Liquidation Preference, if any (and, for purposes of clarity, not in payment of any Participation Payment, if any), with respect to the Shares then held by and Warrant Shares then held by, or issuable to, the August 2016 Investor.

After payment in full to the holders of Series A-1 and Series A, as mentioned above, the holders of Series B shares outstanding were entitled to be paid, out of the available funds and assets, and prior and in preference to any payment, or distribution of any such funds on any shares of Series A-2, Series A-3, or common stock, an amount per share equal to one times the original issue price of Series B, plus all declared but unpaid non-cumulative dividends. If assets were not sufficient to permit payment in full to all holders of Series B, such assets would be distributed among the holders of Series B ratably in proportion to the full amounts to which they would be entitled.

After payment in full to the holders of Series A-1 and Series A and Series B, as mentioned above, the holders of Series A-3 and Series A-2 shares outstanding were entitled to be paid, out of the available funds and assets, and prior and in preference to any payment, or distribution of any such funds on any shares of common stock, an amount per share equal to all accrued and unpaid dividends on the Series A-3 and Series A-2 shares, respectively. If assets were not sufficient to permit payment in full to all holders of Series A-3 and Series A-2, such assets would be distributed among the holders of Series A-3 and Series A-2 ratably in proportion to the full amounts to which they would be entitled. As of December 31, 2017, there were no accrued and unpaid cumulative dividends on the Series A-3 and Series A-2 outstanding.

After payment in full to the holders of Series A-3, Series A-2, Series A-1, Series A and Series B, as mentioned above, any remaining assets available for distribution would be distributed ratably among the holders of common stock, Series A-3, Series A-2, Series A-1, Series A, and Series B, on an as-if converted to common stock basis for the convertible preferred stockholders, and common stock.

Conversion rights—Each outstanding share of convertible preferred stock was convertible, at the option of the holder, at any time after the date of issuance of such shares, into shares of common stock according to a Conversion Formula as defined in the Certificate of Incorporation dated October 23, 2017. The conversion rate was one share of common stock for each share of convertible preferred stock and was subject to adjustment for such events such as stock splits and combinations.

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Anti-dilution rights—The holders of each share of convertible preferred stock were entitled to conversion price adjustments if the Company sold additional shares of its common stock for a price less than any then effective preferred stock conversion price.

Voting rights—Excluding Series A-3 which were non-voting shares, the holders of each share of convertible preferred stock were entitled to the number of votes equal to the number of shares of common stock into which such share was convertible.

NOTE 6—WARRANTS

In connection with an August 2016 preferred stock agreement ("PSA"), the Company issued the August 2016 PSA Warrant. The warrant becomes exercisable into Series A preferred shares as follows: 1) 155,338 shares vest in August 2017; 155,338 shares vest in August 2018; and 3) 155,338 shares vest in August 2019. If, subsequent to the issuance of the August 2016 PSA warrant, the Company declares or pays dividends on Series A in the form of common shares, cash or a security other than Series A, then upon exercise of this warrant, the holder is entitled to receive dividends as if the holder had owned the Series A preferred shares as of the date the dividend is declared.

The Company's October 2017 Amended and Restated Certificate of Incorporation included a provision that a change of control, as defined, results in a cash redemption of Series A and Series B. The ability to effect a change in control was within the control of the preferred stockholders. As a result of effecting a change in control being outside the control of the Company, the warrants to purchase Series A and Series B were classified as liabilities, with subsequent changes in fair value recorded in the Company's consolidated statements of operations. During the years ended December 31, 2017 and 2018, the Company recognized other expense of $460 and $970, respectively, from the remeasurement of the fair value of this warrant.

On August 30, 2018 warrants to purchase 310,676 shares of Series A were exercised in exchange for consideration of $47. Upon exercise, the fair value of the warrants at the time of exercise of $2,951 was reclassified from liability to equity. Additionally, in connection with this exercise, the Company amended the original PSA agreement ("Amended PSA") to revise the terms for the then outstanding unvested warrants. In accordance with the terms of the Amended PSA, upon any reclassification, exchange, conversion, substitution, or other event that occurs on or after the original issuance date and prior to the termination which results in a change of the number and/or class of securities issuable upon exercise of conversion of the warrant, the holder of the warrant shall be entitled to receive, upon exercise, the number and kind of securities and property that such holder would have received as if the warrant had been exercised immediately before such reclassification, exchange conversion substitution or other event. As a result of the Company's conversion of all outstanding preferred shares into common stock, the remaining outstanding warrants are now exercisable into common shares. On November 2, 2018, in connection with the Company's conversion of outstanding preferred stock to common stock, the Company reclassified the remaining warrants outstanding from liability to equity based on the terms of the August 30, 2018 amended warrant agreement as defined above. As a result, the outstanding liability at the time of the conversion of $1,804 was reclassified into shareholders equity.

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The following tables below disclose important information regarding warrants issued and outstanding at December 31:

	2017			
Issuance date	Exercise price	Number of warrant shares	Approximate fair value at December 31, 2017	Year of expiration
Series A:				
November 2012	$ 6.00	7	$ —	2028
November 2012	$ 6.00	927	1	2020
November 2012	$ 6.00	19	—	2018
September 2013	$ 15.00	5,900	2	2018
August 2016	$ 0.15	466,014	3,781	2023
		472,867	3,784	
Series B:				
November 2012	$ 14.50	22	—	2028
November 2012	$ 14.50	58	1	2018
		80	1	
Total warrants		472,947	$ 3,785	

During the year ended December 31, 2018, warrants to purchase 5,977 shares of preferred stock expired.

	2018		
Issuance date	Exercise price	Number of warrant shares	Year of expiration
Common			
November 2012	$ 6.00	7	2028
November 2012	$ 6.00	927	2020
November 2012	$ 14.50	22	2028
August 2016	$ 0.15	155,338	2023
Total warrants		156,294	

NOTE 7—STOCK-BASED COMPENSATION

As of December 31, 2018, the Company has the 2012 Equity Incentive Plan (the "Option Plan") in place. As of December 31, 2018, the number of shares remaining to be issued under the Option Plan was 455,557.

The Option Plan provides for the grant of incentive and nonstatutory stock options ("Options"), stock appreciation rights ("SAR"), restricted stock awards ("RSA"), and restricted stock unit awards ("RSU") to employees, nonemployee directors, and consultants of the Company. Awards granted under the Option Plan generally becomes exercisable ratably over a two-year or four-year period following the date of grant and

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expire ten years from the date of grant. At the discretion of the Company's Board of Directors, certain awards may be exercisable immediately at the date of grant but are subject to a repurchase right, under which the Company may buy back any unvested shares at their original exercise price in the event of an employee's termination prior to full vesting. All other awards are exercisable only to the extent vested. At December 31, 2017 and 2018, there were no shares that had been early exercised that were subject to the Company's repurchase right at that date. The exercise price or strike price for Options and SARs granted under the Option Plan must generally be at least equal to 100% of the fair value of the Company's common stock at the date of grant, as determined by the Board of Directors. The exercise price of incentive stock options granted under the Option Plan to ten percent stockholders must be at least equal to 110% of the fair value of the Company's common stock at the date of grant, as determined by the Board of Directors, and are not exercisable after five years from the date of grant.

Stock-based compensation expense for the years ended December 31, 2017 and 2018 is as follows (in thousands):

	2017	2018
Research and development	$ 15	41
Sales and marketing	41	66
General and administrative	45	111
Cost of revenue	3	34
	$104	$252

Stock Options:

Stock option activity for the years ended December 31, 2017 and 2018 is as follows:

	Options	Weighted average exercise price per share	Weighted average remaining contractual life (in years)	Aggregate Intrinsic Value
Outstanding at January 1, 2017	**708,488**	**$ 0.90**	**6.82**	**$ 139**
Options granted	591,518	$ 0.59		
Options exercised	(427)	$ 1.35		
Options forfeited	(36,857)	$ 0.76		
Options cancelled	(136,000)	$ 1.50		
Outstanding at December 31, 2017	**1,126,722**	**$ 0.68**	**8.14**	**$ 470**
Options granted	458,156	$ 0.90		
Options exercised	(15,475)	$ 1.12		
Options forfeited	(249,206)	$ 0.61		
Options cancelled	—	—		
Outstanding at December 31, 2018	**1,320,197**	**$ 0.77**	**7.99**	**$ 8,465**
Vested and expected to vest at December 31, 2018 (1)	1,320,197	$ 0.77	7.99	$ 8,495
Vested at December 31, 2018	665,255	$ 0.74	6.90	$ 4,285

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(1) The expected to vest options are the result of applying the pre-vesting forfeiture rate assumptions to total outstanding options.

The total pre-tax intrinsic value of options exercised during the years ended December 31, 2017 and 2018 was zero and $94, respectively. The intrinsic value is the difference between the estimated fair value of the Company's common stock at the date of exercise and the exercise price for in-the-money options. The weighted average grant date calculated value of options granted during the years ended December 31, 2017 and 2018 was $0.53 and $1.85, respectively. The total fair value of options granted during the years ended December 31, 2017 and 2018 was $388 and $847, respectively.

As of December 31, 2018, there was approximately $864 of unamortized stock-based compensation cost related to unvested stock options which is expected to be recognized over a weighted average period of three years.

The fair value of employee stock options is determined using the Black-Scholes option-pricing model using various inputs, including the Company's estimates of the fair value of common stock on the date of grant, expected term, expected volatility, risk-free interest rate, and expectations regarding future dividends. Share-based compensation also reflects the Company's estimate regarding the portion of awards that may be forfeited.

The following describes the key inputs used by the Company:

Fair Value of Common Stock—The fair value of the shares of common stock underlying the Company's stock options has historically been determined by management and approved by the Board of Directors. Because there has been no public market for the Company's common stock, the Board of Directors has determined the fair value of the common stock at the time of grant of the option by considering a number of objective and subjective factors, including valuations performed by an unrelated third-party specialist, valuations of comparable companies, operating and financial performance, the lack of liquidity of capital stock, recent private stock sale transactions (including the rights and preference of preferred stock relative to common stock), and general and industry-specific economic outlook. Valuations performed by third-party valuation specialists were done contemporaneously and used the methodologies, approaches, and assumptions consistent with the American Institute of Certified Public Accountants Accounting and Valuation Guide, *Valuation of Privately- Held-Company Equity Securities Issued as Compensation*.

Expected Term—The expected term represents the period that the Company's stock options are expected to be outstanding. The majority of stock option grants are considered to be "plain vanilla" and thus the Company determines the expected term using the simplified method. The simplified method deems the term to be the average of the time-to-vesting and the contractual life of the options.

Expected Volatility—The expected volatility was derived from the historical stock volatilities of several unrelated public companies within the Company's industry that the Company considers to be comparable to the business over a period equivalent to the expected term of the stock option grants.

Risk-Free Interest Rate—The risk-free interest rate is based on the interest yield in effect at the date of grant for zero coupon U.S. Treasury notes with maturities approximately equal to the option's expected term.

Dividend Rate—The expected dividend rate was assumed to be zero, as the Company has not previously paid dividends on common stock and has no current plans to do so.

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Forfeiture Rate—Effective January 1, 2018 with the adoption of ASU2016-09, forfeitures are recognized when they occur. Historically, the Company estimated the forfeiture rate based on an analysis of actual forfeiture experience, analysis of employee turnover behavior, and other factors.

The calculated fair value of option grants made in fiscal 2017 and 2018 were estimated using the following Black-Scholes option pricing model assumptions:

	2017	2018
Expected dividend yield	0%	0%
Risk-free interest rate *	2.03%-2.07%	2.86%
Expected volatility	60%	50%
Expected life (in years)	6.15	5.75-6.25

* All 2018 options granted on same date.

The following table summarizes information about stock options outstanding as of December 31:

	2017			
	Options outstanding		Options exercisable	
Exercise price	Total Outstanding	Weighted average remaining contractual life	Total exercisable	Weighted average exercise price
$0.45	594,871	7.81	324,049	$ 0.45
$0.75	378,521	9.10	108,100	$ 0.75
$0.90	76,003	6.65	71,835	$ 1.35
$1.35	77,327	7.51	56,051	$ 1.50
$1.50	1,126,722	8.14	560,035	$ 0.73

	2018			
	Options outstanding		Options exercisable	
Exercise price	Total Outstanding	Weighted average remaining contractual life	Total exercisable	Weighted average exercise price
$0.45	399,567	6.51	288,402	$ 0.45
$0.75	352,261	8.10	192,290	$ 0.75
$0.90	455,041	9.69	82,924	$ 0.90
$1.35	64,376	5.67	63,962	$ 1.35
$1.50	48,952	6.52	37,677	$ 1.50
	1,320,197	7.98	665,255	$ 0.74

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Restricted Stock Awards:

During 2013, the Company issued common stock to employees and consultants under RSAs governed by the 2012 Equity Incentive Plan. Shares issued are for no consideration by the participants and vest according to time-based and performance-based criteria. Shares issued under the RSAs are initially held under an escrow agreement and released to the participants as and when they vest. During 2017, 416 RSAs vested. As of December 31, 2017, all outstanding restricted stock awards, totaling 1,014,668 shares, were fully vested and had a weighted average fair value per share of $0.45. There were no RSAs issued for the year ended December 31, 2018.

NOTE 8—INCOME TAXES

The following table presents the profit/loss before income taxes for domestic and foreign operations for the years ended:

	2017	2018
Domestic Loss	$(9,505)	$(1,680)
Foreign Corps Income	1,120	3,711
Total	$(8,385)	$ 2,031

	2017	2018
Current income tax expense:		
Federal	$ —	$(145)
State	—	140
Foreign	418	619
Total Current	$ 418	$ 614
Deferred income tax expense:		
Federal	($ 273)	$ 144
State	—	—
Foreign	(11)	(4)
Total Deferred	(284)	140
Total provision for income taxes	$ 134	$ 754

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The Company's effective tax rate differs from the federal statutory rate due to the following for the years ended December 31:

	2017	2018
Statutory federal income tax rate	34.00%	21.00%
State income taxes, net of federal tax benefits	4.75	11.43
Stock compensation	(0.35)	2.47
Foreign rate differential	(0.32)	(8.15)
Tax credits	1.05	(4.79)
Warrants revaluation	(1.87)	10.03
GILTI Inclusion	0.00	38.10
Section 382 limits	(104.85)	(67.57)
Change in deferred tax asset—tax rate remeasurement	(49.13)	0.00
Non-deductible expenses	(7.57)	11.45
Valuation allowance	122.68	23.30
Other, net	0.00	(0.13)
Effective tax rate	-1.61%	37.13%

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The following table presents the significant components of the Company's deferred tax assets and liabilities as of December 31:

	2017	2018
Gross deferred tax assets:		
Net operating loss carryforwards	$ 6,134	$ 5,717
Tax credits	414	538
Accruals and reserves	1,772	2,054
Alternative minimum tax credits	21	157
Total gross deferred tax assets	8,341	8,466
Less: valuation allowance	(7,753)	(8,088)
Total deferred tax assets net of valuation allowance	588	378
Deferred tax liabilities:		
Property and equipment	(219)	(284)
Net deferred tax assets	$ 369	$ 94

A valuation allowance is provided for deferred tax assets where the recoverability of the assets is uncertain. The determination to provide a valuation allowance is dependent upon the assessment of whether it is more likely than not that sufficient future taxable income will be generated to utilize the deferred tax assets. Based on the weight of the available evidence, which includes the Company's historical operating losses, lack of taxable income, and the accumulated deficit, the Company provided a full valuation allowance against the U.S. deferred tax assets resulting from the accruals and reserves along with tax loss and credits carried forward. However, losses in the U.S. have been declining from 2016 to 2017 and once again from 2017 to 2018. The Company is

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currently forecasting a profit in the U.S. in 2019. Accordingly, it is possible that the Company will have a valuation allowance release on some or all of its U.S. deferred tax assets in the next 12 months.

At December 31, 2017 and 2018, the Company had net deferred income tax assets related primarily to net operating loss carry forwards, accruals and reserves and tax credit carryforward of approximately $7,800 and $8,100, respectively, which have been offset by a valuation allowance. The valuation allowance decreased by approximately $10,100 during the year ended December 31, 2017 and increased by approximately $335 during the year ended December 31, 2018.

In December 2017, the U.S. enacted the Tax Act, which among other things reduced the U.S. federal corporate tax rate from 35% to 21%. As a result of the reduction in the federal corporate tax rate, the Company recorded a non-cash deferred tax expense of $4,120 in December 2017 related to the remeasurement of the Company's deferred tax assets, fully offset by the Company's valuation allowance. The Company released a $273 valuation allowance in December 2017 related the Company's U.S. federal minimum tax credit as a result of the Tax Act.

We have not provided U.S. Federal and State income taxes, nor foreign withholding taxes on approximately $8,100 of undistributed earnings for certain non-US subsidiaries, because such earnings are intended to be indefinitely reinvested. If these earnings were distributed to the U.S. in the form of dividends or otherwise, or if the shares of the relevant foreign subsidiaries were sold or otherwise transferred, we would not be subject to U.S. income tax due to the transition tax of IRC Section 965 or via the newly enacted GILTI provision, enacted as part of the 2017 U.S. Tax Act. The Company would be subject to U.S. state tax and potential foreign withholding taxes on a repatriation of the foreign earnings.

Estimate of cumulative foreign earnings is as follows as of December 31:

	2017	2018
China	$1,297	$4,020
India	3,207	4,039
Total	$4,504	$8,059

The Company had net operating loss (NOL) carryforwards as follows as of December 31:

	2017	2018
Federal NOL	$25,169	$24,411
State NOL	$13,353	$ 9,580

Net operating loss carryforwards are available to offset future federal and state taxable income. Federal and state net operating loss carryforwards begin to expire in 2035 and 2032, respectively.

The Company had research and development ("R&D") credit carryforwards as follows as of December 31:

	2017	2018
Federal R&D credits	$ 16	$467
California R&D credits	$221	$ 91

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Federal and state laws impose restrictions on the utilization of net operating loss carryforwards and research and development credit carryforwards in the event of a change in ownership of the Company, which constitutes an 'ownership change' as defined by Internal Revenue Code Section 382 and 383. The Company experienced an ownership change in the past that materially impacts the availability of its net operating losses and tax credits. The amounts indicated in the above tables reflect the reduction of net operating losses and credit carryforwards as a result of previous ownership changes that the Company experienced. Should there be additional ownership changes in the future, the Company's ability to utilize existing carryforwards could be substantially restricted.

The Company accounts for uncertainty in income taxes in accordance with ASC 740. Tax positions are evaluated in a two-step process. The Company first determines whether it is more likely than not that a tax position will be sustained upon examination by the tax authority, including resolutions of any related appeals or litigation processes, based on technical merit. If a tax position meets the more-likely-than-not recognition threshold it is then measured to determine the amount of benefit to recognize in the consolidated financial statements. The tax position is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement.

The following table summarizes the activity related to unrecognized tax benefits for the years ended:

In thousands	2017	2018
Unrecognized benefit—beginning of period	$ 677	$1,347
Gross increases—prior period tax positions	—	5,162
Gross (decreases)—prior period tax positions	—	(589)
Decrease prior period tax positions—settlements	—	—
Gross increases (decreases)—current period tax positions	670	37
Unrecognized benefit—end of period	$1,347	$5,957

Approximately $1,000 and $5,300 of the unrecognized tax benefits as of December 31, 2017 and 2018, respectively, are accounted for as a reduction in the Company's deferred tax assets. Due to the Company's valuation allowance, only approximately $1,300 of the $1,347 as of December 31, 2017 and $700 of the $5,957 as of December 31, 2018, of unrecognized tax benefits would affect the Company's effective tax rate, if recognized. The Company does not believe it is reasonably possible that its unrecognized tax benefits will significantly change in the next twelve months.

The Company recognizes interest and penalties related to unrecognized tax benefits as income tax expense. The Company accrued $37 and $58 of interest and penalties in 2017 and 2018, respectively, and the Company has accrued a $68 and $126 liability for accrued interest and penalties related to unrecognized tax benefit as of December 31, 2017 and 2018, respectively.

The Company's material income tax jurisdictions are the United States (federal and state), China, and India. As a result of net operating loss and credit carryforwards, the Company is subject to audit for tax years 2012 and forward for federal and state purposes. The China and India tax years are open under the statute of limitations from 2013 and forward. The Company does not expect any significant change in its unrecognized tax benefits during the next twelve months.

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NOTE 9—COMMITMENTS AND CONTINGENCIES

Operating leases—The Company leases several facilities under noncancelable operating leases that begin expiring in 2019. The Company recognizes rent expense on a straight-line basis over the lease period.

Future minimum lease payments under noncancelable operating lease commitments are approximately as follows:

Years Ending December 31:	
2019	$1,403
2020	1,091
2021	639
2022	484
2023	454
Thereafter	784
	$4,855

Rent expense was approximately $1,079 and $946 for the years ended December 31, 2017 and 2018, respectively.

Purchase Commitments—The aggregate amount of noncancelable purchase orders as of December 31, 2017 and 2018, was approximately $5,800 and $4,650, respectively, and were related to the purchase of components of our devices. The 2017 noncancelable purchase orders were fulfilled and paid in 2018.

Royalty payments—The Company is required to pay per unit royalties to wireless essential patent holders and other providers of integrated technologies on mobile devices delivered, which, in aggregate, amount to less than 5% of net revenues associated with each unit, and expire in 2021 and 2013. Royalty expense for the years ended December 31, 2017 and 2018 were $1,648 and $2,529, respectively.

General litigation—The Company is involved in lawsuits, claims, investigation, and proceedings that arise in the ordinary course of business. The Company records a provision for a liability when management believes that it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Company reviews these provisions at least quarterly and adjusts them to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and other information and events pertaining to a particular case.

Based on its experience, the Company believes that any settled amounts in the specific matter discussed below is not a meaningful indicator of the Company's potential liability pertaining to litigation matters. The Company believes that it has valid defenses with respect to legal matters pending against it. Nevertheless, it is possible that cash flows or results of operations could be materially affected in any particular period by the unfavorable resolution of one or more of these contingencies.

During the second half of 2016, two other of the Company's former contract manufacturers either filed or indicated they would file arbitration with respect to $900 of unpaid invoices and other related claims against the Company. In 2017, the Company entered into a settlement agreement with these two contract manufactures for a total amount of $270 which was fully paid in 2017.

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Indemnification—Under the terms of its agreements with wireless carriers and other partners, the Company has agreed to provide indemnification for intellectual property infringement claims related to Company's product sold by them to their end customers. From time to time, the Company receives notices from these wireless carriers and other partners of a claim for infringement of intellectual property rights potentially related to their products. These infringement claims have been settled, dismissed, have not been further pursued by the customers, or are pending for further action by the Company. Of the cases that have been settled or dismissed, the Company has received requests for reimbursement of settlement and litigation expenses. As a result, the Company had recorded an accrual $96 for these indemnification matters as of December 31, 2017, which was paid in full as of December 31, 2018.

Contingent severance obligations—The Company has agreements in place with certain key employees guaranteeing severance payments under certain circumstances. Generally, in the event of termination by the Company without cause, termination due to death or disability, or resignation for good reason, the Company is obligated to the pay the employees: (i) any time before a Change in Control, amounts up to $1,057 or (ii) if at any time within 12 months of a Change in Control, amounts up to $1,407. In addition, in the event of termination by the Company with cause, the Company is obligated to pay the employees up to $88. The Company is obligated to pay one of the employees $140 if the Company has not been acquired or undertaken an Initial Public Offering at an equity valuation in excess of $125,000 at the time of one the events as define above. As of December 31, 2017 and 2018, no accrual has been recorded.

NOTE 10—RELATED PARTY TRANSACTIONS

Loan to management—In September 2016, the Company entered into a Promissory Note and Security Agreement to loan $175 to its Chief Executive Officer ("CEO") (the "CEO Loan"). The CEO Loan had a 4-year term and bore an interest rate of 3%. The CEO Loan was secured against certain future compensation payable to the CEO and certain stock in the Company held by the CEO. During 2017, the loan was repaid in full.

Revenue transactions with a certain investor—During the years ended December 31, 2017 and 2018, the Company recognized revenue of $1,400 and $797, respectively, with an investor and holder of the August 2016 PSA Warrant.

Management Services Agreement—In October 2017, the Company entered into a management services agreement with B. Riley Principal Investments, an investor, pursuant to which B. Riley Investments agreed to provide advisory and consulting services to the Company. The Company incurred approximately $47 and $200 of consulting fees during the years ended December 31, 2017 and 2018, respectively.

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NOTE 11—ENTITY LEVEL INFORMATION

The following table summarizes the revenue and long-lived asset by region based onship-to destinations for the years ended December 31:

	2017	2018
U.S	$29,422	$105,881
Canada and Latin America	17,787	14,405
Europe and Middle East	9,629	10,158
Asia Pacific	2,193	5,221
	$59,031	$135,665

Long-lived assets located in the United States and Asia Pacific region were $1,793 and $990 and $2,014 and $393 as of December 31, 2017 and 2018, respectively.

The composition of revenues for the years ended December 31, 2017 and 2018 is follows:

	2017	2018
Product Sales	53,405	$130,665
Services	5,626	5,000
Total revenues	$59,031	$135,665

NOTE 12—SUBSEQUENT EVENTS

The Company has evaluated subsequent events through April 3, 2019, which is the date the consolidated financial statements were available to be issued.

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WE SERVE THE PEOPLE
WHO SERVE US

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth all costs and expenses, other than underwriting discounts and commissions, payable by us in connection with the sale of the common stock being registered. All amounts shown are estimates except for the SEC registration fee, the Financial Industry Regulatory Authority, or FINRA, filing fee and the Nasdaq initial listing fee.

	Amount
SEC registration fee .	$ 7,467
FINRA filing fee	9,291
Nasdaq listing fee	150,000
Legal fees and expenses	2,200,000
Accounting fees and expenses	1,100,000
Printing and engraving expenses	350,000
Transfer agent and registrar fees and expenses	250,000
Miscellaneous expenses	133,242
Total	$ 4,200,000

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the Delaware General Corporation Law authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities, including reimbursement for expenses incurred, arising under the Securities Act of 1933, as amended, or the Securities Act. Our amended and restated certificate of incorporation to be in effect upon the closing of this offering allows for our indemnification of our directors, officers, employees and other agents to the maximum extent permitted by the Delaware General Corporation Law, and our amended and restated bylaws to be in effect upon the closing of this offering provide for indemnification of our directors and executive officers to the maximum extent permitted by the Delaware General Corporation Law.

We have entered into indemnification agreements with our directors and officers, whereby we have agreed to indemnify our directors and officers to the fullest extent permitted by law, including indemnification against expenses and liabilities incurred in legal proceedings to which the director or officer was, or is threatened to be made, a party by reason of the fact that such director or officer is or was a director, officer, employee, or agent of Sonim Technologies, Inc., provided that such director or officer acted in good faith and in a manner that the director or officer reasonably believed to be in, or not opposed to, the best interest of Sonim Technologies, Inc.

At present, there is no pending litigation or proceeding involving one of our directors or officers regarding which indemnification is sought, nor is the registrant aware of any threatened litigation that may result in claims for indemnification.

We maintain insurance policies that indemnify our directors and officers against various liabilities arising under the Securities Act and the Securities Exchange Act of 1934, as amended, that might be incurred by any director or officer in his or her capacity as such.

The underwriters are obligated, under certain circumstances, pursuant to the underwriting agreement to be filed as Exhibit 1.1 hereto, to indemnify us, our officers and our directors against liabilities under the Securities Act.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES.

The following sets forth information regarding all unregistered securities sold since January 1, 2016. All per share amounts reflect a one-for-fifteen reverse stock split and conversion of then-outstanding preferred stock into common stock, which occurred in November 2018.

1. In May 2016, we issued and sold $2.5 million aggregate principal amount of convertible promissory notes to accredited investors. In August 2016, all principal and accrued interest under such notes converted into 1,340,269 shares of our common stock.
2. In August 2016, we issued and sold to an accredited investor 763,650 shares of common stock and a warrant to purchase 466,014 shares of common stock at an exercise price of $0.15 per share for an aggregate purchase price of approximately $10.0 million.
3. In December 2016, we issued and sold 1,127,337 shares of common stock to an accredited investor for an aggregate purchase price of approximately $10.0 million.
4. In October 2017, we issued and sold a $10 million aggregate principal amount convertible promissory note to an accredited investor. In April 2018, the principal amount was increased to $12 million.
5. From November 2018 to January 2019, we issued and sold 1,498,533 shares of common stock to accredited investors for an aggregate purchase price of approximately $10.8 million.
6. From January 2016 to January 2019, we issued options for an aggregate of 1,185,096 shares of common stock at a weighted average exercise price of $0.80 per share to certain of our employees, directors and officers.
7. In April 2019, we issued (i) options for an aggregate of 637,213 shares of common stock at an exercise price of $10.94 per share and (ii) 128,000 restricted stock units.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or any public offering. Unless otherwise specified above, we believe that the transactions described in 1 through 5 above were exempt from registration under the Securities Act in reliance on Section 4(a)(2) of the Securities Act (and Regulation D promulgated thereunder) and the transactions described in 6 and 7 above were exempt from registration under the Securities Act in reliance on Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or under benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed on the share certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) Exhibits.

Exhibit Number	Description of Exhibits
1.1	Form of Underwriting Agreement.
3.1#	Amended and Restated Certificate of Incorporation of the Registrant, as currently in effect.
3.2#	Form of Amended and Restated Certificate of Incorporation of the Registrant, to be in effect upon the closing of the offering.
3.3#	Amended and Restated Bylaws of the Registrant, as currently in effect.

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Exhibit Number	Description of Exhibits
3.4#	Form of Amended and Restated Bylaws of the Registrant, to be in effect upon the closing of the offering.
4.1	Form of Common Stock Certificate.
4.2#	Amended and Restated Investor Rights Agreement, by and between the Registrant and the investors listed on Exhibit A thereto, dated November 21, 2012, as amended.
4.3#	Securities Purchase Agreement, by and between the Registrant and the purchasers listed on Exhibit A thereto, dated November 2, 2018
5.1	Opinion of Cooley LLP as to legality.
10.1+#	2012 Equity Incentive Plan and forms of agreements thereunder.
10.2+	2019 Equity Incentive Plan and forms of agreements thereunder.
10.3+	2019 Employee Stock Purchase Plan.
10.4+#	Form of Indemnification Agreement, by and between the Registrant and each of its directors and executive officers.
10.5+#	Employment Agreement, by and between the Registrant and Robert Plaschke, dated August 18, 2018, as amended.
10.6+#	Employment Agreement, by and between the Registrant and James Walker, dated August 18, 2018, as amended.
10.7+#	Employment Agreement, by and between the Registrant and Charles Becher, dated February 7, 2019.
10.8#	Office Lease Agreement, by and between the Registrant and BCSP Crossroads Property LLC, dated May 25, 2006, as amended.
10.9	English language summary of Shenzhen Lease Agreement, by and between Sonim Technologies (Shenzhen) Ltd. and Shenzhen Gaoxinqi Industrial Park Management Co., Ltd., dated April 15, 2016, as amended.
10.10	English language summary of Shenzhen Lease Agreement, by and between Sonim Technologies (Shenzhen) Ltd. and Shenzhen Gaoxinqi Industrial Park Management Co., Ltd., dated January 2, 2018.
10.11*#	Amended and Restated Global Patent License Agreement, by and between Telefonaktiebolaget LM Ericsson (Publ) and the Registrant, effective as of January 1, 2017.
10.12*	Patent License Agreement, by and between Nokia Corporation and the Registrant, effective as of September 23, 2008, as amended.
10.13	English language summary of Shenzhen Lease Agreement, by and between Sonim Technologies (Shenzhen) Ltd. and Shenzhen Gaoxinqi Industrial Park Management Co., Ltd., dated August 28, 2018.
10.14	English language summary of Shenzhen Lease Agreement, by and between Sonim Technologies (Shenzhen) Ltd. and Shenzhen Gaoxinqi Industrial Park Management Co., Ltd., dated January 15, 2019.
21.1#	Subsidiaries of the Registrant.
23.1	Consent of Moss Adams LLP, independent registered public accounting firm.

Exhibit Number	Description of Exhibits
23.2	Consent of Cooley LLP (included in Exhibit 5.1).
24.1#	Powers of Attorney (included on the signature page to registration statement filed on April 15, 2019).

+ Indicates management contract or compensatory plan.

Previously filed.

* Portions of this exhibit (indicated by asterisks) have been omitted as the Registrant has determined that (i) the omitted information is not material and (ii) the omitted information would likely cause competitive harm to the Registrant if publicly disclosed.

(b) Financial Statement Schedules.

See Index to consolidated financial statements on Page F-1. All schedules have been omitted because they are not required or are not applicable.

ITEM 17. UNDERTAKINGS.

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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SIGNATURES

Pursuant to the requirements of the Securities Act, the Registrant has duly caused this Amendment No 1. to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in San Mateo, California, on the 29th day of April, 2019.

SONIM TECHNOLOGIES, INC.

By: /s/ Robert Plaschke
Robert Plaschke
Chief Executive Officer

Pursuant to the requirements of the Securities Act, this Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Robert Plaschke Robert Plaschke	Chief Executive Officer and Director (*Principal Executive Officer*)	April 29, 2019
/s/ James Walker James Walker	Chief Financial Officer (*Principal Financial and Accounting Officer*)	April 29, 2019
* Maurice Hochschild	Director and Chairman of the Board of Directors	April 29, 2019
* Alan Howe	Director	April 29, 2019
* Kenny Young	Director	April 29, 2019
* Susan G. Swenson	Director	April 29, 2019
* John Kneuer	Director	April 29, 2019
* Jeffrey D. Johnson	Director	April 29, 2019

*By: /s/ James Walker
James Walker
Attorney-in-Fact

Exhibit 1.1

_____ Shares

SONIM TECHNOLOGIES, INC.

Common Stock

UNDERWRITING AGREEMENT

_____, 2019

Oppenheimer & Co. Inc.
Lake Street Capital Markets, LLC
as Representatives of the several
Underwriters named in Schedule I hereto
c/o Oppenheimer & Co. Inc.
85 Broad Street
New York, New York 10004

Ladies and Gentlemen:

Sonim Technologies, Inc., a Delaware corporation (the "**Company**") and the selling stockholder listed on Schedule II hereto (the "**Selling Stockholder**"), propose, subject to the terms and conditions contained herein, to sell to you and the other underwriters named on Schedule I to this Agreement (the "**Underwriters**"), for whom you are acting as Representatives (the "**Representatives**"), an aggregate of shares (the "**Firm Shares**") of the Company's common stock, $0.001 par value per share (the "**Common Stock**"). The respective amounts of the Firm Shares to be purchased by each of the several Underwriters are set forth opposite their names on Schedule I hereto. In addition, the Company proposes to grant to the Underwriters an option to purchase up to an additional shares (the "**Company Option Shares**") of Common Stock from the Company and the Selling Stockholder proposes to grant to the Underwriters an option to purchase up to an additional shares (the "**Selling Stockholder Option Shares**" and together with the Company Option Shares, the "**Option Shares**") of Common Stock from the Selling Stockholder for the purpose of covering over-allotments in connection with the sale of the Firm Shares. The Firm Shares and the Option Shares are collectively called the "**Shares**."

As part of the offering contemplated by this Agreement, the Company, the Selling Stockholder and the Underwriters agree that up to 178,571 shares (the "**Directed Shares**") of the Shares to be purchased by the Underwriters shall be reserved for sale by the Underwriters to certain of the Company's directors, officers, employees and other parties associated with the Company (each, individually a "**Participant**" and collectively, the "**Participants**"), as part of the distribution of the Shares by the Underwriters, under the terms of the friends and family directed sales program (the "**Friends and Family Program**"), and subject to the terms of this Agreement, the applicable rules, regulations and interpretations of the Financial Industry Regulatory Authority and all other

applicable laws, rules and regulations. Shares to be sold pursuant to the Friends and Family Program shall be sold pursuant to this Agreement at the public offering price. To the extent that any such Directed Shares are not orally confirmed for purchase by a Participant by the end of the first business day after the date of this Agreement, such Directed Shares may be offered to the public as part of the public offering contemplated hereby.

The Company has prepared and filed in conformity with the requirements of the Securities Act of 1933, as amended (the "**Securities Act**"), and the published rules and regulations thereunder (the "**Rules**") adopted by the Securities and Exchange Commission (the "**Commission**") a Registration Statement (as hereinafter defined) on Form S-1 (File No. 333-230887), including a preliminary prospectus relating to the Shares, and such amendments thereof as may have been required to the date of this Agreement. Copies of such Registration Statement (including all amendments thereof) and of the related Preliminary Prospectus (as hereinafter defined) have heretofore been delivered by the Company to you. The term "**Preliminary Prospectus**" means any preliminary prospectus included at any time as a part of the Registration Statement or filed with the Commission by the Company pursuant to Rule 424(a) of the Rules. The term "**Registration Statement**" as used in this Agreement means the initial registration statement on Form S-1 (File No. 230887) (including all exhibits, financial schedules), as amended at the time and on the date it becomes effective (the "**Effective Date**"), including the information (if any) contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) of the Rules and deemed to be part thereof at the time of effectiveness pursuant to Rule 430A of the Rules. If the Company has filed an abbreviated registration statement to register additional Shares pursuant to Rule 462(b) under the Rules (the "**462(b) Registration Statement**"), then any reference herein to the Registration Statement shall also be deemed to include such 462(b) Registration Statement. The term "**Prospectus**" as used in this Agreement means the final prospectus filed with the Commission pursuant to and within the time limits described in Rule 424(b) of the Rules in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Shares.

The Company and the Selling Stockholder understand that the Underwriters propose to make a public offering of the Shares, as set forth in and pursuant to the Statutory Prospectus (as hereinafter defined) and the Prospectus, as soon after the Effective Date and the date of this Agreement as the Representatives deems advisable on the terms set forth in the Prospectus. The Company hereby confirms that the Underwriters and dealers have been authorized to distribute or cause to be distributed each Preliminary Prospectus containing a bona fide price range per share, and each Issuer Free Writing Prospectus (as hereinafter defined) and are authorized to distribute the Prospectus (as from time to time amended or supplemented if the Company furnishes amendments or supplements thereto to the Underwriters).

1. Sale, Purchase, Delivery and Payment for the Shares. On the basis of the representations, warranties and agreements contained in, and subject to the terms and conditions of, this Agreement:

(a) The Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at a purchase price of $ per share (the "**Initial Price**"), the number of Firm Shares set forth opposite the name of such Underwriter under the column "Number of Firm Shares to be Purchased from the Company" on Schedule I to this Agreement, subject to adjustment in accordance with Section 8 hereof.

(b) The Company and the Selling Stockholder hereby grant to the several Underwriters an option to purchase, severally and not jointly, all or any part of the Option Shares at the Initial Price. The number of Option Shares to be purchased by each Underwriter shall be the same percentage (adjusted by the Representatives to eliminate fractions) of the total number of Option Shares to be purchased by the Underwriters as such Underwriter is purchasing of the Firm Shares. Such option may be exercised only to cover over-allotments in the sales of the Firm Shares by the Underwriters and may be exercised in whole or in part at any time on or before 12:00 noon, New York City time, on the second business day before the Firm Shares Closing Date (as defined below), and from time to time thereafter within 30 days after the date of this Agreement, in each case upon written, facsimile or telegraphic notice, or verbal or telephonic notice confirmed by written, facsimile or telegraphic notice, by the Representatives to the Company no later than 12:00 noon, New York City time, on the second business day before the Firm Shares Closing Date or at least two business days before the Option Shares Closing Date (as defined below), as the case may be, setting forth the number of Option Shares to be purchased and the time and date (if other than the Firm Shares Closing Date) of such purchase.

(c) Payment of the purchase price for, and delivery of certificates for, the Firm Shares shall be made at the offices of Oppenheimer & Co. Inc., 85 Broad Street, New York, New York 10004, at 10:00 a.m., New York City time, on the third business day following the date of this Agreement or at such time on such other date, not later than ten (10) business days after the date of this Agreement, as shall be agreed upon by the Company and the Representative (such time and date of delivery and payment are called the "**Firm Shares Closing Date**"). In addition, in the event that any or all of the Option Shares are purchased by the Underwriters, payment of the purchase price, and delivery of the certificates, for such Option Shares shall be made at the above-mentioned offices, or at such other place as shall be agreed upon by the Representatives, the Company and the Selling Stockholder, on each date of delivery as specified in the notice from the Representatives to the Company (such time and date of delivery and payment are called the "**Option Shares Closing Date**"). The Firm Shares Closing Date and any Option Shares Closing Date are called, individually, a "**Closing Date**" and, together, the "**Closing Dates**."

(d) Payment shall be made to the Company and the Selling Stockholder by wire transfer of immediately available funds or by certified or official bank check or checks payable in New York Clearing House (same day) funds drawn to the order of the Company and to the Selling Stockholder for the shares purchased from the Selling Stockholder, against delivery of the Shares in book-entry form to be purchased on such Closing Date to the Representatives for the respective accounts of the Underwriters.

(e) The Shares to be delivered at such Closing Date shall be delivered in book-entry form and registered in such names and shall be in such denominations as the Representatives shall request at least two full business days before the Firm Shares Closing Date or, in the case of Option Shares, on the day of notice of exercise of the option as described in Section 1(b) and shall be delivered by or on behalf of the Company or the Selling Stockholder, as applicable, to the Representatives through the facilities of the Depository Trust Company ("**DTC**") for the account of such Underwriter. The Company will cause the certificates representing the Shares to be made available for checking and packaging, at such place as is designated by the Representatives, on the full business day before the Firm Shares Closing Date (or the Option Shares Closing Date in the case of the Option Shares).

2. Representations and Warranties of the Company. The Company represents and warrants to each Underwriter as of the date hereof, as of the Firm Shares Closing Date and as of each Option Shares Closing Date (if any), as follows:

(a) On the Effective Date, the Registration Statement complied, and on the date of the Prospectus, the date any post-effective amendment to the Registration Statement becomes effective, the date any supplement or amendment to the Prospectus is filed with the Commission and each Closing Date, the Registration Statement, the Prospectus (and any amendment thereof or supplement thereto) will comply, in all material respects, with the requirements of the Securities Act and the Rules and the Securities and Exchange Act of 1934, as amended (the "**Exchange Act**") and the rules and regulations of the Commission thereunder. The Registration Statement did not, as of the Effective Date, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading; and on the Effective Date and the other dates referred to above neither the Registration Statement nor the Prospectus, nor any amendment thereof or supplement thereto, will contain any untrue statement of a material fact or will omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading. When any Preliminary Prospectus included in the General Disclosure Package (as hereinafter defined) was first filed with the Commission (whether filed as part of the Registration Statement or any amendment thereto or pursuant to Rule 424(a) of the Rules) and when any amendment thereof or supplement thereto was first filed with the Commission, such Preliminary Prospectus as amended or supplemented complied in all material respects with the applicable provisions of the Securities Act and the Rules and did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. If applicable, each Preliminary Prospectus and the Prospectus delivered to the Underwriters for use in connection with this offering was identical to the electronically transmitted copies thereof filed with the Commission pursuant to the Commission's Electronic Data Gathering, Analysis and Retrieval system ("**EDGAR**"), except to the extent permitted by Regulation S-T. Notwithstanding the foregoing, none of the representations and warranties in this paragraph 2(a) shall apply to statements in, or omissions from, the Registration Statement, any Preliminary Prospectus or the Prospectus made in reliance upon, and in conformity with, information herein or otherwise furnished in writing by the Representatives on behalf of the several Underwriters specifically for use in the Registration Statement, any Preliminary Prospectus or the Prospectus, as the case may be. With respect to the preceding sentence, the Company acknowledges that the only information furnished in writing by the Representatives on behalf of the several Underwriters for use in the Registration Statement, any Preliminary Prospectus or the Prospectus is the concession figure appearing in the fifth paragraph under the caption "Underwriting" in the Prospectus and the statements contained in the twelfth paragraph under the caption "Underwriting" in the Prospectus (collectively, the "**Underwriter Information**").

(b) As of the Applicable Time (as hereinafter defined), none of (i) the price to the public and the number of Shares offered and sold as set forth in Annex A hereto, the Statutory Prospectus (as hereinafter defined) and any "free writing prospectus" (as defined pursuant to Rule 405 under the Securities Act) listed on Annex A hereto, all considered together (collectively, the **"General Disclosure Package**"), (ii) any individual Issuer Free Writing Prospectus when considered together with the General Disclosure Package, and (iii) any individual Written Testing-the Waters Communication (as defined herein), when considered together with the General Disclosure Package, included, includes or will include any untrue statement of a material fact or omitted, omits or will omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements in or omissions in the General Disclosure Package made in reliance upon and in conformity with the Underwriter Information.

Each Issuer Free Writing Prospectus (as hereinafter defined), including any electronic road show (including without limitation any "bona fide electronic road show" as defined in Rule 433(h)(5) under the Securities Act) (each, a "**Road Show**") (i) is identified in Schedule IV hereto and (iii) complied when issued and complies, in all material respects, with the requirements of the Securities Act and the Rules and the Exchange Act and the rules and regulations of the Commission thereunder. The Company has made at least one version of the Road Show available without restriction by means of graphic communication to any person, including any potential investor in the Shares (and if there is more than one version of a Road Show for the Offering that is a written communication, the version available without restriction was made available no later than the other versions).

As used in this Section and elsewhere in this Agreement:

"**Applicable Time**" means [6:00 pm] (Eastern time) on the date of this Underwriting Agreement.

"**Statutory Prospectus**" as of any time means the Preliminary Prospectus relating to the Shares that is included in the Registration Statement immediately prior to the Applicable Time.

"**Issuer Free Writing Prospectus**" means each "free writing prospectus" (as defined in Rule 405 of the Rules) prepared by or on behalf of the Company or used or referred to by the Company in connection with the offering of the Shares, including, without limitation, each Road Show.

(c) The Registration Statement is effective under the Securities Act and no stop order preventing or suspending the effectiveness of the Registration Statement or suspending or preventing the use of any Preliminary Prospectus, the Prospectus or any "free writing prospectus", as defined in Rule 405 under the Rules, has been issued by the Commission and no proceedings for that purpose have been instituted or, to the knowledge of the Company, are threatened under the Securities Act. Any required filing of any Preliminary Prospectus and/or the Prospectus and any supplement thereto pursuant to Rule 424(b) of the Rules has been or, prior to any Closing Date, will be made in the manner and within the time period required by such Rule 424(b). Any material required to be filed by the Company pursuant to Rule 433(d) or Rule 163(b)(2) of the Rules has been or will be made in the manner and within the time period required by such Rules.

(d) [Reserved.]

(e) Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Shares or until any earlier date that the Company notified or notifies the Representatives as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement, the Statutory Prospectus or the Prospectus.

If at any time following issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information contained in the Registration Statement, the Statutory Prospectus or the Prospectus or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances prevailing at the subsequent time, not misleading, the Company has promptly notified or will promptly notify the Representatives and has promptly amended or will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(f) The financial statements of the Company (including all notes and schedules thereto) included in the Registration Statement, the Statutory Prospectus and Prospectus present fairly in all material respects the financial position of the Company and its consolidated subsidiaries at the dates indicated and the statement of operations, stockholders' equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; and such financial statements and related schedules and notes thereto have been prepared in conformity with generally accepted accounting principles, consistently applied throughout the periods involved. The summary and selected financial data included in the Statutory Prospectus and Prospectus present fairly in all material respects the information shown therein as at the respective dates and for the respective periods specified and have been presented on a basis consistent with the consolidated financial statements set forth in the Prospectus and other financial information. The other financial information included in the Registration Statement, the Statutory Prospectus and the Prospectus has been derived from the accounting or other records of the Company and its consolidated subsidiaries and present fairly in all material respects the information shown thereby; and, in the case of "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) included in the Registration Statement, the Statutory Prospectus and the Prospectus, such measures are presented in all material respects in compliance with Regulation G under the Exchange Act and Item 10 of Regulation S-K under the Securities Act, as applicable.

(g) Moss Adams LLP (the "**Auditor**") whose reports are filed with the Commission as a part of the Registration Statement, are and, during the periods covered by their reports, were independent public accountants as required by the Securities Act and the Rules.

(h) The Company and each of its subsidiaries, including each entity (corporation, partnership, joint venture, association or other business organization) controlled directly or indirectly by the Company and consolidated in the Company's financial statements (each, a "**subsidiary**"), is duly organized, validly existing and in good standing under the laws of their respective jurisdictions of incorporation or organization and each such entity has all requisite power and authority to carry on its business as is currently being conducted as described in the Statutory Prospectus and the Prospectus, and to own, lease and operate its properties. All of the issued shares of capital stock of, or other ownership interests in, each subsidiary have been duly and validly authorized and issued and are fully paid and non-assessable and are owned, directly or indirectly, by the Company, free and clear of any lien, charge, mortgage, pledge, security interest, claim, limitation on voting rights, equity, trust or other encumbrance, preferential arrangement, defect or restriction of any kind whatsoever. The Company and each of its subsidiaries is duly qualified to do business and is in good standing as a foreign corporation in each jurisdiction in which the nature of the business conducted by it or location of the assets or properties owned, leased or licensed by it requires such qualification, except for such jurisdictions where the failure to so qualify individually or in the aggregate would not reasonably be expected to have a material adverse effect on the assets, properties, condition, financial or otherwise, or in the stockholders' equity or results of operations or business affairs of the Company and its subsidiaries considered as a whole (a "**Material Adverse Effect**"); and to the Company's knowledge, no proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing, or seeking to revoke, limit or curtail, such power and authority or qualification. The Company has no subsidiary or subsidiaries and does not control, directly or indirectly, any corporation, partnership, joint venture, association or other business organization other than as set forth in Exhibit 21.1 to the Registration Statement. Except as described in the Statutory Prospectus and the Prospectus, the Company does not own, lease or license any asset or property or conduct any business outside the United States of America.

(i) The Company and each of its subsidiaries has all requisite corporate power and authority, and all necessary authorizations, approvals, consents, orders, licenses, certificates and permits of and from all governmental or regulatory bodies or any other person or entity (collectively, the "**Permits**"), to own, lease and license its assets and properties and conduct its business, all of which are valid and in full force and effect, except where the lack of such Permits, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. The Company and each of its subsidiaries has fulfilled and performed in all material respects all of its obligations with respect to such Permits and no event has occurred that allows, or after notice or lapse of time would allow, revocation or termination thereof or results in any other material impairment of the rights of the Company thereunder. Except as may be required under the Securities Act and state Blue Sky laws, no other Permits are required to enter into, deliver and perform this Agreement and to issue and sell the Shares.

(j) The Company and its subsidiaries own or possess, or can acquire on reasonable terms, adequate rights to use all patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other technology or intellectual property rights (collectively, "**Intellectual Property**") used in or necessary to carry on the business now operated by them or as described in the General Disclosure Package to be operated by them (the "**Company Intellectual Property**"). Other than as set forth in the General Disclosure Package, neither the Company nor any of its subsidiaries has received any written notice of any claim of infringement or misappropriation of, or conflict with, asserted rights of others with respect to any Intellectual Property that would render any Intellectual Property

invalid or inadequate to protect the interest of the Company and any of its subsidiaries therein, except as would not individually or in the aggregate have a Material Adverse Effect. Except as described in the General Disclosure Package, (A) to the Company's knowledge, there are no third parties who have or will be able to establish ownership rights or rights to use any Company Intellectual Property, except for (i) the retained rights of the owners of Company Intellectual Property which is licensed to the Company or its subsidiaries and (ii) the rights of customers and strategic partners to use Company Intellectual Property in the ordinary course, consistent with past practice, (B) there is no pending (or to the Company's knowledge, threatened) action, suit, proceeding or claim by others challenging the Company's rights or any of the subsidiaries' rights in or to any Company Intellectual Property, (C) there is no pending (or to the Company's knowledge, threatened) action, suit, proceeding or claim by others challenging the validity, enforceability or scope of any Company Intellectual Property, and (D) to the Company's knowledge, no Company Intellectual Property has been obtained or is being used by the Company or any of the subsidiaries in violation of any contractual obligation binding on the Company or any of the subsidiaries, or otherwise in violation of the rights of any persons, except, in the case of each of (A) through (D) above, where the outcome of which would not reasonably be expected to have a Material Adverse Effect. The Company and its subsidiaries have taken reasonable steps necessary to secure its interests in the Company Intellectual Property from their employees, consultants, agents and contractors. There are no outstanding options, licenses or agreements of any kind relating to the Company Intellectual Property owned by the Company or any of its subsidiaries that are required to be described in the Registration Statement, the General Disclosure Package and the Prospectus and are not described in all material respects. The Company and its subsidiaries are not a party to or bound by any options, licenses or agreements with respect to the Intellectual Property of any other person or entity that are required to be set forth in the Prospectus and are not described in all material respects. No government funding, facilities or resources of a university, college, other educational institution or research center or funding from third parties (other than venture capital operating companies) was used in the development of any Company Intellectual Property that is owned or purported to be owned by the Company or any of its subsidiaries, and no governmental agency or body, university, college, other educational institution or research center has any claim or right in or to any Company Intellectual Property that is owned or purported to be owned by the Company or any of its subsidiaries. The Company and its subsidiaries have used all software and other materials distributed under a "free," "open source," or similar licensing model (including but not limited to the GNU General Public License, GNU Lesser General Public License and GNU Affero General Public License) ("**Open Source Materials**") in compliance with all license terms applicable to such Open Source Materials. Neither the Company nor any of its subsidiaries has used or distributed any Open Source Materials in a manner that requires or has required (i) the Company or any of its subsidiaries to permit reverse-engineering of any products or services of the Company or any of its subsidiaries, or any software code or other technology owned by the Company or any of its subsidiaries; or (ii) any products or services of the Company or any of its subsidiaries, or any software code or other technology owned by the Company or any of its subsidiaries, to be (A) disclosed or distributed in source code form, (B) licensed for the purpose of making derivative works or (C) redistributable at no charge;

(k) To the Company's knowledge, the information technology systems, equipment and software used by the Company or any of its subsidiaries in their respective businesses (the "IT Assets") (i) operate and perform in all material respects in accordance with their documentation and functional specifications and otherwise as required, in the Company's reasonable belief, by the Company's and its subsidiaries' respective businesses as currently conducted, (ii) except as described in the Registration Statement, the Statutory Prospectus and the Prospectus, have not materially malfunctioned or failed since the Company's inception and (iii) are free of any viruses, "back doors," "Trojan horses," "time bombs, "worms," "drop dead devices" or other Software or hardware components that are designed to interrupt use of, permit unauthorized access to, or disable, damage or erase, any Software material to the business of the Company or any of its subsidiaries that could reasonably be expected to have a Material Adverse Effect. The Company and its subsidiaries have implemented commercially reasonable backup and disaster recovery technology processes materially consistent with industry standard practices. To the Company's knowledge, no person has gained unauthorized access to any IT Asset since the Company's inception in a manner that has resulted or could reasonably be expected to have a Material Adverse Effect;

(l) The Company and each of its subsidiaries has good and marketable title in fee simple to all real property, and good and marketable title to all other property owned by it that are material to the business of the Company and its subsidiaries, taken as a whole, in each case free and clear of all liens, encumbrances, claims, security interests and defects, except such as do not materially affect the value of such property and do not materially interfere with the use made or proposed to be made of such property by the Company and its subsidiaries or except as described in the Statutory Prospectus and the Prospectus. All property held under lease by the Company and its subsidiaries is held by them under valid, existing and enforceable leases, free and clear of all liens, encumbrances, claims, security interests and defects, except such as are not material and do not materially interfere with the use made or proposed to be made of such property by the Company and its subsidiaries.

(m) Subsequent to the respective dates as of which information is given in the Registration Statement, the Statutory Prospectus and the Prospectus, (i) there has not been any event which could reasonably be expected to have a Material Adverse Effect; (ii) neither the Company nor any of its subsidiaries has sustained any loss or interference with its assets, businesses or properties (whether owned or leased) from fire, explosion, earthquake, flood or other calamity, whether or not covered by insurance, or from any labor dispute or any court or legislative or other governmental action, order or decree which would reasonably be expected to have a Material Adverse Effect; and (iii) since the date of the latest balance sheet included in the Registration Statement and the Prospectus, except as described in the Statutory Prospectus and the Prospectus, neither the Company nor its subsidiaries has (A) issued any securities or incurred any liability or obligation, direct or contingent, for borrowed money, except such liabilities or obligations incurred in the ordinary course of business, (B) entered into any transaction not in the ordinary course of business or (C) except for regular dividends on the Common Stock in amounts per share that are consistent with past practice, declared or paid any dividend or made any distribution on any shares of its stock or redeemed, purchased or otherwise acquired or agreed to redeem, purchase or otherwise acquire any shares of its capital stock.

(n) There is no document, contract or other agreement required to be described in the Registration Statement, the Statutory Prospectus or the Prospectus or to be filed as an exhibit to the Registration Statement which is not described or filed, in each case for the Registration Statement to comply in all material respects with the requirements of the Securities Act and the

Rules. Each description of a contract, document or other agreement in the Registration Statement, the Statutory Prospectus or the Prospectus accurately reflects in all material respects the terms of the underlying contract, document or other agreement. Each contract, document or other agreement described in the Registration Statement, the Statutory Prospectus or the Prospectus or listed in the Exhibits to the Registration Statement is in full force and effect and is valid and enforceable by and against the Company or its subsidiary, as the case may be, in accordance with its terms, except as would not, individually or in the aggregate, be reasonably expected to result in a Material Adverse Effect. Neither the Company nor any of its subsidiaries, if a subsidiary is a party, nor to the Company's knowledge, any other party is in default in the observance or performance of any term or obligation to be performed by it under any such agreement, and no event has occurred which with notice or lapse of time or both would constitute such a default, in any such case which default or event, individually or in the aggregate, would have a Material Adverse Effect. No default exists, and no event has occurred which with notice or lapse of time or both would constitute a default, in the due performance and observance of any term, covenant or condition, by the Company or its subsidiary, if a subsidiary is a party thereto, of any other agreement or instrument to which the Company or any of its subsidiaries is a party or by which Company or its properties or business or a subsidiary or its properties or business may be bound or affected which default or event, individually or in the aggregate, would have a Material Adverse Effect.

(o) The statistical and market related data included in the Registration Statement, the Statutory Prospectus or the Prospectus are based on or derived from sources that the Company believes to be reliable and accurate in all material respects.

(p) Neither the Company nor any subsidiary (i) is in violation of its certificate or articles of incorporation, by-laws, certificate of formation, limited liability company agreement, partnership agreement or other organizational documents, (ii) is in default under, and no event has occurred which, with notice or lapse of time, or both, would constitute a default under, or result in the creation or imposition of any lien, charge, mortgage, pledge, security interest, claim, limitation on voting rights, equity, trust or other encumbrance, preferential arrangement, defect or restriction of any kind whatsoever, upon, any property or assets of the Company or any subsidiary pursuant to, any bond, debenture, note, indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which it is a party or by which it is bound or to which any of its properties or assets is subject or (iii) is in violation of any statute, law, rule, regulation, ordinance, directive, judgment, decree or order of any judicial, regulatory or other legal or governmental agency or body, foreign or domestic, except (in the case of clauses (ii) and (iii) above) for violations or defaults that could not (individually or in the aggregate) reasonably be expected to have a Material Adverse Effect.

(q) This Agreement has been duly authorized, executed and delivered by the Company;

(r) Neither the execution, delivery and performance of this Agreement by the Company nor the consummation of any of the transactions contemplated hereby (including, without limitation, the issuance and sale by the Company of the Shares) will (i) give rise to a right to terminate or accelerate the due date of any payment due under, or conflict with or result in the breach of any term or provision of, or constitute a default (or an event which with notice or lapse

of time or both would constitute a default) under, or require any consent or waiver under, or result in the execution or imposition of any lien, charge or encumbrance upon any properties or assets of the Company or its subsidiaries pursuant to the terms of, any indenture, mortgage, deed of trust or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which either the Company or its subsidiaries or any of their properties or businesses is bound, or any franchise, license, permit, judgment, decree, order, statute, rule or regulation applicable to the Company or any of its subsidiaries or (ii) violate any provision of the charter or by-laws of the Company or any of its subsidiaries, except (A) for such consents or waivers which have already been obtained and are in full force and effect and (B) in the case of clause (i) above, for any such conflict, breach, violation, default, termination, lien, charge or encumbrance that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(s) The Company has authorized and outstanding capital stock as set forth under the caption "Capitalization" in the Statutory Prospectus and the Prospectus. The book entries made evidencing the Shares are in due and proper legal form and have been duly authorized for issuance by the Company. All of the issued and outstanding shares of Common Stock have been duly and validly issued and are fully paid and nonassessable. There are no statutory preemptive or other similar rights to subscribe for or to purchase or acquire any shares of Common Stock of the Company or any of its subsidiaries or any such rights pursuant to its Certificate of Incorporation or by-laws or any agreement or instrument to or by which the Company or any of its subsidiaries is a party or bound. The Shares, when issued and sold pursuant to this Agreement, will be duly and validly issued, fully paid and nonassessable and none of them will be issued in violation of any preemptive or other similar right. Except as disclosed in the Registration Statement, the Statutory Prospectus and the Prospectus, there is no outstanding option, warrant or other right calling for the issuance of, and there is no commitment, plan or arrangement to issue, any share of stock of the Company or any of its subsidiaries or any security convertible into, or exercisable or exchangeable for, such stock. The exercise price of each option to acquire Common Stock (each, a "**Company Stock Option**") is no less than the fair market value of a share of Common Stock as determined on the date of grant of such Company Stock Option. All grants of Company Stock Options were validly issued and properly approved by the Board of Directors of the Company or a committee thereof in material compliance with all applicable laws and the terms of the plans under which such Company Stock Options were issued and were recorded on the Company Financial Statements, in accordance with GAAP, and no such grants involved any "back dating", "forward dating," "spring loading" or similar practices with respect to the effective date of grant. The Common Stock and the Shares conform in all material respects to all statements in relation thereto contained in the Registration Statement and the Statutory Prospectus and the Prospectus. All outstanding shares of capital stock of each of the Company's subsidiaries have been duly authorized and validly issued, and are fully paid and nonassessable and are owned directly by the Company or by another wholly-owned subsidiary of the Company free and clear of any security interests, liens, encumbrances, equities or claims, other than those described in the Statutory Prospectus and the Prospectus.

(t) Except as described in the Statutory Prospectus and the Prospectus, no holder of any security of the Company has any right, which has not been waived, to have any security owned by such holder included in the Registration Statement or to demand registration of any security owned by such holder for a period of 180 days after the date of this Agreement. Each director and executive officer of the Company and each stockholder of the Company listed on Schedule III hereto has delivered to the Representatives his or her or its enforceable written lock-up agreement in the form attached to this Agreement as Exhibit A hereto ("**Lock-Up Agreement**").

(u) Except as described in the Statutory Prospectus and the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject which, if determined adversely to the Company or any of its subsidiaries could individually or in the aggregate have a Material Adverse Effect; and, to the knowledge of the Company, no such proceedings are threatened or contemplated by governmental authorities or threatened by others.

(v) All necessary corporate action has been duly and validly taken by the Company and to authorize the execution, delivery and performance of this Agreement and the issuance and sale of the Shares by the Company.

(w) Neither the Company nor any of its subsidiaries is involved in any labor dispute nor, to the knowledge of the Company, is any such dispute threatened, in either case which dispute would have a Material Adverse Effect. The Company is not aware of any existing or imminent labor disturbance by the employees of any of its principal suppliers or contractors which would have a Material Adverse Effect. The Company is not aware of any threatened or pending litigation between the Company or its subsidiaries and any of its executive officers which, if adversely determined, could have a Material Adverse Effect and has no reason to believe that such executive officers will not remain in the employment of the Company.

(x) No transaction has occurred between or among the Company and any of its officers or directors, shareholders or any affiliate or affiliates of any such officer or director or shareholder that is required under the Securities Act and the Rules to be described in and is not described in the Registration Statement, the Statutory Prospectus and the Prospectus.

(y) Without giving effect to any activities of the Underwriters, the Company has not taken, nor will it take, directly or indirectly, any action designed to or which might reasonably be expected to cause or result in, or which has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock or any security of the Company to facilitate the sale or resale of any of the Shares.

(z) The Company and each of its subsidiaries has filed all Federal, state, local and foreign tax returns which are required to be filed through the date hereof, which returns are true and correct in all material respects or has received timely extensions thereof, and has paid all taxes shown on such returns, except for any tax that is being contested in good faith and for which an adequate reserve or accrual has been established in accordance with GAAP, and all assessments received by it to the extent that the same are material and have become due. There are no tax audits or investigations pending, which if adversely determined would have a Material Adverse Effect; nor are there any material proposed additional tax assessments against the Company or any of its subsidiaries.

(aa) The Shares have been duly authorized for quotation on the Nasdaq Global Market ("**Nasdaq**"), subject to official Notice of Issuance. A registration statement has been filed on Form 8-A pursuant to Section 12 of the Exchange Act, which registration statement complies in all material respects with the applicable form requirements promulgated under the Exchange Act.

(bb) The Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act or the quotation of the Common Stock on Nasdaq, nor has the Company received any notification that the Commission or Nasdaq is contemplating terminating such registration or quotation.

(cc) The books, records and accounts of the Company and its subsidiaries accurately and fairly reflect, the transactions in, and dispositions of, the assets of, and the results of operations of, the Company and its subsidiaries. The Company and each of its subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(dd) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-15 under the Exchange Act), which: (i) are designed to ensure that material information relating to the Company is made known to the Company's principal executive officer and its principal financial officer by others within the Company, particularly during the periods in which the periodic reports required under the Exchange Act are required to be prepared; (ii) provide for the periodic evaluation of the effectiveness of such disclosure controls and procedures at the end of the periods in which the periodic reports are required to be prepared; and (iii) are effective in all material respects to perform the functions for which they were established.

(ee) Based on the evaluation of its disclosure controls and procedures, except as described in the Statutory Prospectus and the Prospectus, the Company is not aware of (i) any material weakness or significant deficiency in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or any material weaknesses in internal controls; or (ii) any fraud, whether or not material, that involves management or other employees who have a role in the Company's internal controls.

(ff) Except as described in the Statutory Prospectus and the Prospectus and as preapproved in accordance with the requirements set forth in Section 10A of the Exchange Act, the Auditor has not been engaged by the Company to perform any "prohibited activities" (as defined in Section 10A of the Exchange Act).

(gg) Except as described in the Statutory Prospectus and the Prospectus, there are no material off-balance sheet arrangements (as defined in Item 303 of Regulation S-K) that have or are reasonably likely to have a material current or future effect on the Company's financial condition, revenues or expenses, changes in financial condition, results of operations, liquidity, capital expenditures or capital resources.

(hh) The Company's Board of Directors has validly appointed an audit committee whose composition satisfies the requirements of Rule 5605 of Nasdaq and the Board of Directors and/or the audit committee has adopted a charter that satisfies the requirements of Rule 5605 of Nasdaq.

(ii) The Company is actively taking steps to ensure that it will be in compliance with all other applicable provisions of the Sarbanes-Oxley Act of 2002, as amended (the "**Sarbanes-Oxley Act**"), any related rules and regulations promulgated by the Commission and corporate governance requirements under applicable Nasdaq regulations upon the effectiveness of such provisions and has no reason to believe that it will not comply with such provisions at the time of effectiveness.

(jj) The Company and its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are customary in the businesses in which they are engaged or propose to engage after giving effect to the transactions described in the Statutory Prospectus and the Prospectus; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or the Company's or its subsidiaries' respective businesses, assets, employees, officers and directors are in full force and effect; the Company and each of its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; and neither the Company nor any subsidiary of the Company has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue at a cost that is not materially greater than the current cost. Neither the Company nor any of its subsidiaries has been denied any insurance coverage which it has sought or for which it has applied.

(kk) Each approval, consent, order, authorization, designation, declaration or filing of, by or with any regulatory, administrative or other governmental body necessary in connection with the execution and delivery by the Company of this Agreement and the consummation of the transactions herein contemplated required to be obtained or performed by the Company (except such additional steps as may be required by the Financial Industry Regulatory Authority ("**FINRA**") or Nasdaq or may be necessary to qualify the Shares for public offering by the Underwriters under the state securities or Blue Sky laws) has been obtained or made and is in full force and effect.

(ll) There are no affiliations with any member of FINRA among the Company's officers, directors or, to the best of the knowledge of the Company, any five percent or greater stockholder of the Company, except as set forth in the Registration Statement or otherwise disclosed in writing to the Representative.

(mm) The Company does not expect to be a Passive Foreign Investment Company ("**PFIC**") within the meaning of Section 1297(a) of the United States Internal Revenue Code of 1986, as amended, and the regulations and published interpretations thereunder for the year ending December 31, 2019, and has no plan or intention to conduct its business in a manner that would be reasonably expected to result in the Company becoming a PFIC in the future under current laws and regulations.

(nn) (i) Each of the Company and each of its subsidiaries is in compliance in all material respects with all rules, laws and regulation relating to the use, treatment, storage and disposal of toxic substances and protection of health or the environment ("**Environmental Law**") which are applicable to its business; (ii) neither the Company nor its subsidiaries has received any notice from any governmental authority or third party of an asserted claim under Environmental Laws; (iii) each of the Company and each of its subsidiaries has received all permits, licenses or other approvals required of it under applicable Environmental Laws to conduct its business and is in compliance in all material respects with all terms and conditions of any such permit, license or approval, except where the lack of such permit, license or approval, or failure to comply, would not have a Material Adverse Effect; (iv) to the Company's knowledge, no facts currently exist that will require the Company or any of its subsidiaries to make future material capital expenditures to comply with Environmental Laws; and (v) no property which is or has been owned, leased or occupied by the Company or its subsidiaries has been designated as a Superfund site pursuant to the Comprehensive Environmental Response, Compensation of Liability Act of 1980, as amended (42 U.S.C. Section 9601, et. seq.) or otherwise designated as a contaminated site under applicable state or local law. Neither the Company nor any of its subsidiaries has been named as a "potentially responsible party" under the CER, CLA 1980.

(oo) In the ordinary course of its business, the Company periodically reviews the effect of Environmental Laws on the business, operations and properties of the Company and its subsidiaries, in the course of which the Company identifies and evaluates associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws, or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties). On the basis of such review, the Company has reasonably concluded that such associated costs and liabilities would not, singly or in the aggregate, have a Material Adverse Effect.

(pp) The Company is not and, after giving effect to the offering and sale of the Shares and the application of proceeds thereof as described in the Statutory Prospectus and the Prospectus, will not be an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(qq) The Company or any other person associated with or acting on behalf of the Company including, without limitation, any director, officer, employee or, to the knowledge of the Company, any agent, of the Company or its subsidiaries, has not, directly or indirectly, while acting on behalf of the Company or its subsidiaries (i) used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity; (ii) made any unlawful payment to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns from corporate funds; (iii) violated any provision of the Foreign Corrupt Practices Act of 1977, as amended; or (iv) made any other unlawful payment.

(rr) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended by the USA PATRIOT ACT of 2001, and the rules and regulations promulgated thereunder, and the money laundering statutes of all jurisdictions where the Company or any of its subsidiaries

conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of it subsidiaries with respect to the Money Laundering Laws is pending, or to the best knowledge of the Company, threatened.

(ss) (A) None of the Company or any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is (i) currently the subject or the target of any sanctions administered or enforced by the U.S. Government, including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**"), or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person," the European Union, Her Majesty's Treasury or the United Nations Security Council (collectively, "**Sanctions**"), (ii) does any business directly with or involving the government of, or any person or project located in, any country targeted by any Sanctions or (iii) supports or facilitates any such business or project, in each case other than as permitted under such Sanctions; (B) the Company is not controlled (within the meaning of the executive orders or regulations promulgating Sanctions) by any government or person that is the subject or target of Sanctions; (C) the Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person, or in any country or territory, that, at the time of such funding, is the subject or the target of Sanctions or (ii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions; and (D) the Company has implemented and maintains reasonably adequate internal controls and procedures to monitor and audit transactions that are reasonably designed to detect and prevent any use of the proceeds from the offering contemplated hereby that is inconsistent with any of the Company's representations and obligations under clause (C) of this paragraph;

(tt) Neither the Company nor the Selling Stockholder or any other person associated with or acting on behalf of the Company or the Selling Stockholder including, without limitation, any director, officer, agent or employee of the Company has offered or caused the Underwriters to offer any of the Shares to any person pursuant to the Friends and Family Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company to alter the customer's or supplier's level or type of business with the Company or (ii) a trade journalist or publication to write or publish favorable information about the Company or its products.

(uu) Except as described in the Statutory Prospectus and the Prospectus, the Company has not sold or issued any shares of Common Stock during the six-month period preceding the date of the Prospectus, including any sales pursuant to Rule 144A under, or Regulations D or S of, the Securities Act, other than shares issued pursuant to employee benefit plans, qualified stock options plans or other employee compensation plans or pursuant to outstanding options, rights or warrants.

(vv) The Company has fulfilled its obligations, if any, under the minimum funding standards of Section 302 of the U.S. Employee Retirement Income Security Act of 1974 ("**ERISA**") and the regulations and published interpretations thereunder with respect to each "plan" as defined in Section 3(3) of ERISA and such regulations and published interpretations in which its employees are eligible to participate and each such plan is in compliance in all material respects with the presently applicable provisions of ERISA and such regulations and published interpretations. No "Reportable Event" (as defined in 12 ERISA) has occurred with respect to any "Pension Plan" (as defined in ERISA) for which the Company could have any material liability.

(ww) None of the Company, its directors or its officers has distributed or will distribute prior to the later of (i) the Firm Shares Closing Date, or the Option Shares Closing Date, and (ii) completion of the distribution of the Shares, any offering material in connection with the offering and sale of the Shares other than any Preliminary Prospectus, the Prospectus, the Registration Statement and other materials, if any, permitted by the Securities Act and consistent with Section 3(d) below.

(xx) Since that date of the preliminary prospectus included in the Registration Statement filed with the Commission on April 15, 2019 (or, if earlier, the first date on which the Company engaged directly or through any Person authorized to act on its behalf in any Testing-the-Waters Communication (as defined herein)) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act (an "**Emerging Growth Company**"). "**Testing-the-Waters Communication**" means any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Securities Act.

(yy) The Company (a) has not alone engaged in any Testing-the-Waters Communication other than Testing-the-Waters Communications with the consent of the Representative with entities that are qualified institutional buyers within the meaning of Rule 144A under the Securities Act or institutions that are accredited investors within the meaning of Rule 501 under the Securities Act and (b) has not authorized anyone other than the Representative to engage in Testing-the-Waters Communications. The Company reconfirms that the Representative has been authorized to act on its behalf in undertaking Testing-the-Waters Communications. The Company has not distributed any Written Testing-the-Waters Communications (as defined herein) other than those listed on Schedule V hereto. "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act.

(zz) The Company has properly classified and treated all applicable persons employed or engaged by the Company in accordance with all applicable laws in all material respects, including without limitation all applicable laws concerning employment and compensation, and for purposes of all employee benefit plans and perquisites, and there is no pending or, to the Company's knowledge, threatened complaint, claim, audit or investigation by or before any governmental body regarding any misclassification of any person employed or engaged by the Company, in each case except as would not reasonably be expected to have a Material Adverse Effect.

(aaa) No labor disturbance by or dispute with employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of its or its subsidiaries' principal suppliers, contractors or customers, except as would not have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received any notice of cancellation or termination with respect to any collective bargaining agreement to which it is a party.

(bbb) The Company and its subsidiaries (A) have operated their respective businesses in a manner compliant with all privacy, data security and data protection laws and regulations applicable to the Company's and its subsidiaries' receipt, collection, handling, processing, sharing, transfer, usage, disclosure or storage of all user data relating to an identified or identifiable natural person including an identifier such as a name, an identification number, location data, or an online identifier ("**Personal and Device Data**"), (B) have implemented, maintain and are in compliance in all material respects with policies and procedures designed to ensure (i) the privacy, integrity, security and confidentiality of all Personal and Device Data handled, processed, collected, shared, transferred, used, disclosed and/or stored by the Company or its subsidiaries in connection with the Company's and its subsidiaries' operation of their respective businesses and (ii) privacy and data protection laws are complied with, (C) have taken commercially reasonable steps to require all third parties to which they provide any Personal and Device Data to maintain the privacy and security of such Personal and Device Data, and (D) have not, to the knowledge of the Company or its subsidiaries, experienced any security incident that has compromised the privacy and/or security of any Personal and Device Data, except in the case of each of (A), (B), (C) and (D) where the failure to so comply would be expected to have a Material Adverse Effect.

3. Representations and Warranties of the Selling Stockholder. The Selling Stockholder hereby represents and warrants to each Underwriter as of the date hereof, as of the Firm Shares Closing Date and, if the Selling Stockholder is selling Option Shares, as of each such Option Shares Closing Date (if any), as follows:

(a) This Agreement and the Lock-Up Agreement have each been duly authorized, executed and delivered by or on behalf of the Selling Stockholder and, assuming due authorization, execution and delivery by the other parties thereto, constitutes the valid and legally binding agreement of the Selling Stockholder, enforceable against the Selling Stockholder in accordance with its terms.

(b) The execution and delivery by the Selling Stockholder of this Agreement and the performance by the Selling Stockholder of his obligations under this Agreement, including the sale and delivery of the Shares to be sold by the Selling Stockholder and the consummation of the transactions contemplated herein and compliance by the Selling Stockholder with its obligations hereunder, do not and will not, whether with our without the giving of notice or the passage of time or both, (i) violate or contravene any applicable law, statute, regulation, or filing or any agreement or other instrument binding upon the Selling Stockholder or any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Selling Stockholder, (ii) conflict with or constitute a breach of, or default under, or result in the creation or imposition of any tax, lien, charge or encumbrance upon the shares to be sold by the Selling Stockholder or any property or assets of the Selling Stockholder pursuant to the terms of any agreement or instrument to which the Selling Stockholder is a party or by which the Selling Stockholder may be bound or to which any of the property or assets of the Selling Stockholder is

subject, except, with respect to subclauses (i) and (ii) above, as would not, individually or in the aggregate, have an adverse effect on the power and ability of the Selling Stockholder to perform his obligations under this Agreement, or (iii) require any consent, approval, authorization or order of or registration or filing with any court or governmental agency or body having jurisdiction over him, except such as may be required by the Blue Sky laws of the various states in connection with the offer and sale of the Shares which have been or will be effected in accordance with this Agreement.

(c) The Selling Stockholder has, and on the Firm Shares Closing Date and the Option Share Closing Date, if applicable, will have, valid and marketable title to the Shares to be sold by the Selling Stockholder free and clear of any lien, claim, security interest or other encumbrance, including, without limitation, any restriction on transfer, except as otherwise described in the Registration Statement and Prospectus.

(d) The Selling Stockholder has, and on the Firm Shares Closing Date and the Option Share Closing Date, if applicable, will have, valid title to, or a valid "security entitlement" within the meaning of Section 8-501 of the New York Uniform Commercial Code (the "**UCC**") in respect of, the Shares to be sold by the Selling Stockholder and the full legal right, power and authority, and any approval required by law, to sell, assign, transfer and deliver the Shares to be sold by the Selling Stockholder, or a security entitlement in respect of such Shares, in the manner provided by this Agreement.

(e) Upon payment for the Shares to be sold by each the Selling Stockholder pursuant to this Agreement and delivery of such Shares, as directed by the Underwriters, to Cede & Co. ("**Cede**") or such other nominee as may be designated by The Depository Trust Company ("**DTC**"), registration of such Shares in the name of Cede or such other nominee and the crediting of such Shares on the books of DTC to securities accounts of the Underwriters (assuming that neither DTC nor any Underwriter has notice of any adverse claim (within the meaning of Section 8-105 of the UCC) to such Shares), (i) DTC shall be a "protected purchaser" of such Shares within the meaning of Section 8-303 of the UCC, (ii) under Section 8-501 of the UCC, the Underwriters will acquire a valid security entitlement in respect of such Shares and (iii) no action based on any "adverse claim", within the meaning of Section 8-102 of the UCC, to such Shares may be asserted against the Underwriters with respect to such security entitlement; for purposes of this representation, the Selling Stockholder may assume that when such payment, delivery and crediting occur, (x) such Shares will have been registered in the name of Cede or another nominee designated by DTC, in each case on the Company's share registry in accordance with its certificate of incorporation, bylaws and applicable law, (y) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the UCC and (z) appropriate entries to the accounts of the several Underwriters on the records of DTC will have been made pursuant to the UCC

(f) All information relating to the Selling Stockholder furnished in writing by the Selling Stockholder expressly for use in the Registration Statement, Prospectus and any Issuer Free Writing Prospectus is, and on each Closing Date will be, true, correct, and complete, and does not, and on each Closing Date will not, contain any untrue statement of a material fact or omit to state any material fact necessary to make such information not misleading; *provided* that the representations and warranties set forth in this paragraph 3(f) are limited to statements or omissions made in reliance upon information relating to the Selling Stockholder furnished to the Company

by or on behalf of the Selling Stockholder expressly for use in the Registration Statement, the Prospectus and any Issuer Free Writing Prospectus or any amendments or supplements thereto, it being understood and agreed that the only information furnished by the Selling Stockholder for the purposes hereof, consists of the information with respect to the Selling Stockholder (excluding percentages) which actually appears in the Registration Statement, the Prospectus and any Issuer Free Writing Prospectus or any amendments or supplements thereto (the "**Selling Stockholder Information**").

(g) Each Selling Stockholder has reviewed the Registration Statement, Prospectus and any Issuer Free Writing Prospectus and, although such Selling Stockholder has not independently verified the accuracy or completeness of all the information contained therein, nothing has come to the attention of such Selling Stockholder that would lead such Selling Stockholder to believe that (i) on the Effective Date, the Registration Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein in order to make the statements made therein not misleading, (ii) on the Effective Date the Prospectus contained and, on each Closing Date contains, no untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, misleading. and (iii) as of the Applicable Time, neither the General Disclosure Package, nor any individual Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that the representations and warranties set forth in this paragraph 3(h) (A) do not apply to statements or omissions in the Registration Statement, the General Disclosure Package or the Prospectus based upon information relating to any Underwriter furnished to the Company in writing by or on behalf of any such Underwriter through the Representatives expressly for use therein and (B) are limited to the Selling Stockholder Information.

(h) The sale of Shares by each Selling Stockholder pursuant to this Agreement is not prompted by such Selling Stockholder's knowledge of any material information concerning the Company or any of its subsidiaries which is not set forth in the Statutory Prospectus or the Prospectus.

(i) Without giving effect to any activities of the Underwriters, the Selling Stockholder has not taken and will not take, directly or indirectly, any action designed to or that might reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(j) The Selling Stockholder does not have actual knowledge that any representation or warranty of the Company set forth in Section 2 above is untrue or inaccurate in any material respect.

(k) The Selling Stockholder has not prepared, used or referred to, or will it prepare, use or refer to, any "free writing prospectus" (as defined in Rule 405 of the Rules).

4. Conditions of the Underwriters' Obligations. The obligations of the Underwriters under this Agreement are several and not joint. The respective obligations of the Underwriters to purchase the Shares are subject to each of the following terms and conditions:

(a) Notification that the Registration Statement has become effective shall have been received by the Representative and the Prospectus shall have been timely filed with the Commission in accordance with Section 4(a) of this Agreement and any material required to be filed by the Company pursuant to Rule 433(d) of the Rules shall have been timely filed with the Commission in accordance with such rule.

(b) No order preventing or suspending the use of any Preliminary Prospectus, the Prospectus or any "free writing prospectus" (as defined in Rule 405 of the Rules), shall have been or shall be in effect and no order suspending the effectiveness of the Registration Statement shall be in effect and no proceedings for such purpose shall be pending before or threatened by the Commission, and any requests for additional information on the part of the Commission (to be included in the Registration Statement or the Prospectus or otherwise) shall have been complied with to the satisfaction of the Commission and the Representative. If the Company has elected to rely upon Rule 430A, Rule 430A information previously omitted from the effective Registration Statement pursuant to Rule 430A shall have been transmitted to the Commission for filing pursuant to Rule 424(b) within the prescribed time period and the Company shall have provided evidence satisfactory to the Underwriters of such timely filing, or a post-effective amendment providing such information shall have been promptly filed and declared effective in accordance with the requirements of Rule 430A.

(c) The representations and warranties of the Company and the Selling Stockholder contained in this Agreement and in the certificates delivered pursuant to Section 3(d) shall be true and correct when made and on and as of each Closing Date as if made on such date. The Company and the Selling Stockholder shall have performed all covenants and agreements and satisfied all the conditions contained in this Agreement required to be performed or satisfied by it at or before such Closing Date.

(d) The Representative shall have received on each Closing Date a certificate, addressed to the Representative and dated such Closing Date, of the chief executive or chief operating officer and the chief financial officer or chief accounting officer of the Company to the effect that: (i) the representations and warranties of the Company in this Agreement were true and correct when made and are true and correct as of such Closing Date; (ii) the Company has performed all covenants and agreements and satisfied all conditions contained herein; and (iii) they have carefully examined the Registration Statement, the Prospectus, the General Disclosure Package, and any individual Issuer Free Writing Prospectus and, in their opinion (A) as of the Effective Date the Registration Statement and Prospectus did not include, and as of the Applicable Time, neither (i) the General Disclosure Package, nor (ii) any individual Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, included, any untrue statement of a material fact and did not omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and (B) since the Effective Date, no event has occurred which should have been set forth in a supplement or otherwise required an amendment to the Registration Statement, the Statutory Prospectus or the Prospectus under the Securities Act or the Rules; (iv) no stop order

suspending the effectiveness of the Registration Statement has been issued and, to their knowledge, no proceedings for that purpose have been instituted or are pending under the Securities Act and (v) there has not occurred any material adverse change in the assets, properties, condition, financial or otherwise, or in the stockholders' equity or results of operations or business affairs of the Company and its subsidiaries considered as a whole.

(e) The Representatives shall have received on each Closing Date a certificate addressed to the Representatives and dated such Closing Date, of the Selling Stockholder, to the effect that: (i) the representations, warranties and agreements of the Selling Stockholder in this Agreement were true and correct when made and are true and correct as of such Closing Date; (ii) the Selling Stockholder has performed all covenants and agreements and satisfied all conditions contained herein; and (iii) the Selling Stockholder has carefully examined the Registration Statement, the Prospectus, the General Disclosure Package, and any individual Issuer Free Writing Prospectus, and, in the opinion of the Selling Stockholder, (A) solely with respect to the Selling Stockholder Information, as of the Effective Date, the Registration Statement and Prospectus did not include, and as of the Applicable Time, neither (i) the General Disclosure Package, nor (ii) any individual Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, included any untrue statement of a material fact and did not omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and (B) since the Effective Date no event has occurred with respect to such Selling Stockholder which should have been set forth in a supplement or otherwise required an amendment to the Registration Statement or the Prospectus under the Securities Act or the Rules.

(f) The Representative shall have received: (i) simultaneously with the execution of this Agreement, (a) a signed letter from the Auditor addressed to the Representative and dated the date of this Agreement, in form and substance reasonably satisfactory to the Representative, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Disclosure Package and (b) a certificate, dated the date of this Agreement and addressed to the Underwriters, of the Company's chief financial officer with respect to certain financial data contained in the Registration Statement, the Statutory Prospectus, the Prospectus and the Road Show, providing "management comfort" with respect to such information, in form and substance reasonably satisfactory to the Representatives, and (ii) on each Closing Date, (a) a signed letter from the Auditor addressed to the Representative and dated the date of such Closing Date(s), in form and substance reasonably satisfactory to the Representative containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Prospectus and (b) a certificate, dated the respective dates of delivery thereof and addressed to the Underwriters, of the Company's chief financial officer with respect to certain financial data contained in the Registration Statement, the Prospectus and the Road Show, providing "management comfort" with respect to such information, in form and substance reasonably satisfactory to the Representatives.

(g) The Representative shall have received on each Closing Date from Cooley LLP, counsel for the Company, in form and substance reasonably satisfactory to you, an opinion and negative assurance letter addressed to the Representative and dated such Closing Date.

(h) The Representative shall have received on each Closing Date from Goodwin Procter LLP, counsel for the Representative, an opinion and negative assurance letter, in form and substance reasonably satisfactory to you, addressed to the Representative and dated such Closing Date.

(i) All proceedings taken in connection with the sale of the Firm Shares and the Option Shares as herein contemplated shall be reasonably satisfactory in form and substance to the Representative, and their counsel.

(j) The Representative shall have received copies of the Lock-up Agreements executed by each entity or person listed onSchedule III hereto. In the event that Oppenheimer & Co. Inc., in its sole discretion, agrees to release or waive any restriction set forth in a Lock-Up Agreement for an officer or director of the Company, and provides the Company with notice of the impending release or waiver at least three Business Days before the effective date of such release or waiver (which release or waiver shall be substantially in the Form found at Exhibit A-1 hereto, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit A-2 hereto through a major news service or such other method of announcement not prohibited by FINRA at least two Business Days before the effective date of the release or waiver if required by FINRA Rule 5131 (or any successor provision thereto).

(k) The Shares shall have been approved for listing on The Nasdaq Global Market, subject only to official notice of issuance.

(l) The Representatives shall be reasonably satisfied that since the respective dates as of which information is given in the Registration Statement, the Statutory Prospectus, the General Disclosure Package and the Prospectus, (i) except as set forth or contemplated by the Registration Statement, the Statutory Prospectus, the General Disclosure Package or the Prospectus, there shall not have been any material change in the capital stock of the Company or any material change in the indebtedness (other than in the ordinary course of business) of the Company, (ii) except as set forth or contemplated by the Registration Statement, the Statutory Prospectus, the General Disclosure Package or the Prospectus, no material oral or written agreement or other transaction shall have been entered into by the Company that is not in the ordinary course of business or that could reasonably be expected to result in a material reduction in the future earnings of the Company, (iii) no loss or damage (whether or not insured) to the property of the Company shall have been sustained that had or could reasonably be expected to have a Material Adverse Effect, (iv) no legal or governmental action, suit or proceeding affecting the Company or any of its properties that is material to the Company or that affects or could reasonably be expected to affect the transactions contemplated by this Agreement shall have been instituted or threatened and (v) there shall not have been any material change in the assets, properties, condition (financial or otherwise), or in the results of operations or business affairs of the Company or its subsidiaries considered as a whole so material and adverse that it makes it impractical or inadvisable in the Representatives' judgment to proceed with the purchase or offering of the Shares as contemplated hereby.

(m) On the Firm Shares Closing Date, FINRA shall have confirmed that it has not raised any objection with respect to the fairness and reasonableness of the underwriting terms and agreements in connection with the offering of the Shares.

(n) The Company and the Selling Stockholder shall have furnished or caused to be furnished to the Representatives such further certificates or documents as the Representative may reasonably request.

5. Covenants and other Agreements of the Company and the Selling Stockholder and the Underwriters.

(a) The Company covenants and agrees as follows:

(i) The Company will use its best efforts to cause the Registration Statement, if not effective at the time of execution of this Agreement, and any amendments thereto, to become effective as promptly as possible. The Company shall prepare the Prospectus in a form approved by the Representatives and file such Prospectus pursuant to Rule 424(b) under the Securities Act not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by the Rules. The Company will file with the Commission all Issuer Free Writing Prospectuses in the time and manner required under Rules 433(d) or 163(b)(2), as the case may be.

(ii) The Company shall promptly advise the Representatives in writing (A) when any post-effective amendment to the Registration Statement shall have become effective or any supplement to the Prospectus shall have been filed, (B) of any request by the Commission for any amendment of the Registration Statement or the Prospectus or for any additional information, (C) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or of any order preventing or suspending the use of any preliminary prospectus or any "free writing prospectus", as defined in Rule 405 of the Rules, or the institution or threatening of any proceeding for that purpose and (D) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose. The Company shall not file any amendment of the Registration Statement or supplement to the Prospectus or any Issuer Free Writing Prospectus unless the Company has furnished the Representatives a copy for its review prior to filing and shall not file any such proposed amendment or supplement to which the Representatives reasonably object. The Company shall use its best efforts to prevent the issuance of any such stop order and, if issued, to obtain as soon as possible the withdrawal thereof.

(iii) If, at any time when a prospectus relating to the Shares (or, in lieu thereof, the notice referred to in Rule 173(a) of the Rules) is required to be delivered under the Securities Act and the, any event occurs as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading, or if it shall be necessary to amend or supplement the Prospectus to comply with the Securities Act or the Rules, the Company promptly shall prepare and file with the Commission, subject to the second sentence of paragraph (ii) of this Section 5(a), an amendment or supplement which shall correct such statement or omission or an amendment which shall effect such compliance.

(iv) If at any time following issuance of an Issuer Free Writing Prospectus there occurs an event or development as a result of which such Issuer Free Writing Prospectus would conflict with the information contained in the Registration Statement or would include an untrue statement of a material fact or would omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances prevailing at the subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(v) The Company shall make generally available to its security holders and to the Representatives as soon as practicable, but not later than 45 days after the end of the 12-month period beginning at the end of the fiscal quarter of the Company during which the Effective Date occurs (or 90 days if such 12-month period coincides with the Company's fiscal year), an earning statement (which need not be audited) of the Company, covering such 12-month period, which shall satisfy the provisions of Section 11(a) of the Securities Act or Rule 158 of the Rules;provided that the Company will be deemed to have furnished such statements to its security holders and the Representative to the extent such statements are filed on EDGAR.

(vi) The Company shall furnish to the Representatives and counsel for the Underwriters, if requested and without charge, signed copies of the Registration Statement (including all exhibits thereto and amendments thereof) and to each other Underwriter a copy of the Registration Statement (without exhibits thereto) and all amendments thereof and, so long as delivery of a prospectus by an Underwriter or dealer may be required by the Securities Act or the Rules, as many copies of any Preliminary Prospectus, any Issuer Free Writing Prospectus and the Prospectus and any amendments thereof and supplements thereto as the Representatives may reasonably request. If applicable, the copies of the Registration Statement, preliminary prospectus, any Issuer Free Writing Prospectus and Prospectus and each amendment and supplement thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(vii) The Company shall cooperate with the Representatives and their counsel in endeavoring to qualify the Shares for offer and sale in connection with the offering under the laws of such jurisdictions as the Representatives may designate and shall maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required in connection therewith, as a condition thereof, to qualify as a foreign corporation or to execute a general consent to service of process in any jurisdiction or subject itself to taxation as doing business in any jurisdiction.

(viii) The Company, during the period when the Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) of the Rules) is required to be delivered under the Securities Act and the Rules or the Exchange Act, will file all reports and other documents required to be filed with the Commission pursuant to Section 13, 14 or 15 of the Exchange Act within the time periods required by the Exchange Act and the regulations promulgated thereunder.

(ix) Without the prior written consent of Oppenheimer & Co. Inc., for a period of 180 days after the date of this Agreement (the "**Restricted Period**"), the Company shall not issue, sell or register with the Commission (other than on Form S-8 or on any successor form), or otherwise dispose of, directly or indirectly, any equity securities of the Company (or any securities convertible into, exercisable for or exchangeable for equity securities of the Company), except for (A) the issuance of the Shares pursuant to the Registration Statement, (B) the issuance of any options and other equity awards granted under stock plans or bonus plans described in the Registration Statement and the Prospectus (the "**Stock Plans**"), (C) the issuance of any shares of Common Stock of the Company or other securities convertible into or exercisable or exchangeable for shares of Common Stock of the Company upon the exercise or settlement of options or other equity awards granted under the Stock Plans or the warrant held by Motorola Solutions, Inc., (D) any registration effected on Form S-8 or any successor form relating to the registration of shares of Common Stock issuable pursuant to the terms of any Stock Plan, (E) the issuance by the Company of shares of Common Stock or securities convertible into or exercisable or exchangeable for shares of Common Stock in an aggregate amount not to exceed 5% of the Company's Common Stock outstanding immediately following the issuance of the Shares including any Option Shares issued hereunder) to the Underwriters as contemplated by this Agreement, in connection with one or more mergers, acquisitions, debt refinancings or commercial or strategic transactions (including, without limitation, joint ventures, marketing or distribution arrangements, collaboration agreements and intellectual property license agreements); provided that in the case of clauses (C) and (E), the recipients of such securities shall execute and deliver (if a lock-up agreement has not previously been delivered by such recipient) a lock-up agreement in substantially the form of Exhibit A hereto for the remainder of the Restricted Period. The Company shall enforce such rights and impose stop-transfer restrictions on any such sale or other transfer or disposition of such shares until the end of the Restricted Period.

(x) On or before completion of this offering, the Company shall make all filings required under applicable federal securities laws and by Nasdaq (including any required registration under the Exchange Act).

(xi) Prior to the Closing Date, the Company will issue no press release or other communications directly or indirectly and hold no press conference with respect to the Company, the condition, financial or otherwise, or the earnings, business affairs or business prospects of any of them, or the offering of the Shares without the prior written consent of the Representatives, which consent shall not be unreasonably withheld, unless in the judgment of the Company and its counsel, and after notification to the Representatives, such press release or communication is required by law.

(xii) The Company will apply the net proceeds from the offering of the Shares in the manner set forth under "Use of Proceeds" in the Prospectus.

(xiii) The Company will comply with all applicable securities laws and other applicable laws, rules and regulations in each foreign jurisdiction in which the Directed Shares are offered in connection with the Friends and Family Program.

(xiv) The Company will ensure that the Directed Shares will be restricted, to the extent required by FINRA or FINRA rules, from sale, transfer, assignment, pledge or hypothecation for a period of three months following the date of the effectiveness of the Registration Statement. The Representatives will notify the Company as to which Participants will need to be so restricted. The Company shall direct the transfer agent to place stop transfer restrictions upon such securities for such period of time.

(xv) The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (a) completion of the distribution of the Shares within the meaning of the Securities Act and (b) completion of the 180-day restricted period referred to in Section 4(a)(viii) hereof.

(xvi) If at any time following the distribution of any Written Testing-the-Waters Communication there occurred or occurs an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

(b) The Company agrees to pay, or reimburse if paid by the Representatives, whether or not the transactions contemplated hereby are consummated or this Agreement is terminated, all costs and expenses incident to the public offering of the Shares by the Company and the Selling Stockholder and the performance of the obligations of the Company and the Selling Stockholder under this Agreement including those relating to: (i) the preparation, printing, reproduction filing and distribution of the Registration Statement including all exhibits thereto, each Preliminary Prospectus, the Prospectus, any Issuer Free Writing Prospectus, all amendments and supplements thereto, and the printing, filing and distribution of this Agreement; (ii) the preparation and delivery of certificates for the Shares to the Underwriters, if applicable; (iii) the registration or qualification of the Shares for offer and sale under the securities or Blue Sky laws of the various jurisdictions referred to in Section 5(a)(vi) including the reasonable fees and disbursements of counsel for the Underwriters in connection with such registration and qualification and the preparation, printing, distribution and shipment of preliminary and supplementary Blue Sky memoranda; (iv) the furnishing (including costs of shipping and mailing) to the Representatives and to the Underwriters of copies of each Preliminary Prospectus, the Prospectus and all amendments or supplements to the Prospectus, any Issuer Free Writing Prospectus, and of the several documents required by this Section to be so furnished, as may be reasonably requested for use in connection with the offering and sale of the Shares by the Underwriters or by dealers to whom Shares may be sold; (v) the cost and charges of any transfer agent or registrar; (vi) the costs and expenses incurred by the Company and the Selling Stockholder relating to investor presentations on any road show undertaken in connection with the marketing

of the Shares, including without limitation, expenses associated with the production of road show slides, graphics and videos, fees and expenses of any consultants engaged in connection with the road show presentations, travel and lodging expenses of the representatives and officers of the Company and any such consultants and the cost of transportation chartered in connection with the road show, provided that the Underwriters shall pay 50% of the cost of any aircraft chartered in connection with such road show; (vii) the filing fees of FINRA in connection with its review of the terms of the public offering and reasonable fees and disbursements of counsel for the Underwriters in connection with such review; (viii) inclusion of the Shares for quotation on Nasdaq; (ix) all transfer taxes, if any, with respect to the sale and delivery of the Shares by the Company and the Selling Stockholder to the Underwriters; (x) payments to counsel for costs incurred by the Underwriters in connection with the Friends and Family Program and payment of any stamp duties, similar taxes or duties or other taxes, if any, incurred by the Underwriters in connection with the Friends and Family Program; and (xi) the fees and expenses incurred by the Representatives' legal counsel in connection with this public offering, provided, however, that such fees in subsections (i), (ii), (iv), (v), (vi), (vii), (viii), (ix) and (x) shall not exceed $600,000, and further provided, that the reasonable fees and disbursements of counsel to the Underwriters described in subsection (iii) and (vii) shall not exceed $30,000 in the aggregate. Subject to the provisions of Section 8 and clause (vi) above, the Underwriters agree to pay, whether or not the transactions contemplated hereby are consummated or this Agreement is terminated, all costs and expenses incident to the performance of the obligations of the Underwriters under this Agreement not payable by the Company pursuant to the preceding sentence, including, without limitation, the fees and disbursements of counsel for the Underwriters.

(c) The Company and the Selling Stockholder acknowledge and agree that each of the Underwriters has acted and is acting solely in the capacity of a principal in an arm's length transaction between the Company and the Selling Stockholder, on the one hand, and the Underwriters, on the other hand, with respect to the offering of Shares contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor, agent or fiduciary to the Company and the Selling Stockholder or any other person. Additionally, the Company and the Selling Stockholder acknowledge and agree that the Underwriters have not and will not advise the Company, the Selling Stockholder or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company and the Selling Stockholder have consulted with their own advisors concerning such matters and shall be responsible for making their own independent investigation and appraisal of the transactions contemplated hereby, and the Underwriters shall have no responsibility or liability to the Company or the Selling Stockholder or any other person with respect thereto, whether arising prior to or after the date hereof. Any review by the Underwriters of the Company and the Selling Stockholder, the transactions contemplated hereby or other matters relating to such transactions have been and will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company or the Selling Stockholder. The Company and the Selling Stockholder agree that they will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary duty to the company or any other person in connection with any such transaction or the process leading thereto.

(d) The Company represents and agrees that, unless it obtains the prior consent of the Representatives, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Shares that would constitute an "issuer free writing prospectus," as defined in Rule 433, or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, required to be filed with the Commission. The Company has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping. The Company represents that is has satisfied and agrees that it will satisfy the conditions set forth in Rule 433 of the Rules to avoid a requirement to file with the Commission any Road Show. The Company consents to the use by any Underwriter of a free writing prospectus that (a) is not an "issuer free writing prospectus" as defined in Rule 433, and (b) contains only (i) information describing the preliminary terms of the Shares or their offering or (ii) information that describes the final terms of the Shares or their offering and that is included in the final term sheet of the Company contemplated in section [ ] above.

(e) Each Underwriter represents and agrees that it is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering contemplated hereby (and will promptly notify the Company and the Selling Stockholder if any such proceeding against it is initiated during the Prospectus Delivery Period).

6. Indemnification.

(a) The Company and its subsidiaries, and the Selling Stockholder, agree to indemnify and hold harmless each Underwriter, its present and former directors, officers, agents and employees and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages and liabilities, joint or several (including any reasonable investigation, legal and other fees and expenses incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted), to which they, or any of them, may become subject under the Securities Act, the Exchange Act or other Federal or state law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, the Registration Statement, the Statutory Prospectus, the Prospectus, any Issuer Free Writing Prospectus or any "issuer-information" filed or required to be filed pursuant to Rule 433(d) of the Rules, any amendment thereof or supplement thereto or any Written Testing-the-Waters Communication, or in any Blue Sky application or other information or other documents executed by the Company filed in any state or other jurisdiction to qualify any or all of the Shares under the securities laws thereof (any such application, document or information being hereinafter referred to as a "**Blue Sky Application**") or arise out of or are based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, (A) that such indemnity shall not inure to the benefit of any Underwriter (or any person controlling such Underwriter) on account of any losses, claims, damages or liabilities arising from the sale of the Shares to any person by such Underwriter if such untrue statement or omission or alleged untrue statement or omission was made in such preliminary prospectus, the Registration Statement, the Prospectus, the Statutory Prospectus, any Issuer Free Writing Prospectus or such amendment or supplement thereto, any Written Testing-the-Waters Communication, or in any Blue Sky Application in reliance upon and in conformity with the Underwriter Information and (B) with respect to the Selling Stockholder, only to the extent that such losses, claims, damages or liabilities arising from the sale of the Shares

to any person by such Underwriter are caused by any such untrue statement or omission or alleged untrue statement or omission was made in reliance upon and in conformity with the Selling Stockholder Information. This indemnity agreement will be in addition to any liability which the Company and the Selling Stockholder may otherwise have.

(b) The Company agrees to indemnify and hold harmless the Representatives, its officers and employees and each person, if any, who controls the Representatives within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages, expenses and liabilities (including any reasonable investigation, legal and other expenses incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted) (i) arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Participants in connection with the Friends and Family Program or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) arising out of or based upon the failure of any Participant to pay for and accept delivery of Directed Shares otherwise reserved for such Participant pursuant to the Friends and Family Program, and (iii) related to, arising out of, or in connection with the Friends and Family Program, other than losses, claims, damages or liabilities (or expenses relating thereto) that are finally judicially determined to have resulted from the bad faith or gross negligence of the Representatives.

(c) Each Underwriter, severally and not jointly, agrees to indemnify and hold harmless the Company, the Selling Stockholder, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, each director of the Company, and each officer of the Company who signs the Registration Statement, against any losses, claims, damages or liabilities to which such party may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, the Registration Statement, the Statutory Prospectus, the Prospectus, any Issuer Free Writing Prospectus or any "issuer-information" filed or required to be filed pursuant to Rule 433(d) of the Rules, any amendment thereof or supplement thereto or any Written Testing-the-Waters Communication, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, the Registration Statement, the Statutory Prospectus or the Prospectus or any such amendment or supplement in reliance upon and in conformity with the Underwriter Information; provided, however, that the obligation of each Underwriter to indemnify the Company (including any controlling person, director or officer thereof) or the Selling Stockholder shall be limited to the amount of the underwriting discount and commissions applicable to the Shares to be purchased by such Underwriter hereunder.

(d) Any party that proposes to assert the right to be indemnified under this Section will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim is to be made against an indemnifying party or parties under this Section, notify each such indemnifying party of the commencement of such action, suit or proceeding, enclosing a copy of all papers served. No indemnification provided for

in Section 6(a) or 6(b) shall be available to any party who shall fail to give notice as provided in this Section 6(c) if the party to whom notice was not given was unaware of the proceeding to which such notice would have related and was materially prejudiced by the failure to give such notice but the omission so to notify such indemnifying party of any such action, suit or proceeding shall not relieve it from any liability that it may have to any indemnified party for contribution or otherwise than under this Section. In case any such action, suit or proceeding shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in, and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof and the approval by the indemnified party of such counsel, the indemnifying party shall not be liable to such indemnified party for any legal or other expenses, except as provided below and except for the reasonable costs of investigation subsequently incurred by such indemnified party in connection with the defense thereof. The indemnified party shall have the right to employ its counsel in any such action, but the reasonable and documented fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the employment of counsel by such indemnified party has been authorized in writing by the indemnifying parties, (ii) the indemnified party shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or in addition to those available to the indemnifying party (in which case the indemnifying parties shall not have the right to direct the defense of such action on behalf of the indemnified party) or (iii) the indemnifying parties shall not have employed counsel to assume the defense of such action within a reasonable time after notice of the commencement thereof, in each of which cases the reasonable and documented fees and expenses of counsel shall be at the expense of the indemnifying parties. An indemnifying party shall not be liable for any settlement of any action, suit, and proceeding or claim effected without its written consent, which consent shall not be unreasonably withheld or delayed.

7. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in Section 5(a) or 5(b) is due in accordance with its terms but for any reason is unavailable to or insufficient to hold harmless an indemnified party in respect to any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate losses, liabilities, claims, damages and expenses (including any investigation, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claims asserted, but after deducting any contribution received by any person entitled hereunder to contribution from any person who may be liable for contribution) incurred by such indemnified party, as incurred, in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholder on the one hand and the Underwriters on the other hand from the offering of the Shares pursuant to this Agreement or, if such allocation is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to above but also the relative fault of the Company and the Selling Stockholder on the one hand and the Underwriters on the other hand in connection with the statements or omissions, or in connection with any violation of the nature referred to in Section 5(a) hereof with respect to Directed Shares, which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations. The Company, the Selling Stockholder, and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section

7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission. Notwithstanding the provisions of this Section 7, (i) no Underwriter (except as may be provided in the Agreement Among Underwriters) shall be required to contribute any amount in excess of the underwriting discounts and commissions applicable to the Shares purchased by such Underwriter and (ii) no Selling Stockholder shall be required to contribute any amount in excess of the aggregate net proceeds of the sale of Shares received by the Selling Stockholder. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 7, each person, if any, who controls an Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as such Underwriter, and each director of the Company including any person who, with his or her consent, is named in the Registration Statement as about to become a director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of the Section 15 of the Securities Act or Section 20 of the Exchange Act, shall have the same rights to contribution as the Company or the Selling Stockholder, as the case may be. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this Section 7, notify such party or parties from whom contribution may be sought, but the omission so to notify such party or parties from whom contribution may be sought shall not relieve the party or parties from whom contribution may be sought from any other obligation it or they may have hereunder or otherwise than under this Section 7. No party shall be liable for contribution with respect to any action, suit, proceeding or claim settled without its written consent. The Underwriter's obligations to contribute pursuant to this Section 7 are several in proportion to their respective underwriting commitments and not joint. The provisions of this Section 7 shall not affect any agreement among the Company and the Selling Stockholder with respect to contribution.

8. Termination.

(a) This Agreement may be terminated with respect to the Shares to be purchased on a Closing Date by the Representatives by notifying the Company and the Selling Stockholder at any time at or before a Closing Date in the absolute discretion of the Representatives if: (i) there has occurred any material adverse change in the securities markets or any event, act or occurrence that has materially disrupted, or in the opinion of the Representatives, will in the future materially disrupt, the securities markets or there shall be such a material adverse change in general financial, political or economic conditions or the effect of international conditions on the financial markets in the United States is such as to make it, in the judgment of the Representatives, inadvisable or impracticable to market the Shares or enforce contracts for the sale of the Shares; (ii) there has occurred any outbreak or material escalation of hostilities or acts of terrorism or other calamity or crisis the effect of which on the financial markets of the United States is such as to

make it, in the judgment of the Representatives, inadvisable or impracticable to market the Shares or enforce contracts for the sale of the Shares; (iii) trading in the Shares or any securities of the Company has been suspended or materially limited by the Commission; or (iv) trading generally on the New York Stock Exchange, Inc., the American Stock Exchange, Inc. or Nasdaq has been suspended or materially limited, or minimum or maximum ranges for prices for securities shall have been fixed, or maximum ranges for prices for securities have been required, by any of said exchanges or by such system or by order of the Commission, FINRA, or any other governmental or regulatory authority; (v) a banking moratorium has been declared by any state or Federal authority; or (vi) in the judgment of the Representatives, there has been, since the time of execution of this Agreement, any material adverse change in the assets, properties, condition, financial or otherwise, or in the results of operations or business affairs of the Company and its subsidiaries considered as a whole, whether or not arising in the ordinary course of business.

(b) If this Agreement is terminated pursuant to any of its provisions, neither the Company nor the Selling Stockholder shall be under any liability to any Underwriter, and no Underwriter shall be under any liability to the Company or the Selling Stockholder, except that (y) if this Agreement is terminated by the Representatives or the Underwriters because of any failure, refusal or inability on the part of the Company or a Selling Stockholder to comply with the terms or to fulfill any of the conditions of this Agreement (other than because of Section 7(a)(i), 7(a)(ii) or 7(a)(iv)), the Company will reimburse the Underwriters for all reasonable and documented out-of-pocket expenses (including the reasonable fees and disbursements of their counsel) incurred by them in connection with the proposed purchase and sale of the Shares or in contemplation of performing their obligations hereunder and (z) no Underwriter who shall have failed or refused to purchase the Shares agreed to be purchased by it under this Agreement, without some reason sufficient hereunder, in such Underwriter's reasonable discretion, to justify cancellation or termination of its obligations under this Agreement, shall be entitled to reimbursement of expenses as described in subclause (y) above or relieved of liability to the Company, the Selling Stockholder or to the other Underwriters for damages occasioned by its failure or refusal.

9. Substitution of Underwriters. If any Underwriter shall default in its obligation to purchase on any Closing Date the Shares agreed to be purchased hereunder on such Closing Date, the Representatives shall have the right, within 36 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase such Shares on the terms contained herein. If, however, the Representatives shall not have completed such arrangements within such 36-hour period, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to the Underwriters to purchase such Shares on such terms. If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided above, the aggregate number of Shares which remains unpurchased on such Closing Date does not exceed one-eleventh of the aggregate number of all the Shares that all the Underwriters are obligated to purchase on such date, then the Company shall have the right to require each non-defaulting Underwriter to purchase the number of Shares which such Underwriter agreed to purchase hereunder at such date and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Shares which such Underwriter agreed to purchase hereunder) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default. In any such case, either the Representatives

or the Company and the Selling Stockholder shall have the right to postpone the applicable Closing Date for a period of not more than seven days in order to effect any necessary changes and arrangements (including any necessary amendments or supplements to the Registration Statement or Prospectus or any other documents), and the Company agrees to file promptly any amendments to the Registration Statement or the Prospectus which in the opinion of the Company and the Underwriters and their counsel may thereby be made necessary.

If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided above, the aggregate number of such Shares which remains unpurchased exceeds 10% of the aggregate number of all the Shares to be purchased at such date, then this Agreement, or, with respect to a Closing Date which occurs after the First Closing Date, the obligations of the Underwriters to purchase and of the Company or the Selling Stockholder, as the case may be, to sell the Option Shares to be purchased and sold on such date, shall terminate, without liability on the part of any non-defaulting Underwriter to the Company or the Selling Stockholder, and without liability on the part of the Company or the Selling Stockholder, except as provided in Sections 5(b), 6, 7 and 8. The provisions of this Section 9 shall not in any way affect the liability of any defaulting Underwriter to the Company or the nondefaulting Underwriters arising out of such default. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section 9 with like effect as if such person had originally been a party to this Agreement with respect to such Shares.

10. Miscellaneous. The respective agreements, representations, warranties, indemnities and other statements of the Company, Selling Stockholder, and the several Underwriters, as set forth in this Agreement or made by or on behalf of them pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or the Company or the Selling Stockholder or any of their respective officers, directors or controlling persons referred to in Sections 5 and 6 hereof, and shall survive delivery of and payment for the Shares. In addition, the provisions of Sections 4(b), 5, 6 and 7 shall survive the termination or cancellation of this Agreement.

This Agreement has been and is made for the benefit of the Underwriters, the Company and the and their respective successors and assigns, and, to the extent expressed herein, for the benefit of persons controlling any of the Underwriters, or the Company, and directors and officers of the Company, and their respective successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. The term "successors and assigns" shall not include any purchaser of Shares from any Underwriter merely because of such purchase.

All notices and communications hereunder shall be in writing and mailed or delivered or by telephone or telegraph if subsequently confirmed in writing, (a) if to the Representatives, c/o Oppenheimer & Co. Inc., 85 Broad Street, New York, New York 10004 Attention: Equity Capital Markets, with a copy to Oppenheimer & Co. Inc., 85 Broad Street, New York, New York 10004 Attention: General Counsel, and to Goodwin Procter LLP, attention: Rick Kline, 601 Marshall Street, Redwood City 94063, and (b) if to the Company or the Selling Stockholder, to the Company's agent for service as such agent's address appears on the cover page of the Registration Statement with a copy to Cooley LLP, attention: Jon Gavenman, 3175 Hanover Street, Palo Alto, California 94304.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York

This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

Please confirm that the foregoing correctly sets forth the agreement among us.

Very truly yours,

SONIM TECHNOLOGIES, INC.

By: _____
Title:

ROBERT PLASCHKE

By: _____
Title: Chief Executive Officer, Sonim Technologies, Inc.

Confirmed:

OPPENHEIMER & CO. INC.

_____

Acting severally on behalf of itself
and as representative of the several
Underwriters named in Schedule I annexed hereto.

By OPPENHEIMER & CO. INC.

By: _____
Title:

LAKE STREET CAPITAL MARKETS

_____

Acting severally on behalf of itself
and as representative of the several
Underwriters named in Schedule I annexed hereto.

By LAKE STREET CAPITAL MARKETS

By: _____
Title:

ANNEX A

General Disclosure Package

1. Statutory Prospectus issued April 29, 2019
2. Pricing information provided orally by the Underwriters:

   The initial public offering price per share for the Shares is $[ ].

   The number of Firm Shares purchased by the Underwriters is [ ].

   The number of Option Shares to be sold by the Company and the Selling Stockholder at the option of the Underwriters is up to [ ].

SCHEDULE I

Name	Number of Firm Shares to Be Purchased
Oppenheimer & Co. Inc.	
Lake Street Capital Markets	
National Securities Corporation	
Total	

SCHEDULE II

Name of Selling Stockholder	Number of Option Shares to Be Sold
Robert Plaschke	[ ]
Total	

SCHEDULE III

Lock-up Signatories

SCHEDULE IV

Issuer Free Writing Prospectuses

SCHEDULE V

Written Testing-the-Waters Communications

Exhibit A

FORM OF LOCK-UP AGREEMENT

[ ], 2019

Oppenheimer & Co. Inc.
As Representative of the Several Underwriters
c/o Oppenheimer & Co. Inc.
85 Broad Street
New York, New York 10004

Re: Public Offering of Sonim Technologies, Inc.

Ladies and Gentlemen:

The undersigned, a holder of common stock, par value $0.001 ("**Common Stock**"), or rights to acquire Common Stock, of Sonim Technologies, Inc. (the "**Company**") understands that you, as Representative of the several Underwriters, propose to enter into an Underwriting Agreement (the "**Underwriting Agreement**") with the Company, providing for the public offering (the "**Public Offering**") by the several Underwriters named in Schedule I to the Underwriting Agreement (the "**Underwriters**"), of shares of Common Stock of the Company (the "**Securities**"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriters' agreement to enter into the Underwriting Agreement and to proceed with the Public Offering of the Securities, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees for the benefit of the Company, you and the other Underwriters that, without the prior written consent of Oppenheimer & Co. Inc. on behalf of the Underwriters, the undersigned will not, during the period ending 180 days (the "**Lock-Up Period**") after the date of the final prospectus relating to the Public Offering (the "**Prospectus**"), directly or indirectly (1) offer, pledge, assign, encumber, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock owned either of record or beneficially (as defined in the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")) by the undersigned on the date hereof or hereafter acquired or (2) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Common Stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise, or publicly announce an intention to do any of the foregoing. In addition, the undersigned agrees that, without the prior written consent of Oppenheimer & Co. Inc. on behalf of the Underwriters, it will not, during the period ending 180 days after the date of the Prospectus, make any demand for or exercise any right with respect to, the registration of any shares of Common Stock or any security convertible into or exercisable or exchangeable for Common Stock. If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing restrictions shall be equally applicable to any issuer-directed shares of Common Stock the undersigned may purchase in the Public Offering.

Notwithstanding anything herein to the contrary:

1. The foregoing shall not apply to Common Stock:

    a. to be sold by the undersigned in the Public Offering pursuant to the Underwriting Agreement;

    b. that were acquired in open market transactions after the completion of the Public Offering;

    c. transferred as a *bona fide* gift or gifts;

    d. transferred, if the undersigned is a partnership, limited liability company, corporation or other business entity, (A) to another corporation, partnership, limited liability company or other business entity that is an affiliate (within the meaning set forth in Rule 405 as promulgated by the SEC under the Securities Act of 1933, as amended, and including subsidiaries of the undersigned) of the undersigned or (B) as part of a distribution, transfer or disposition by the undersigned to its or its affiliates' directors, officers, employees, managers, stockholders, limited partners, general partners, limited liability company members or other equityholders or to the estate of any such stockholders, limited partners, general partners, limited liability company members or other equityholders;

    e. transferred to any member of the undersigned's immediate family (as defined below) or to any trust or other legal entity for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, or if the undersigned is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust;

    f. transferred by will, other testamentary document or the laws of intestate succession;

    g. transferred in connection with the "net" or "cashless" exercise or settlement of stock options, other rights to purchase shares of Common Stock or other securities convertible or exercisable or exchangeable for shares of Common Stock, or for the payment of tax withholdings or remittance payments due as a result of the vesting, settlement or exercise of such securities, in each case pursuant to an equity incentive plan, stock purpose plan or other employee benefit plan described in the Prospectus, provided that any such shares issued upon exercise of such option or other right shall be subject to the restrictions set forth herein; provided further, that to the extent a public announcement or filing under the Exchange Act is required of the undersigned or the Company regarding the transfer, such announcement or filing shall include a statement to the effect that the transfer is to cover the exercise price, tax withholding or remittance obligations of the undersigned in connection with such vesting or exercise;

h. transferred to the Company in connection with the repurchase of shares of Common Stock issued pursuant to equity awards granted under a stock incentive plan or other equity award plan, which plan is described in the Prospectus, or pursuant to the agreements to which such shares were issued;

i. transferred in connection with the conversion or exercise of any security, including outstanding warrants described in the Prospectus, into shares of Common Stock in a manner consistent with the description of such securities in the Prospectus, provided that for the avoidance of doubt such converted shares of Common Stock shall remain subject to the provisions of this Letter Agreement;

j. transferred to a nominee or custodian of a person or entity to whom a transfer or distribution would be permissible under (c), (d), (e) or (f) above;

k. transferred pursuant to a bona fide third-party tender offer, merger, consolidation or similar transaction made to all holders of the Company's capital stock involving a Change of Control (as defined below) of the Company, provided that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the undersigned's Common Stock shall remain subject to the provisions of this Letter Agreement; or

l. transferred by operation of law, including pursuant to orders of a court, a qualified domestic order or in connection with a divorce settlement,

provided:

i. that in the case of any transfer or distribution pursuant to clause (c), (d), (e), (f), (g), (i), (j) or (l), each donee, transferee or distributee shall execute and deliver to Oppenheimer & Co. Inc. a lock-up letter substantially in the form of this Letter Agreement;

ii. in the case of clauses (c), (d), (e), (f) or (j), it shall be a condition to the transfer or distribution that such transfer or distribution does not involve a disposition for value; and

iii. in the case of clauses (b), (c), (d), (e), (f), (g), (h), (i), (j) or (l), no filing under Section 16 of the Exchange Act or other public filing, report or announcement, by or on behalf of the undersigned, reporting a reduction in beneficial ownership of shares of Common Stock, shall be required or shall be voluntarily made during the Restricted Period and, if the undersigned is required to file a report under Section 13 or Section 16 of the Exchange Act during the Restricted Period, the undersigned shall include a statement in such report to the effect that such transfer is in connection with the circumstances described in clause (b), (c), (d), (e), (f), (g), (h), (i) or (l), as the case may be, including that no shares of Common Stock were sold by the reporting person;

2. The undersigned, without the prior written consent of Oppenheimer & Co. Inc. on behalf of the Underwriters, may receive from the Company shares of Common Stock in connection with the exercise of options or other rights granted under a stock incentive plan or other equity award plan, which plan is described in the Registration Statement; provided that the shares of Common Stock received by the undersigned shall be subject to the provisions of this Letter Agreement;

3. The undersigned, without the prior written consent of Oppenheimer & Co. Inc. on behalf of the Underwriters, may enter into a written plan meeting the requirements of Rule 10b5-1 under the Exchange Act after the date of this Letter Agreement relating to the sale of the undersigned's Common Stock, provided that (i) the securities subject to such plan may not be transferred until after the expiration of the Restricted Period and (ii) no public announcement or filing under the Exchange Act shall be voluntarily made regarding the establishment of such plan during the Restricted Period;

For purposes of this Letter Agreement, "immediate family" shall mean any relationship by blood, marriage, domestic partnership or adoption, not more remote than first cousin. For purposes of this Letter Agreement, "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or similar transaction or series of transactions) to a person (as defined in Section 13(d)(3) of the Exchange Act) or group of affiliated persons (other than an Underwriter pursuant to the Public Offering) of the Company's voting securities if, after such transfer, such person or group of affiliated persons would beneficially own (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) a majority of the outstanding voting securities of the Company (or the surviving entity).

If the undersigned is an officer or director of the Company, (i) Oppenheimer & Co. Inc. agrees that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a proposed transfer of shares of Common Stock by the undersigned, Oppenheimer & Co. Inc. will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service or such other method of announcement not prohibited by the Financial Industry Regulatory Authority, Inc. ("**FINRA**") at least two business days before the effective date of the release or waiver, if required by FINRA Rule 5131 (or any successor provision thereto). Any release or waiver granted by Oppenheimer & Co. Inc. hereunder to any such officer or director shall only be effective two business days after the publication date of such press release or announcement. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this letter to the extent and for the duration that such terms remain in effect at the time of the transfer.

In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Letter Agreement.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

The undersigned understands that, (i) if the Public Offering shall not have been completed by September 30, 2019, (ii) if the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Common Stock to be sold thereunder, (iii) if the Company advises Oppenheimer & Co. Inc. in writing prior to the execution of the Underwriting Agreement that it has determined not to proceed with the Public Offering or (iv) if the Registration Statement has been withdrawn prior to the execution of the Underwriting Agreement, in each case the undersigned shall be released from all obligations under this Letter Agreement.

The undersigned, whether or not participating in the Public Offering, understands that the Underwriters are entering into the Underwriting Agreement and proceeding with the Public Offering in reliance upon this Letter Agreement.

This lock-up agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflict of laws principles thereof.

Very truly yours,

[STOCKHOLDER]

By: _____
Name:
Title:

Form of Waiver of Lock-up

Sonim Technologies, Inc.
Public Offering of Common Stock

[ ], 20[ ]

[Name and Address of
Officer or Director
Requesting Waiver]

Dear Mr./Ms. [Name]:

This letter is being delivered to you in connection with the offering by Sonim Technologies, Inc. (the "**Company**") of [ ] shares of **common stock**, $0.001 par value (the "Common Stock"), of the Company and the **lock-up agreement** dated [ ], 2019 (the "**Lock-up Agreement**"), executed by you in connection with such offering, and your request for a [waiver] [release] dated [ ], 20[ ], with respect to [ ] shares of Common Stock (the "**Shares**").

Oppenheimer & Co. Inc. hereby agrees to [waive] [release] the transfer restrictions set forth in the Lock-up Letter, but only with respect to the Shares, effective [ ], 20[ ][date to be 3 business days from date of letter]; provided, however, that such [waiver] [release] is conditioned on the Company announcing the impending [waiver] [release] by press release through a major news service at least two business days before effectiveness of such [waiver] [release]. This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Letter shall remain in full force and effect.

Yours very truly,

OPPENHEIMER & CO. INC.

By: _____
Name:
Title:

cc: Bob Plaschke

Form of Lock Up Waiver/Release Company Press Release

Sonim Technologies, Inc.
[Date]

Sonim Technologies, Inc. announced today that Oppenheimer & Co. Inc., the lead book-running manager in the Company's recent public sale of [ ] shares of common stock, is [waiving] [releasing] a lock-up restriction with respect to [ ] shares of the Company's common stock held by [ ], an [officer/director] of the Company. The [waiver] [release] will take effect on [ ], 20[ ], and the related shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Exhibit 4.1

NUMBER
ST

SHARES

sonim®

CUSIP 83548F 10 1

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

SEE REVERSE FOR CERTAIN DEFINITIONS AND LEGENDS

This certifies that

is the record holder of

FULLY PAID AND NONASSESSABLE SHARES OF COMMON STOCK, $0.001 PAR VALUE PER SHARE, OF

SONIM TECHNOLOGIES, INC.

transferable on the books of the corporation in person or by duly authorized attorney upon surrender of this Certificate properly endorsed. This Certificate is not valid until countersigned by the Transfer Agent and registered by the Registrar.

WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

Dated:

CHIEF EXECUTIVE OFFICER

SONIM TECHNOLOGIES, INC. CORPORATE SEAL AUGUST 5, 1999 DELAWARE

ASSISTANT SECRETARY

BY:

AUTHORIZED SIGNATURE

COUNTERSIGNED AND REGISTERED:
AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC
(BROOKLYN, NY)
TRANSFER AGENT AND REGISTRAR

The Corporation shall furnish without charge to each stockholder who so requests a statement of the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock of the Corporation or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Such requests shall be made to the Corporation's Secretary at the principal office of the Corporation.

KEEP THIS CERTIFICATE IN A SAFE PLACE. IF IT IS LOST, STOLEN,OR DESTROYED THE CORPORATION WILL REQUIRE A BOND INDEMNITY AS A CONDITION TO THE ISSUANCE OF A REPLACEMENT CERTIFICATE.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	–	as tenants in common
TEN ENT	–	as tenants by the entireties
JT TEN	–	as joint tenants with right of survivorship and not as tenants in common
COM PROP	–	as community property

UNIF GIFT MIN ACT – ..... Custodian .....
(Cust) (Minor)
under Uniform Gifts to Minors Act.....
(State)

UNIF TRF MIN ACT – ..... Custodian (until age .....)
(Cust)
..... under Uniform Transfers
(Minor)
to Minors Act.....
(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, _____ hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____
(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____

_____

_____ shares of the capital stock represented by within Certificate, and do hereby irrevocably constitute and appoint

_____ attorney-in-fact to transfer the said stock on the books of the within named Corporation with full power of the substitution in the premises.

Dated _____

X _____

X _____

Signature(s) Guaranteed:

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

By _____

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION, (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15. GUARANTEES BY A NOTARY PUBLIC ARE NOT ACCEPTABLE. SIGNATURE GUARANTEES MUST NOT BE DATED.

Exhibit 5.1

Cooley

Jon Gavenman
+1 650 843 5000
jgavenman@cooley.com

April 29, 2019

Sonim Technologies, Inc.
1875 South Grant Street
Suite 750
San Mateo, CA 9402

Ladies and Gentlemen:

You have requested our opinion, as counsel to Sonim Technologies, Inc., a Delaware corporation (the "***Company***"), in connection with the filing by the Company of a Registration Statement (No. 333-230887) on Form S-1 (the "***Registration Statement***") with the Securities and Exchange Commission, including a related prospectus filed with the Registration Statement (the "***Prospectus***"), covering an underwritten public offering of up to 4,107,143 shares of the Company's common stock, par value $0.001 ("***Shares***"), which includes (i) up to 4,077,143 Shares to be sold by the Company (the "Company Shares") (including up to 505,714 Shares that may be sold pursuant to the exercise of an option to purchase additional shares) and (ii) up to 30,000 shares to be sold by the selling stockholder identified in such Registration Statement pursuant to the exercise of an option to purchase additional shares (the "Stockholder Shares").

In connection with this opinion, we have (i) examined and relied upon (a) the Registration Statement and Prospectus, (b) the Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, as currently in effect as of the date hereof, (c) the forms of the Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws filed as Exhibits 3.2 and 3.4, to the Registration Statement, respectively, each of which is to be in effect prior to the closing of the offering contemplated by the Registration Statement and (d) the originals or copies certified to our satisfaction of such records, documents, certificates, memoranda and other instruments as in our judgment are necessary or appropriate to enable us to render the opinion expressed below and (ii) assumed that the Shares will be sold at a price established by the Board of Directors of the Company, or a duly constituted pricing committee thereof. We have undertaken no independent verification with respect to such matters.

We have assumed the genuineness and authenticity of all documents submitted to us as originals, and the conformity to originals of all documents submitted to us as copies and the due execution and delivery of all documents where due execution and delivery are a prerequisite to the effectiveness thereof. As to certain factual matters, we have relied upon a certificate of an officer of the Company and have not sought independently to verify such matters.

Our opinion is expressed only with respect to the General Corporation Law of the State of Delaware. We express no opinion to the extent that any other laws are applicable to the subject matter hereof and express no opinion and provide no assurance as to compliance with any federal or state securities law, rule or regulation.

On the basis of the foregoing, and in reliance thereon, we are of the opinion that (i) the Company Shares, when sold and issued against payment therefor as described in the Registration Statement and the Prospectus, will be validly issued, fully paid and non-assessable and (ii) the Stockholder Shares have been validly issued and are fully paid and non-assessable.

We consent to the reference to our firm under the caption "Legal Matters" in the Prospectus included in the Registration Statement and to the filing of this opinion as an exhibit to the Registration Statement.

Sincerely,

Cooley LLP

By: /s/ Jon Gavenman
Jon Gavenman

SONIM TECHNOLOGIES, INC.

2019 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: MARCH 26, 2019
APPROVED BY THE STOCKHOLDERS:
IPO DATE/EFFECTIVE DATE:

1. GENERAL.

(a) Successor to and Continuation of Prior Plan. The Plan is the successor to and continuation of the Sonim Technologies, Inc. 2012 Equity Incentive Plan (the "***Prior Plan***"). From and after 12:01 a.m. Pacific time on the Effective Date, no additional stock awards will be granted under the Prior Plan. All Awards granted on or after 12:01 a.m. Pacific Time on the Effective Date will be granted under this Plan. All stock awards granted under the Prior Plan will remain subject to the terms of the Prior Plan.

(i) Any shares that would otherwise remain available for future grants under the Prior Plan as of 12:01 a.m. Pacific Time on the Effective Date (the "***Prior Plan's Available Reserve***") will cease to be available under the Prior Plan at such time. Instead, that number of shares of Common Stock equal to the Prior Plan's Available Reserve will be added to the Share Reserve (as further described in Section 3(a) below) and will be immediately available for grants and issuance pursuant to Stock Awards hereunder, up to the maximum number set forth in Section 3(a) below.

(ii) In addition, from and after 12:01 a.m. Pacific Time on the Effective Date, with respect to the aggregate number of shares of Common Stock subject, at such time, to outstanding stock awards granted under the Prior Plan that (1) expire or terminate for any reason prior to exercise; (2) are forfeited or repurchased because of the failure to meet a contingency or condition required to vest such shares or otherwise return to the Company; or (3) are reacquired, withheld (or not issued) to satisfy a tax withholding obligation in connection with an award (such shares the "***Returning Shares***") will immediately be added to the Share Reserve as shares of Common Stock (as further described in Section 3(a) below) as and when such a share becomes a Returning Share, up to the maximum number set forth in Section 3(a) below.

(b) Eligible Award Recipients. Employees, Directors and Consultants are eligible to receive Awards.

(c) Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards, (vi) Performance Stock Awards, (vii) Performance Cash Awards, and (viii) Other Stock Awards.

(d) Purpose. The Plan, through the grant of Awards, is intended to help the Company secure and retain the services of eligible award recipients, provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate, and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

2. ADMINISTRATION.

(a) Administration by Board. The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine: (A) who will be granted Awards; (B) when and how each Award will be granted; (C) what type of Award will be granted; (D) the provisions of each Award (which need not be identical), including when a person will be permitted to exercise or otherwise receive cash or Common Stock under the Award; (E) the number of shares of Common Stock subject to, or the cash value of, an Award; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Award Agreement or in the written terms of a Performance Cash Award, in a manner and to the extent it will deem necessary or expedient to make the Plan or Award fully effective.

(iii) To settle all controversies regarding the Plan and Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which an Award may be exercised or vest (or the time at which cash or shares of Common Stock may be issued in settlement thereof).

(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or an Award Agreement, suspension or termination of the Plan will not impair a Participant's rights under the Participant's then-outstanding Award without the Participant's written consent, except as provided in subsection (viii) below.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to make the Plan or Awards granted under the Plan compliant with the requirements for Incentive Stock Options or exempt from, or compliant with, the requirements for nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. If required by applicable law or listing requirements, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, (E) materially extends the term of the Plan, or (F) materially expands the types of Awards available for issuance under the Plan. Except as provided in the Plan (including subsection (viii) below) or an Award Agreement, no amendment of the Plan will impair a Participant's rights under an outstanding Award unless (1) the Company requests the consent of the affected Participant, and (2) such Participant consents in writing.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of (A) Section 422 of the Code regarding "incentive stock options" or (B) Rule 16b-3.

(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided, however,* that a Participant's rights under any Award will not be impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing. Notwithstanding the foregoing, (1) a Participant's rights will not be deemed to have been impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (2) subject to the limitations of applicable law, if any, the Board may amend the terms of any one or more Awards without the affected Participant's consent (A) to maintain the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (B) to change the terms of an Incentive Stock Option, if such change results in impairment of the Award solely because it impairs the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (C) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code; or (D) to comply with other applicable laws or listing requirements.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Awards.

(x) To adopt such rules, procedures and sub-plans related to the operation and administration of the Plan as are necessary or appropriate under local laws and regulations to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Award Agreement made to ensure or facilitate compliance with the laws or regulations of the relevant foreign jurisdiction).

(xi) To effect, with the consent of any adversely affected Participant, (A) the reduction of the exercise, purchase or strike price of any outstanding Stock Award; (B) the cancellation of any outstanding Stock Award and the grant in substitution therefor of a new (1) Option or SAR, (2) Restricted Stock Award, (3) Restricted Stock Unit Award, (4) Other Stock Award, (5) cash and/or (6) other valuable consideration determined by the Board, in its sole discretion, with any such substituted award (x) covering the same or a different number of shares of Common Stock as the cancelled Stock Award and (y) granted under the Plan or another equity or compensatory plan of the Company; or (C) any other action that is treated as a repricing under generally accepted accounting principles (collectively (A) through (C), an "***Exchange Program***").

(c) Delegation to Committee.

(i) General. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee, as applicable). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(ii) Rule 16b-3 Compliance. The Committee may consist solely of two or moreNon-Employee Directors, in accordance with Rule 16b-3.

(d) Delegation to an Officer. The Board may delegate to one (1) or more Officers the authority to do one or both of the following (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by applicable law, other Stock Awards) and, to the extent permitted by applicable law, the terms of such Awards, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such Employees; *provided, however*, that the Board resolutions regarding such delegation will specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself. Any such Stock Awards will be granted on the form of Stock Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. The Board may not delegate authority to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) to determine the Fair Market Value pursuant to Section 13(x)(iii) below.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve.

(i) Subject to Section 9(a) relating to Capitalization Adjustments, and the following sentence regarding the annual increase, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards will not exceed 2,340,678, which number is the sum of (A) 1,885,039, plus (B) the number of shares that remain available for issuance under the Prior Plan's Available Reserve as of the Effective Date, plus (C) the Returning Shares, if any, which become available for grant under this Plan from time to time (such aggregate number of shares described in (A), (B) and (C) above, the "***Share Reserve***"). In addition, the Share Reserve will automatically increase on January 1st of each calendar year, beginning on January 1 in the calendar year following the calendar year in which the IPO Date occurs and ending on (and including) January 1, 2029 (each, an "***Evergreen Date***") in an amount equal to five percent (5%) of the total number of shares of Capital Stock outstanding on the last day of the preceding calendar year. Notwithstanding the foregoing, the Board may act prior to the Evergreen Date of a given year to provide that there will be no increase in the Share Reserve for such year or that the increase in the Share Reserve for such year will be a lesser number of shares of Common Stock than would otherwise occur pursuant to the preceding sentence.

(i) For clarity, the Share Reserve in this Section 3(a) is a limitation on the number of shares of Common Stock that may be issued pursuant to the Plan. As a single share may be subject to grant more than once (e.g., if a share subject to a Stock Award is forfeited, it may be made subject to grant again as provided in Section 3(b) below), the Share Reserve is not a limit on the number of Stock Awards that can be granted.

(ii) Shares may be issued in connection with a merger or acquisition as permitted by NASDAQ Listing Rule 5635(c) or, if applicable, NYSE Listed Company Manual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares available for issuance under the Plan.

(b) Reversion of Shares to the Share Reserve. If a Stock Award or any portion thereof (i) expires or otherwise terminates without all of the shares covered by such Stock Award having been issued or (ii) is settled in cash (*i.e.*, the Participant receives cash rather than stock), such expiration, termination or settlement will not reduce (or otherwise offset) the number of shares of Common Stock that may be available for issuance under the Plan. If any shares of Common Stock issued pursuant to a Stock Award are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares in the Participant or shares of Common Stock that are surrendered to the Company pursuant to an Exchange Program, then the shares that are forfeited, repurchased or so surrendered will again become available for issuance under the Plan. Any shares reacquired by the Company in satisfaction of tax withholding obligations on a Stock Award or as consideration for the exercise or purchase price of a Stock Award will again become available for issuance under the Plan.

(c) Incentive Stock Option Limit. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options will be will be a number of shares of Common Stock equal to three (3) multiplied by the Share Reserve.

(d) Limitation on Compensation of Non-Employee Directors. During any one calendar year, no Non-Employee Director may receive Stock Awards under the Plan that, when combined with cash compensation received for service as a Non-Employee Director, exceeds $600,000 in a calendar year, increased to $1,000,000 in the calendar year of his or her initial services as a Non-Employee Director (calculating the value of any such Stock Awards based on the grant date fair value of such Stock Awards for financial reporting purposes). Stock Awards granted to an individual while he or she was serving in the capacity as an Employee or Consultant but not a Non-Employee Director will not count for purposes of the limitations set forth in this Section 3(d).

(e) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. ELIGIBILITY.

(a) Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however*, that Stock Awards may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any "parent" of the Company, as such term is defined in Rule 405 of the Securities Act, unless (i) the stock underlying such Stock Awards is treated as "service recipient stock" under Section 409A of the Code (for example, because the Stock Awards are granted pursuant to a corporate transaction such as a spin off transaction), (ii) the Company, in consultation with its legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in consultation with its legal counsel, has determined that such Stock Awards comply with the requirements of Section 409A of the Code.

(b) Ten Percent Stockholders. A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price of such Option is at least 110% of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five years from the date of grant.

5. PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option or SAR will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided, however*, that each Award Agreement will conform to (through incorporation of provisions hereof by reference in the applicable Award Agreement or otherwise) the substance of each of the following provisions:

(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of ten years from the date of its grant or such shorter period specified in the Award Agreement.

(b) Exercise Price. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will be not less than 100% of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than 100% of the Fair Market Value of the Common Stock subject to the Award if such Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code. Each SAR will be denominated in shares of Common Stock equivalents.

(c) Purchase Price for Options. The purchase price of Common Stock acquired pursuant to the exercise of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to use a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft or money order payable to the Company;

(ii) pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock;

(iv) if an Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; *provided, however*, that the Company will accept a cash or other payment from the Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued. Shares of Common Stock will no longer be subject

to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations; or

(v) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Agreement.

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Appreciation Right Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (B) the aggregate strike price of the number of Common Stock equivalents with respect to which the Participant is exercising the SAR on such date. The appreciation distribution may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Award Agreement evidencing such SAR.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs will apply:

(i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or pursuant to subsections (ii) and (iii) below), and will be exercisable during the lifetime of the Participant only by the Participant. The Board may permit transfer of the Option or SAR in a manner that is not prohibited by applicable laws or regulations. Except as explicitly provided in the Plan, neither an Option nor a SAR may be transferred for consideration.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulations Section 1.421-1(b)(2) or comparable non-U.S. law. If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company or to any third party designated by the Company, in a form approved by the Company (or the designated broker), designate a third party who, upon the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, upon the death of the Participant, the executor or administrator of the Participant's estate or the Participant's legal heirs will be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as

the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date which occurs three (3) months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the applicable Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR (as applicable) within the applicable time frame, the Option or SAR will terminate.

(h) Extension of Termination Date. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of time (that need not be consecutive) equal to the applicable post termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement. In addition, unless otherwise provided in a Participant's Award Agreement, if the sale of any Common Stock received upon exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of the period of months (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date which occurs 12 months following such termination of Continuous Service (or such longer or shorter period specified in the Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Award Agreement for exercisability after the termination of the Participant's Continuous Service for a reason other than death, then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate,

by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date 18 months following the date of death (or such longer or shorter period specified in the Award Agreement), and (ii) the expiration of the term of such Option or SAR as set forth in the Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the applicable time frame, the Option or SAR (as applicable) will terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in the applicable Award Agreement or other written agreement between the Participant and the Company, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately upon such Participant's termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR from and after the date of such termination of Continuous Service. If a Participant's Continuous Service is suspended pending an investigation of the existence of Cause, all of the Participant's rights under the Option or SAR will also be suspended during the investigation period.

(l) Non-Exempt Employees. If an Option or SAR is granted to an Employee who is anon-exempt employee for purposes of the U.S. Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR (although the Award may vest prior to such date). Consistent with the provisions of the U.S. Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporate Transaction in which such Option or SAR is not assumed, continued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participant's retirement (as such term may be defined in the Participant's Award Agreement in another agreement between the Participant and the Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the U.S. Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(l) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.

6. PROVISIONS OF STOCK AWARDS OTHER THAN OPTIONS AND SARS.

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as the Board will deem appropriate. To the extent consistent with the Company's bylaws, at the Board's election, shares of Common Stock may be (x) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical. Each Restricted Stock Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. A Restricted Stock Award may be awarded in consideration for (A) cash, check, bank draft or money order payable to the Company, (B) past services to the Company or an Affiliate, or (C) any other form of legal consideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. Shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant's Continuous Service. If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board will determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares of Common Stock subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and conditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical. Each Restricted Stock Unit Award Agreement will conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock covered by the Restricted

Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all of the same terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(c) Performance Awards.

(i) Performance Stock Awards. A Performance Stock Award is a Stock Award that is payable (including that may be granted, may vest or may be exercised) contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Stock Award may but need not require the Participant's completion of a specified period of Continuous Service. The length of any Performance Period, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Board or Committee, in its sole discretion. In addition, to the extent permitted by applicable law and the applicable Award Agreement, the Board may determine that cash may be used in payment of Performance Stock Awards.

(ii) Performance Cash Awards. A Performance Cash Award is a cash award that is payable contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Cash Award may also require the completion of a specified period of Continuous Service. At the time of grant of a Performance Cash Award, the length of any Performance Period, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Board or Committee, in its sole discretion. The Board may specify the form of payment of Performance Cash Awards, which may be cash or other property, or may provide for a Participant to have the option for his or her Performance Cash Award, or such portion thereof as the Board may specify, to be paid in whole or in part in cash or other property.

(iii) Board Discretion. The Board retains the discretion to adjust or eliminate the compensation or economic benefit due upon attainment of Performance Goals and to define the manner of calculating the Performance Criteria it selects to use for a Performance Period.

(d) Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value of the Common Stock at the time of grant) may be granted either alone or in addition to Stock Awards provided for under Section 5 and the preceding provisions of this Section 6. Subject to the provisions of the Plan, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awards and all other terms and conditions of such Other Stock Awards.

7. COVENANTS OF THE COMPANY.

(a) Availability of Shares. The Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy then-outstanding Stock Awards.

(b) Compliance with Law. The Company will seek to obtain from each regulatory commission or agency, as necessary, such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise or vesting of the Stock Awards; *provided, however*, that this undertaking will not require the Company to register under the Securities Act the Plan or other securities or applicable laws, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary or advisable for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise or vesting of such Stock Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent issuance of cash or Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable law.

(c) No Obligation to Notify or Minimize Taxes. The Company will have no duty or obligation to any Participant to advise such holder as to the time or manner or tax treatment of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to the holder of such Award.

8. MISCELLANEOUS.

(a) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Stock Awards will constitute general funds of the Company.

(b) Corporate Action Constituting Grant of Awards. Corporate action constituting a grant by the Company of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement or related grant documents as a result of a clerical error in the papering of the Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement or related grant documents.

(c) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares of Common Stock under, the Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to such Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state or foreign jurisdiction in which the Company or the Affiliate is domiciled or incorporated, as the case may be. Furthermore, to the extent the Company is not the employer of a Participant, the grant of an Award will be not establish an employment or other service relationship between the Company and the Participant.

(e) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Award to the Participant, the Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds U.S. $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(g) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that such Participant is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently effective registration statement under the Securities Act, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(h) Withholding Obligations. Unless prohibited by the terms of an Award Agreement, the Company may, in its sole discretion, satisfy any U.S. and non-U.S. federal, state or local tax withholding obligation relating to an Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Stock Award; *provided, however,* that (A) no shares of Common Stock are withheld with a value exceeding the maximum amount of tax that may be required to be withheld by law (or such other amount as may be permitted while still avoiding classification of the Stock Award as a liability for financial accounting purposes)), and (B) with respect to a Stock Award held by any Participant who is subject to the filing requirements of Section 16 of the Exchange Act, any such share withholding must be specifically

approved by the Compensation Committee as the applicable method that must be used to satisfy the tax withholding obligation or such share withholding procedure must otherwise satisfy the requirements for an exempt transaction under Section 16(b) of the Exchange Act; (iii) withholding cash from a Stock Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; (v) by means of a "cashless exercise" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board, or (vi) by such other method as may be set forth in the Award Agreement.

(i) Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) Compliance with Section 409A of the Code. Unless otherwise expressly provided for in an Award Agreement, the Plan and Award Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 409A of the Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted hereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to the extent an Award Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement. Notwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding an Award that constitutes "deferred compensation" under Section 409A of the Code is a "specified employee" for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Participant's "separation from service" or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule.

(l) Exchange Program. Without prior stockholder approval, the Board may engage in an Exchange Program.

(m) Clawback/Recovery. All Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In addition, the Board may impose such other clawback, recovery or recoupment

provisions in an Award Agreement as the Board determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other cash or property upon the occurrence of an event constituting Cause. No recovery of compensation under such a clawback policy will be an event giving rise to a right to resign for "good reason" or "constructive termination" (or similar term) under any agreement with the Company or an Affiliate.

9. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), and (iii) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards. The Board will make such adjustments, and its determination will be final, binding and conclusive.

(b) Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Stock Awards (other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service; *provided, however*, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions will apply to Stock Awards in the event of a Corporate Transaction unless otherwise provided in the Stock Award Agreement or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. In the event of a Corporate Transaction, then, notwithstanding any other provision of the Plan, the Board may take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Corporate Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Corporate Transaction as the Board determines (or, if the Board does not determine such a date, to the date that is five days prior to the effective date of the Corporate Transaction), which exercise is contingent upon the effectiveness of such Corporate Transaction with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction; *provided, however*, that the Board may require Participants to complete and deliver to the Company a notice of exercise before the effective date of a Corporate Transaction;

(iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, in exchange for such cash consideration, if any, as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the per share amount (or value of property per share) payable to holders of Common Stock in connection with the Corporate Transaction, over (B) the per share exercise price under the applicable Stock Award, multiplied by the number of shares subject to the Stock Award. For clarity, this payment may be zero (U.S. $0) if the amount per share (or value of property per share) payable to the holders of the Common Stock is equal to or less than the exercise price of the Stock Award. In addition, any escrow, holdback, earnout or similar provisions in the definitive agreement for the Corporate Transaction may apply to such payment to the holder of the Stock Award to the same extent and in the same manner as such provisions apply to the holders of Common Stock.

The Board need not take the same action or actions with respect to all Stock Awards or portions thereof or with respect to all Participants. The Board may take different actions with respect to the vested and unvested portions of a Stock Award.

(d) Change in Control. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration will occur.

10. TERMINATION OR SUSPENSION OF THE PLAN.

The Board may suspend or terminate the Plan at any time. No Incentive Stock Options may be granted after the tenth anniversary of the earlier of (i) the Adoption Date, or (ii) the date the Plan is approved by the stockholders of the Company. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

11. EXISTENCE OF THE PLAN; TIMING OF FIRST GRANT OR EXERCISE.

The Plan will come into existence on the Adoption Date; *provided, however*, no Stock Award may be granted prior to the IPO Date (that is, the Effective Date). In addition, no Stock Award will be exercised (or, in the case of a Restricted Stock Award, Restricted Stock Unit Award, Performance Stock Award, or Other Stock Award, will be granted) and no Performance Cash Award will be settled unless and until the Plan has been approved by the stockholders of the Company, which approval will be within 12 months after the Adoption Date.

12. CHOICE OF LAW.

The law of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. DEFINITIONS. As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***Adoption Date***" means the date the Plan is adopted by the Board.

(b) "***Affiliate***" means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405 of the Securities Act. The Board will have the authority to determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(c) "***Award***" means a Stock Award or a Performance Cash Award.

(d) "***Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of an Award.

(e) "***Board***" means the Board of Directors of the Company.

(f) "***Capital Stock***" means each and every class of common stock of the Company, regardless of the number of votes per share.

(g) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Adoption Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(h) "***Cause***" will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States, any state thereof, or any applicable foreign jurisdiction; (ii) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company or any Affiliate; (iii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or any Affiliate or of any statutory duty owed to the Company or any Affiliate; (iv) such Participant's unauthorized use or disclosure of the Company's or any Affiliate's confidential information or trade secrets; or (v) such Participant's gross misconduct. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause shall be made by the Company in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated by reason of dismissal without Cause for the purposes of outstanding Stock Awards held by such Participant shall have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(i) "***Change in Control***" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, (C) on account of the acquisition of securities of the Company by any individual who is, on the IPO Date, either an executive officer or a Director (either, an "***IPO Investor***") and/or any entity in which an IPO Investor has a direct or indirect interest (whether in the form of voting rights or participation in profits or capital contributions) of more than 50% (collectively, the "***IPO Entities***") or on account of the IPO Entities continuing to hold shares that come to represent more than 50% of the combined voting power of the Company's then outstanding securities as a result of the conversion of any class of the Company's securities into another class of the Company's securities having a different number of votes per share pursuant to the conversion provisions set forth in the Company's Amended and Restated Certificate of Incorporation; or (D) solely because the level of Ownership held by any Exchange Act Person (the "***Subject Person***") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction; *provided, however*, that a merger, consolidation or similar transaction will not constitute a Change in Control under this prong of the definition if the outstanding voting securities representing more than 50% of the combined voting power of the surviving Entity or its parent are owned by the IPO Entities;

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; *provided, however*, that a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries will not constitute a Change in Control under this prong of the definition if the outstanding voting securities representing more than 50% of the combined voting power of the acquiring Entity or its parent are owned by the IPO Entities; or

(iv) individuals who, on the date the Plan is adopted by the Board, are members of the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the members of the Board; *provided, however*, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board.

Notwithstanding the foregoing or any other provision of the Plan, the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company and the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect to Awards subject to such agreement; *provided, however*, that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition will apply. To the extent required for compliance with Section 409A of the Code, in no event will a Change in Control be deemed to have occurred if such transaction is not also a "change in the ownership or effective control of" the Company or "a change in the ownership of a substantial portion of the assets of" the Company as determined under Treasury Regulations Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder). The Board may, in its sole discretion and without a Participant's consent, amend the definition of "Change in Control" to conform to the definition of "Change in Control" under Section 409A of the Code, and the regulations thereunder.

(j) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(k) "***Committee***" means a committee of one or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(l) "***Common Stock***" means, as of the IPO Date, the common stock of the Company, having one vote per share.

(m) "***Company***" means Sonim Technologies, Inc., a Delaware corporation.

(n) "***Consultant***" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan. Notwithstanding the foregoing, a person is treated as a Consultant under this Plan only if a FormS-8 Registration Statement under the Securities Act is available to register either the offer or the sale of the Company's securities to such person.

(o) "***Continuous Service***" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Consultant or Director or a change in the entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided, however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board, in its sole discretion, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that

party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in an Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law. In addition, to the extent required for exemption from or compliance with Section 409A of the Code, the determination of whether there has been a termination of Continuous Service will be made, and such term will be construed, in a manner that is consistent with the definition of "separation from service" as defined under Treasury Regulation Section 1.409A-1(h) (without regard to any alternative definition thereunder).

(p) "***Corporate Transaction***" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board, in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of more than 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

If required for compliance with Section 409A of the Code, in no event will a Corporate Transaction be deemed to have occurred if such transaction is not also a "change in the ownership or effective control of" the Company or "a change in the ownership of a substantial portion of the assets of" the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

(q) "***Director***" means a member of the Board.

(r) "***Disability***" means, with respect to a Participant, the inability of such Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months, as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(s) "***Effective Date***" means the IPO Date.

(t) "***Employee***" means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(u) "***Entity***" means a corporation, partnership, limited liability company or other entity.

(v) "***Exchange Act***" means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(w) "***Exchange Act Person***" means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities.

(x) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be, unless otherwise determined by the Board, the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in a source the Board deems reliable.

(ii) Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing selling price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith and in a manner that complies with Sections 409A and 422 of the Code.

(y) "***Incentive Stock Option***" means an option granted pursuant to Section 5 of the Plan that is intended to be, and qualifies as, an "incentive stock option" within the meaning of Section 422 of the Code.

(z) "***IPO Date***" means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(aa) "***Non-Employee Director***" means a Director who either (i) is not a current employee or officer of the Company or an Affiliate, does not receive compensation, either directly or indirectly, from the Company or an Affiliate for services rendered as a consultant or in any capacity other than as a Director (except for an amount as to which disclosure would not be required under Item 404(a) of Regulation S-K promulgated pursuant to the Securities Act ("***Regulation S-K***")), does not possess an interest in any other transaction for which disclosure would be required under Item 404(a) of Regulation S-K, and is not engaged in a business relationship for which disclosure would be required pursuant to Item 404(b) of RegulationS-K; or (ii) is otherwise considered a "non-employee director" for purposes of Rule 16b-3.

(bb) "***Nonstatutory Stock Option***" means any Option granted pursuant to Section 5 of the Plan that does not qualify as an Incentive Stock Option.

(cc) "***Officer***" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

(dd) "***Option***" means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(ee) "***Option Agreement***" means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan.

(ff) "***Optionholder***" means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(gg) "***Other Stock Award***" means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 6(d).

(hh) "***Other Stock Award Agreement***" means a written agreement between the Company and a holder of an Other Stock Award evidencing the terms and conditions of an Other Stock Award grant. Each Other Stock Award Agreement will be subject to the terms and conditions of the Plan.

(ii) "***Own,***" "***Owned,***" "***Owner,***" "***Ownership***" means a person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(jj) "***Parent***" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company, if 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. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

(kk) ***"Participant***" means a person to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

(ll) "***Performance Cash Award***" means an award of cash granted pursuant to the terms and conditions of Section 6(c)(ii).

(mm) "***Performance Criteria***" means the one or more criteria that the Board or Committee (as applicable) will select for purposes of establishing the Performance Goals for a Performance Period. The Performance Criteria that will be used to establish such Performance Goals may be based on any one of, or combination of, the following as determined by the Board or Committee (as applicable): (1) earnings (including earnings per share and net earnings); (2) earnings before interest, taxes and depreciation; (3) earnings before interest, taxes, depreciation and amortization; (4) total stockholder return; (5) return

on equity or average stockholder's equity; (6) return on assets, investment, or capital employed; (7) stock price; (8) margin (including gross margin); (9) income (before or after taxes); (10) operating income; (11) operating income after taxes; (12) pre-tax profit; (13) operating cash flow; (14) sales or revenue targets; (15) increases in revenue or product revenue; (16) expenses and cost reduction goals; (17) improvement in or attainment of working capital levels; (18) economic value added (or an equivalent metric); (19) market share; (20) cash flow; (21) cash flow per share; (22) share price performance; (23) debt reduction; (24) implementation or completion of projects or processes; (25) subscriber satisfaction; (26) stockholders' equity; (27) capital expenditures; (28) debt levels; (29) operating profit or net operating profit; (30) workforce diversity; (31) growth of net income or operating income; (32) billings; (33) the number of subscribers, including but not limited to unique subscribers; (34) employee retention; and (35) other measures of performance selected by the Board.

(nn) "***Performance Goals***" means, for a Performance Period, the one or more goals established by the Board or Committee (as applicable) for the Performance Period based upon the Performance Criteria. Performance Goals may be based on a Company-wide basis, with respect to one or more business units, divisions, Affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by the Board or Committee (as applicable) (i) in the Award Agreement at the time the Award is granted or (ii) in such other document setting forth the Performance Goals at the time the Performance Goals are established, the Board or Committee (as applicable) will appropriately make adjustments in the method of calculating the attainment of Performance Goals for a Performance Period as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by the Company achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of common stock of the Company by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock based compensation and the award of bonuses under the Company's bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; and (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles. In addition, the Board or Committee (as applicable) retains the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of Performance Goals and to define the manner of calculating the Performance Criteria it selects to use for such Performance Period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the Stock Award Agreement or the written terms of a Performance Cash Award.

(oo) "***Performance Period***" means the period of time selected by the Board or Committee (as applicable) over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to and the payment of a Stock Award or a Performance Cash Award. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Board or Committee (as applicable).

(pp) "***Performance Stock Award***" means a Stock Award granted under the terms and conditions of Section 6(c)(i).

(qq) "***Plan***" means this Sonim Technologies, Inc. 2019 Equity Incentive Plan, as it may be amended from time to time.

(rr) "***Restricted Stock Award***" means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(ss) "***Restricted Stock Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(tt) "***Restricted Stock Unit Award***" means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(uu) "***Restricted Stock Unit Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement will be subject to the terms and conditions of the Plan.

(vv) "***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.

(ww) "***Securities Act***" means the Securities Act of 1933, as amended.

(xx) "***Stock Appreciation Right***" or "***SAR***" means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(yy) "***Stock Appreciation Right Agreement***" means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement will be subject to the terms and conditions of the Plan.

(zz) "***Stock Award***" means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, a Stock Appreciation Right, a Performance Stock Award or any Other Stock Award.

(aaa) "***Stock Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement will be subject to the terms and conditions of the Plan.

(bbb) "***Subsidiary***" means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(ccc) "***Ten Percent Stockholder***" means a person who Owns (or is deemed to Own pursuant to 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 or any Affiliate.

SONIM TECHNOLOGIES, INC.

2019 EQUITY INCENTIVE PLAN
STOCK OPTION GRANT NOTICE

Sonim Technologies, Inc. (the "***Company***"), pursuant to its 2019 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below. This option is subject to all of the terms and conditions as set forth in this stock option grant notice (this "***Stock Option Grant Notice***"), in the Option Agreement, the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms herein and the Plan, the terms of the Plan will control.

Optionholder:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Shares Subject to Option:	_____
Exercise Price (Per Share):	_____
Total Exercise Price:	_____
Expiration Date:	_____

Type of Grant: ☐ Incentive Stock Option ☐ Nonstatutory Stock Option

Exercise Schedule: Same as Vesting Schedule

Vesting Schedule:

Payment: By one or a combination of the following items (described in the Option Agreement):

☐ By cash, check, bank draft, wire transfer or money order payable to the Company
☐ Pursuant to a Regulation T Program if the shares are publicly traded
☐ By delivery of already-owned shares if the shares are publicly traded
☐ If and only to the extent this option is a Nonstatutory Stock Option, and subject to the Company's consent at the time of exercise, by a "net exercise" arrangement

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding this option award and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options and other equity awards previously granted and delivered to Optionholder, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law and (iii) any written employment or severance arrangement that would provide for vesting acceleration of this option upon the terms and conditions set forth therein.

By accepting this option, Optionholder consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

SONIM TECHNOLOGIES, INC.

By: _____
Signature
Title: _____
Date: _____

OPTIONHOLDER:

_____
Signature
Date: _____

ATTACHMENTS: Option Agreement, 2019 Equity Incentive Plan, Notice of Exercise

ATTACHMENT I

SONIM TECHNOLOGIES, INC.

2019 EQUITY INCENTIVE PLAN
OPTION AGREEMENT

Pursuant to your Stock Option Grant Notice ("***Stock Option Grant Notice***") and this Option Agreement (this "***Option Agreement***"), Sonim Technologies, Inc. (the "***Company***") has granted you an option under its 2019 Equity Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock indicated in your Stock Option Grant Notice at the exercise price indicated in your Stock Option Grant Notice. The option is granted to you effective as of the date of grant set forth in the Stock Option Grant Notice (the "***Date of Grant***"). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Stock Option Grant Notice but defined in the Plan will have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Stock Option Grant Notice and the Plan, are as follows:

1. VESTING. Your option will vest as provided in your Stock Option Grant Notice. Vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share in your Stock Option Grant Notice will be adjusted for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "***Non-Exempt Employee***"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six (6) months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six (6) month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your "retirement" (as defined in the Company's benefit plans).

4. INCENTIVE STOCK OPTION LIMITATION. If your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the Date of Grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds one hundred thousand dollars ($100,000), your option(s) or portions thereof that exceed such limit (according to the order in which they were granted) will be treated as Nonstatutory Stock Options.

5. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft, wire transfer or money order payable to the Company or in any other manner permitted by your Stock Option Grant Notice, which may include one or more of the following:

(a) Provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover".

(b) Provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

6. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

7. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

8. TERM. You may not exercise your option before the Date of Grant or after the expiration of the option's term. The term of your option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

(a) immediately upon the termination of your Continuous Service for Cause;

(b) three (3) months after the termination of your Continuous Service for any reason other than Cause, your Disability, or your death (except as otherwise provided in Section 8(d) below); *provided*, *however*, that if during any part of such three-month period your option is not exercisable solely because of the condition set forth in Section 7 above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service; *provided further*, that if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six (6) months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven (7) months after the Date of Grant, and (B) the date that is three (3) months after the termination of your Continuous Service, and (y) the Expiration Date;

(c) twelve (12) months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 8(d)) below;

(d) eighteen (18) months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;

(e) the Expiration Date indicated in your Stock Option Grant Notice; and

(f) the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three (3) months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

9. EXERCISE.

(a) You may exercise the vested portion of your option during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, or (ii) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two (2) years after the Date of Grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

(d) By exercising your option you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2241 or any successor or similar rules or regulation (the "***Lock-Up Period***"); *provided*, *however*, that nothing contained in this Section 9(d) will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the

Company held by you will be bound by this Section 9(d). The underwriters of the Company's stock are intended third party beneficiaries of this Section 9(d) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

10. TRANSFERABILITY. Except as otherwise provided in this Section 10, your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you.

(a) Certain Trusts. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

(b) Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2) that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(c) Beneficiary Designation. Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

11. RIGHT OF REPURCHASE. The Company will have the right to repurchase all of the shares of Common Stock you acquire pursuant to the exercise of your option upon termination of your Continuous Service for Cause. Such repurchase will be at the exercise price you paid to acquire the shares and will be effected pursuant to such other terms and conditions, and at such time, as the Company will determine.

12. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

13. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal

Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the maximum amount of tax required to be withheld by law (or such other greater or lesser amount that avoids classification of your option as a liability for financial accounting purposes). Any adverse consequences to you arising in connection with such share withholding procedure will be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

14. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Stock Option Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option.

15. NOTICES. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

16. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control. In addition, your option (and any compensation paid or shares issued under your option) is subject to recoupment in accordance with The Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law. No recovery of compensation under such a clawback policy will be an event giving rise to a right to voluntarily terminate employment upon a resignation for "good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the Company.

17. OTHER DOCUMENTS. You hereby acknowledge receipt of and the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time.

18. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of this option will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

19. VOTING RIGHTS. You will not have voting or any other rights as a shareholder of the Company with respect to the shares to be issued pursuant to this option until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a shareholder of the Company. Nothing contained in this option, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

20. SEVERABILITY. If all or any part of this Option Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Option Agreement or the Plan not declared to be unlawful or invalid. Any section of this Option Agreement (or part of such a section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such section or part of a section to the fullest extent possible while remaining lawful and valid.

21. NO ADVICE REGARDING GRANT. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying shares of stock. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

22. ELECTRONIC DELIVERY AND ACCEPTANCE. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company and that such online or electronic participation shall have the same force and effect as documentation executed in written form.

23. MISCELLANEOUS.

(a) The rights and obligations of the Company under your option will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your option.

(c) You acknowledge and agree that you have reviewed your option in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your option, and fully understand all provisions of your option.

(d) This Option Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Option Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

ATTACHMENT II

2019 EQUITY INCENTIVE PLAN

ATTACHMENT III

NOTICE OF EXERCISE

SONIM TECHNOLOGIES, INC.
1875 SOUTH GRANT STREET, SUITE 750
SAN MATEO, CA 94402

Date of Exercise:

This constitutes notice to Sonim Technologies, Inc. (the "***Company***") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the "***Shares***") for the exercise price set forth below.

Type of option (check one):	Incentive ☐	Nonstatutory ☐
Stock option dated:		
Number of Shares as to which option is exercised:		
Certificates to be issued in name of:		
Total exercise price:	$	$
Cash payment delivered herewith:	$	$
Regulation T Program (cashless exercise[1]):	$	$
Value of Shares delivered herewith[2]:	$	$]

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Sonim Technologies, Inc. 2019 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such Shares are issued upon exercise of this option.

1 Shares must meet the public trading requirements set forth in the option agreement.

2 Shares must meet the public trading requirements set forth in the option. Shares must be valued in accordance with the terms of the option being exercised, and must be owned free and clear of any liens, claims, encumbrances or security interests. Certificates must be endorsed or accompanied by an executed assignment separate from certificate.

I agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2241 or any successor or similar rule or regulation) (the "***Lock-Up Period***"). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.

Very truly yours,

_____

Signature

_____

Print Name

Address of Record:

_____

_____

SONIM TECHNOLOGIES, INC.

2019 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT GRANT NOTICE

Sonim Technologies, Inc. (the "***Company***"), pursuant to its 2019 Equity Incentive Plan (the "***Plan***"), hereby awards to Participant a Restricted Stock Unit Award for the number of shares of the Company's Common Stock ("***Restricted Stock Units***") set forth below (the "***Award***"). The Award is subject to all of the terms and conditions as set forth in this notice of grant (this "***Restricted Stock Unit Grant Notice***"), and in the Plan and the Restricted Stock Unit Award Agreement, both of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein will have the meanings set forth in the Plan or the Restricted Stock Unit Award Agreement. In the event of any conflict between the terms in this Restricted Stock Unit Grant Notice or the Restricted Stock Unit Award Agreement and the Plan, the terms of the Plan will control.

Participant:	
Date of Grant:	
Vesting Commencement Date:	
Number of Restricted Stock Units:	

Vesting Schedule: [ ], subject to Participant's Continuous Service through each such vesting date.

Issuance Schedule: Subject to any Capitalization Adjustment, one share of Common Stock will be issued for each Restricted Stock Unit that vests at the time set forth in Section 6 of the Restricted Stock Unit Award Agreement.

Additional Terms/Acknowledgements: Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding the acquisition of the Common Stock pursuant to the Award specified above and supersede all prior oral and written agreements on the terms of this Award, with the exception, if applicable, of (i) equity awards previously granted and delivered to Participant, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law; and (iii) any written employment agreement or severance arrangement that would provide for vesting acceleration of this Award upon the terms and conditions set forth therein.

By accepting this Award, Participant acknowledges having received and read the Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan and agrees to all of the terms and conditions set forth in these documents. Participant consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

SONIM TECHNOLOGIES, INC.	**PARTICIPANT**
By: _____	_____
Signature	Signature
Title: _____	Date: _____
Date: _____	

ATTACHMENTS: Restricted Stock Unit Award Agreement and 2019 Equity Incentive Plan

ATTACHMENT I

SONIM TECHNOLOGIES, INC.

2019 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Grant Notice (the "***Grant Notice***") and this Restricted Stock Unit Award Agreement, Sonim Technologies, Inc. (the "***Company***") has awarded you ("***Participant***") a Restricted Stock Unit Award (the "***Award***") pursuant to the Company's 2019 Equity Incentive Plan (the "***Plan***") for the number of Restricted Stock Units/shares indicated in the Grant Notice. Capitalized terms not explicitly defined in this Restricted Stock Unit Award Agreement or the Grant Notice will have the same meanings given to them in the Plan. The terms of your Award, in addition to those set forth in the Grant Notice, are as follows.

1. GRANT OF THE AWARD. This Award represents the right to be issued on a future date one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 3 below) as indicated in the Grant Notice. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for your benefit (the "***Account***") the number of Restricted Stock Units/shares of Common Stock subject to the Award. This Award was granted in consideration of your services to the Company. Except as otherwise provided herein, you will not be required to make any payment to the Company or an Affiliate (other than services to the Company or an Affiliate) with respect to your receipt of the Award, the vesting of the Restricted Stock Units or the delivery of the Company's Common Stock to be issued in respect of the Award. Notwithstanding the foregoing, the Company reserves the right to issue you the cash equivalent of Common Stock, in part or in full satisfaction of the delivery of Common Stock upon the vesting of the Restricted Stock Units, and, to the extent applicable, references in this Restricted Stock Unit Award Agreement and the Grant Notice to Common Stock issuable in connection with your Restricted Stock Units will include the potential issuance of its cash equivalent pursuant to such right.

2. VESTING. Subject to the limitations contained herein, your Award will vest, if at all, in accordance with the vesting schedule provided in the Grant Notice, provided that vesting will cease upon the termination of your Continuous Service. Upon such termination of your Continuous Service, the Restricted Stock Units/shares of Common Stock credited to the Account that were not vested on the date of such termination will be forfeited at no cost to the Company and you will have no further right, title or interest in or to such underlying shares of Common Stock.

3. NUMBER OF SHARES. The number of Restricted Stock Units subject to your Award may be adjusted from time to time for Capitalization Adjustments, as provided in the Plan. Any additional Restricted Stock Units, shares, cash or other property that becomes subject to the Award pursuant to this Section 3, if any, will be subject, in a manner determined by the Board to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other Restricted Stock Units and shares covered by your Award. Notwithstanding the provisions of this Section 3, no fractional shares or rights for fractional shares of Common Stock will be created pursuant to this Section 3. Any fraction of a share will be rounded down to the nearest whole share.

4. SECURITIES LAW COMPLIANCE. You may not be issued any Common Stock under your Award unless the shares of Common Stock underlying the Restricted Stock Units are either (i) then registered under the Securities Act, or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Your Award must also comply with other applicable laws and regulations governing the Award, and you will not receive such Common Stock if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. TRANSFER RESTRICTIONS. Prior to the time that shares of Common Stock have been delivered to you, you may not transfer, pledge, sell or otherwise dispose of this Award or the shares issuable in respect of your Award, except as expressly provided in this Section 5. For example, you may not use shares that may be issued in respect of your Restricted Stock Units as security for a loan. The restrictions on transfer set forth herein will lapse upon delivery to you of shares in respect of your vested Restricted Stock Units. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Company, you may designate a third party who, in the event of your death, will thereafter be entitled to receive any distribution of Common Stock to which you were entitled at the time of your death pursuant to this Restricted Stock Unit Award Agreement. In the absence of such a designation, your legal representative will be entitled to receive, on behalf of your estate, such Common Stock or other consideration.

(a) Death. Your Award is transferable by will and by the laws of descent and distribution. At your death, vesting of your Award will cease and your executor or administrator of your estate will be entitled to receive, on behalf of your estate, any Common Stock or other consideration that vested but was not issued before your death.

(b) Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your right to receive the distribution of Common Stock or other consideration hereunder, pursuant to a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by applicable law that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this Award with the Company's General Counsel prior to finalizing the domestic relations order or marital settlement agreement to verify that you may make such transfer, and if so, to help ensure the required information is contained within the domestic relations order or marital settlement agreement.

6. DATE OF ISSUANCE.

(a) The issuance of shares in respect of the Restricted Stock Units is intended to comply with Treasury RegulationsSection 1.409A-1(b)(4) and will be construed and administered in such a manner. Subject to the satisfaction of the Withholding Obligation set forth in Section 11 of this Restricted Stock Unit Award Agreement, in the event one or more Restricted Stock Units vests, the Company will issue to you one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 3 above, and subject to any different provisions in the Grant Notice). Each issuance date determined by this paragraph is referred to as an "***Original Issuance Date***".

(b) If the Original Issuance Date falls on a date that is not a business day, delivery will instead occur on the next following business day. In addition, if:

(i) the Original Issuance Date does not occur (1) during an "open window period" applicable to you, as determined by the Company in accordance with the Company's then-effective policy on trading in Company securities ("***Insider Trading Policy***"), or (2) on a date when you are otherwise permitted to sell shares of Common Stock on an established stock exchange or stock market (including but not limited to under a previously established written trading plan that meets the requirements of Rule 10b5-1 under the Exchange Act and was entered into in compliance with the Company's policies (a "***10b5-1 Arrangement***")), *and*

(ii) either (1) the Company's then-effective Insider Trading Policy does not permit sell to cover transactions in satisfaction of applicable Withholding Obligations, (2) a Withholding Obligation does not apply, or (3) the Company decides, prior to the Original Issuance Date, (A) not to satisfy the Withholding Obligation by withholding shares of Common Stock from the shares otherwise due, on the Original Issuance Date, to you under this Award, and (B) not to permit you to enter into a

"same day sale" commitment with a broker-dealer pursuant to Section 9 of this Restricted Stock Unit Award Agreement (including but not limited to a commitment under a 10b5-1 Arrangement) and (C) not to permit you to pay your Withholding Obligation in cash,

then the shares that would otherwise be issued to you on the Original Issuance Date will not be delivered on such Original Issuance Date and will instead be delivered on the first business day when you are not prohibited from selling shares of the Company's Common Stock in the open public market, but in no event later than December 31 of the calendar year in which the Original Issuance Date occurs (that is, the last day of your taxable year in which the Original Issuance Date occurs), or, if and only if permitted in a manner that complies with Treasury RegulationsSection 1.409A-1(b)(4), no later than the date that is the 15th day of the third calendar month of the applicable year following the year in which the shares of Common Stock under this Award are no longer subject to a "substantial risk of forfeiture" within the meaning of Treasury Regulations Section 1.409A-1(d).

(c) The form of delivery of the shares of Common Stock in respect of your Award (e.g., a stock certificate or electronic entry evidencing such shares) will be determined by the Company.

7. DIVIDENDS. You will receive no benefit or adjustment to your Award with respect to any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment; provided, however, that this sentence will not apply with respect to any shares of Common Stock that are delivered to you in connection with your Award after such shares have been delivered to you.

8. AWARD NOT A SERVICE CONTRACT.

(a) Your Continuous Service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice. Nothing in this Restricted Stock Unit Award Agreement (including, but not limited to, the vesting of your Award or the issuance of the shares subject to your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Restricted Stock Unit Award Agreement or the Plan will: (i) confer upon you any right to continue in the employ or service of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Restricted Stock Unit Award Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Restricted Stock Unit Award Agreement or Plan; or (iv) deprive the Company of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award is earned only by continuing as an employee, director or consultant at the will of the Company or an Affiliate and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a "***reorganization***"). You acknowledge and agree that such a reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Restricted Stock Unit Award Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Restricted Stock Unit Award Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth herein or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an employee or consultant for the term of this Restricted Stock Unit Award Agreement, for any period, or at all, and will not interfere in any way with the Company's right to terminate your Continuous Service at any time, with or without your cause or notice, or to conduct a reorganization.

9. WITHHOLDING OBLIGATION.

(a) On each vesting date, and on or before the time you receive a distribution of the shares of Common Stock underlying your Restricted Stock Units, and at any other time as reasonably requested by the Company in accordance with applicable tax laws, you hereby authorize any required withholding from the Common Stock issuable to you and/or otherwise agree to make adequate provision, including in cash, for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate that arise in connection with your Award (the "***Withholding Obligation***").

(b) By accepting this Award, you acknowledge and agree that the Company or any Affiliate may, in its sole discretion, satisfy all or any portion of the Withholding Obligation relating to your Award by any of the following means or by a combination of such means: (i) causing you to pay any portion of the Withholding Obligation in cash; (ii) withholding from any compensation otherwise payable to you by the Company or an Affiliate; (iii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date shares of Common Stock are issued pursuant to Section 6) equal to the amount of such Withholding Obligation; provided, however, that the number of such shares of Common Stock so withheld will not exceed the amount necessary to satisfy the Withholding Obligation using the maximum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income; and *provided*, further, that to the extent necessary to qualify for an exemption from application of Section 16(b) of the Exchange Act, if applicable, such share withholding procedure will be subject to the express prior approval of the Board or the Company's Compensation Committee; and/or (iv) permitting or requiring you to enter into a "same day sale" commitment, if applicable, with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a "***FINRA Dealer***"), pursuant to this authorization and without further consent, whereby you irrevocably elect to sell a portion of the shares to be delivered in connection with your Restricted Stock Units to satisfy the Withholding Obligation and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Obligation directly to the Company and/or its Affiliates.

(c) Unless the Withholding Obligation is satisfied, the Company will have no obligation to deliver to you any Common Stock or other consideration pursuant to this Award.

(d) In the event the Withholding Obligation arises prior to the delivery to you of Common Stock or it is determined after the delivery of Common Stock to you that the amount of the Withholding Obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

10. TAX CONSEQUENCES. The Company has no duty or obligation to minimize the tax consequences to you of this Award and will not be liable to you for any adverse tax consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this Award and by signing the Grant Notice, you have agreed that you have done so or knowingly and voluntarily declined to do so. You understand that you (and not the Company) will be responsible for your own tax liability that may arise as a result of this investment or the transactions contemplated by this Award Agreement.

11. UNSECURED OBLIGATION. Your Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares or other property pursuant to this Restricted Stock Unit Award Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Restricted Stock Unit Award Agreement until such shares are issued to you pursuant to Section 6 of this Restricted Stock Unit Award Agreement. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Restricted Stock Unit Award Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

12. NOTICES. Any notice or request required or permitted hereunder will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this Award by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this Award, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

13. ADDITIONAL ACKNOWLEDGEMENTS. You hereby consent and acknowledge that:

(a) Receipt of the Award is voluntary and therefore you must accept the terms and conditions of this Award Agreement and Grant Notice as a condition to receipt of this Award. This Award is voluntary and occasional and does not create any contractual or other right to receive future awards or other benefits in lieu of future awards, even if similar awards have been granted repeatedly in the past. All determinations with respect to any such future awards, including, but not limited to, the time or times when such awards are made, the size of such awards and performance and other conditions applied to the awards, will be at the sole discretion of the Company.

(b) The future value of your Award is unknown and cannot be predicted with certainty. You do not have, and will not assert, any claim or entitlement to compensation, indemnity or damages arising from the termination of this Award or diminution in value of this Award and you irrevocably release the Company, its Affiliates and, if applicable, your employer, if different from the Company, from any such claim that may arise.

(c) The rights and obligations of the Company under your Award will be transferable by the Company to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by, the Company's successors and assigns.

(d) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(e) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.

(f) This Award Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(g) All obligations of the Company under the Plan and this Award Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and assets of the Company.

14. CLAWBACK. Your Award (and any compensation paid or shares issued under your Award) is subject to recoupment in accordance with The Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law. No recovery of

compensation under such a clawback policy will be an event giving rise to a right to voluntarily terminate employment upon a resignation for "good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the Company.

15. GOVERNING PLAN DOCUMENT. Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. Your Award (and any compensation paid or shares issued under your Award) is subject to recoupment in accordance with The Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law. No recovery of compensation under such a clawback policy will be an event giving rise to a right to voluntarily terminate employment upon a resignation for "good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the Company.

16. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of the Award subject to this Restricted Stock Unit Award Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating benefits under any employee benefit plan (other than the Plan) sponsored by the Company or any Affiliate except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any or all of the employee benefit plans of the Company or any Affiliate.

17. SEVERABILITY. If all or any part of this Restricted Stock Unit Award Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Restricted Stock Unit Award Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Restricted Stock Unit Award Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

18. OTHER DOCUMENTS. You hereby acknowledge receipt or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's Insider Trading Policy, in effect from time to time.

19. AMENDMENT. This Restricted Stock Unit Award Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Restricted Stock Unit Award Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Restricted Stock Unit Award Agreement, so long as a copy of such amendment is delivered to you, and provided that, except as otherwise expressly provided in the Plan, no such amendment materially adversely affecting your rights hereunder may be made without your written consent. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Restricted Stock Unit Award Agreement in any way it may deem necessary or advisable to carry out the purpose of the Award as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

20. COMPLIANCE WITH SECTION 409A OF THE CODE. This Award is intended to be exempt from the application of Section 409A of the Code, including but not limited to by reason of complying with the "short-term deferral" rule set forth in Treasury Regulation Section 1.409A-1(b)(4) and any ambiguities herein will be interpreted accordingly. Notwithstanding the foregoing, if it is determined that the Award fails to satisfy the requirements of the short-term deferral rule and is otherwise not exempt from, and determined to be deferred compensation subject to Section 409A of the Code, this

Award will comply with Section 409A to the extent necessary to avoid adverse personal tax consequences and any ambiguities herein will be interpreted accordingly. If it is determined that the Award is deferred compensation subject to Section 409A and you are a "Specified Employee" (within the meaning set forth in Section 409A(a)(2)(B)(i) of the Code) as of the date of your "Separation from Service" (as defined in Section 409A), then the issuance of any shares that would otherwise be made upon the date of your Separation from Service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months and one day after the date of the Separation from Service, with the balance of the shares issued thereafter in accordance with the original vesting and issuance schedule set forth above, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of adverse taxation on you in respect of the shares under Section 409A of the Code. Each installment of shares that vests is intended to constitute a "separate payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2). Notwithstanding any contrary provision of the Notice of Grant or of this Restricted Stock Unit Award Agreement, under no circumstances will the Company reimburse you for any taxes or other costs under Section 409A or any other tax law or rule. All such taxes and costs are solely your responsibility.

This Restricted Stock Unit Award Agreement will be deemed to be signed by the Company and the Participant upon the signing by the Participant of the Restricted Stock Unit Grant Notice to which it is attached.

ATTACHMENT II

2019 EQUITY INCENTIVE PLAN

SONIM TECHNOLOGIES, INC.

2019 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT GRANT NOTICE

Sonim Technologies, Inc. (the "***Company***"), pursuant to its 2019 Equity Incentive Plan (the "***Plan***"), hereby awards to Participant a Restricted Stock Unit Award for the number of shares of the Company's Common Stock ("***Restricted Stock Units***") set forth below (the "***Award***"). The Award is subject to all of the terms and conditions as set forth in this notice of grant (this "***Restricted Stock Unit Grant Notice***"), and in the Plan and the Restricted Stock Unit Award Agreement, both of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein will have the meanings set forth in the Plan or the Restricted Stock Unit Award Agreement. In the event of any conflict between the terms in this Restricted Stock Unit Grant Notice or the Restricted Stock Unit Award Agreement and the Plan, the terms of the Plan will control.

Participant:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Restricted Stock Units:	_____

Vesting Schedule: [ ], subject to Participant's Continuous Service through each such vesting date.

Issuance Schedule: Subject to any Capitalization Adjustment, one share of Common Stock will be issued for each Restricted Stock Unit that vests at the time set forth in Section 6 of the Restricted Stock Unit Award Agreement.

Mandatory Sale to Cover Withholding Tax:

As a condition to acceptance of this Award, to the greatest extent permitted under the Plan and applicable law, any withholding obligations for applicable Tax-Related Items (as defined in Section 9 of the Restricted Stock Unit Award Agreement) will be satisfied through the sale of a number of the shares of Common Stock subject to the Award as determined in accordance with Section 9 of the Restricted Stock Unit Award Agreement and the remittance of the cash proceeds of such sale to the Company. Under the Award Agreement, the Company is authorized and directed by Participant to make payment from the cash proceeds of this sale directly to the appropriate taxing authorities in an amount equal to the withholding obligation for Tax-Related Items. It is the Company's intent that the mandatory sale to cover withholding obligations for Tax-Related Items imposed by the Company on Participant in connection with the receipt of this Award comply with the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act and be interpreted to comply with the requirements of Rule 10b5-1(c).

Additional Terms/Acknowledgements: Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding the acquisition of the Common Stock pursuant to the Award specified above and supersede all prior oral and written agreements on the terms of this Award, with the exception, if applicable, of (i) equity awards previously granted and delivered to Participant, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law; and (iii) any written employment agreement or severance arrangement that would provide for vesting acceleration of this Award upon the terms and conditions set forth therein.

By accepting this Award, Participant acknowledges having received and read the Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan and agrees to all of the terms and conditions set forth in these documents. Participant consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

SONIM TECHNOLOGIES, INC.	**PARTICIPANT**
By: _____	_____
Signature	Signature
Title: _____	Date: _____
Date: _____	

ATTACHMENTS: Restricted Stock Unit Award Agreement and 2019 Equity Incentive Plan

ATTACHMENT I

2019 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

ATTACHMENT II

2019 EQUITY INCENTIVE PLAN

Exhibit 10.3

SONIM TECHNOLOGIES, INC.

2019 EMPLOYEE STOCK PURCHASE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: MARCH 26, 2019
APPROVED BY THE STOCKHOLDERS:
IPO DATE/EFFECTIVE DATE:

1. GENERAL; PURPOSE.

(a) The Plan provides a means by which Eligible Employees of the Company and certain designated Related Corporations may be given an opportunity to purchase shares of Common Stock. The Plan permits the Company to grant a series of Purchase Rights to Eligible Employees under an Employee Stock Purchase Plan.

(b) The Company, by means of the Plan, seeks to retain the services of such Employees, to secure and retain the services of new Employees and to provide incentives for such persons to exert maximum efforts for the success of the Company and its Related Corporations.

2. ADMINISTRATION.

(a) The Board will administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in Section 2(c). References herein to the Board shall be deemed to refer to the Committee where such administration has been delegated.

(b) The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine how and when Purchase Rights will be granted and the provisions of each Offering (which need not be identical).

(ii) To designate from time to time which Related Corporations of the Company will be eligible to participate in the Plan.

(iii) To construe and interpret the Plan and Purchase Rights, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it deems necessary or expedient to make the Plan fully effective.

(iv) To settle all controversies regarding the Plan and Purchase Rights granted under the Plan.

(v) To suspend or terminate the Plan at any time as provided in Section 12.

(vi) To amend the Plan at any time as provided in Section 12.

(vii) Generally, to exercise such powers and to perform such acts as it deems necessary or expedient to promote the best interests of the Company and its Related Corporations and to carry out the intent that the Plan be treated as an Employee Stock Purchase Plan.

(viii) To adopt such rules, procedures and sub-plans relating to the operation and administration of the Plan as are necessary or appropriate under applicable local laws, regulations and procedures to permit or facilitate participation in the Plan by Employees who are foreign nationals or employed or located outside the United States.

(c) The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated. Whether or not the Board has delegated administration of the Plan to a Committee, the Board will have the final power to determine all questions of policy and expediency that may arise in the administration of the Plan.

(d) All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES OF COMMON STOCK SUBJECT TO THE PLAN.

(a) Subject to the provisions of Section 11(a) relating to Capitalization Adjustments, the maximum number of shares of Common Stock that may be issued under the Plan will not exceed 337,007 shares of Common Stock, plus the number of shares of Common Stock that are automatically added on January 1st of each year for a period of up to ten years, commencing on the first January 1 following the year in which the IPO Date occurs and ending on (and including) January 1, 2029, in an amount equal to the lesser of (i) one percent (1%) of the total number of shares of Capital Stock outstanding on December 31st of the preceding calendar year, and (ii) 500,000 shares of Common Stock. Notwithstanding the foregoing, the Board may act prior to the first day of any calendar year to provide that there will be no January 1st increase in the share reserve for such calendar year or that the increase in the share reserve for such calendar year will be a lesser number of shares of Common Stock than would otherwise occur pursuant to the preceding sentence.

(b) If any Purchase Right granted under the Plan terminates without having been exercised in full, the shares of Common Stock not purchased under such Purchase Right will again become available for issuance under the Plan.

(c) The stock purchasable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market.

4. GRANT OF PURCHASE RIGHTS; OFFERING.

(a) The Board may from time to time grant or provide for the grant of Purchase Rights to Eligible Employees under an Offering (consisting of one or more Purchase Periods) on an Offering Date or Offering Dates selected by the Board. Each Offering will be in such form and will contain such terms and conditions as the Board will deem appropriate, and will comply with the requirement of Section

423(b)(5) of the Code that all Employees granted Purchase Rights will have the same rights and privileges. The terms and conditions of an Offering shall be incorporated by reference into the Plan and treated as part of the Plan. The provisions of separate Offerings need not be identical, but each Offering will include (through incorporation of the provisions of this Plan by reference in the document comprising the Offering or otherwise) the period during which the Offering will be effective, which period will not exceed 27 months beginning with the Offering Date, and the substance of the provisions contained in Sections 5 through 8, inclusive.

(b) If a Participant has more than one Purchase Right outstanding under the Plan, unless he or she otherwise indicates in forms delivered to the Company: (i) each form will apply to all of his or her Purchase Rights under the Plan, and (ii) a Purchase Right with a lower exercise price (or an earlier-granted Purchase Right, if different Purchase Rights have identical exercise prices) will be exercised to the fullest possible extent before a Purchase Right with a higher exercise price (or a later-granted Purchase Right if different Purchase Rights have identical exercise prices) will be exercised.

(c) The Board will have the discretion to structure an Offering so that if the Fair Market Value of a share of Common Stock on the first Trading Day of a new Purchase Period within that Offering is less than or equal to the Fair Market Value of a share of Common Stock on the Offering Date for that Offering, then (i) that Offering will terminate immediately as of that first Trading Day, and (ii) the Participants in such terminated Offering will be automatically enrolled in a new Offering beginning on the first Trading Day of such new Purchase Period.

5. ELIGIBILITY.

(a) Purchase Rights may be granted only to Employees of the Company or, as the Board may designate in accordance with Section 2(b), to Employees of a Related Corporation. Except as provided in Section 5(b), an Employee will not be eligible to be granted Purchase Rights unless, on the Offering Date, the Employee has been in the employ of the Company or the Related Corporation, as the case may be, for such continuous period preceding such Offering Date as the Board may require, but in no event will the required period of continuous employment be equal to or greater than two years. In addition, the Board may (unless prohibited by law) provide that no Employee will be eligible to be granted Purchase Rights under the Plan unless, on the Offering Date, such Employee's customary employment with the Company or the Related Corporation is more than 20 hours per week and more than five months per calendar year or such other criteria as the Board may determine consistent with Section 423 of the Code. The Board may also exclude from participation in the Plan or any Offering Employees who are "highly compensated employees" (within the meaning of Section 414(q) of the Code) of the Company or a Related Corporation or a subset of such highly compensated employees.

(b) The Board may provide that each person who, during the course of an Offering, first becomes an Eligible Employee will, on a date or dates specified in the Offering which coincides with the day on which such person becomes an Eligible Employee or which occurs thereafter, receive a Purchase Right under that Offering, which Purchase Right will thereafter be deemed to be a part of that Offering. Such Purchase Right will have the same characteristics as any Purchase Rights originally granted under that Offering, as described herein, except that:

(i) the date on which such Purchase Right is granted will be the "Offering Date" of such Purchase Right for all purposes, including determination of the exercise price of such Purchase Right;

(ii) the period of the Offering with respect to such Purchase Right will begin on its Offering Date and end coincident with the end of such Offering; and

(iii) the Board may provide that if such person first becomes an Eligible Employee within a specified period of time before the end of the Offering, he or she will not receive any Purchase Right under that Offering.

(c) No Employee will be eligible for the grant of any Purchase Rights if, immediately after any such Purchase Rights are granted, such Employee owns stock possessing five percent or more of the total combined voting power or value of all classes of stock of the Company or of any Related Corporation. For purposes of this Section 5(c), the rules of Section 424(d) of the Code will apply in determining the stock ownership of any Employee, and stock which such Employee may purchase under all outstanding Purchase Rights and options will be treated as stock owned by such Employee.

(d) As specified by Section 423(b)(8) of the Code, an Eligible Employee may be granted Purchase Rights only if such Purchase Rights, together with any other rights granted under all Employee Stock Purchase Plans of the Company and any Related Corporations, do not permit such Eligible Employee's rights to purchase stock of the Company or any Related Corporation to accrue at a rate which, when aggregated, exceeds US $25,000 of Fair Market Value of such stock (determined at the time such rights are granted, and which, with respect to the Plan, will be determined as of their respective Offering Dates) for each calendar year in which such rights are outstanding at any time.

(e) Officers of the Company and any designated Related Corporation, if they are otherwise Eligible Employees, will be eligible to participate in Offerings under the Plan. Notwithstanding the foregoing, the Board may (unless prohibited by law) provide in an Offering that Employees who are highly compensated Employees within the meaning of Section 423(b)(4)(D) of the Code will not be eligible to participate.

6. PURCHASE RIGHTS; PURCHASE PRICE.

(a) On each Offering Date, each Eligible Employee, pursuant to an Offering made under the Plan, will be granted a Purchase Right to purchase up to that number of shares of Common Stock purchasable either with a percentage or with a maximum dollar amount, as designated by the Board, but in either case not exceeding 15% of such Employee's earnings (as defined by the Board in each Offering) during the period that begins on the Offering Date (or such later date as the Board determines for a particular Offering) and ends on the date stated in the Offering, which date will be no later than the end of the Offering.

(b) The Board will establish one or more Purchase Dates during an Offering on which Purchase Rights granted for that Offering will be exercised and shares of Common Stock will be purchased in accordance with such Offering.

(c) In connection with each Offering made under the Plan, the Board may specify (i) a maximum number of shares of Common Stock that may be purchased by any Participant on any Purchase Date during such Offering, (ii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants pursuant to such Offering and/or (iii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants on any Purchase Date under the Offering. If the aggregate purchase of shares of Common Stock issuable upon exercise of Purchase Rights granted under the Offering would exceed any such maximum aggregate number, then, in the absence of any Board action otherwise, a pro rata (based on each Participant's accumulated Contributions) allocation of the shares of Common Stock (rounded down to the nearest whole share) available will be made in as nearly a uniform manner as will be practicable and equitable.

(d) The purchase price of shares of Common Stock acquired pursuant to Purchase Rights will be not less than the lesser of:

(i) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the Offering Date; or

(ii) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the applicable Purchase Date.

7. PARTICIPATION; WITHDRAWAL; TERMINATION.

(a) An Eligible Employee may elect to participate in an Offering and authorize payroll deductions as the means of making Contributions by completing and delivering to the Company, within the time specified in the Offering, an enrollment form provided by the Company. The enrollment form will specify the amount of Contributions not to exceed the maximum amount specified by the Board. Each Participant's Contributions will be credited to a bookkeeping account for such Participant under the Plan and will be deposited with the general funds of the Company except where applicable law or regulations requires that Contributions be deposited with a third party. If permitted in the Offering, a Participant may begin such Contributions with the first payroll occurring on or after the Offering Date (or, in the case of a payroll date that occurs after the end of the prior Offering but before the Offering Date of the next new Offering, Contributions from such payroll will be included in the new Offering). If permitted in the Offering, a Participant may thereafter reduce (including to zero) or increase his or her Contributions. If required under applicable law or regulations or if specifically provided in the Offering, in addition to or instead of making Contributions by payroll deductions, a Participant may make Contributions through the payment by cash, check or wire transfer prior to a Purchase Date.

(b) During an Offering, a Participant may cease making Contributions and withdraw from the Offering by delivering to the Company a withdrawal form provided by the Company. The Company may impose a deadline before a Purchase Date for withdrawing. Upon such withdrawal, such Participant's Purchase Right in that Offering will immediately terminate and the Company will distribute as soon as practicable to such Participant all of his or her accumulated but unused Contributions and such Participant's Purchase Right in that Offering shall thereupon terminate. A Participant's withdrawal from that Offering will have no effect upon his or her eligibility to participate in any other Offerings under the Plan, but such Participant will be required to deliver a new enrollment form to participate in subsequent Offerings.

(c) Unless otherwise required by applicable law or regulations, Purchase Rights granted pursuant to any Offering under the Plan will terminate immediately if the Participant either (i) is no longer an Employee for any reason or for no reason (subject to any post-employment participation period required by law) or (ii) is otherwise no longer eligible to participate. The Company will distribute as soon as practicable to such individual all of his or her accumulated but unused Contributions.

(d) During a Participant's lifetime, Purchase Rights will be exercisable only by such Participant. Purchase Rights are not transferable by a Participant, except by will, by the laws of descent and distribution, or, if permitted by the Company, by a beneficiary designation as described in Section 10.

(e) Unless otherwise specified in the Offering or required by applicable law or regulations, the Company will have no obligation to pay interest on Contributions.

8. EXERCISE OF PURCHASE RIGHTS.

(a) On each Purchase Date, each Participant's accumulated Contributions will be applied to the purchase of shares of Common Stock, up to the maximum number of shares of Common Stock permitted by the Plan and the applicable Offering, at the purchase price specified in the Offering. No fractional shares will be issued unless specifically provided for in the Offering.

(b) Unless otherwise provided in the Offering, if any amount of accumulated Contributions remains in a Participant's account after the purchase of shares of Common Stock on the final Purchase Date of an Offering, then such remaining amount will not roll over to the next Offering and will instead be distributed in full to such Participant after the final Purchase Date of such Offering without interest (unless otherwise required by applicable law or regulations).

(c) No Purchase Rights may be exercised to any extent unless the shares of Common Stock to be issued upon such exercise under the Plan are covered by an effective registration statement pursuant to the Securities Act and the Plan is in material compliance with all applicable federal, state, foreign and other securities and other laws applicable to the Plan. If on a Purchase Date the shares of Common Stock are not so registered or the Plan is not in such compliance, no Purchase Rights will be exercised on such Purchase Date, and the Purchase Date will be delayed until the shares of Common Stock are subject to such an effective registration statement and the Plan is in material compliance, except that the Purchase Date will in no event be more than 27 months from the Offering Date. If, on the Purchase Date, as delayed to the maximum extent permissible, the shares of Common Stock are not registered and the Plan is not in material compliance with all applicable laws and regulations, no Purchase Rights will be exercised and all accumulated but unused Contributions will be distributed to the Participants without interest.

9. COVENANTS OF THE COMPANY.

The Company will seek to obtain from each federal, state, foreign or other regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Purchase Rights and issue and sell shares of Common Stock thereunder unless the Company determines, in its sole discretion, that doing so would cause the Company to incur costs that are unreasonable. If, after commercially reasonable efforts, the Company is unable to obtain the authority that counsel for the Company deems necessary for the grant of Purchase Rights or the lawful issuance and sale of Common Stock under the Plan, and at a commercially reasonable cost, the Company will be relieved from any liability for failure to grant Purchase Rights and/or to issue and sell Common Stock upon exercise of such Purchase Rights.

10. DESIGNATION OF BENEFICIARY.

(a) The Company may, but is not obligated to, permit a Participant to submit a form designating a beneficiary who will receive any shares of Common Stock and/or Contributions from the Participant's account under the Plan if the Participant dies before such shares and/or Contributions are delivered to the Participant. The Company may, but is not obligated to, permit the Participant to change such designation of beneficiary. Any such designation and/or change must be on a form approved by the Company.

(b) If a Participant dies, and in the absence of a valid beneficiary designation, the Company will deliver any shares of Common Stock and/or Contributions to the executor or administrator of the estate of the Participant. If no executor or administrator has been appointed (to the knowledge of the Company), the Company, in its sole discretion, may deliver such shares of Common Stock and/or Contributions, without interest, to the Participant's spouse, dependents or relatives, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

11. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; CORPORATE TRANSACTIONS.

(a) In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities by which the share reserve is to increase automatically each year pursuant to Section 3(a), (iii) the class(es) and number of securities subject to, and the purchase price applicable to outstanding Offerings and Purchase Rights, and (iv) the class(es) and number of securities that are the subject of the purchase limits under each ongoing Offering. The Board will make these adjustments, and its determination will be final, binding and conclusive.

(b) In the event of a Corporate Transaction, then: (i) any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue outstanding Purchase Rights or may substitute similar rights (including a right to acquire the same consideration paid to the stockholders in the Corporate Transaction) for outstanding Purchase Rights, or (ii) if any surviving or acquiring corporation (or its parent company) does not assume or continue such Purchase Rights or does not substitute similar rights for such Purchase Rights, then the Participants' accumulated Contributions will be used to purchase shares of Common Stock (rounded down to the nearest whole share) within ten business days prior to the Corporate Transaction under the outstanding Purchase Rights, and the Purchase Rights will terminate immediately after such purchase.

12. AMENDMENT, TERMINATION OR SUSPENSION OF THE PLAN.

(a) The Board may amend the Plan at any time in any respect the Board deems necessary or advisable. However, except as provided in Section 11(a) relating to Capitalization Adjustments, stockholder approval will be required for any amendment of the Plan for which stockholder approval is required by applicable law, regulations or listing requirements.

(b) The Board may suspend or terminate the Plan at any time. No Purchase Rights may be granted under the Plan while the Plan is suspended or after it is terminated.

(c) Any benefits, privileges, entitlements and obligations under any outstanding Purchase Rights granted before an amendment, suspension or termination of the Plan will not be materially impaired by any such amendment, suspension or termination except (i) with the consent of the person to whom such Purchase Rights were granted, (ii) as necessary to comply with any laws, listing requirements, or governmental regulations (including, without limitation, the provisions of Section 423 of the Code and the regulations and other interpretive guidance issued thereunder relating to Employee Stock Purchase Plans) including without limitation any such regulations or other guidance that may be issued or amended after the date the Plan is adopted by the Board, or (iii) as necessary to obtain or maintain favorable tax, listing, or regulatory treatment. To be clear, the Board may amend outstanding Purchase Rights without a Participant's consent if such amendment is necessary to ensure that the Purchase Right and/or the Plan complies with the requirements of Section 423 of the Code.

13. EFFECTIVE DATE OF PLAN.

The Plan will become effective immediately prior to and contingent upon the IPO Date. No Purchase Rights will be exercised unless and until the Plan has been approved by the stockholders of the Company, which approval must be within 12 months before or after the date the Plan is adopted (or if required under Section 12(a) above, materially amended) by the Board.

14. MISCELLANEOUS PROVISIONS.

(a) Proceeds from the sale of shares of Common Stock pursuant to Purchase Rights will constitute general funds of the Company.

(b) A Participant will not be deemed to be the holder of, or to have any of the rights of a holder with respect to, shares of Common Stock subject to Purchase Rights unless and until the Participant's shares of Common Stock acquired upon exercise of Purchase Rights are recorded in the books of the Company (or its transfer agent).

(c) The Plan and Offering do not constitute an employment contract. Nothing in the Plan or in the Offering will in any way alter the at will nature of a Participant's employment, if applicable, or be deemed to create in any way whatsoever any obligation on the part of any Participant to continue in the employ of the Company or a Related Corporation, or on the part of the Company or a Related Corporation to continue the employment of a Participant.

(d) The provisions of the Plan will be governed by the laws of the State of Delaware without resort to that state's conflicts of laws rules.

(e) If any particular provision of the Plan is found to be invalid or otherwise unenforceable, such provision will not affect the other provisions of the Plan, but the Plan will be construed in all respects as if such invalid provision were omitted.

(f) If any provision of the Plan does not comply with applicable law or regulations, such provision shall be construed in such a manner as to comply with applicable law or regulations.

15. DEFINITIONS.

As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***Board***" means the Board of Directors of the Company.

(b) "***Capital Stock***" means each and every class of common stock of the Company, regardless of the number of votes per share.

(c) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Purchase Right after the date the Plan is adopted by the Board without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other similar equity restructuring transaction, as that term is used in Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(d) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder

(e) "***Committee***" means a committee of one or more members of the Board to whom authority has been delegated by the Board in accordance with Section 2(c).

(f) "***Common Stock***" means, as of the IPO Date, Class A shares of Company common stock.

(g) "***Company***" means Sonim Technologies, Inc., a Delaware corporation.

(h) ***"Contributions***" means the payroll deductions and other additional payments specifically provided for in the Offering that a Participant contributes to fund the exercise of a Purchase Right. A Participant may make additional payments into his or her account if specifically provided for in the Offering, and then only if the Participant has not already had the maximum permitted amount withheld during the Offering through payroll deductions.

(i) "***Corporate Transaction***" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of more than 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(j) "***Director***" means a member of the Board.

(k) "***Eligible Employee***" means an Employee who meets the requirements set forth in the document(s) governing the Offering for eligibility to participate in the Offering, provided that such Employee also meets the requirements for eligibility to participate set forth in the Plan.

(l) "***Employee***" means any person, including an Officer or Director, who is "employed" for purposes of Section 423(b)(4) of the Code by the Company or a Related Corporation. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(m) "***Employee Stock Purchase Plan***" means a plan that grants Purchase Rights intended to be options issued under an "employee stock purchase plan," as that term is defined in Section 423(b) of the Code.

(n) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder.

(o) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be the closing sales price

for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in such source as the Board deems reliable. Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing sales price on the last preceding date for which such quotation exists.

(ii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith in compliance with applicable laws and regulations and in a manner that complies with Sections 409A of the Code

(iii) Notwithstanding the foregoing, for any Offering that commences on the IPO Date, the Fair Market Value of the shares of Common Stock on the Offering Date will be the price per share at which shares are first sold to the public in the Company's initial public offering as specified in the final prospectus for that initial public offering.

(p) "***IPO Date***" means the date of the underwriting agreement between the Company and the underwriters managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(q) "***Offering***" means the grant to Eligible Employees of Purchase Rights, with the exercise of those Purchase Rights automatically occurring at the end of one or more Purchase Periods. The terms and conditions of an Offering will generally be set forth in the "***Offering Document***" approved by the Board for that Offering.

(r) "***Offering Date***" means a date selected by the Board for an Offering to commence.

(s) "***Officer***" means a person who is an officer of the Company or a Related Corporation within the meaning of Section 16 of the Exchange Act.

(t) "***Participant***" means an Eligible Employee who holds an outstanding Purchase Right.

(u) "***Plan***" means this Sonim Technologies, Inc. 2019 Employee Stock Purchase Plan.

(v) "***Purchase Date***" means one or more dates during an Offering selected by the Board on which Purchase Rights will be exercised and on which purchases of shares of Common Stock will be carried out in accordance with such Offering.

(w) "***Purchase Period***" means a period of time specified within an Offering, generally beginning on the Offering Date or on the first Trading Day following a Purchase Date, and ending on a Purchase Date. An Offering may consist of one or more Purchase Periods.

(x) "***Purchase Right***" means an option to purchase shares of Common Stock granted pursuant to the Plan.

(y) "***Related Corporation***" means any "parent corporation" or "subsidiary corporation" of the Company whether now or subsequently established, as those terms are defined in Sections 424(e) and (f), respectively, of the Code.

(z) "***Securities Act***" means the Securities Act of 1933, as amended.

(aa) "***Trading Day***" means any day on which the exchange(s) or market(s) on which shares of Common Stock are listed, including but not limited to the NYSE, Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or any successors thereto, is open for trading.

Exhibit 10.9

English Summary of a lease agreement dated April 15, 2016 (the "Lease") by and between GXQ Industrial Park Management Ltd. (the "Landlord") and Sonim Technologies (Shenzhen) Limited ("Sonim"), in order to extend the lease, amended on January 25, 2018

- **Leased Property**: the leases for the purpose of office and production and warehousing, with its address:room at 203 & 204, Building #2, Phase #2, DaQian Industrial Park, BaoAn district, ShenZhen, China
- **Term**: The term started at April 10, 2016 and will end on February 20, 2021
- **Deposit**: Sonim must provide a bank guarantee in the amount of RMB 162,139 for securing its obligations.

  After the Lease expires, the Landlord will return the guarantee to Sonim.

  Special right to Sonim: provided Sonim provides at least three (3) months' advance notice regarding relocation of the factor to another area, the Landlord will return the deposit.
- **Permitted Use**: The permitted use is for office and production and warehousing
- **Sublease:** Sonim is not allowed to sublease the property.
- **Rent:**

Rent rates: based on the rental area of 1,351.16 square meters

From April 10, 2016 to April 9, 2017, RMB 60 per square meter, with a total monthly rent of RMB 81,069.60

From April 10, 2017 to April 9, 2018, RMB 66 per square meter, with a total monthly rent of RMB 89,176.56

From April 10, 2018 to April 9, 2019, RMB 72.6 per square meter, with a total monthly rent of RMB 98,094.22

From April 10, 2019 to February 20, 2020, RMB 100 per square meter, with a total monthly rent of RMB 135,116.00

From February 21, 2020 to February 20, 2021, RMB 110 per square meter, with a total monthly rent of RMB 148,627.60

Property management fee of RMB 5 per square meter. The property management fee will increase by the same percentage as the corresponding rent fee increases.

- **Insurances, Liability, Maintenance**: The Landlord maintains insurance against fire, storm, hail and water damage to the building, and Sonim maintains insurance against the office equipment and fitting.

  Sonim will maintain third party insurance to cover the damage of its relatives, employees or visitors.

  Landlord is obliged to maintain the facility for normal usage.

- **Modifications to leased Premises**: Sonim is permitted to effect modifications to the leased premises only with the prior written approval of the Landlord. Sonim and the Landlord will agree on the costs, reimbursement and potential obligations to build-back modifications.

Exhibit 10.10

English Summary of a lease agreement dated January 2, 2018 (the "Lease") by and between GXQ Industrial Park Management Ltd. (the "Landlord") and Sonim Technologies (Shenzhen) Limited ("Sonim")

- **Leased Property**: the Lease is for the purpose of office space, with its address:room at 708 & 709 & 710 & 711A, Building #2, Phase #2, DaQian Industrial Park, BaoAn district, ShenZhen, China
- **Term**: The term started at February 21, 2018 and will end on February 20, 2021
- **Deposit**: Sonim must provide a bank guarantee in the amount of RMB 135,116 for securing its obligations.

  After the Lease expires, the Landlord will return the guarantee to Sonim.

  Special right to Sonim: provided Sonim provides at least three (3) months' advance notice regarding relocation of the factory to another area, the Landlord will return the deposit.
- **Permitted Use**: The permitted use is for office
- **Sublease:** Sonim is not allowed to sublease the property.
- **Rent:**

Rent rates: based on the rental area of 675.58 square meters

From February 21, 2018 to February 20, 2020, RMB 100 per square meter, with a total monthly rent of RMB 67,558

From February 21, 2020 to February 20, 2021, RMB 110 per square meter, with a total monthly rent of RMB 74,313

Property management fee of RMB 8 per square meter. The property management fee will increase by the same percentage as the corresponding rent fee increases.

- **Insurances, Liability, Maintenance**: The Landlord will maintain insurance against fire, storm, hail and water damage to the building, and Sonim will maintain insurance against the office equipment and fitting.

  Sonim will maintain third party insurance to cover the damage of its relatives, employees or visitors.

  Landlord is obligated to maintain the facility for normal usage.

- **Modifications to leased Premises**: Sonim is permitted to effect modifications to the leased premises only with the prior written approval of the Landlord. Sonim and the Landlord will agree on the costs, reimbursement and potential obligations to build-back modifications.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE SONIM TECHNOLOGIES, INC. HAS DETERMINED THE INFORMATION (I) IS NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO SONIM TECHNOLOGIES, INC. IF PUBLICLY DISCLOSED.

PATENT LICENSE AGREEMENT

23rd September 2008

Between

NOKIA CORPORATION

And

SONIM TECHNOLOGIES

PATENT LICENSE AGREEMENT

THIS AGREEMENT is made on the 23rd day of September 2008

BETWEEN

NOKIA CORPORATION, a public corporation validly organised and existing under the laws of Finland, having its principal office at Keilalahdentie 4, FIN-02150 Espoo, Finland, hereinafter referred to as "NOKIA", of the one part, and

SONIM TECHNOLOGIES, a corporation validly organised and existing under the laws of the USA, having its principal office at 1875 S. Grant St, Suite 620, an Mateo, CA 94492, USA (hereinafter referred to as "SONIM") of the other part.

WHEREAS

(A) NOKIA is engaged in research, development and manufacturing of equipment and the provision of services relating to certain mobile communication and associated Standards;

(B) NOKIA owns and controls certain Essential Patents relating to such Standards;

(C) SONIM is interested in obtaining licenses under such Essential Patents of NOKIA for the purposes of manufacture, use and sale of Licensed Products complying with such Standards;

(D) NOKIA is willing to grant SONIM licenses under such Essential Patents;

(E) SONIM owns or may own Patents under MO SONIM is willing to grant licenses back to NOKIA;

(F) Parties recognize that they have certain obligations relating to the licensing of Essential Patents under applicable rules of the relevant standard setting organizations, or under competition or anti-trust laws, and hence, consider the royalty rates and other terms in this Agreement to be compliant with such rules and laws;

NOW, **THEREFORE** and in consideration of the mutual promises contained herein the Parties hereto agree as follows:

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE SONIM TECHNOLOGIES, INC. HAS DETERMINED THE INFORMATION (I) IS NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO SONIM TECHNOLOGIES, INC. IF PUBLICLY DISCLOSED.

1. DEFINITIONS

For the purpose of this Agreement the terms set forth below are defined as follows:

1.1 "Affiliate" of a Party means any legal entity that is for the time being controlled by such Party, Control, in this context, exists where one entity owns directly or indirectly more than fifty per cent (50%) of the voting stock in another entity, or regardless of stock or equity ownership, is otherwise able to direct its affairs or to appoint a majority of the members of the board of directors or an equivalent body able to determine the course of action of the entity by virtue of its voting or other rights. Such entities shall be deemed to be Affiliates hereunder only for as long as such control exists. Notwithstanding the foregoing, Nokia Siemens Networks B.V. (the Joint venture of NOKIA and Siemens AG) and the companies controlled by Nokia Siemens Networks shall not be deemed to be Affiliates of NOKIA.

1.2 "Agreement" means this Patent License Agreement and any of its appendices, annexes or schedules thereto.

1.3 "Capture Period" means the period starting [***] and ending on [***].

1.4 "Effective Date" means July 1st 2008.

1.5 "'Essential Patent(s)" means any Patent that 1) has been declared essential for any Licensed Standard, 2) is necessarily infringed, for technical reasons, by compliance with a Licensed Standard and/or 3) are otherwise essential under the IPR policy or any other like rules applicable to a Licensed Standard.

1.6 "Intermediate Product" means any component or other sub-portion of a Subscriber Terminal or Infrastructure Equipment. Examples of Intermediate Products include, but are not limited to, ASICs and chipsets, printed circuit boards, semi-knock-down kits ('SKDs'), complete knock-down-kits ('CKDs'), modules for embedding in consumer electronic and other products, transceivers and core engines.

1.7 "Licensed Products" means Licensed Terminals.

1.8 "Licensed Standard" means GSM/GPRS Standard and/or UMTS Standard. For the purposes of this definition (i) "GSM/GPRS Standard" means the agreed TDMA based GSM/GPRS specification, as defined by ETSI and/or 3GPP prior to and at the time of the Effective Date as well as any updates in respect of such GSM/GPRS Standard by ETSI, 3GPP and/or other relevant telecommunications standard setting bodies, as long as not fundamentally technically altering the character thereof, and includes E-GPRS (EDGE), GPRS/HSCSD/EDGE/EGSM and G5M850; (ii) "UMTS Standard" means the WCDMA or UTRA-TDD based Universal Mobile Telecommunications System Standard as promulgated by 3GPP as well as the FOMA, HSPA, WCDMA and HSUPA Standards being derivative Standards thereof but excluding LTE;

1.9 "Licensed Terminal" means Subscriber Terminal that is substantially compatible with applicable portions of a Licensed Standard.

1.10 "SONIM Licensed Patent(s)" means any Patent which is owned, controlled or sub-licensable by SONIM or its Affiliate at any time during the term of this Agreement, without compensation to or otherwise incurring liabilities to third parties.

1.11 "NOKIA Licensed Patent(s)" means any Essential Patent which is owned, controlled, or sub-licensable by NOKIA or its Affiliate at any time during the term of this Agreement, without compensation to or otherwise incurring liabilities to third parties.

1.12 "Parties" means collectively NOKIA and SONIM who are are signatories to this Agreement and any reference to a "Party" shall be construed as either NOKIA or SONIM as the context requires.

1.13 "Patent(s)" means any and all claims of a patent(s) or patent application(s) (including, but not limited to, all divisionals, continuations, continuations-in-part, reissues, renewals, and extensions thereof, and any counterparts claiming priority therefrom) that are filed, issued or granted, anywhere in the world during the Capture Period. For the avoidance of doubt, Patent(s) includes utility models, but excludes design patents, registered designs, copyright and like protections.

1.14 "Sale, (Sell, Sold)" means in relation to a Licensed Product the use, lease, sale, offer for sale, gift, disposal or any other transaction anywhere in the world by the Party in question or a third party acting on its behalf which transfers title or possession of that Licensed Product to a third party. A Sale shall be deemed made when a Licensed Product is dispatched for delivery to a third party, when property passes to a third party of when the customer is invoiced, whichever is the soonest.

1.15 "Standards" mean those technical specifications for telecommunications promulgated by International Telecommunication Union (ITU), European Telecommunications Standards Institute (ETSI), Telecommunications Industry Association (TIA), Telecommunications Technology Association (TTA), Association of Radio Industries and Businesses (ARIB), Institute of Electrical and Electronics Engineers (IEEE), 3rd Generation Partnership Project (3GPP) and other similar recognised government, industry-wide or other regulatory authorities, and which, inter alia, specify the technical and other requirements for conformity and compliance with telecommunications systems, including modifications, updates and derivatives accepted by such authorities.

1.16 "Subscriber Terminal(s)" means any discrete and fully assembled and functional end-use device that is ready for use as such without having to be incorporated into, combined with or used in connection with any other products or technology and has radiotelephone network termination capability. By way of example such end-use devices may include fixed, mobile, transportable, vehicular, portable, hand-held and radio cardend-use devices.

1.17 "Substantially Designed" means with respect to a Party that (i) the substantial portion of the design, specifications and working drawings for the manufacture of that Party's products or components thereof have been developed by that Party or any of its Affiliate, and (ii) the designs, specifications and working drawings are complete and in sufficient detail that no additional design work or modification for the manufacture of such products or component is required other than adaptation to the production processes and standards normally used by a manufacturer which, if at all, changes the characteristics of the products or components only to a negligible extent.

2. PAST RELEASE AND GRANT OF LICENSE FROM NOKIA TO SONIM

2.1 Past Release. NOKIA and its Affiliates hereby irrevocably release SONIM and its Affiliates from any and all liability for any infringement of NOKIA Licensed Patents solely to the extent such liability arises out of making, using, selling, offering to sell, importing or otherwise disposing of Licensed Products by SONIM or its Affiliates prior to the Effective Date, to the extent such Infringing activity/activities would have been licensed under this Section 2 subsequent to the Effective Date if the license would have existed at the time of such activity/activities.

2.2 Grant of License. Subject to the obligations of SONIM to make the payments in accordance with Section 4 and, to the rights of third parties and to the terms and conditions of this Agreement, NOKIA and its Affiliates hereby grant to SONIM and to its Affiliates a personal, non-transferable, non-assignable, non-exclusive, world-wide, royalty-bearing license without the right to sublicense, solely under the NOKIA Licensed Patents:

2.2.1 to make Licensed Products;

2.2.2 to have Intermediate Products or Licensed Products made by a third party but only for the sole account of and for use and resale by none other than SONIM, and provided that any Intermediate Product so made is integrated into a Licensed Product, and provided that Licensed Products are disposed of by SONIM or its Affiliate in the ordinary course of its business; and

2.2.3 to use, sell, offer to sell, import and otherwise dispose of Licensed Products manufactured under the licenses of Sections 2.2.1 and 2.2.2.

2.3 Restriction of License. Notwithstanding anything to the contrary in this Agreement, the grant of licenses by NOKIA and its Affiliates above shall not cover any Licensed Products, Intermediate Products or other products that have not been Substantially Designed by SONIM or its Affiliates.

2.4 Pass-Through Rights. Subject to mandatory law, the Parties agree and acknowledge that any pass-through rights under any NOKIA Licensed Patents that may under applicable law be enjoyed by any direct or indirect recipients of Licensed Products Sold by SONIM or its Affiliate (such as distributors, resellers, retailers, customers or other downstream vendees), shall exclude (i) any subsequent modifications made by or for any third party to such Licensed Products (ii) any combination of such Licensed Products with any other product or item not licensed hereunder, where the relevant patent claim applies to such combination and not solely to the Licensed Product itself, (iii) any method or process unless all steps of the method or process are entirely implemented by the inherent use of Licensed Product in the form first used or sold by SONIM; and (iv) any method or a process involving the use of a Licensed Product to manufacture (including associated testing of) any other product.

2.5 Exclusion of Other Licenses. Except for the express licenses and the release granted under this Section 2, no licenses, releases, covenants not to sue, non-asserts or any other rights or immunities, whether express or implied, are granted hereunder under any patents owned, controlled or otherwise licensable by NOKIA or its Affiliates. Furthermore, no license or other right or immunity, whether express or implied, is granted hereunder to SONIM for any trade secrets, know-how or other like information or under any trademarks, copyrights or other intellectual property rights of NOKIA or its Affiliates.

2.6 No License for un-paid Products. Notwithstanding anything to the contrary In this Agreement, no license is deemed granted by NOKIA or its Affiliates to SONIM or its Affiliates with respect to any Licensed Products for which applicable royalty rates have not been agreed in this Agreement or for which clue payments have not been received.

3. PAST RELEASE AND GRANT OF LICENSE FROM SONIM TO NOKIA

3.1 Past Release. SONIM and Its Affiliates hereby irrevocably release NOKIA, its Affiliates and their product and service distributors, resellers, retailers, customers or other direct or indirect recipients of Nokia products and services from any and all liability for any infringement of SONIM Licensed Patents solely to the extent any such liability may arise out of making, using, selling, offering to sell, importing or otherwise disposing of Nokia products and services by NOKIA or its Affiliates prior to the Effective Date provided that such infringing activity/activities would have been licensed under this Section 3 subsequent to the Effective Date if such a license would have existed at the time of such infringing activity/activities.

3.2 Grant of License. SONIM and its Affiliates hereby grant to NOKIA and its Affiliates a royalty free, fullypaid-up, world-wide, non-exclusive and non-transferable license under the SONIM Licensed Patents, to develop, manufacture, install, test, make, have made, import, have imported, repair, sell, distribute, directly or indirectly Nokia products and services. The license includes the right to make, import or use any machines tools, materials and other instrumentalities and to practice and have practised any method or process for the development, manufacture, testing, repair and offering of such Nokia products and services. The licenses granted herein in Section 3.2 to NOKIA and its Affiliates shall extend to the distributors, the agents, contractors, sub-contractors and customers of Nokia and its Affiliates for the intended purposes.

4. ROYALTY PAYMENTS

4.1 Payments. SONIM shall make the payments set forth in Appendix A attached hereto to NOKIA in respect of all Licensed Products Sold by or on behalf of SONIM or its Affiliates during the term of this Agreement.

4.2 [***] Where by virtue of the royalty provisions of this Agreement, the Sale of a Licensed Product would require payment of royalty under [***], for example because a Licensed Product is compliant with [***], then SONIM shall be required to pay royalty under the provisions of the royalty rate [***].

4.3 Supplier Licenses. In the event that a supplier or prospective supplier of SONIM or its Affiliate claims to already have paid royalties to Nokia, or to already be cross-licensed with Nokia, in accordance with an existing agreement under NOKIA Licensed Patents, and such supplier or prospective supplier claims to have the necessary rights under such NOKIA Licensed Patents to pass through to SONIM or its Affiliate the right subsequently to use and sell certain Licensed Products, then SONIM shall provide written notice to NOKIA of the identity of such supplier or prospective supplier. If NOKIA confirms to SONIM in writing that SONIM will be exempted either partially or in whole from paying royalties to NOKIA under this Agreement in respect of the Sale of such Licensed Products, such exemption shall apply as of the date of the confirmation but only for as long as such supplier or prospective supplier remains licensed.

4.4 Unpatented Territories. Royalty shall be payable on all Licensed Products Sold by or on behalf of SONIM or any of its Affiliates except and to the extent that SONIM can demonstrate that the manufacture, import, sale and subsequent use of any Licensed Product take place entirely within jurisdictions where no Nokia Licensed Patents hereunder exist.

4.5 Reporting.

4.5.1 Royalty Reporting. SONIM shall within [***] days of the close of each [***], send to NOKIA, at the address set out in Section 8, a written report, certified by a responsible officer of SONIM, setting out the quantities and types of Licensed Products Sold by SONIM and its Affiliates and the royalty payable for such period. The written report shall also indicate if no Sales have been made and if any Sales by SONIM of any products compliant with a Licensed Standard are believed by SONIM to be exempt from the payment of royalties and the reasons therefor. The first report shall be due on [***] and shall exceptionally be in respect of all Sales during the extended period from [***]. NOKIA reserves the right to require SONIM to submit reports using a certain reporting template, and SONIM undertakes to comply with any such requests .

4.5.2 Annual Financial Reports. SONIM shall send to NOKIA at the address set out in Section 8 its annual financial report within [***] from the end of the relevant fiscal period.

4.6 Audit.

4.6.1 SONIM shall maintain full and accurate records of all licensed activities sufficient for the appointed representative to ensure compliance with the licence terms and check the accuracy of royalty amounts due and paid. This duty shall extend to all parties related to SONIM, its Affiliates, any sub-contractors and other relevant parties.

4.6.2 SONIM shall permit an authorised representative appointed by NOKIA, who is an appropriately qualified accountant or auditor, to carry out an audit to ensure that SONIM is complying with the terms of this Agreement with respect to the amount of royalty due to NOKIA under this Agreement.

4.6.3 SONIM shall provide the representative such accounts, information, documentation (including, but not limited to, SONIM's consolidated audited accounts, books and records and covering details of all Licensed Products including manufacturing records) and explanations as the representative shall require, to satisfy the representative that the provisions of this Agreement with respect to royalties due are being complied with. The representative shall be provided access to staff and to facilities and premises (i) where the royalties are calculated and where the back up royalty and other related information (as detailed in this paragraph) is held and (ii) where they believe licensed activities may be taking place including Affiliates, sub-contractors and other related parties.

4.6.4 The representative shall have the right to take copies and extracts of documents relevant for the purposes of the audit.

4.6.5 Such audit will not take place more than once every year and shall be restricted to a period not more than [***] preceding the notice given for the audit.

4.6.6 Such duties as set out above, in full shall extend to all Affiliates, and anysub-contractor or other relevant party who have been granted rights under the Licence.

4.6.7 The fees and expenses of the representative will be borne by NOKIA. If the audit discloses an underpayment to the NOKIA of [***] of the amount due in the period of audit, SONIM will promptly on demand reimburse NOKIA the fees and costs of the representative and the reasonable costs incurred by NOKIA in respect of the audit.

4.6.8 NOKIA will have the right and SONIM agrees to have the audit commence within [***] of the NOKIA giving notice to this effect.

4.6.9 The auditor will provide a report of the results of their audit and the basis of their findings. The report will be provided to SONIM for its comments in advance of being forwarded to NOKIA.

4.6.10 Any [***], including but not limited to [***], shall as of said date entitle [***] to (i) [***], and/or (ii) [***]. The rights and licenses granted [***] for the purpose of this Section 4.6.10. [***] shall include, but not be limited to [***].

4.7 Payment Information. All payments by SONIM to NOKIA under this Agreement shall be due And payable no later than the dates specified in this Agreement. All payments to NOKIA under this Agreement shall be made by wire transfer to:

Account name: [***]

Account number: [***]

Bank: [***]

Address: [***]

or any other account of NOKIA or its Affiliates indicated by NOKIA In writing.

Confirmation of payment shall be sent to NOKIA at the address set out in Section 8 at the same time as payment is mode.

4.8 Late Payment Interest. Any payment hereunder which is delayed beyond the due date shall be subject to a monthly penalty charge at a rate of [***] per month on the unpaid amount until the unpaid amount together with any penalty charges due under this Section have been fully paid.

4.9 Taxes. All payments under this Agreement shall be free of any deductions, except for any mandatory withholding tax. The Parties agree to comply with any formal requirements for the purpose of obtaining the benefit of any double taxation convention or treaty that may exist from time to time with the government of Finland. SONIM will take all reasonable actions and give all reasonable assistance requested by NOKIA for the purposes of ensuring that all sums paid under this Agreement are payable free of all withholding taxes and/or other deductions of any kind. To the extent that any withholding tax is nevertheless required by law, SONIM shall pay to NOKIA the royalty sums due under this Agreement minus any withholding tax and shall promptly provide NOKIA with such certificates or other evidence of such withholding. In addition, SONIM shall provide NOKIA with any other relevant material that NOKIA may reasonably require:

4.10 Conversion. All royalty due to NOKIA shall be converted into Euros using the rate published by the European Central Bank, applicable on the last date of the reporting period referred to in Section 4.5.

5. PUBLICITY

Either Party may disclose the existence, Licensed Standards and geographical coverage of this Agreement, but shall otherwise keep the terms and conditions of this Agreement confidential and shall not, without the prior written consent of the other Party, divulge any part thereof to any third party other than (i) its external professional advisors bound by written obligations of confidentiality

or otherwise Subject to a legally binding professional obligation of client confidentiality through a recognised and reputable professional association, and (ii) its Affiliates, except for the purposes of complying with a court order, a direction or request for information by a governmental body or regulatory authority having authority to request such information or if otherwise required by applicable law or regulations. In the event that a Party is required to disclose this Agreement or any of its conditions to a third party in order to comply with such court order, direction or request, it shall use its best endeavours to ensure that the third party to which such disclosure is to be made respects and preserves such confidentiality.

6. WARRANTIES

6.1 Each Party hereby warrants that it has the right to grant to the other Party the rights and licenses granted under this Agreement and that there are no encumbrances (other than statutory employee inventor rights), that would materially restrict the rights and licenses granted hereunder and that have not been notified to the other Party.

6.2 Each Party warrants that it will procure that its Affiliates shall undertake all relevant obligations under this Agreement as if such Affiliates were directly named as a Party to this Agreement. Notwithstanding the foregoing, each Party warrants that it will be fully responsible to the other Party for any and all acts or omissions of its Affiliates under this Agreement, and in particular that it will promptly pay and that it guarantees as its own debt all payments that are due under this Agreement and attributable to its Affiliates. If an Affiliate of a Party breaches the terms of this Agreement, the non-breaching Party may proceed directly against either the breaching Affiliate or the other Party, or both.

6.3 Nothing contained in this Agreement shall be construed as:

6.3.1 conferring any license or other right, by implication, estoppel or otherwise, under any Patent, except as herein expressly wanted;

6.3.2 a warranty or representation by either of the Parties hereto or their Affiliates as to the validity or scope of any Patent;

6.3.3 a warranty that any manufacture, sale, lease, use or any other action undertaken by a Party or its Affiliates will be free from infringement of intellectual property rights other than with respect to the rights and licenses granted under this Agreement;

6.3.4 imposing or conferring any obligation or right to bring or prosecute actions or suits against third parties for infringement of any NOKIA Licensed Patents or SONIM Licensed Patents licensed under this Agreement, or to defend any suit or action brought by third parties which concerns the validity of any such Patent;

6.3.5 requiring either Party to apply for, prosecute or maintain in force any Patent which is the subject of rights granted under this Agreement;

6.3.6 conferring any right to use, in advertising, publicity or otherwise, any name, trade name or trademark under any form, belonging to either Party; or

6.3.7 an obligation to furnish any technical information, technical support or know how;

7. TERM AND TERMINATION

7.1 This Agreement and the rights and licenses granted hereunder shall come into force and effect on the Effective Date. This Agreement shall terminate and expire when all SONIM Licensed Patents and NOKIA Licensed Patents cease to be in force, unless terminated earlier by mutual agreement or under the provisions of this Agreement.

7.2 If a Party (the "Breaching Party") or its Affiliate is in breach of any material obligation under this Agreement, the other Party (the "Notifying Party") may give the Breaching Party a written notice. If the Breaching Party or its Affiliate fails to remedy such breach within [***] from such notice, the Notifying Party shall have the right to terminate the rights and licenses granted to the Breaching Party and its Affiliate under this Agreement with immediate effect. The rights and licenses granted to the Notifying Party and its Affiliates hereunder shall be unaffected by such termination. For the avoidance of doubt and without prejudice to the foregoing, SONIM's failure to pay royalties in accordance with Section 4.1 or failure to report to NOKIA in accordance with Section 4.5 shall he regarded as material breach of this Agreement.

7.3 NOKIA may, upon [***] notice in writing, terminate this Agreement if SONIM owns or controls a patent relating to a Standard that is not a Licensed Standard and SONIM asserts such patent against NOKIA or any of its Affiliates. The rights and licenses granted to NOKIA and its Affiliates hereunder shall be unaffected by such termination.

7.4 The Parties agree that expiry or any termination of this Agreement shall be without prejudice to the right of a Party to pursue any remedy in respect of accrued rights and/or obligations under this Agreement, and in particular the payments shall be due for any and all Licensed Products which are fully or partly manufactured by or for SONIM or its Affiliate before expiry or termination of this Agreement but Sold by SONIM or its Affiliate after expiry or termination of this Agreement.

7.5 If either Party ("Distressed Party") shall have a receiver or insolvency administrator appointed for the whole or any part of its assets or if an order is made or a resolution passed for winding up the Distressed Party (unless such order is part of a scheme for reconstruction or amalgamation of the Distressed Party) then the other Party ("Solvent Party") may terminate this Agreement and the rights and licenses granted hereunder with immediate effect and without being required to give any or further notice in advance of such termination. Such termination shall be without prejudice to the remedy of the Solvent Party to sue for and recover any payments then due and to pursue any remedy in respect of any previous breach of any of the covenants or undertakings herein contained.

7.6 In the event that any Affiliate of a Party shall have a receiver or insolvency administrator appointed for the whole or any part of its assets or if an order is made or a resolution passed for winding up that Affiliate (unless such order is part of a scheme for reconstruction or amalgamation of that Affiliate), then the rights and licenses granted to that Affiliate by the other Party and its Affiliates shall automatically and immediately terminate.

7.7 If any third party owning [***] of the voting stock in a Party or its Affiliate asserts an Essential Patent against the other Party or its Affiliate, the other Party shall have the right as of the date of such assertion to terminate any rights and licenses granted under this Agreement to such Party and/or Affiliate with immediate effect. The rights and licenses granted to the other Party and its Affiliates hereunder shall be unaffected by such termination.

8. NOTICES

All notices required to be given under this Agreement shall be in writing and shall be deemed to be properly given if sent by registered mail or courier to the address set forth below or such other address as either Party may hereafter notify from time to time to the other Party.

NOKIACorporation:
Director IPR Licensing
NOKIA Corporation
[***]
Email (For accounting for and payment of royalties): [***]

SONIM:
Director IPR Licensing
Sonim Technologies
1875 S. Grant St.
Suite 620,
San Mateo,
CA 94492,
USA

9. ASSIGNMENT

This Agreement is personal to the Parties and may not, subject to Sections 10 - 12, be assigned or transferred by either Party without the prior written consent of the other Party.

10. ACQUISITIONS

If subsequent to the Effective Date, a Party or its Affiliate ("Acquiring Party") acquires an entity ("Acquired Entity") whereby such Acquired Entity becomes its Affiliate, this Agreement shall apply to the Acquired Entity, but only for the time after such acquisition, without any retroactive effect.

11. DIVESTMENTS

11.1 If an Affiliate shall cease to be an Affiliate ("Divested Affiliate") of a Party ("Divesting Party") and owns or controls any Patents under which the other Party ("Non-divesting Party") is licensed under this Agreement, the Divesting Party shall ensure that the rights and licenses granted to the Non-divesting Party shall not be adversely affected by the divestment.

11.2 The license granted to a Divested Affiliate shall terminate with effect from when such Divested Affiliate ceases to be an Affiliate. Such Divested Affiliate shall be granted by the Non-divesting Party similar license to those it enjoyed when an Affiliate (with effect from when it ceased to be an Affiliate), under a separate agreement negotiated in good faith based on the terms, including but not limited to any applicable royalty and payment terms of this Agreement. Such license shall be granted only upon request of the Divested Affiliate within six (6) months of the Divested Affiliate ceasing to be an Affiliate. Such license shall be limited to the size and scope of the business of the Divested Affiliate at the date it ceased to be an Affiliate and shall be for a non-renewable term expiring two (7) years from the date the Divested Affiliate ceases to be an Affiliate or for the remaining Term of this Agreement, whichever term is shorter.

12. CHANGE OF CONTROL

If SONIM is directly or indirectly acquired by a third party or transfers its business in whole or in part through divestiture, merger or otherwise to a third party, then SONIM shall promptly give written notice thereof to NOKIA. If during its most recent fiscal year the third party acquirer or other new owner of SONIM has derived at least [***] of its gross revenues from Licensed Products, then NOKIA shall be entitled, within [***] from the reception of such notice, to terminate this Agreement with written notice to SONIM. If NOKIA elects to so terminate this Agreement, then all licenses granted hereunder to LICENSEE and its Affiliates shall terminate as of the date of such acquisition or transfer, but with no retroactive effect. The rights and licenses granted to NOKIA and its Affiliates hereunder shall be unaffected by such termination. In the event that Nokia elects to terminate this Agreement, Nokia undertakes to enter in good faith into licensing discussions with the third party acquirer or other new owner of SONIM, under similar terms to those of this agreement.

13. APPLICABLE LAW AND DISPUTE RESOLUTION

13.1 This Agreement shall be governed by and construed in accordance with the substantive laws of New York, NY, USA without reference to its conflict of laws principles. Notwithstanding the foregoing and with respect to matters of infringement and validity of Patents, the substantive law of the country or state under which the respective Patent has been granted shall apply.

13.2 All disputes arising out of or in connection with the present Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one arbitrator appointed in accordance with the said Rules. The place of arbitration shall be in the City of New York, NY, USA, and the arbitration shall be conducted in the English language.

13.3 Reference to arbitration in Section 13.2 does not prejudice a Party's right to proceed to court for interim measures or for the collection of royalty and other payments (Section 4) at the competent court having jurisdiction over such matters.

14. MISCELLANEOUS

14.1 Entire Agreement. This Agreement sets forth the entire and only agreement and understanding between the Parties as to the subject matter hereof and supersedes and cancels all prior discussions, unwritten agreements, memorandums, letters of intent, representations and undertakings between them with respect to the subject matter hereof.

14.2 No Partnership. Nothing in this Agreement shall be construed as creating a partnership, joint venture, or other formal business organization of any kind.

14.3 Severability. If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, it will not affect any other provision or application of this Agreement, which can be given effect without the illegal, invalid or unenforceable provision. The Parties agree in good faith to reformulate such provision to preserve the original intentions and objectives of this Agreement and to remove such illegality, invalidity or unenforceability, to the extent possible without materially reducing the value of this Agreement to either Party. If such reformulation is not possible or is not achieved in a reasonable time scale, a Party that is materially disadvantaged by the inapplicability of such provision, and which is not offered by the other Party terms that restore the original intentions and objectives, shall have the right to terminate this Agreement

14.4 Headings. The headings and sub-headings of the Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

14.5 No Waiver. No failure to exercise, nor any delay in exercising, on the part of either Party, any right or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy.

14.6 No Liability. In no event shall either Party be liable to the other Party by reason of this Agreement or any breach or termination of this Agreement for any consequential, incidental, indirect, punitive or special damages.

14.7 Neutral Construction. This Agreement is the result of negotiations between the Parties and, accordingly, shall not be construed for or against either Party regardless of which Party drafted this Agreement or any portion thereof.

14.8 This Agreement shall not be binding upon the Parties until it has been signed by or on behalf of each Party, in which event it shall be Effective as of the Effective Date. No amendment or modification hereof shall be valid or binding upon the Parties unless made in writing and signed as aforesaid.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their duly authorised representatives.

NOKIA CORPORATION
Signed by: /s/ A. S. Foster

Name: Allan Foster
Title: Director, Patent Licensing
Date: 28th Nov 2008
Place: Farnborough, Hants, UK

NOKIA CORPORATION
Signed by: /s/ T. J. Frain

Name: T. J. Frain
Title: Director, IPR Regulatory Affairs
Date: 28-Nov-2008
Place: Farnborough, Hants, UK

SONIM
Signed by: /s/ Jonathan Michael

Name: Jonathan Michael
Title: CFO
Date: 11/28/08
Place: San Mateo, CA, USA

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE SONIM TECHNOLOGIES, INC. HAS DETERMINED THE INFORMATION (I) IS NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO SONIM TECHNOLOGIES, INC. IF PUBLICLY DISCLOSED.

APPENDIX A

1. ADDITIONAL DEFINITIONS

For the purposes of this Appendix A the terms set forth below shall have the following meaning:

1.1 "EUR" means euro, the European single currency adopted by the European Council in 1995.

1.2 "GSM-Data Enabled Terminal" means any Subscriber Terminal that is adapted to provide one or more of the following data functions: (i). SIM Application Toolkit, (ii). GPRS, (iii). HSCSD and any other Subscriber Terminal that is compatible with the GSM Standard and which is not a GSM Voice-only Terminal.

1.3 "GSM Voice-Only Terminal" means any Subscriber Terminal that is capable of instantaneously transducing received radio signals to audio signals and instantaneously transducing received input audio signals to transmitted radio signals, in conformity with the GSM Standard; but which does not have the capability of providing and cannot readily be adapted to provide additional data services such as raw data, text, facsimile, computer files, image and video transmission and including commercial transactional services. A Subscriber Terminal having simple SMS (Short Messaging Service) capability for transmitting and receiving text messages to and from mobile terminals, but having no other data services shall be deemed a GSM Voice-Only Subscriber Terminal, as long as the SMS functionality is incapable of bearing other data services or functions such as but not limited to WAP, XTMI, T-Mode and other similar formatted data.

1.4 "Net Selling Price" shall mean one of the following whichever i applicable: (a) [***], the Net Selling Price shall be the [***]; (b) [***], the Net Selling Price shall be the [***]; (c) in cases where [***], then the Net Selling Price shall [***]. In determining the "selling price", only the following shall be excluded to the extent [***]: (i) [***], (ii) [***], (iii) [***], and (iv) [***].

2. ROYALTY AND OTHER PAYMENTS

SONIM shall make the following payments to NOKIA:

2.1 Past Release for GSM Sales. The consideration for the past release in respect of the rights granted by NOKIA under Section 2.1 for Licensed Products compliant with the GSM Standard Sold by or on behalf of SONIM or its Affiliates prior to 01 January 2008 shall include the grant back rights in Sonim Licensed Patents.

2.2 Royalty Payments

2.2.1 Royalty Payments for Voice Only Terminal Sales:

A royalty at the rate of [***] of the Net Selling Price of each GSM Voice Only Terminal which is a Licensed Product sold by or on behalf of SONIM or its Affiliates after 01 January 2008 and during the term of this Agreement, subject to a [***] for each such GSM Voice Only Terminal sold, provided that in respect of [***] for Sales up to the thresholds defined below the above royalty rate shall be modified as follows:

[***]

2.2.2 Royalty Payments for Data Enabled Terminal Sales:

A royalty at the rate of [***] of the Net Selling Price of each GSM Data Enabled Terminal which is a Licensed Product sold by or on behalf of SONIM or its Affiliates after 01 January 2008 and during the term of this Agreement, subject to a [***] for each such GSM Voice Only Terminal Sold, provided that in respect of years 2008 to 2009 for Sales up to the thresholds defined below the above royalty rate shall be modified as follows:

[***]

Whereina maximum royalty of EUR 2.0 shall be payable for each such GSM Voice Only Terminal Sold during 2008 and 2009.

2.2.3 Royalty Payments for UMTS/GSM Dual Mode Terminal Sales:

A royalty at the rate of [***] of the Net Selling Price of each Licensee UMTS/GSM Dual Mode Subscriber Terminal which is a Licensed Product sold by or on behalf of SONIM or its Affiliates after 01 January 2008 and during the term of this Agreement, subject to a [***], provided that in respect of [***] for Sales up to the thresholds defined below the above royalty rate shall be modified as follows:

[***]

3. TERMS OF PAYMENT

Any royalty or other sum payable by SONIM under this Agreement shall be paid within [***] as of the date of the invoice by NOKIA, provided that in respect of years [***] only, royalty or other sum payable by SONIM may be paid within [***] as of the date of the invoice by NOKIA. Notwithstanding the foregoing and regardless of whether reported, invoiced or not, the royalties for any Licensed Products Sold during any particular reporting period shall at the latest be due in [***] from the end of that reporting period.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE SONIM TECHNOLOGIES, INC. HAS DETERMINED THE INFORMATION (I) IS NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO SONIM TECHNOLOGIES, INC. IF PUBLICLY DISCLOSED.

AMENDMENT NO. 1 TO THE PATENT LICENSE AGREEMENT

This is an Amendment no. 1 (hereinafter "Amendment") to the Patent License Agreement dated 23rd September 2008 by and between Nokia Corporation and Sonim Technologies (hereinafter "Patent License Agreement") will become effective from 1 July 2018 onwards ("Amendment Effective Date") by and between:

(1) **NOKIA CORPORATION**, a public corporation validly organized and existing under the laws of Finland having its principle office at Karaportti 3, FI-00045 Espoo, Finland, hereinafter referred to as "Nokia; and

(3) **SONIM TECHNOLOGIES**, a corporation validly organized and existing under the laws of California having its principal office at 1875 S. Grant St, Suite 750, San Mateo, CA 94402, USA, hereinafter referred to as "Sonim"

Nokia and Sonim are hereinafter each individually referred to as a "Party" and jointly as the "Parties" as the context requires.

WHEREAS:

(a) Nokia is engaged in research, development and manufacturing of equipment and the provision of services relating to certain mobile communication and associated Standards;

(b) Nokia owns and controls certain Essential Patents relating to such Standards;

(c) Sonim and Nokia Corporation have previously entered into the Patent License Agreement on 28th November 2008;

(d) Sonim is interested in obtaining and Nokia is willing to grant certain additional rights under such Essential Patents of Nokia for the purpose of manufacture, use and sale of Licensed Products complying with such Standards;

(e) Parties wish to amend the Patent License Agreement to include such additional rights and to enact certain other amendments;

(f) Parties recognize that they have certain obligations relating to licensed Essential Patents under applicable rules of the relevant standard setting organizations, or under competition or anti-trust laws, and hence, consider the royalty rates and other terms in the Patent License Agreement and this Amendment to be compliant with such rules and laws;

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE SONIM TECHNOLOGIES, INC. HAS DETERMINED THE INFORMATION (I) IS NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO SONIM TECHNOLOGIES, INC. IF PUBLICLY DISCLOSED.

NOW IT IS HEREBY AGREED:

1. Definitions

1.1 Defined terms, indicated by the use of initial capitalization, have the meaning set forth to them upon their first occurrence in this Amendment as indicated by the use of initial capitalization and quotation marks (“”), or as stated otherwise

1.2 Capitalized terms not defined herein have the meaning set forth to them in the Patent License Agreement.

2. Interpretation

2.1 Except as explicitly stated, this Amendment shall in no way amend or modify the Patent License Agreement. This Amendment sets forth the entire agreement and understanding between the Parties as to the subject matter hereof and merges all prior discussions and agreements between them. None of the Parties shall be bound by any warranties, understandings, modifications or representations with respect to the subject matter hereof other than as expressly provided herein or in writing signed with or subsequent to the execution hereof by an authorized representative of the Party to be bound thereby.

3. Amendments to the Patent License Agreement

3.1 Amendment to Section 1.3 of the Patent License Agreement

The Parties agree to delete section 1.3 of the Patent License Agreement and replace it with the following:

[BEGINNING OF SECTION TO BE ADDED]

1.3 “Capture Period” means the period starting [***] and ending upon the expiration or termination of the Agreement, as the case may be.

[END OF SECTION TO BE ADDED]

3.2 Amendment to Section 1.8 of the Patent License Agreement

The Parties agree to delete Section 1.8 of the Patent License Agreement and replace it with the following:

[BEGINNING OF SECTION TO BE ADDED]

1.8 “Licensed Standard” means GSM/GPRS Standard, UMTS Standard, CDMA Standard and/or LTE Standard. For the purposes of this definition:

(i) “GSM/GPRS Standard” means each of the: i) time division multiple access (TDMA) based GSM standards as promulgated by ETSI, 3GPP and/or their respective successor(s), including without limitation GSM, HSCSD, GPRS and EDGE; and ii) updates thereof as promulgated by ETSI, 3GPP and/or their respective successor(s), provided that such updates do not fundamentally alter the technical character of the standard in question.

(ii) “UMTS Standard” means each of: i) wideband code division multiple access (WCDMA) based UMTS standards as promulgated by ETSI, 3GPP and/or their respective successor(s), including without limitation UMTS, HSDPA and HSUPA and TD-SCDMA; and ii) updates thereof as promulgated by ETSI, 3GPP and/or their respective successor(s), provided that such updates do not fundamentally alter the technical character of the standard in question;

(iii) “CDMA Standard” means each of the: i) code division multiple access (CDMA) based CDMA standards as promulgated by TIA, 3GPP2 and/or their respective successor(s), including without limitation IS-95, cdmaOne, CDMA2000 and CDMA2000 EV-DO; and ii) updates and other evolutions thereof as promulgated by TIA, 3GPP2 and/or their respective successor(s), provided that such updates or evolutions do not fundamentally alter the technical character of the standard in question; and

(iv) “LTE Standard” means the i) orthogonal frequency division multiplexing based LTE Standards as promulgated (i.e., adopted and published) by ETSI, 3GPP, and/or their respective successors, up to and including 3GPP LTE Release 14; and ii) updates thereof as promulgated by ETSI, 3GPP, and/or their respective successor(s), provided that such updates do not fundamentally alter the technical character of the standard in question.

[END OF SECTION TO BE ADDED]

3.3 Amendment to Section 1.11 of the Patent License Agreement

The Parties agree to delete Section 1.11 of the Patent License Agreement and replace it with the following:

[BEGINNING OF SECTION TO BE ADDED]

1.11 “Nokia Licensed Patent(s) means any Essential Patent which is owned, controlled or sublicensable by Nokia or its Affiliates at any time during the term of this Agreement without compensation or otherwise incurring liabilities to third parties. For avoidance of doubt, patent(s) compliant with Licensed Standard(s) that are added to the scope of this Agreement by way of amendment shall be considered Nokia Licensed Patent(s) if they are owned, controlled or sublicensable by Nokia or its Affiliates Agreement, without compensation or otherwise incurring liabilities to third parties, as of the effective date of such amendment and for the remaining term of this Agreement.

[END OF SECTION TO BE ADDED]

3.4 Amendment to Section 4.5.1 of the Patent License Agreement

The Parties agree to add the following subsection to the Section 4.5.1 of the Patent License Agreement:

[BEGINNING OF SECTION TO BE ADDED]

Sonim agrees to submit such royalty reports by using the electronic reporting system made available by Nokia. If the electronic reporting system is not available for reporting, Sonim shall send the royalty report to the address set out in this Agreement.

[END OF SECTION TO BE ADDED]

3.5 Amendment to Section 4.7 of the Patent License Agreement

The Parties agree to delete Section 4.7 of the Patent License Agreement and replace it with the following:

[BEGINNING OF SECTION TO BE ADDED]

4.7 Payment Information. All Payment by Sonim to Nokia under this Agreement shall be due and payable no later than the dates specified in this Agreement. All payments to Nokia under this Agreement shall be made by wire transfer to Nokia Technologies Oy, Affiliate and fully owned subsidiary of Nokia Corporation, to:

Beneficiary: Nokia Technologies Oy
Bank Name: [***]
Address: [***]
Telephone: [***]
Bank Account (EUR): [***]
SWIFT: [***]
IBAN Number: [***]

Or any other account Nokia or its Affiliates indicated by Nokia in writing.

Confirmation of payment shall be sent to Nokia at the address set out in Section 8 at the same time as payment is made.

[END OF SECTION TO BE ADDED]

3.6 Amendment to Section 7.1 of the Patent License Agreement

The Parties agree to delete Section 7.1. of the Patent License Agreement and replace it with the following:

[BEGINNING OF SECTION TO BE ADDED]

7.1 This Agreement and the rights and licenses granted hereunder shall come into force and effect on the Effective Date and shall remain in force until 31 December 2021, unless terminated earlier by mutual agreement or under the provisions of this Agreement. Upon the expiration or termination of the Agreement, as the case may be, all rights and licenses granted hereunder shall end.

[END OF SECTION TO BE ADDED]

3.7 Amendment to Section 2.2 of the Appendix A of the Patent License Agreement

The Parties agree to delete Section 2.2 of the Appendix A of the Patent License Agreement and replace it with the following:

[BEGINNING OF SECTION TO BE ADDED]

2.2 Royalty Payments

Sonim shall make the following royalty payments to Nokia:

A [***] royalty rate of [***] by or on behalf [***].

[END OF SECTION TO BE ADDED]

4. Representation and warranty by Sonim

4.1 The amendment to the royalty rates set forth in Section 3.7 of this Amendment is based on the [***] as made available by Sonim to Nokia [***].

4.2 Sonim represents and warrants that the information provided to Nokia by Sonim about the best estimates of sales of Licensed Products, such as volume information and information related to Net Selling Prices, are factual and given in good faith.

5. Inclusion of LTE as Licensed Standard and Release

5.1 The Parties understand that prior to the Amendment Effective Date Sonim royalty reporting to Nokia has included multimode Licensed Products that have also been compliant with the LTE Standard.

5.2 Therefore, Nokia and its Affiliates hereby conditionally release Sonim and its Affiliates from all liability for infringement of Nokia Licensed Patents compliant with the LTE Standard which are owned, controlled or sub-licensable by Nokia or its Affiliates at the Amendment Effective Date solely to the extent such liability arises out of making, using, selling, offering to sell importing or otherwise disposing of Licensed Products by Sonim or its Affiliates prior to the Amendment Effective Date, to the extent such infringement activity/activities would have licensed under Section 2 of the Patent License Agreement subsequent to the Amendment Effective Date and solely to the extent that Sonim has reported the Sales of such products completely and accurately prior to the Amendment Effective Date and paid due royalties connected to such Sales to Nokia in accordance with the royalty rates in force at the time.

6. Miscellaneous

6.1 The terms and conditions of this Amendment are confidential. Section 5 (Publicity) of the Patent License Agreement shall be incorporated by reference herein mutatis mutandis.

6.2 This Amendment shall be governed by and constructed in accordance with the substantive laws of New York, NY, USA without reference to its conflict of laws principles. Notwithstanding the foregoing and with respect to matters of infringement and validity of Patents, the substantive law of the country or state under which the respective Patents has been granted shall apply.

6.3 Any dispute, controversy or claim arising out of or relating to this Amendment shall be resolved pursuant to Section 13.2 and Section 13.3 of the Patent License Agreement which are incorporated by reference herein mutatis mutandis.

6.4 Any terms and conditions, and any parts thereof, of this Amendment that by their nature or otherwise reasonably should survive a cancellation, expiry, or termination of this Amendment or the Patent License Agreement will survive such as – by way of non-limiting example – Section 1 (Definitions), Section 2 (Interpretation) and Section 4 (Miscellaneous) of this Amendment.

7. Entry into Force

7.1 This Amendment shall become effective on the Amendment Effective Date. For avoidance of doubt this Amendment does not modify or alter the entry into force of the Patent License Agreement.

7.2 This Amendment may be executed and signatures exchanged by facsimile, PDF or other electronic means and in any number of counterparts, each of which shall constitute an original, but all of which, when taken together, shall be considered one document.

[Signature page follows]

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE SONIM TECHNOLOGIES, INC. HAS DETERMINED THE INFORMATION (I) IS NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO SONIM TECHNOLOGIES, INC. IF PUBLICLY DISCLOSED.

IN WITNESS WHEREOF, the Amendment has been executed in two (2) counterparts, one for each Party as of the latest date of signature written below.

SONIM CORPORATION

Signed by: /s/ Taruna Punj

Name: Taruna Punj
Title: Controller
Date: 1/7/2019
Place: San Mateo, CA USA

NOKIA CORPORATION

Signed by: /s/ Sonja London

Name: Sonja London
Title: Authorized Signatory
Date: 1/10/2019
Place: Espoo, Finland

Signed by: /s/ Hanna Nuortila

Name: Hanna Nuortila
Title: Authorized Signatory
Date: 1/10/2019
Place: Espoo, Finland

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE SONIM TECHNOLOGIES, INC. HAS DETERMINED THE INFORMATION (I) IS NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO SONIM TECHNOLOGIES, INC. IF PUBLICLY DISCLOSED.

Exhibit 10.13

English Summary of a lease agreement dated August 28, 2018 (the "Lease") by and between GXQ Industrial Park management Ltd. (the "Landlord") and Sonim Technologies (Shenzhen) Limited ("Sonim")

- **Leased Property**: the Lease is for the purpose of warehousing, with its address: room at B205, Building #1, Phase #2, DaQian Industrial Park, BaoAn district, ShenZhen, China
- **Term**: The term started at October 1, 2018 and will end on February 20, 2021
- **Deposit**: Sonim must provide a bank guarantee in the amount of RMB 39,968 for securing its obligations.

  After lease expiration, the Landlord will return the guarantee to Sonim.
- **Permitted Use**: The permitted use is for warehousing.
- **Sublease:** Sonim is not allowed to sublease the property.
- **Rent:**

Rent rates: based on the rental area of 341.32 square meters.

From October 1, 2018 to April 9, 2019, RMB 58.55 per square meter, with a total monthly rent of RMB 19,984.29

From April 10, 2019 to February 20, 2021, RMB 95 per square meter, with a total monthly rent of RMB 32,425.40

Property management fee of RMB 8 per square meter.

- **Insurances, Liability, Maintenance**: The Landlord will maintain insurance against fire, storm, hail and water damage to the building, and Sonim will maintain insurance against the office equipment and fitting.

  Sonim will maintain third party insurance to cover the damage of its relatives, employees or visitors.

  Landlord is obliged to maintain the facility for normal usage.
- **Modifications to leased Premises**: Sonim is permitted to effect modifications to the leased premises only with the prior written approval of the Landlord. Sonim and the Landlord will agree on the costs, reimbursement and potential obligations to build-back modifications.

Exhibit 10.14

English Summary of a lease agreement dated January 15, 2019 (the "Lease") by and between GXQ Industrial Park Management Ltd. (the "Landlord") and Sonim Technologies (Shenzhen) Limited ("Sonim")

- **Leased Property**: the Lease is for the purpose of production and warehousing, with its address: room at 701 , Building #2, Phase #2, DaQian Industrial Park, BaoAn district, ShenZhen, China
- **Term**: The term started at April 15, 2019 and will end on February 20, 2021
- **Deposit**: Sonim must provide a bank guarantee in the amount of RMB 135,116 for securing its obligations.

  After the Lease expires, the Landlord will return the guarantee to Sonim.

  Special right to Sonim: provided Sonim provides at least three (3) months' advance notice regarding relocation of the factor to another area, the Landlord will return the deposit.
- **Permitted Use**: The permitted use is for production and warehouse
- **Sublease:** Sonim is not allowed to sublease the property.
- **Rent:**

Rent rates: based on the rental area of 675.58 square meters

From April 15, 2019 to February 20, 2021, RMB 100 per square meter, with a total monthly rent of RMB 67,558

Property management fee of RMB 8 per square meter.

- **Insurances, Liability, Maintenance**: The Landlord will maintain insurance against fire, storm, hail and water damage to the building, and Sonim will maintain insurance against the office equipment and fitting.

  Sonim will maintain third party insurance to cover the damage of its relatives, employees or visitors.

  Landlord is obligated to maintain the facility for normal usage.
- **Modifications to leased Premises**: Sonim is permitted to effect modifications to the leased premises only with the prior written approval of the Landlord. Sonim and the Landlord will agree on the costs, reimbursement and potential obligations to build-back modifications.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the use in this Amendment No. 1 to Registration Statementon Form S-1 of Sonim Technologies, Inc. of our report dated April 3, 2019,relating to the consolidated financial statements of Sonim Technologies, Inc., and to the reference to our firm under the heading “Experts” in the Prospectus, which is part of this Registration Statement.

/s/ Moss Adams LLP

Campbell, California
April 29, 2019