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

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**FORM 8-K**

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**CURRENT REPORT**  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 10, 2021

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**Sonim Technologies, Inc.**

(Exact name of registrant as specified in its charter)

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Delaware  
(State or other jurisdiction  
of incorporation)

001-38907  
(Commission  
File Number)

94-3336783  
(IRS Employer  
Identification No.)

6500 River Place Boulevard, Bldg. 7, S#250  
Austin, TX  
(Address of principal executive offices)

78730  
(Zip Code)

Registrant's Telephone Number, Including Area Code: (650) 378-8100

Not Applicable  
(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	SONM	The Nasdaq Stock Market LLC (Nasdaq Capital Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

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**Item 2.02 Results of Operations and Financial Condition.**

On November 10, 2021, Sonim Technologies, Inc. (the “Company”) announced its financial results for the quarter ended September 30, 2021. A copy of the press release is attached hereto as Exhibit 99.1.

The information in this Item 2.02, including the attached Exhibit 99.1, is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.**

(d)

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#">Press Release dated November 10, 2021.</a>
104	Cover Page Interactive Data File (embedded within the inline XBRL document).

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**SIGNATURES**

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

**Sonim Technologies, Inc.**

Dated: November 10, 2021

By: /s/ Robert Tirva  
Robert Tirva  
*President, Chief Financial Officer and Chief Operating Officer*



**Sonim Reports Third Quarter 2021 Financial Results**  
*Company Reports 20% Sequential Increase in Revenue*  
*Launches First New Carrier Device in Two Years, More Planned for 2022*

Austin, Texas – November 10, 2021 – **Sonim Technologies, Inc. (Nasdaq: SONM)**, a leading U.S. provider of ultra-rugged mobile devices, accessories and solutions designed specifically for task workers physically engaged in their work environments, reported financial results for the third quarter ended September 30, 2021.

**Third Quarter 2021 and Recent Highlights**

- Net revenues of \$14.4 million, an increase of 20.0% compared with \$12.0 million in the second quarter 2021.
- Gross profit was 12.4%, reflecting changes in product mix and average unit pricing.
- Net loss was \$10.9 million, compared with a net loss of \$6.7 million in the second quarter of 2021.
- Ended the quarter with cash and cash equivalents of \$10.2 million compared with \$6.9 million at June 30, 2021.
- Launched the Company's next generation XP3plus at major U.S. carriers and continued development of additional rugged phones for launch in 2022.
- Regained compliance with the Nasdaq continued listing standards.

Said Bob Tirva, President, Chief Financial Officer and Chief Operating Officer: "We were very pleased to see the initial sales volume for our next generation rugged flip phone, the XP3plus. We initially launched with T-Mobile, then added Verizon late in the third quarter. In the fourth quarter, we have expanded the availability to include T-Mobile retail stores and are readying a release for Canada as well as a new global variant, opening worldwide addressable market opportunities for further expansion.

"We continue to invest proactively in R&D activities to support our customer design awards. We are making good progress on additional next generation devices, including a 5G rugged smartphone, and a feature phone with expanded Push-to-Talk (PTT) capabilities. We currently expect these additional devices to be available in mid-2022. This will give Sonim a fully refreshed line of ultra-rugged mobile devices designed specifically to excel in even the most demanding work environments."

**Third Quarter 2021 Financial Results**

Net revenues for the third quarter of 2021 increased 20.0% to \$14.4 million, compared with \$12.0 million in the second quarter of 2021. The change in net revenue reflected carrier demand for the new XP3plus device, offset by the expected decline in sales of legacy products.

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Gross profit for the third quarter of 2021 declined to \$1.8 million, reflecting the shift in product mix as well as added cost attributable to the global supply chain constraints affecting the broader technology industry. In order to address the change in gross margin, Sonim is making certain pricing adjustments as well as advancing development of its other next generation devices to restore a more historical sales mix of smartphones, including Sonim's first 5G smartphone device, and advanced PTT feature phones next year as additional next generation products are launched.

Operating expenses for the third quarter were \$12.5 million, an increase from \$9.1 million in the second quarter of 2021. Net loss for the third quarter of 2021 was \$10.9 million, compared with \$6.7 million in the second quarter of 2021.

#### **Balance Sheet and Cash Flow**

Sonim ended the quarter with \$10.2 million in cash and equivalents and remained essentially debt free. The Company raised an additional \$10.4 million in net proceeds through its at-the-market equity offering program during the third quarter and raised an additional \$14.3 million in net proceeds through our at-the-market equity offering program subsequent to September 30, 2021. Inventory was \$9.9 million at quarter end, and accounts receivable was \$2.8 million.

As previously announced, Sonim has retained B. Riley as its investment bank to explore strategic alternatives and capital market options, including both buy and sell side opportunities.

#### **About Sonim Technologies, Inc.**

Sonim Technologies 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. We currently sell our ruggedized mobility solutions to several of the largest wireless carriers in the United States— including AT&T, T-Mobile 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. In 2020, we announced that we would be entering the ruggedized barcode scanner business and we began shipping our first devices in March 2021. Our barcode scanner devices, as well as our ruggedized phones and accessories, are sold through distributors in North America, South America and Europe. For more information, visit [www.sonimtech.com](http://www.sonimtech.com).

#### **Important Cautions Regarding Forward-Looking Statements**

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements relate to, among other things, the expected timing of the launch of Sonim's next generation of products, Sonim's review of strategic alternatives, and the timing and market acceptance of new products. These forward-looking statements are based on Sonim's current expectations, estimates and projections about its business and industry, management's beliefs and certain assumptions made by Sonim, all of which are subject to change. Forward-looking

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statements generally can be identified by the use of forward-looking terminology such as, “future”, “believe,” “expect,” “may,” “will,” “intend,” “estimate,” “continue,” or similar expressions or the negative of those terms or expressions. Such statements involve risks and uncertainties, which could cause actual results to vary materially from those expressed in or indicated by the forward-looking statements. Factors that may cause actual results to differ materially include, but are not limited to, the following: Sonim’s ability to continue as a going concern and improve its liquidity and financial position; Sonim’s exploration of strategic or financial alternatives may not result in any transaction or alternative that enhances value; Sonim’s ability to continue to develop solutions to address user needs effectively, including its next generation products; anticipated sales levels of both new and legacy products; Sonim’s reliance on its channel partners to generate a substantial majority of its revenues; the limited operating history in Sonim’s markets; Sonim’s ongoing restructuring and transformation of its business; the variation of Sonim’s quarterly results; the lengthy customization and certification processes for Sonim’s wireless carries customers; the impact of the COVID-19 pandemic; and the ongoing Securities and Exchange Commission investigation on Sonim’s business, as well as the other risk factors described under “Risk Factors” included in Sonim’s Annual Report on Form 10-K for the year ended December 31, 2020 and in Sonim’s Quarterly Report on Form 10-Q for the three months ended September 30, 2021, and any risk factors contained in subsequent quarterly and annual reports it files with the Securities and Exchange Commission (available at [www.sec.gov](http://www.sec.gov)). Sonim cautions you not to place undue reliance on forward-looking statements, which speak only as of the date hereof. Sonim assumes no obligation to update any forward-looking statements in order to reflect events or circumstances that may arise after the date of this release, except as required by law.

#### **Sonim Technologies Contacts**

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**SONIM TECHNOLOGIES, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED)**  
**(IN THOUSANDS OF U.S. DOLLARS EXCEPT SHARE AND PER SHARE AMOUNTS)**

	September 30, 2021	December 31, 2020
<b>Assets</b>		
Cash and cash equivalents	\$ 10,187	\$ 22,141
Accounts receivable, net	2,798	4,152
Non-trade receivable	2,845	453
Inventory	9,906	11,344
Prepaid expenses and other current assets	6,863	7,481
<b>Total current assets</b>	<b>32,599</b>	<b>45,571</b>
Property and equipment, net	570	843
Other assets	5,023	3,898
<b>Total assets</b>	<b>\$ 38,192</b>	<b>\$ 50,312</b>
<b>Liabilities and stockholders' equity</b>		
Current portion of long-term debt	\$ 177	\$ 177
Accounts payable	12,563	8,856
Accrued expenses	10,154	9,906
Warranty liability	1,296	1,530
Deferred revenue	—	5
<b>Total current liabilities</b>	<b>24,190</b>	<b>20,474</b>
Income tax payable	1,283	1,243
Long-term debt, less current portion	74	185
<b>Total liabilities</b>	<b>25,547</b>	<b>21,902</b>
<b>Stockholders' equity</b>		
Common stock, \$0.001 par value per share; 100,000,000 shares authorized: and 9,253,238 and 6,631,039 shares issued and outstanding at September 30, 2021, and December 31, 2020, respectively.*	9	7
Preferred stock, \$0.001 par value per share, 5,000,000 shares authorized, and no shares issued and outstanding at September 30, 2021, and December 31, 2020, respectively.	—	—
Additional paid-in capital	235,719	224,581
Accumulated deficit	(223,083)	(196,178)
<b>Total stockholders' equity</b>	<b>12,645</b>	<b>28,410</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 38,192</b>	<b>\$ 50,312</b>

\* Reflects the 1-for-10 reverse stock split that became effective on September 15, 2021.

**SONIM TECHNOLOGIES, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**  
**(IN THOUSANDS OF U.S. DOLLARS EXCEPT SHARE AND PER SHARE AMOUNTS)**

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>September 30,</u>		<u>September 30,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net revenues	\$ 14,445	\$ 14,393	\$ 38,639	\$ 48,157
Cost of revenues	12,661	9,994	31,738	36,675
Gross profit	<u>1,784</u>	<u>4,399</u>	<u>6,901</u>	<u>11,482</u>
Operating expenses:				
Research and development	5,492	3,389	13,826	10,581
Sales and marketing	3,087	2,884	7,456	8,611
General and administrative	2,961	2,477	7,602	7,644
Legal	967	1,768	4,276	5,359
Restructuring costs	—	—	—	1,087
Total operating expenses	<u>12,507</u>	<u>10,518</u>	<u>33,160</u>	<u>33,282</u>
Loss from operations	(10,723)	(6,119)	(26,259)	(21,800)
Interest expense	—	(182)	—	(803)
Other expense, net	(126)	(13)	(419)	(408)
Loss before income taxes	(10,849)	(6,314)	(26,678)	(23,011)
Income tax expense	(90)	(150)	(227)	(513)
Net loss	<u>\$ (10,939)</u>	<u>\$ (6,464)</u>	<u>\$ (26,905)</u>	<u>\$ (23,524)</u>
Net loss per share, basic and diluted*	<u>\$ (1.31)</u>	<u>\$ (0.98)</u>	<u>\$ (3.72)</u>	<u>\$ (5.96)</u>
Weighted-average shares used in computing net loss per Share, basic and diluted*	<u>8,366,283</u>	<u>6,593,764</u>	<u>7,222,541</u>	<u>3,949,415</u>

\* Reflects the 1-for-10 reverse stock split that became effective on September 15, 2021.