

**CommScope Holding Company, Inc.**  
**Condensed Consolidated Statements of Operations**  
(Unaudited -- In millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net sales	\$ 2,300.2	\$ 2,185.3	\$ 4,528.8	\$ 4,257.3
Cost of sales	1,617.0	1,512.0	3,209.3	2,911.8
Gross profit	683.2	673.3	1,319.5	1,345.5
Operating expenses:				
Selling, general and administrative	277.2	302.3	563.2	595.0
Research and development	165.4	176.3	336.1	347.8
Amortization of purchased intangible assets	139.0	154.2	279.7	308.9
Restructuring costs, net	38.5	58.9	50.6	103.3
Total operating expenses	620.1	691.7	1,229.6	1,355.0
Operating income (loss)	63.1	(18.4)	89.9	(9.5)
Other income, net	1.0	1.5	1.0	2.5
Interest expense	(140.1)	(138.0)	(276.6)	(275.5)
Interest income	0.5	0.5	1.2	1.0
Loss before income taxes	(75.5)	(154.4)	(184.5)	(281.5)
Income tax (expense) benefit	14.5	0.6	(16.4)	30.1
Net loss	(61.0)	(153.8)	(200.9)	(251.4)
Series A convertible preferred stock dividends	(14.7)	(14.3)	(29.2)	(28.7)
Net loss attributable to common stockholders	\$ (75.7)	\$ (168.1)	\$ (230.1)	\$ (280.1)
Loss per share:				
Basic	\$ (0.36)	\$ (0.82)	\$ (1.11)	\$ (1.38)
Diluted (a)	\$ (0.36)	\$ (0.82)	\$ (1.11)	\$ (1.38)
Weighted average shares outstanding:				
Basic	207.6	204.1	206.5	202.9
Diluted (a)	207.6	204.1	206.5	202.9
(a) Calculation of diluted loss per share:				
Net loss (basic and diluted)	\$ (75.7)	\$ (168.1)	\$ (230.1)	\$ (280.1)
Weighted average shares (basic)	207.6	204.1	206.5	202.9
Dilutive effect of equity-based awards	—	—	—	—
Denominator (diluted)	207.6	204.1	206.5	202.9

See notes to unaudited condensed consolidated financial statements included in our Form 10-Q.

**CommScope Holding Company, Inc.**  
**Condensed Consolidated Balance Sheets**  
(In millions, except share amounts)

	Unaudited June 30, 2022	December 31, 2021
<b>Assets</b>		
Cash and cash equivalents	\$ 229.3	\$ 360.3
Accounts receivable, less allowance for doubtful accounts of \$61.6 and \$63.7, respectively	1,595.0	1,532.6
Inventories, net	1,563.4	1,435.8
Prepaid expenses and other current assets	245.3	251.0
Total current assets	3,633.0	3,579.7
Property, plant and equipment, net of accumulated depreciation of \$822.0 and \$787.4, respectively	630.8	656.3
Goodwill	5,186.3	5,231.7
Other intangible assets, net	2,737.0	3,027.3
Other noncurrent assets	752.3	764.5
Total assets	<u>\$ 12,939.4</u>	<u>\$ 13,259.5</u>
<b>Liabilities and Stockholders' Deficit</b>		
Accounts payable	\$ 1,183.6	\$ 1,160.7
Accrued and other liabilities	948.0	989.8
Current portion of long-term debt	32.0	32.0
Total current liabilities	2,163.6	2,182.5
Long-term debt	9,524.1	9,478.5
Deferred income taxes	191.1	208.2
Other noncurrent liabilities	446.8	490.8
Total liabilities	12,325.6	12,360.0
Commitments and contingencies		
Series A convertible preferred stock, \$0.01 par value	1,085.4	1,056.1
Stockholders' deficit:		
Preferred stock, \$0.01 par value: Authorized shares: 200,000,000; Issued and outstanding shares: 1,085,386 and 1,056,144, respectively, Series A convertible preferred stock	—	—
Common stock, \$0.01 par value: Authorized shares: 1,300,000,000; Issued and outstanding shares: 208,162,986 and 204,567,294, respectively	2.2	2.2
Additional paid-in capital	2,540.4	2,540.7
Accumulated deficit	(2,416.2)	(2,215.3)
Accumulated other comprehensive loss	(306.3)	(206.4)
Treasury stock, at cost: 12,634,352 shares and 10,970,585 shares, respectively	(291.7)	(277.8)
Total stockholders' deficit	(471.6)	(156.6)
Total liabilities and stockholders' deficit	<u>\$ 12,939.4</u>	<u>\$ 13,259.5</u>

See notes to unaudited condensed consolidated financial statements included in our Form 10-Q.

**CommScope Holding Company, Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(Unaudited -- In millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
<b>Operating Activities:</b>				
Net loss	\$ (61.0)	\$ (153.8)	\$ (200.9)	\$ (251.4)
Adjustments to reconcile net loss to net cash generated by (used in) operating activities:				
Depreciation and amortization	176.1	193.6	356.3	392.8
Equity-based compensation	12.3	16.4	28.9	40.0
Deferred income taxes	(28.5)	(27.7)	(26.2)	(81.1)
Changes in assets and liabilities:				
Accounts receivable	(25.9)	(9.7)	(86.4)	(173.9)
Inventories	(77.7)	(54.2)	(151.4)	(64.9)
Prepaid expenses and other assets	(27.5)	28.3	2.1	32.3
Accounts payable and other liabilities	(52.3)	192.9	(28.8)	169.0
Other	(10.1)	5.8	(2.7)	4.8
Net cash generated by (used in) operating activities	(94.6)	191.6	(109.1)	67.6
<b>Investing Activities:</b>				
Additions to property, plant and equipment	(27.7)	(33.8)	(55.1)	(60.2)
Proceeds from sale of property, plant and equipment	—	0.3	—	1.3
Payments upon settlement of net investment hedge	—	(18.0)	—	(18.0)
Other	4.5	—	15.9	—
Net cash used in investing activities	(23.2)	(51.5)	(39.2)	(76.9)
<b>Financing Activities:</b>				
Long-term debt repaid	(83.0)	(8.0)	(176.0)	(16.0)
Long-term debt proceeds	125.0	—	210.0	—
Dividends paid on Series A convertible preferred stock	—	(14.3)	—	(28.7)
Proceeds from the issuance of common shares under equity-based compensation plans	—	—	—	3.9
Tax withholding payments for vested equity-based compensation awards	(3.4)	(0.3)	(14.0)	(24.6)
Other	0.1	—	1.4	—
Net cash generated by (used in) financing activities	38.7	(22.6)	21.4	(65.4)
Effect of exchange rate changes on cash and cash equivalents	(6.3)	2.8	(4.1)	(1.0)
Change in cash and cash equivalents	(85.4)	120.3	(131.0)	(75.7)
Cash and cash equivalents at beginning of period	314.7	325.9	360.3	521.9
Cash and cash equivalents at end of period	<u>\$ 229.3</u>	<u>\$ 446.2</u>	<u>\$ 229.3</u>	<u>\$ 446.2</u>

See notes to unaudited condensed consolidated financial statements included in our Form 10-Q.

**CommScope Holding Company, Inc.**  
**Reconciliation of GAAP Measures to Non-GAAP Adjusted Measures**  
**(Unaudited -- In millions, except per share amounts)**

	Three Months Ended March 31,	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2022	2021	2022	2021
<b>Net loss, as reported</b>	\$ (139.9)	\$ (61.0)	\$ (153.8)	\$ (200.9)	\$ (251.4)
Income tax expense (benefit)	30.9	(14.5)	(0.6)	16.4	(30.1)
Interest income, as reported	(0.7)	(0.5)	(0.5)	(1.2)	(1.0)
Interest expense, as reported	136.5	140.1	138.0	276.6	275.5
Other income, as reported	—	(1.0)	(1.5)	(1.0)	(2.5)
Operating income (loss), as reported	\$ 26.8	\$ 63.1	\$ (18.4)	\$ 89.9	\$ (9.5)
Adjustments:					
Amortization of purchased intangible assets	140.7	139.0	154.2	279.7	308.9
Restructuring costs, net	12.1	38.5	58.9	50.6	103.3
Equity-based compensation	16.5	12.3	16.4	28.9	40.0
Transaction, transformation and integration costs	15.6	14.9	21.0	30.5	36.7
Acquisition accounting adjustments	2.0	1.8	3.0	3.6	6.2
Patent claims and litigation settlements	1.2	1.0	40.0	2.2	41.5
Reserve for Russian accounts receivable	5.4	(1.7)	—	3.8	—
Depreciation	33.0	30.7	32.6	63.7	70.3
Total adjustments to operating income (loss)	226.5	236.5	326.1	463.0	606.9
<b>Non-GAAP adjusted EBITDA</b>	<b>\$ 253.3</b>	<b>\$ 299.6</b>	<b>\$ 307.7</b>	<b>\$ 552.9</b>	<b>\$ 597.4</b>
<b>Net loss, as reported</b>	<b>\$ (139.9)</b>	<b>\$ (61.0)</b>	<b>\$ (153.8)</b>	<b>\$ (200.9)</b>	<b>\$ (251.4)</b>
Adjustments:					
Total pretax adjustments to adjusted EBITDA	193.5	205.8	293.5	399.3	536.6
Pretax amortization of debt issuance costs and OID <sup>(1)</sup>	6.4	6.4	6.7	12.9	13.5
Tax effects of adjustments and other tax items <sup>(2)</sup>	4.5	(50.8)	(40.7)	(46.4)	(104.5)
<b>Non-GAAP adjusted net income</b>	<b>\$ 64.4</b>	<b>\$ 100.5</b>	<b>\$ 105.7</b>	<b>\$ 164.9</b>	<b>\$ 194.0</b>
<b>GAAP EPS, as reported <sup>(3)</sup></b>	<b>\$ (0.75)</b>	<b>\$ (0.36)</b>	<b>\$ (0.82)</b>	<b>\$ (1.11)</b>	<b>\$ (1.38)</b>
<b>Non-GAAP adjusted diluted EPS <sup>(4)</sup></b>	<b>\$ 0.26</b>	<b>\$ 0.41</b>	<b>\$ 0.43</b>	<b>\$ 0.67</b>	<b>\$ 0.79</b>

(1) Included in interest expense.

(2) The tax rates applied to adjustments reflect the tax expense or benefit based on the tax jurisdiction of the entity generating the adjustment. There are certain items for which we expect little or no tax effect.

(3) For all periods presented, GAAP EPS was calculated using net loss attributable to common stockholders in the numerator, which includes the impact of the Series A convertible preferred stock dividend.

(4) Diluted shares used in the calculation of non-GAAP adjusted diluted EPS are 247.4 million for the three months ended March 31, 2022, 247.6 million and 246.3 million for the three months ended June 30, 2022 and 2021, respectively, and 247.5 million and 246.2 million for the six months ended June 30, 2022 and 2021, respectively.

Note: Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Sales by Region**  
(Unaudited -- In millions)

**Sales by Region**

	<u>Q2 2022</u>	<u>Q1 2022</u>	<u>Q2 2021</u>	<u>% Change</u> <u>Sequential</u>	<u>% Change</u> <u>YOY</u>
United States	\$ 1,424.3	\$ 1,347.1	\$ 1,254.2	5.7 %	13.6 %
Europe, Middle East and Africa	378.4	406.4	408.8	(6.9)	(7.4)
Asia Pacific	223.1	203.4	244.1	9.7	(8.6)
Caribbean and Latin America	150.4	162.3	190.3	(7.3)	(21.0)
Canada	124.0	109.4	87.9	13.3	41.1
<b>Total net sales</b>	<u>\$ 2,300.2</u>	<u>\$ 2,228.6</u>	<u>\$ 2,185.3</u>	3.2 %	5.3 %

**CommScope Holding Company, Inc.**  
**Segment Information**  
(Unaudited -- In millions)

**Segment Net Sales**

	<u>Q2 2022</u>	<u>Q1 2022</u>	<u>Q2 2021</u>	<u>% Change</u> <u>Sequential</u>	<u>% Change</u> <u>YOY</u>
Connectivity and Cable Solutions	\$ 986.7	\$ 838.0	\$ 783.4	17.7 %	26.0 %
Outdoor Wireless Networks	390.9	390.1	360.1	0.2	8.6
Networking, Intelligent Cellular and Security Solutions	205.4	188.0	223.7	9.3	(8.2)
Access Network Solutions	293.3	316.8	361.6	(7.4)	(18.9)
Core net sales <sup>(1)</sup>	1,876.3	1,732.9	1,728.8	8.3	8.5
Home Networks	423.9	495.7	456.5	(14.5)	(7.1)
<b>Total net sales</b>	<b>\$ 2,300.2</b>	<b>\$ 2,228.6</b>	<b>\$ 2,185.3</b>	<b>3.2 %</b>	<b>5.3 %</b>

**Segment Adjusted EBITDA <sup>(2)</sup>**

	<u>Q2 2022</u>	<u>Q1 2022</u>	<u>Q2 2021</u>	<u>% Change</u> <u>Sequential</u>	<u>% Change</u> <u>YOY</u>
Connectivity and Cable Solutions	\$ 169.0	\$ 98.6	\$ 124.5	71.4 %	35.7 %
Outdoor Wireless Networks	75.3	71.0	79.6	6.1	(5.4)
Networking, Intelligent Cellular and Security Solutions	(15.3)	(13.8)	4.5	10.9	(440.0)
Access Network Solutions	57.8	74.2	84.5	(22.1)	(31.6)
Core adjusted EBITDA <sup>(1)</sup>	286.8	230.0	293.1	24.7	(2.1)
Home Networks	12.8	23.3	14.6	(45.1)	(12.3)
<b>Total segment adjusted EBITDA</b>	<b>\$ 299.6</b>	<b>\$ 253.3</b>	<b>\$ 307.7</b>	<b>18.3 %</b>	<b>(2.6) %</b>

(1) "Core" financial measures reflect the results or otherwise pertain to the performance of the Connectivity and Cable Solutions, Outdoor Wireless Networks, Networking, Intelligent Cellular and Security Solutions and Access Network Solutions segments, in the aggregate. Core financial measures exclude the results of our Home Networks segment.

(2) See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Reconciliation of GAAP to Segment Adjusted EBITDA**  
(Unaudited -- In millions)

**Second Quarter 2022 Segment Adjusted EBITDA Reconciliation**

	Connectivity and Cable Solutions	Outdoor Wireless Networks	Networking, Intelligent Cellular and Security Solutions	Access Network Solutions	Home Networks	Total
<b>Operating income (loss), as reported</b>	\$ 111.7	\$ 43.5	\$ (43.7)	\$ (25.7)	\$ (22.7)	\$ 63.1
Amortization of purchased intangible assets	27.4	8.2	15.2	62.0	26.2	139.0
Restructuring costs, net	10.3	17.3	5.8	4.8	0.3	38.5
Equity-based compensation	3.0	1.4	2.7	3.2	2.0	12.3
Transaction, transformation and integration costs	3.5	1.5	1.0	7.4	1.6	14.9
Acquisition accounting adjustments	—	—	0.5	0.8	0.4	1.8
Patent claims and litigation settlements	—	—	—	—	1.0	1.0
Reserve for Russian accounts receivable	(1.2)	(0.1)	(0.3)	—	—	(1.7)
Depreciation	14.3	3.6	3.5	5.4	3.9	30.7
<b>Segment adjusted EBITDA</b>	<b>\$ 169.0</b>	<b>\$ 75.3</b>	<b>\$ (15.3)</b>	<b>\$ 57.8</b>	<b>\$ 12.8</b>	<b>\$ 299.6</b>
<b>Segment adjusted EBITDA % of sales</b>	<b>17.1%</b>	<b>19.3%</b>	<b>(7.4%)</b>	<b>19.7%</b>	<b>3.0%</b>	<b>13.0%</b>

**First Quarter 2022 Segment Adjusted EBITDA Reconciliation**

	Connectivity and Cable Solutions	Outdoor Wireless Networks	Networking, Intelligent Cellular and Security Solutions	Access Network Solutions	Home Networks	Total
<b>Operating income (loss), as reported</b>	\$ 37.3	\$ 52.9	\$ (43.0)	\$ (6.6)	\$ (13.8)	\$ 26.8
Amortization of purchased intangible assets	29.4	8.1	15.5	61.7	26.0	140.7
Restructuring costs, net	2.9	2.2	3.6	2.6	0.8	12.1
Equity-based compensation	4.0	1.9	3.6	4.2	2.9	16.5
Transaction, transformation and integration costs	4.4	1.8	1.2	5.5	2.6	15.6
Acquisition accounting adjustments	—	—	0.6	0.8	0.4	2.0
Patent claims and litigation settlements	1.6	—	—	—	(0.4)	1.2
Reserve for Russian accounts receivable	4.9	0.1	0.4	—	—	5.4
Depreciation	14.0	3.8	4.4	6.0	4.8	33.0
<b>Segment adjusted EBITDA</b>	<b>\$ 98.6</b>	<b>\$ 71.0</b>	<b>\$ (13.8)</b>	<b>\$ 74.2</b>	<b>\$ 23.3</b>	<b>\$ 253.3</b>
<b>Segment adjusted EBITDA % of sales</b>	<b>11.8%</b>	<b>18.2%</b>	<b>(7.3%)</b>	<b>23.4%</b>	<b>4.7%</b>	<b>11.4%</b>

**Second Quarter 2021 Segment Adjusted EBITDA Reconciliation**

	Connectivity and Cable Solutions	Outdoor Wireless Networks	Networking, Intelligent Cellular and Security Solutions	Access Network Solutions	Home Networks	Total
<b>Operating income (loss), as reported</b>	\$ 5.6	\$ 63.4	\$ (21.7)	\$ (12.3)	\$ (53.4)	\$ (18.4)
Amortization of purchased intangible assets	40.2	8.3	18.0	61.7	26.0	154.2
Restructuring costs (credits), net	57.3	0.5	(2.6)	1.8	1.9	58.9
Equity-based compensation	4.1	1.8	3.6	4.3	2.8	16.4
Transaction, transformation and integration costs	3.9	1.8	1.3	2.0	11.8	21.0
Acquisition accounting adjustments	—	—	1.3	1.2	0.5	3.0
Patent claims and litigation settlements	—	—	—	20.0	20.0	40.0
Depreciation	13.3	3.8	4.5	5.9	5.1	32.6
<b>Segment adjusted EBITDA</b>	<b>\$ 124.5</b>	<b>\$ 79.6</b>	<b>\$ 4.5</b>	<b>\$ 84.5</b>	<b>\$ 14.6</b>	<b>\$ 307.7</b>
<b>Segment adjusted EBITDA % of sales</b>	<b>15.9%</b>	<b>22.1%</b>	<b>2.0%</b>	<b>23.4%</b>	<b>3.2%</b>	<b>14.1%</b>

Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Adjusted Free Cash Flow**  
(Unaudited -- In millions)

**Adjusted Free Cash Flow**

	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
<b>Cash flow from operations</b>	\$ 191.6	\$ 67.1	\$ (12.4)	\$ (14.6)	\$ (94.6)
Capital expenditures	(33.8)	(36.0)	(35.1)	(27.4)	(27.7)
<b>Free cash flow</b>	<b>157.8</b>	<b>31.1</b>	<b>(47.5)</b>	<b>(42.0)</b>	<b>(122.3)</b>
Transaction, transformation and integration costs	15.2	26.3	16.9	10.0	13.0
Restructuring costs, net	24.8	6.9	3.7	7.9	18.7
<b>Adjusted free cash flow</b>	<b>\$ 197.8</b>	<b>\$ 64.3</b>	<b>\$ (26.9)</b>	<b>\$ (24.1)</b>	<b>\$ (90.6)</b>

See Description of Non-GAAP Financial Measures



**CommScope Holding Company, Inc.**  
**Quarterly Adjusted Gross Profit and Adjusted Operating Expense**  
(Unaudited -- In millions)

**GAAP to Non-GAAP Adjusted Gross Profit**

	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
<b>Gross profit, as reported</b>	\$ 673.3	\$ 653.0	\$ 685.8	\$ 636.3	\$ 683.2
Equity-based compensation	2.7	3.5	3.0	2.2	1.6
Acquisition accounting adjustments	3.0	2.8	2.4	2.0	1.8
Patent claims and litigation settlements	40.0	5.0	(14.8)	1.2	1.0
<b>Adjusted gross profit</b>	<b>\$ 719.0</b>	<b>\$ 664.3</b>	<b>\$ 676.4</b>	<b>\$ 641.7</b>	<b>\$ 687.6</b>
<b>Adjusted gross profit as % of sales</b>	<b>32.9%</b>	<b>31.6%</b>	<b>30.4%</b>	<b>28.8%</b>	<b>29.9%</b>

**GAAP to Non-GAAP Adjusted Operating Expense**

	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
<b>Selling, general and administrative, as reported</b>	\$ 302.3	\$ 314.3	\$ 324.6	\$ 286.0	\$ 277.2
<b>Research and development, as reported</b>	<b>176.3</b>	<b>167.8</b>	<b>167.6</b>	<b>170.7</b>	<b>165.4</b>
<b>Operating expenses</b>	<b>\$ 478.6</b>	<b>\$ 482.1</b>	<b>\$ 492.2</b>	<b>\$ 456.7</b>	<b>\$ 442.6</b>
Equity-based compensation	13.7	17.5	15.6	14.3	10.7
Transaction, transformation and integration costs	21.0	26.2	27.6	11.8	14.9
Reserve (recovery) of Russian accounts receivable	—	—	—	5.4	(1.7)
<b>Adjusted operating expense</b>	<b>\$ 443.9</b>	<b>\$ 438.4</b>	<b>\$ 449.0</b>	<b>\$ 425.2</b>	<b>\$ 418.7</b>
<b>Adjusted operating expense as % of sales</b>	<b>20.3%</b>	<b>20.8%</b>	<b>20.2%</b>	<b>18.9%</b>	<b>18.2%</b>

Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Reconciliation of GAAP Measures to Non-GAAP Adjusted Measures**  
**(Unaudited -- In millions)**

	<b>Outlook Range</b>	
	<b>2022</b>	
Core segment operating income <sup>(1)</sup>	\$ 457	\$ 525
Adjustments:		
Amortization of purchased intangible assets	442	442
Equity-based compensation	50	55
Restructuring costs, net and transaction, transformation and integration costs	85	110
Acquisition accounting adjustments	5	6
Depreciation	111	112
Total adjustments to core operating income <sup>(1)</sup>	693	725
<b>Core segment adjusted EBITDA</b>	<b>\$ 1,150</b>	<b>\$ 1,250</b>

(1) "Core" financial measures reflect the results of the Connectivity and Cable Solutions, Outdoor Wireless Networks, Networking, Intelligent Cellular and Security Solutions and Access Network Solutions segments, in the aggregate. Core financial measures exclude the results and performance of the Home Networks segment.

Our actual results may be impacted by additional events for which information is not currently available, such as additional restructuring activities, asset impairments, debt extinguishments, additional transaction, transformation and integration costs, foreign exchange rate fluctuations and other gains or losses related to events that are not currently known or measurable.

See Caution Regarding Forward-Looking Statements and Description of Non-GAAP Financial Measures.