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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): August 4, 2022**

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**COMMSCOPE HOLDING COMPANY, INC.**

(Exact name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-36146**  
(Commission File Number)

**27-4332098**  
(IRS Employer  
Identification No.)

**1100 CommScope Place, SE**  
**Hickory, North Carolina**  
(Address of Principal Executive Offices)

**28602**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: (828) 324-2200**

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

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 Instructions 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<br>Symbol(s) | Name of each exchange on which registered |
|--|----------------------|---|
| Common Stock, par value \$0.01 per share | COMM                 | The NASDAQ Stock 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 August 4, 2022 CommScope Holding Company, Inc. (the “Company” or “CommScope”) issued a press release relating to its financial results for the second quarter of 2022. A copy of the press release, which is incorporated by reference herein, is attached hereto as Exhibit 99.1. Following the publication of the press release, the Company will host an earnings call during which its financial results for the second quarter of 2022 will be discussed.

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

**Item 9.01. Financial Statements and Exhibits.**

| <b>Exhibit.</b> | <b>Description.</b>  |
|-----------------|--|
| 99.1            | CommScope Holding Company, Inc. press release, dated August 4, 2022.         |
| 104             | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

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INDEX OF EXHIBITS

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|-----------------|--|
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SIGNATURES

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

Dated: August 4, 2022

**COMMSCOPE HOLDING COMPANY, INC.**

By: /s/ Kyle D. Lorentzen

Name: Kyle D. Lorentzen

Title: Executive Vice President and  
Chief Financial Officer

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# News Release

## CommScope Reports Second Quarter 2022 Results

- **Net sales increased 5% year-over-year for consolidated company**
- **Core CommScope net sales increased 9% year-over-year\***
- **Momentum continues to build in Connectivity and Cable Solutions as net sales increased 26% year-over-year and 18% quarter-over-quarter**

### Second Quarter Highlights

- Net sales of \$2.300 billion
- Core net sales of \$1.876 billion\*
- GAAP net loss of \$61.0 million
- Non-GAAP adjusted EBITDA of \$299.6 million
- Core adjusted EBITDA of \$286.8 million\*
- Cash flow used in operations of \$(94.6) million and non-GAAP adjusted free cash flow of \$(90.6) million

\* References to certain supplementary "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. See the second quarter segment comparison tables below showing the aggregation of the Core financial measures.

**HICKORY, NC, August 4, 2022** — CommScope Holding Company, Inc. (NASDAQ: COMM), a global leader in network connectivity solutions, today reported results for the quarter ended June 30, 2022.

|  | Summary of Consolidated Results         |            |            |                        |                 |
|--|---|------------|------------|------------------------|-----------------|
|  | Q2<br>2022                              | Q1<br>2022 | Q2<br>2021 | % Change<br>Sequential | % Change<br>YOY |
|  | (in millions, except per share amounts) |            |            |                        |                 |
| Net sales  | \$ 2,300.2                              | \$ 2,228.6 | \$ 2,185.3 | 3.2%                   | 5.3%            |
| Core net sales <sup>(1)</sup>                                    | 1,876.3                                 | 1,732.9    | 1,728.8    | 8.3                    | 8.5             |
| GAAP net loss  | (61.0)                                  | (139.9)    | (153.8)    | (56.4)                 | (60.3)          |
| GAAP net loss per share  | (0.36)                                  | (0.75)     | (0.82)     | (52.0)                 | (56.1)          |
| Non-GAAP adjusted EBITDA <sup>(2)</sup>                          | 299.6                                   | 253.3      | 307.7      | 18.3                   | (2.6)           |
| Core adjusted EBITDA <sup>(1)</sup>                              | 286.8                                   | 230.0      | 293.1      | 24.7                   | (2.1)           |
| Non-GAAP adjusted net income<br>per diluted share <sup>(2)</sup> | 0.41                                    | 0.26       | 0.43       | 57.7                   | (4.7)           |

(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 of the Home Networks segment. See the second quarter segment comparison tables below showing the aggregation of the Core financial measures.

(2) See description of Non-GAAP Financial Measures and Reconciliation of GAAP Measures to Non-GAAP Adjusted Measures below.

“I am pleased to share that we delivered Core net sales of \$1.88 billion and Core adjusted EBITDA of \$287 million for the second quarter of 2022. As discussed over the last several quarters, we have taken actions to continue to grow our business and offset inflationary impacts. Our second quarter results are a step in that direction, as we have sequentially improved our top-line and profitability, a trend that we expect to continue. Despite supply chain and other macroeconomic challenges, with our robust backlog and solid demand in our key end markets, we believe we are positioned to deliver a stronger second half,” said Chuck Treadway, President and Chief Executive Officer.

Treadway added, “We continue to make great progress on our CommScope NEXT initiatives. We are ramping capacity to fuel top-line growth, while our general manager model and re-segmenting are helping drive greater focus, accountability and operational efficiencies in our business. In addition, as part of our transformation, we are investing heavily in R&D and new product introductions for the future growth of the Company – with exciting new technology advancements and strategic partnerships such as our DOCSIS® 4.0 RMD Node Platform selection with Liberty Global and Microsoft for our wireless networking products, and developments in our ONECELL®, NOVUX®, PROPEL™, XGS-PON and MOSAIC™ product lines. As our CommScope NEXT initiatives begin to drive results and pricing improvements work through our backlog, we expect to see improved adjusted EBITDA and cash flow.”

“With the continued progress we are making through CommScope NEXT, we are re-affirming our commitment to full year 2022 Core adjusted EBITDA between \$1.15 - \$1.25 billion, as well as our year-end net leverage target of 6.8x – 7.2x,” said Kyle Lorentzen, Chief Financial Officer. “As we drive our refocused investments in technology innovation, capacity expansion and operational efficiency throughout our portfolio, we believe CommScope is well positioned to deliver on our targets and create significant incremental shareholder value.”

## **CommScope NEXT**

In 2021, CommScope announced a transformation initiative called CommScope NEXT designed to drive shareholder value through three pillars: profitable growth, operational efficiency and portfolio optimization. As a step toward optimizing its portfolio through CommScope NEXT, as of January 1, 2022, the Company reorganized its internal management and reporting structure to align its portfolio of products and solutions more closely with the markets it serves and bring better performance clarity with its competitive peer set. As a result, the Company is reporting financial performance for the 2022 year based on the following operating segments: (i) Connectivity and Cable Solutions, (ii) Outdoor Wireless Networks, (iii) Networking, Intelligent Cellular and Security Solutions, (iv) Access Network Solutions and (v) Home Networks. All prior period amounts have been recast to reflect these operating segment changes.

Also as a step in the CommScope NEXT transformation plan, in 2021, the Company announced a plan to separate the Home Networks business via a spin-off transaction. Due to the impact of the uncertain supply chain environment on the Home Networks business, the Company delayed its separation plan, but it continues to analyze the financial results of its "Core" business separately from Home Networks. As such, in this comparison discussion, reference is made to certain supplementary Core financial measures, which 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 of the Home Networks segment.

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## Impacts of Supply Chain Constraints

The negative impacts of COVID-19 on CommScope's financial performance have receded as the Company is seeing a recovery in demand for its products over the past year, but this has created negative indirect consequences such as inflation, shortages in materials and components and increased logistic costs. Prices for certain commodities that it uses have experienced significant volatility as a result of changes in the levels of global demand, supply disruptions and other factors. As a result, the Company has seen a significant increase in costs that has negatively impacted its results of operations. CommScope is also experiencing limited supply of memory devices, capacitors and silicon chips, which has increased its costs and has impacted its ability to deliver on a timely basis due to extended lead times. The Company is trying to mitigate the increasing component and logistics costs by implementing higher prices on its products and services. CommScope is also mitigating certain shortages by purchasing components in advance and maintaining higher levels of inventory or finding alternate vendors for some components. The Company believes the global supply chain challenges and their adverse impact on its business and financial results will ease in the second half of 2022 but certain shortages are expected to continue for the remainder of 2022 and possibly into 2023.

## Second Quarter Results and Comparison

Net sales in the second quarter of 2022 increased 5.3% year-over-year to \$2.30 billion. Core net sales increased 8.5% year-over-year primarily due to higher net sales in the Connectivity and Cable Solutions and Outdoor Wireless Networks segments.

Net loss of \$(61.0) million, or \$(0.36) per share, in the second quarter of 2022, decreased 60.3% compared to the prior year period's net loss of \$(153.8) million, or \$(0.82) per share. Non-GAAP adjusted net income for the second quarter of 2022 was \$100.5 million, or \$0.41 per share, versus \$105.7 million, or \$0.43 per share, in the second quarter of 2021.

Non-GAAP adjusted EBITDA decreased 2.6% to \$299.6 million in the second quarter of 2022 compared to the same period last year. Non-GAAP adjusted EBITDA as a percentage of net sales decreased to 13.0% in the second quarter of 2022 compared to 14.1% in the same prior year period. Core segment adjusted EBITDA decreased 2.1% to \$286.8 million in the second quarter of 2022 compared to the same prior year period. Core segment adjusted EBITDA as a percentage of net sales decreased to 15.3% in the second quarter of 2022 compared to 17.0% in the same prior year period.

Reconciliations of the reported GAAP results to non-GAAP adjusted results are included below.

## Second Quarter Comparisons

### Sales by Region

|                                | Q2 2022           | Q1 2022           | Q2 2021           | % Change<br>Sequential | % Change<br>YOY |
|--------------------------------|-------------------|-------------------|-------------------|------------------------|-----------------|
| 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>         | <b>\$ 2,300.2</b> | <b>\$ 2,228.6</b> | <b>\$ 2,185.3</b> | <b>3.2 %</b>           | <b>5.3 %</b>    |

## Segment Net Sales

|   | <u>Q2 2022</u>    | <u>Q1 2022</u>    | <u>Q2 2021</u>    | <u>% Change</u><br><u>Sequential</u> | <u>% Change</u><br><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  | 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 Operating Income (Loss)

|   | <u>Q2 2022</u> | <u>Q1 2022</u> | <u>Q2 2021</u>   | <u>% Change</u><br><u>Sequential</u> | <u>% Change</u><br><u>YOY</u> |
|---|----------------|----------------|------------------|--------------------------------------|-------------------------------|
| Connectivity and Cable Solutions                        | \$ 111.7       | \$ 37.3        | \$ 5.6           | 199.5 %                              | 1,894.6 %                     |
| Outdoor Wireless Networks                               | 43.5           | 52.9           | 63.4             | (17.8)                               | (31.4)                        |
| Networking, Intelligent Cellular and Security Solutions | (43.7)         | (43.0)         | (21.7)           | 1.6                                  | 101.4                         |
| Access Network Solutions                                | (25.7)         | (6.6)          | (12.3)           | 289.4                                | 108.9                         |
| Core operating income                                   | 85.8           | 40.6           | 35.0             | 111.3                                | 145.1                         |
| Home Networks   | (22.7)         | (13.8)         | (53.4)           | 64.5                                 | (57.5) %                      |
| <b>Total operating income</b>                           | <b>\$ 63.1</b> | <b>\$ 26.8</b> | <b>\$ (18.4)</b> | <b>135.4 %</b>                       | <b>NM</b>                     |

NM - Not meaningful

## Segment Adjusted EBITDA (See Description of Non-GAAP Financial Measures)

|   | <u>Q2 2022</u>  | <u>Q1 2022</u>  | <u>Q2 2021</u>  | <u>% Change</u><br><u>Sequential</u> | <u>% Change</u><br><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                                    | 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>                |

### **Connectivity and Cable Solutions**

- Net sales of \$986.7 million, increased 26.0% from the prior year period driven by growth in Network Cable and Connectivity.

### **Outdoor Wireless Networks**

- Net sales of \$390.9 million, increased 8.6% from the prior year period primarily driven by growth in Integrated Solutions.

### **Networking, Intelligent Cellular and Security Solutions**

- Net sales of \$205.4 million, decreased 8.2% from the prior year period driven by a decline in Ruckus Networks and Intelligent Cellular Networks.

### **Access Network Solutions**

- Net sales of \$293.3 million, decreased 18.9% from the prior year period primarily driven by declines in CMTS and Access Technologies.
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## Home Networks

- Net sales of \$423.9 million, decreased 7.1% from the prior year period primarily driven by declines in Video Solutions, partially offset by growth in Broadband Home Solutions.

## Cash Flow and Balance Sheet

- GAAP cash flow used in operations was \$(94.6) million.
  - Non-GAAP adjusted free cash flow was \$(90.6) million after adjusting operating cash flow for \$27.7 million of additions to property, plant and equipment, \$18.7 million of cash paid for restructuring costs and \$13.0 million of cash paid for transaction, transformation and integration costs.
  - Ended the quarter with \$229.3 million in cash and cash equivalents.
  - As of June 30, 2022, the Company had \$50.0 million of outstanding borrowings under its asset-based revolving credit facility and had availability of \$671.1 million, after giving effect to borrowing base limitations and outstanding letters of credit. The Company ended the quarter with total liquidity of approximately \$900.4 million.
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## **Conference Call, Webcast and Investor Presentation**

As previously announced, CommScope will host a conference call today at 8:30 a.m. ET in which management will discuss second quarter 2022 results. The conference call will also be webcast.

The live, listen-only audio of the call will be available through a link on the Events and Presentations page of CommScope's Investor Relations website.

A webcast replay will be archived on CommScope's website for a limited period of time following the conference call.

During the conference call, the Company may discuss and answer questions concerning business and financial developments and trends that have occurred after quarter-end, including questions relating to the planned separation of the Home Networks business. The Company's responses to questions, as well as other matters discussed during the conference call, may contain or constitute information that has not been disclosed previously.

### **About CommScope:**

CommScope (NASDAQ: COMM) is pushing the boundaries of technology to create the world's most advanced wired and wireless networks. Our global team of employees, innovators and technologists empower customers to anticipate what's next and invent what's possible. Discover more at [www.commscope.com](http://www.commscope.com).

Follow us on Twitter and LinkedIn and like us on Facebook.  
Sign up for our press releases and blog posts.

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## **Non-GAAP Financial Measures**

CommScope management believes that presenting certain non-GAAP financial measures enhances an investor's understanding of our financial performance. CommScope management further believes that these financial measures are useful in assessing CommScope's operating performance from period to period by excluding certain items that we believe are not representative of our core business. CommScope management also uses certain of these financial measures for business planning purposes and in measuring CommScope's performance relative to that of its competitors. CommScope management believes these financial measures are commonly used by investors to evaluate CommScope's performance and that of its competitors. However, CommScope's use of certain non-GAAP terms may vary from that of others in its industry. Non-GAAP financial measures should not be considered as alternatives to operating income (loss), net income (loss), cash flow from operations or any other performance measures derived in accordance with U.S. GAAP as measures of operating performance, operating cash flows or liquidity. A reconciliation of each of the non-GAAP measures discussed herein to their most comparable GAAP measures is below.

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## Core Measures

CommScope believes that presenting Core financial measures enhances the investor's understanding of the financial performance of the Company's core businesses. Core financial measures are the aggregate of the Connectivity and Cable Solutions, Access Network Solutions, Networking, Intelligent Cellular and Security Solutions and Outdoor Wireless Networks segments. They do not include the results of the Home Networks segment. The Core segments and the Home Networks segment represent the business segments as currently managed and reported by CommScope. Future results and the composition of any business divested in the future may vary and differ materially from the presentation of the Core financial measures.

## Forward Looking Statements

This press release or any other oral or written statements made by us or on our behalf may include forward-looking statements that reflect our current views with respect to future events and financial performance. These statements may discuss goals, intentions or expectations as to future plans, trends, events, results of operations or financial condition or otherwise, in each case, based on current beliefs and expectations of management, as well as assumptions made by, and information currently available to, management. These forward-looking statements are generally identified by their use of such terms and phrases as "intend," "goal," "estimate," "expect," "project," "projections," "plans," "potential," "anticipate," "should," "could," "designed to," "foreseeable future," "believe," "think," "scheduled," "outlook," "target," "guidance" and similar expressions, although not all forward-looking statements contain such terms. This list of indicative terms and phrases is not intended to be all-inclusive.

These forward-looking statements are subject to various risks and uncertainties, many of which are outside our control, including, without limitation, risks related to the successful execution of CommScope NEXT; changes in cost and availability of key raw materials, components and commodities and the potential effect on customer pricing and timing of delivery of products to customers; risks related to our ability to implement price increases on our products and services; risks associated with our dependence on a limited number of key suppliers for certain raw materials and components; potential difficulties in realigning global manufacturing capacity and capabilities among our global manufacturing facilities or those of our contract manufacturers that may affect our ability to meet customer demands for products; possible future restructuring actions; the risk that our manufacturing operations, including our contract manufacturers that we rely on, encounter capacity, production, quality, financial or other difficulties causing difficulty in meeting customer demands; substantial indebtedness and restrictive debt covenants; our ability to incur additional indebtedness; our ability to generate cash to service our indebtedness; the potential separation of the Home Networks business or any other potential separation, divestiture or discontinuance of a business or product line, including uncertainty regarding the timing of the separation, achieving the expected benefits and the potential disruption to the business; our ability to integrate and fully realize anticipated benefits from prior or future divestitures, acquisitions or equity investments; our dependence on customers' capital spending on data and communication systems, which could be negatively impacted by a regional or global economic downturn, among other factors; concentration of sales among a limited number of customers and channel partners; risks associated with our sales through channel partners; changes to the regulatory environment in which we and our customers operate; changes in technology; industry competition and the ability to retain customers through product innovation, introduction, and marketing; possible future impairment charges for fixed or intangible assets, including goodwill; our ability to attract and retain qualified key employees; labor unrest; product quality or performance issues, including those associated with our suppliers or contract manufacturers, and associated warranty claims; our ability to maintain effective management information technology systems and to successfully implement major systems initiatives; cyber-security incidents, including data security breaches, ransomware or computer viruses; the use of open standards; the long-term impact of climate change; significant international operations exposing us to economic risks like variability in foreign exchange rates and inflation as well as political and other risks, including the impact of wars, regional conflicts and terrorism; the potential impact of higher than normal inflation; our ability to comply with governmental anti-corruption laws and regulations and

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export and import controls and sanctions worldwide; our ability to compete in international markets due to export and import controls to which we may be subject; changes in the laws and policies in the United States affecting trade, including the risk and uncertainty related to tariffs or potential trade wars and potential changes to laws and policies, that may impact our products; cost of protecting or defending intellectual property; costs and challenges of compliance with domestic and foreign environmental laws; the impact of litigation and similar regulatory proceedings that we are involved in or may become involved in, including the costs of such litigation; the scope, duration and impact of disease outbreaks and pandemics, such as COVID-19, on our business including employees, sites, operations, customers, supply chain logistics and the global economy; income tax rate variability and ability to recover amounts recorded as deferred tax assets; and other factors beyond our control. These and other factors are discussed in greater detail in our 2021 Annual Report and may be updated from time to time in our annual reports, quarterly reports, current reports and other filings we make with the Securities and Exchange Commission. Although the information contained in this press release represents our best judgment as of the date of this release based on information currently available and reasonable assumptions, we can give no assurance that the expectations will be attained or that any deviation will not be material. Given these uncertainties, we caution you not to place undue reliance on these forward-looking statements, which speak only as of the date made. We are not undertaking any duty or obligation to update this information to reflect developments or information obtained after the date of this press release, except as otherwise may be required by law.

**END**

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

|  | Three Months Ended |            | Six Months Ended |            |
|--|--------------------|------------|------------------|------------|
|  | June 30,           |            | 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<br>June 30, 2022 | December 31, 2021  |
|---|----------------------------|--------------------|
| <b>Assets</b>   |                            |                    |
| Cash and cash equivalents   | \$ 229.3                   | \$ 360.3           |
| Accounts receivable, less allowance for doubtful accounts<br>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<br>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;<br>Issued and outstanding shares: 1,085,386 and 1,056,144, respectively,<br>Series A convertible preferred stock | —                          | —                  |
| Common stock, \$0.01 par value: Authorized shares: 1,300,000,000;<br>Issued and outstanding shares: 208,162,986 and 204,567,294,<br>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<br>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<br>June 30, |            | Six Months Ended<br>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                               | (51.9)                         | 2.8        | (4.1)                        | (1.0)      |
| Change in cash and cash equivalents  | (131.0)                        | 120.3      | (131.0)                      | (75.7)     |
| Cash and cash equivalents at beginning of period   | 360.3                          | 325.9      | 360.3                        | 521.9      |
| Cash and cash equivalents at end of period   | \$ 229.3                       | \$ 446.2   | \$ 229.3                     | \$ 446.2   |

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<br>Ended<br>March 31, | Three Months<br>Ended<br>June 30, |                   | Six Months<br>Ended<br>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<br/>Sequential</u> | <u>% Change<br/>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 %                   |

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**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<br/>Sequential</u> | <u>% Change<br/>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>                           | <u>1,876.3</u>           | <u>1,732.9</u>           | <u>1,728.8</u>           | 8.3                            | 8.5                     |
| Home Networks   | 423.9                    | 495.7                    | 456.5                    | (14.5)                         | (7.1)                   |
| <b>Total net sales</b>                                  | <b><u>\$ 2,300.2</u></b> | <b><u>\$ 2,228.6</u></b> | <b><u>\$ 2,185.3</u></b> | 3.2 %                          | 5.3 %                   |

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

|   | <u>Q2 2022</u>         | <u>Q1 2022</u>         | <u>Q2 2021</u>         | <u>% Change<br/>Sequential</u> | <u>% Change<br/>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>                     | <u>286.8</u>           | <u>230.0</u>           | <u>293.1</u>           | 24.7                           | (2.1)                   |
| Home Networks   | 12.8                   | 23.3                   | 14.6                   | (45.1)                         | (12.3)                  |
| <b>Total segment adjusted EBITDA</b>                    | <b><u>\$ 299.6</u></b> | <b><u>\$ 253.3</u></b> | <b><u>\$ 307.7</u></b> | 18.3 %                         | (2.6) %                 |

(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<br>and Cable<br>Solutions | Outdoor<br>Wireless<br>Networks | Networking,<br>Intelligent<br>Cellular and<br>Security<br>Solutions | Access<br>Network<br>Solutions | Home<br>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<br>and Cable<br>Solutions | Outdoor<br>Wireless<br>Networks | Networking,<br>Intelligent<br>Cellular and<br>Security<br>Solutions | Access<br>Network<br>Solutions | Home<br>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<br>and Cable<br>Solutions | Outdoor<br>Wireless<br>Networks | Networking,<br>Intelligent<br>Cellular and<br>Security<br>Solutions | Access<br>Network<br>Solutions | Home<br>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**

|   | <u>Q2<br/>2021</u> | <u>Q3<br/>2021</u> | <u>Q4<br/>2021</u> | <u>Q1<br/>2022</u> | <u>Q2<br/>2022</u> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| <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

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**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.

