

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 10-Q**

(Mark One)

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

For the quarterly period ended December 31, 2025

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 000-25711

**EXTREME NETWORKS, INC.**

(Exact name of registrant as specified in its charter)

**DELAWARE**

[State or other jurisdiction  
of incorporation or organization]

**2121 RDU Center Drive, Suite 300,  
Morrisville, North Carolina**

[Address of principal executive offices]

**77-0430270**

[I.R.S. Employer  
Identification No.]

**27560**

[Zip Code]

**Registrant's telephone number, including area code: (408) 579-2800**

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	EXTR	Nasdaq Global Select Market

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§-232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
	.	Emerging growth company	<input type="checkbox"/>

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

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

As of January 23, 2026, the registrant had 134,269,540 shares of common stock, \$0.001 par value per share, outstanding.

**EXTREME NETWORKS, INC.**  
**FORM 10-Q**  
**QUARTERLY PERIOD ENDED**  
**December 31, 2025**

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**PART I. CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

**ITEM 1. Condensed Consolidated Financial Statements (Unaudited)**

**EXTREME NETWORKS, INC.**

**CONDENSED CONSOLIDATED BALANCE SHEETS**

**(In thousands, except per share amounts)**

**(Unaudited)**

	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 219,791	\$ 231,745
Accounts receivable, net	152,427	126,708
Inventories	83,593	102,578
Prepaid expenses and other current assets	79,917	74,265
Total current assets	<u>535,728</u>	<u>535,296</u>
Property and equipment, net	50,228	44,366
Operating lease right-of-use assets, net	34,925	38,655
Goodwill	399,850	399,574
Intangible assets, net	4,682	6,541
Other assets	143,253	128,786
Total assets	<u>\$ 1,168,666</u>	<u>\$ 1,153,218</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 64,814	\$ 63,939
Accrued compensation and benefits	66,527	62,895
Accrued warranty	9,628	9,684
Current portion of deferred revenue	328,164	325,078
Current portion of long-term debt, net of unamortized debt issuance costs of \$698 and \$729, respectively	16,802	14,271
Current portion of operating lease liabilities	12,233	11,456
Other accrued liabilities	66,974	100,552
Total current liabilities	<u>565,142</u>	<u>587,875</u>
Deferred revenue, less current portion	314,728	292,415
Long-term debt, less current portion, net of unamortized debt issuance costs of \$937 and \$1,276, respectively	154,063	163,724
Operating lease liabilities, less current portion	29,025	33,991
Deferred income taxes	7,196	7,033
Other long-term liabilities	2,600	2,596
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Convertible preferred stock, \$0.001 par value, issuable in series, 2,000 shares authorized; none issued	—	—
Common stock, \$0.001 par value, 750,000 shares authorized; 155,339 and 152,673 shares issued, respectively; 134,153 and 132,064 shares outstanding, respectively	155	153
Additional paid-in-capital	1,328,970	1,298,791
Accumulated other comprehensive loss	(9,477)	(8,137)
Accumulated deficit	(935,942)	(949,429)
Treasury stock at cost, 21,186 shares and 20,609 shares, respectively	<u>(287,794)</u>	<u>(275,794)</u>
Total stockholders' equity	95,912	65,584
Total liabilities and stockholders' equity	<u>\$ 1,168,666</u>	<u>\$ 1,153,218</u>

See accompanying notes to condensed consolidated financial statements.

**EXTREME NETWORKS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share amounts)  
(Unaudited)

	Three Months Ended		Six Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b>Net revenues:</b>				
Product	\$ 197,765	\$ 172,261	\$ 391,806	\$ 334,545
Subscription and support	120,160	107,094	236,364	214,014
Total net revenues	<u>317,925</u>	<u>279,355</u>	<u>628,170</u>	<u>548,559</u>
<b>Cost of revenues:</b>				
Product	87,000	72,604	173,128	142,006
Subscription and support	35,845	31,628	71,933	61,923
Total cost of revenues	<u>122,845</u>	<u>104,232</u>	<u>245,061</u>	<u>203,929</u>
<b>Gross profit:</b>				
Product	110,765	99,657	218,678	192,539
Subscription and support	84,315	75,466	164,431	152,091
Total gross profit	<u>195,080</u>	<u>175,123</u>	<u>383,109</u>	<u>344,630</u>
<b>Operating expenses:</b>				
Research and development	57,522	54,883	115,275	109,334
Sales and marketing	89,393	79,967	178,316	161,350
General and administrative	34,599	26,064	63,786	62,665
Restructuring and related charges	167	1,035	538	2,312
Amortization of intangible assets	407	509	907	1,021
Total operating expenses	<u>182,088</u>	<u>162,458</u>	<u>358,822</u>	<u>336,682</u>
Operating income	12,992	12,665	24,287	7,948
Interest income	1,132	839	2,329	1,685
Interest expense	(3,360)	(4,179)	(7,013)	(8,601)
Other income (expense), net	(360)	661	(847)	(60)
Income before income taxes	10,404	9,986	18,756	972
Provision for income taxes	2,528	2,604	5,269	4,094
Net income (loss)	<u>\$ 7,876</u>	<u>\$ 7,382</u>	<u>\$ 13,487</u>	<u>\$ (3,122)</u>
<b>Basic and diluted income (loss) per share:</b>				
Net income (loss) per share – basic	\$ 0.06	\$ 0.06	\$ 0.10	\$ (0.02)
Net income (loss) per share – diluted	\$ 0.06	\$ 0.06	\$ 0.10	\$ (0.02)
Shares used in per share calculation – basic	133,914	132,381	133,443	131,778
Shares used in per share calculation – diluted	135,166	134,107	135,379	131,778

See accompanying notes to condensed consolidated financial statements.

**EXTREME NETWORKS, INC.**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

**(In thousands)**

**(Unaudited)**

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Net income (loss)	\$ 7,876	\$ 7,382	\$ 13,487	\$ (3,122)
Other comprehensive income (loss):				
Derivatives designated as hedging instruments:				
Net realized losses reclassified into earnings on foreign currency cash flow hedges	22	—	22	—
Change in unrealized gains and losses on foreign currency cash flow hedges	(204)	—	(204)	—
Net change from derivatives designated as hedging instruments	(182)	—	(182)	—
Net change in foreign currency translation adjustments	288	(7,972)	(1,158)	(3,871)
Other comprehensive income (loss):	106	(7,972)	(1,340)	(3,871)
Total comprehensive income (loss)	<u>\$ 7,982</u>	<u>\$ (590)</u>	<u>\$ 12,147</u>	<u>\$ (6,993)</u>

See accompanying notes to condensed consolidated financial statements.

**EXTREME NETWORKS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**

(In thousands)

(Unaudited)

	Common Stock		Additional Paid-In- Capital	Accumulated Other Comprehensive Loss	Treasury Stock		Accumulate d Deficit	Total Stockholders' Equity
	Shares	Amount			Shares	Amount		
<b>Balance at September 30, 2024</b>	150,265	\$ 150	\$ 1,234,220	\$ (11,382)	(18,219)	\$ (237,801)	\$ (952,466)	\$ 32,721
Net income	—	—	—	—	—	—	\$ 7,382	7,382
Other comprehensive loss	—	—	—	(7,972)	—	—	—	(7,972)
Issuance of common stock from equity incentive plans, net of tax withholdings	601	1	(2,376)	—	—	—	—	(2,375)
Share-based compensation	—	—	21,452	—	—	—	—	21,452
<b>Balance at December 31, 2024</b>	<u>150,866</u>	<u>\$ 151</u>	<u>\$ 1,253,296</u>	<u>\$ (19,354)</u>	<u>(18,219)</u>	<u>\$ (237,801)</u>	<u>\$ (945,084)</u>	<u>\$ 51,208</u>
<b>Balance at June 30, 2024</b>	148,503	\$ 149	\$ 1,220,379	\$ (15,483)	(18,219)	\$ (237,801)	\$ (941,962)	\$ 25,282
Net loss	—	—	—	—	—	—	(3,122)	(3,122)
Other comprehensive loss	—	—	—	(3,871)	—	—	—	(3,871)
Issuance of common stock from equity incentive plans, net of tax withholdings	2,363	2	(8,302)	—	—	—	—	(8,300)
Share-based compensation	—	—	41,219	—	—	—	—	41,219
<b>Balance at December 31, 2024</b>	<u>150,866</u>	<u>\$ 151</u>	<u>\$ 1,253,296</u>	<u>\$ (19,354)</u>	<u>(18,219)</u>	<u>\$ (237,801)</u>	<u>\$ (945,084)</u>	<u>\$ 51,208</u>
<b>Balance at September 30, 2025</b>	154,839	\$ 155	\$ 1,309,603	\$ (9,583)	(21,186)	\$ (287,794)	\$ (943,818)	\$ 68,563
Net income	—	—	—	—	—	—	7,876	7,876
Other comprehensive income	—	—	—	106	—	—	—	106
Issuance of common stock from equity incentive plans, net of tax withholdings	500	—	(3,532)	—	—	—	—	(3,532)
Share-based compensation	—	—	22,899	—	—	—	—	22,899
<b>Balance at December 31, 2025</b>	<u>155,339</u>	<u>\$ 155</u>	<u>\$ 1,328,970</u>	<u>\$ (9,477)</u>	<u>(21,186)</u>	<u>\$ (287,794)</u>	<u>\$ (935,942)</u>	<u>\$ 95,912</u>
<b>Balance at June 30, 2025</b>	152,673	\$ 153	\$ 1,298,791	\$ (8,137)	(20,609)	\$ (275,794)	\$ (949,429)	\$ 65,584
Net income	—	—	—	—	—	—	13,487	13,487
Other comprehensive loss	—	—	—	(1,340)	—	—	—	(1,340)
Issuance of common stock from equity incentive plans, net of tax withholdings	2,666	2	(14,500)	—	—	—	—	(14,498)
Repurchase of stock	—	—	—	—	(577)	(12,000)	—	(12,000)
Share-based compensation	—	—	44,679	—	—	—	—	44,679
<b>Balance at December 31, 2025</b>	<u>155,339</u>	<u>\$ 155</u>	<u>\$ 1,328,970</u>	<u>\$ (9,477)</u>	<u>(21,186)</u>	<u>\$ (287,794)</u>	<u>\$ (935,942)</u>	<u>\$ 95,912</u>

See accompanying notes to condensed consolidated financial statements.

**EXTREME NETWORKS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)  
(Unaudited)

	Six Months Ended	
	December 31, 2025	December 31, 2024
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ 13,487	\$ (3,122)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	7,793	7,804
Amortization of intangible assets	1,870	2,251
Amortization of cloud computing implementation costs	1,025	—
Reduction in carrying amount of right-of-use asset	5,104	4,894
Provision for credit losses	320	27
Share-based compensation	44,679	41,219
Deferred income taxes	414	(987)
Provision for (benefit from) excess and obsolete inventory	1,270	(271)
Non-cash interest expense	609	594
Other	951	(801)
Changes in operating assets and liabilities:		
Accounts receivable, net	(26,039)	(28,083)
Inventories	15,821	411
Prepaid expenses and other assets	(25,724)	(9,969)
Accounts payable	766	1,177
Accrued compensation and benefits	3,342	16,995
Operating lease liabilities	(5,554)	(5,375)
Deferred revenue	27,920	17,421
Other current and long-term liabilities	(31,914)	(4,067)
Net cash provided by operating activities	<u>36,140</u>	<u>40,118</u>
<b>Cash flows from investing activities:</b>		
Capital expenditures for property, equipment and capitalized software development costs	(13,922)	(12,325)
Net cash used in investing activities	<u>(13,922)</u>	<u>(12,325)</u>
<b>Cash flows from financing activities:</b>		
Borrowings under revolving facility	25,000	—
Payments on revolving facility	(25,000)	—
Payments on debt obligations	(7,500)	(5,000)
Payments on debt financing costs	—	(695)
Repurchase of common stock	(12,000)	—
Payments for tax withholdings, net of proceeds from issuance of common stock	(14,498)	(8,300)
Net cash used in financing activities	<u>(33,998)</u>	<u>(13,995)</u>
Foreign currency effect on cash and cash equivalents	(174)	(175)
Net increase (decrease) in cash and cash equivalents	<u>(11,954)</u>	<u>13,623</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>231,745</u>	<u>156,699</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 219,791</u>	<u>\$ 170,322</u>

See accompanying notes to condensed consolidated financial statements.

**EXTREME NETWORKS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**1. Description of Business and Basis of Presentation**

Extreme Networks, Inc., together with its subsidiaries (collectively referred to as “Extreme” or the “Company”), is a leader in providing software-driven networking solutions for enterprise customers. The Company conducts its sales and marketing activities on a worldwide basis through distributors, resellers, and the Company’s field sales organization. Extreme was incorporated in California in 1996 and reincorporated in Delaware in 1999.

The unaudited condensed consolidated financial statements of Extreme included herein have been prepared under the rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles have been condensed or omitted under such rules and regulations. The condensed consolidated balance sheet at June 30, 2025 was derived from audited financial statements as of that date but does not include all disclosures required by generally accepted accounting principles for complete financial statements. These interim financial statements and notes should be read in conjunction with the Company’s audited consolidated financial statements and notes thereto included in the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2025.

The unaudited condensed consolidated financial statements reflect all adjustments, consisting only of normal recurring adjustments that, in the opinion of management, are necessary for a fair presentation of the results of operations and cash flows for the interim periods presented and the financial condition of Extreme at December 31, 2025. The results of operations for the three and six months ended December 31, 2025 are not necessarily indicative of the results that may be expected for fiscal 2026 or any future periods.

*Fiscal Year*

The Company uses a fiscal calendar year ending on June 30. All references herein to “fiscal 2026” represent the fiscal year ending June 30, 2026. All references herein to “fiscal 2025” represent the fiscal year ended June 30, 2025.

*Principles of Consolidation*

The unaudited condensed consolidated financial statements include the accounts of Extreme and its wholly owned subsidiaries. All inter-company accounts and transactions have been eliminated.

The Company predominantly uses the United States Dollar as its functional currency. The functional currency for certain of its foreign subsidiaries is the local currency. For those subsidiaries that operate in a local functional currency environment, all assets and liabilities are translated to United States Dollars at current month end rates of exchange and revenues, and expenses are translated using the monthly average rate.

*Accounting Estimates*

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

**2. Summary of Significant Accounting Policies**

For a description of significant accounting policies, see Note 2, Summary of Significant Accounting Policies, to the consolidated financial statements included in the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2025. There have been no material changes to the Company’s significant accounting policies since the filing of the Annual Report on Form 10-K.

*Recently Adopted Accounting Pronouncements*

There were no recently adopted accounting standards which would have a material effect on the Company’s condensed consolidated financial statements and accompanying disclosures.

### *Recently Issued Accounting Pronouncements Not Yet Adopted*

In December 2025, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*. This ASU provides clarifications intended to improve the consistency and usability of interim disclosure requirements, including a comprehensive listing of required interim disclosures. The standard introduces a new disclosure principle for interim reporting to help entities determine whether disclosures not specified in *Topic 270* should be provided in interim periods. ASU 2025-11 is effective for fiscal years beginning after December 15, 2027, and interim periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the impact of adopting ASU 2025-11 on its consolidated financial statements and related disclosures.

In November 2025, the FASB issued ASU 2025-09, *Derivatives and Hedging (Topic 815): Hedge Accounting Improvements*. This ASU amends certain aspects of existing guidance to more closely align hedge accounting with the economics of the Company’s risk management activities. ASU 2025-09 is effective for fiscal years beginning after December 15, 2026, and interim periods within those annual reporting periods and should be applied on a prospective basis. Early adoption is permitted. The Company is currently evaluating the impact of adopting ASU 2025-09 on its consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*. This ASU removes all references to prescriptive and sequential software development stages and requires entities to begin capitalizing software costs when management authorizes and commits to funding the software project, and it is probable that the project will be completed, and the software will be used for its intended purpose. The amendments in this ASU are effective for fiscal years beginning after December 15, 2027, and interim periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the impact of adopting ASU 2025-06 on its consolidated financial statements and related disclosures.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets* to address challenges encountered when applying the guidance in *Topic 326, Financial Instruments—Credit Losses*, to current accounts receivable and current contract assets arising from transactions accounted for under *Topic 606, Revenue from Contracts with Customers*. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, and interim periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the impact of adopting ASU 2025-05 on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* to improve disclosures about public business entities’ expenses and to provide more detailed information around the types of expenses included in commonly presented expense captions. Additionally, in January 2025 the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods for fiscal years beginning after December 15, 2027, and can be applied on a prospective basis or on a retrospective basis to all periods presented. Early adoption is permitted. The Company is currently evaluating the impact of adopting ASU 2024-03 and ASU 2025-01 on its consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740), Improvements to Income Tax Disclosures* to enhance income tax disclosures primarily through changes in the rate reconciliation and income taxes paid information. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024 on a prospective basis. The Company will be adopting ASU 2023-09 for fiscal year ended June 30, 2026.

### 3. Revenues

The Company accounts for revenues in accordance with Accounting Standards Codification (“ASC”) 606, *Revenue from Contracts with Customers*. The Company derives the majority of its revenues from sales of its networking equipment, with the remaining revenues generated from sales of subscription and support, which primarily includes software subscriptions delivered as software as a service (“SaaS”) and additional revenues from maintenance contracts, professional services and training for its products. The Company sells its products, SaaS and maintenance contracts to customers and partners in two distribution channels, or tiers. The first tier consists of a limited number of independent distributors that stock the Company’s products and sell primarily to resellers. The second tier of the distribution channel consists of non-stocking distributors and value-added resellers that sell primarily to end-users. Products and subscription and support may be sold separately or in bundled packages.

#### *Revenue Recognition*

**Performance Obligations.** A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in ASC 606. A contract’s transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. Certain of the Company’s contracts have multiple performance obligations, as the promise to transfer individual goods or services is separately identifiable from other promises in the contracts and, therefore, is distinct. For contracts with multiple performance obligations, the Company allocates the contract’s transaction price to each performance obligation based on its relative standalone selling price. The stand-alone selling prices are determined based on the prices at which the Company separately sells these products. For items that are not sold separately, the Company estimates the stand-alone selling prices using other observable inputs.

The Company’s performance obligations are satisfied at a point in time or over time as the customer receives and consumes the benefits provided. Substantially all of the Company’s product sales revenues are recognized at a point in time. Substantially all of the Company’s subscription and support revenues are recognized over time. For revenues recognized over time, the Company primarily uses an input measure, days elapsed, to measure progress.

As of December 31, 2025, the Company had \$642.9 million of remaining performance obligations, which is primarily comprised of deferred SaaS subscription and deferred support revenues. The Company expects to recognize approximately 30% of its deferred revenue as revenue in the remainder of fiscal 2026, an additional 34% in fiscal 2027, and the remaining 36% of the balance thereafter.

**Contract Balances.** The timing of revenue recognition, billings and cash collections results in billed accounts receivable and deferred revenue in the condensed consolidated balance sheets. Services provided under renewable SaaS subscription and support arrangements of the Company are billed in accordance with agreed-upon contractual terms, which are either billed fully at the inception of contract or at periodic intervals (e.g., quarterly or annually). The Company generally receives payments from its customers in advance of services being provided, resulting in deferred revenues. These liabilities are reported on the condensed consolidated balance sheets on a contract-by-contract basis at the end of each reporting period.

Revenue recognized for the three months ended December 31, 2025 and 2024 that was included in the deferred revenue balance at the beginning of each period was \$107.6 million and \$101.3 million, respectively. Revenue recognized for the six months ended December 31, 2025 and 2024 that was included in the deferred revenue balance at the beginning of each period was \$193.7 million and \$183.3 million, respectively.

**Contract Costs.** The Company recognizes the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets that the Company otherwise would have recognized is one year or less. Management expects that commission fees paid to sales representatives as a result of obtaining subscription and support contracts and contract renewals are recoverable and therefore the Company’s condensed consolidated balance sheets included capitalized balances in the amount of \$29.4 million and \$26.9 million as of December 31, 2025 and June 30, 2025, respectively. Capitalized commissions are included within other assets in the condensed consolidated balance sheets. Capitalized commission fees are amortized on a straight-line basis over the average period of service contracts of approximately three years, and are included in “Sales and marketing” in the accompanying condensed consolidated statements of operations. Amortization recognized during the three months ended December 31, 2025 and 2024 was \$3.5 million and \$3.1 million, respectively. Amortization recognized during the six months ended December 31, 2025 and 2024 was \$6.9 million and \$6.1 million, respectively.

**Estimated Variable Consideration.** There were no material changes in the current period to the estimated variable consideration for performance obligations, which were satisfied or partially satisfied during previous periods.

### Revenues by Geography

The Company operates in three geographic regions: Americas, EMEA (Europe, Middle East and Africa) and APAC (Asia Pacific). The following table presents the Company's net revenues disaggregated by geographic region (in thousands):

	Three Months Ended		Six Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Americas:				
United States	\$ 135,173	\$ 119,678	\$ 271,557	\$ 272,931
Other	13,218	11,710	26,093	23,892
Total Americas	148,391	131,388	297,650	296,823
EMEA	140,389	128,257	261,635	213,175
APAC	29,145	19,710	68,885	38,561
Total net revenues	\$ 317,925	\$ 279,355	\$ 628,170	\$ 548,559

### Geographic Concentrations

For the three and six months ended December 31, 2025 the Company generated 15% and 13% of its net revenues from the Netherlands, respectively. For the three and six months ended December 31, 2024, the Company generated 15% and 11% of its net revenues from the Netherlands, respectively. No other foreign country accounted for 10% or more of the Company's net revenues for the three and six months ended December 31, 2025 and 2024.

### Customer Concentrations

The Company performs ongoing credit evaluations of its customers and generally does not require collateral in exchange for credit.

The following table presents customers accounting for 10% or more of the Company's net revenues for the periods indicated below:

	Three Months Ended		Six Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Westcon Group, Inc.	22%	22%	19%	18%
TD Synnex Corporation	17%	17%	16%	19%
Jenne, Inc.	16%	15%	17%	18%

The following table presents major customers accounting for 10% or more of the Company's net accounts receivable balance:

	December 31, 2025	June 30, 2025
Jenne, Inc.	22%	22%
Westcon Group, Inc.	16%	*
TD Synnex Corporation	10%	*
Ericsson, Inc.	*	11%

\* Less than 10% of accounts receivable

## 4. Balance Sheet Accounts

### Cash and Cash Equivalents

The Company considers highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents.

The following table summarizes the Company's cash and cash equivalents (in thousands):

	December 31, 2025	June 30, 2025
Cash	\$ 213,605	\$ 225,656
Cash equivalents	6,186	6,089
Total cash and cash equivalents	\$ 219,791	\$ 231,745

### *Inventories*

The following table summarizes the Company's inventory by category (in thousands):

	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Finished goods	\$ 49,022	\$ 57,770
Raw materials	34,571	44,808
Total inventories	<u>\$ 83,593</u>	<u>\$ 102,578</u>

### *Property and Equipment, Net*

The following table summarizes the Company's property and equipment, net by category (in thousands):

	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Computers and equipment	\$ 85,566	\$ 80,782
Software	64,227	62,089
Office equipment, furniture and fixtures	8,137	8,031
Leasehold improvements	48,133	47,962
Total property and equipment	206,063	198,864
Less: accumulated depreciation and amortization	(155,835)	(154,498)
Property and equipment, net	<u>\$ 50,228</u>	<u>\$ 44,366</u>

### *Deferred Revenue*

Deferred revenue represents invoiced amounts for deferred subscription and support and other deferred revenue including professional services and training when the revenue recognition criteria have not been met.

### *Guarantees and Product Warranties*

The majority of the Company's hardware products are shipped with either a one-year warranty or a limited lifetime warranty, and software products receive a 90-day warranty. Upon shipment of products to its customers, the Company estimates expenses for the cost to repair or replace products that may be returned under warranty and accrues a liability in cost of product revenues for this amount. The determination of the Company's warranty requirements is based on actual historical experience with the product or product family, estimates of repair and replacement costs, and any product warranty problems that are identified after shipment. The Company estimates and adjusts these accruals at each balance sheet date in accordance with changes in these factors.

The following table summarizes the activity related to the Company's product warranty liability during the following periods (in thousands):

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Balance at beginning of period	\$ 9,625	\$ 10,239	\$ 9,684	\$ 10,942
New warranties issued	2,767	3,045	5,792	5,531
Warranty expenditures	(2,764)	(3,248)	(5,848)	(6,437)
Balance at end of period	<u>\$ 9,628</u>	<u>\$ 10,036</u>	<u>\$ 9,628</u>	<u>\$ 10,036</u>

To facilitate sales of its products in the normal course of business, the Company indemnifies its resellers and end-user customers with respect to certain matters. The Company has agreed to hold the customer harmless against losses arising from intellectual property infringement or other claims made against certain parties. These agreements may limit the time within which an indemnification claim can be made and the amount of the claim. It is not possible to estimate the maximum potential amount under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. Historically, payments made by the Company under these agreements have not had a material impact on its operating results or financial position.

### *Concentrations*

The Company may be subject to concentration of credit risk as a result of certain financial instruments consisting of accounts receivable. See Note 3, Revenues, for the Company's accounts receivable concentration. The Company does not invest an amount exceeding 10% of its combined cash in the securities of any one obligor or maker, except for obligations of the United States government, obligations of United States government agencies, and money market accounts.

## 5. Fair Value Measurements

A three-tier fair value hierarchy is utilized to prioritize the inputs used in measuring fair value. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels are defined as follows:

- Level 1 Inputs - unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 Inputs - quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument; and
- Level 3 Inputs - unobservable inputs reflecting the Company's own assumptions in measuring the asset or liability at fair value.

The following table presents the Company's fair value hierarchy for its financial assets and liabilities measured at fair value on a recurring basis (in thousands):

<u>December 31, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
Certificates of deposit	\$ —	\$ 6,186	\$ —	\$ 6,186
Foreign currency derivatives not designated as hedging instruments	—	124	—	124
Total assets measured at fair value	<u>\$ —</u>	<u>\$ 6,310</u>	<u>\$ —</u>	<u>\$ 6,310</u>
<b>Liabilities</b>				
Foreign currency derivatives not designated as hedging instruments	\$ —	\$ 45	\$ —	\$ 45
Foreign currency derivatives designated as hedging instruments	—	182	—	182
Total liabilities measured at fair value	<u>\$ —</u>	<u>\$ 227</u>	<u>\$ —</u>	<u>\$ 227</u>
<u>June 30, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
Certificates of deposit	\$ —	\$ 6,089	\$ —	\$ 6,089
Foreign currency derivatives not designated as hedging instruments	—	298	—	298
Total assets measured at fair value	<u>\$ —</u>	<u>\$ 6,387</u>	<u>\$ —</u>	<u>\$ 6,387</u>
<b>Liabilities</b>				
Foreign currency derivatives not designated as hedging instruments	\$ —	\$ 11	\$ —	\$ 11
Total liabilities measured at fair value	<u>\$ —</u>	<u>\$ 11</u>	<u>\$ —</u>	<u>\$ 11</u>

### *Level 1 Assets and Liabilities:*

The Company's financial instruments consist of cash, accounts receivable, accounts payable, and accrued liabilities. The Company states accounts receivable, accounts payable, and accrued liabilities at their carrying value, which approximates fair value due to the short time to the expected receipt or payment.

### *Level 2 Assets and Liabilities:*

The Company's level 2 assets consist of certificates of deposit and derivative instruments. Certificates of deposit do not have regular market pricing and are considered Level 2. The fair value of derivative instruments under the Company's foreign exchange forward contracts and zero-cost collar contracts are estimated based on valuations provided by alternative pricing sources supported by observable inputs, which is considered Level 2.

As of December 31, 2025 and June 30, 2025, the Company had investment in certificates of deposit of \$6.2 million and \$6.1 million, respectively, with maturity of three months at the date of purchase, which are recorded as cash equivalents in the condensed

consolidated balance sheets. The Company considers these cash equivalents to be available-for-sale and, as of December 31, 2025 and June 30, 2025, their fair value approximated their amortized cost.

As of December 31, 2025 and June 30, 2025, the Company had foreign exchange forward contracts that were not designated as hedging instruments with a total notional principal amount of \$68.4 million and \$57.2 million, respectively. Changes in the fair value of these foreign exchange forward contracts not designated as hedging instruments are included in "Other income (expense), net" in the condensed consolidated statements of operations. For the three months ended December 31, 2025 and 2024, the net gains and losses recorded in the condensed consolidated statement of operations were net losses of \$0.4 million and \$2.1 million, respectively. For the six months ended December 31, 2025 and 2024, the net gains and losses recorded in the condensed consolidated statement of operations were net losses of \$1.8 million and \$1.3 million, respectively. See Note 12, *Derivatives and Hedging*, for additional information.

As of December 31, 2025, the Company had zero-cost collar contracts that were designated as hedging instruments with a total notional principal amount of \$55.1 million. As of June 30, 2025, there were no outstanding zero-cost collar contracts that were designated as hedging instruments. The changes in fair value of these zero-cost collar contracts designated as hedging instruments are included in "Accumulated other comprehensive loss" in the condensed consolidated balance sheets. Amounts recorded in "Accumulated other comprehensive loss" related to the changes in the fair value of the zero-cost collar contracts are reclassified into the condensed consolidated statement of operations in the period that the hedged item impacts earnings. For each of the three and six months ended December 31, 2025, these contracts had unrealized losses of \$0.2 million which are recorded as a component of "Accumulated other comprehensive loss". See Note 12, *Derivatives and Hedging*, for additional information.

The fair value of borrowings under the Amended Credit Agreement (as defined in Note 7) is estimated based on valuations provided by alternative pricing sources supported by observable inputs which is considered Level 2. Since the interest rate is variable in the Amended Credit Agreement, the fair value approximates the face amount of the Company's indebtedness of \$172.5 million and \$180.0 million as of December 31, 2025 and June 30, 2025, respectively.

#### *Level 3 Assets and Liabilities:*

Certain of the Company's assets, including intangible assets and goodwill, are measured at fair value on a non-recurring basis if impairment is indicated.

As of December 31, 2025 and June 30, 2025, the Company did not have any assets or liabilities that were considered Level 3.

There were no transfers of assets or liabilities between Level 1, Level 2, or Level 3 during the three and six months ended December 31, 2025 and 2024. There were no impairments recorded for the three and six months ended December 31, 2025 and 2024.

## **6. Intangible Assets and Goodwill**

### *Intangible Assets*

The following tables summarize the components of gross and net intangible assets (in thousands, except years):

	Weighted Average Remaining Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
<b>December 31, 2025</b>				
Developed technology	2.7 years	\$ 170,538	\$ 166,877	\$ 3,661
Customer relationships	0.6 years	66,630	65,681	949
Trade names	0.0 years	10,700	10,700	—
License agreements	1.0 years	1,282	1,210	72
Total intangible assets, net*		<u>\$ 249,150</u>	<u>\$ 244,468</u>	<u>\$ 4,682</u>

\* The carrying amount of foreign intangible assets are affected by foreign currency translation.

	Weighted Average Remaining Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
<b>June 30, 2025</b>				
Developed technology	3.0 years	\$ 170,480	\$ 165,908	\$ 4,572
Customer relationships	1.0 years	64,824	62,961	1,863
Trade names	0.0 years	10,700	10,700	—
License agreements	1.4 years	1,282	1,176	106
Total intangible assets, net*		<u>\$ 247,286</u>	<u>\$ 240,745</u>	<u>\$ 6,541</u>

\* The carrying amount of foreign intangible assets are affected by foreign currency translation.

The following table summarizes the amortization expense of intangible assets for the periods presented (in thousands):

	Three Months Ended		Six Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Amortization of intangible assets in "Total cost of revenues"	\$ 352	\$ 606	\$ 963	\$ 1,230
Amortization of intangible assets in "Total operating expenses"	407	509	907	1,021
Total amortization expense	<u>\$ 759</u>	<u>\$ 1,115</u>	<u>\$ 1,870</u>	<u>\$ 2,251</u>

The amortization expense that is recognized in "Total cost of revenues" primarily consists of amortization related to developed technology and license agreements.

The estimated future amortization expense to be recorded for each of the respective future fiscal years is as follows (in thousands):

	Amount
For the fiscal year ending June 30:	
2026 (the remainder of fiscal 2026)	\$ 1,524
2027	1,524
2028	1,353
2029	281
Total	<u>\$ 4,682</u>

#### Goodwill

The Company had goodwill in the amount of \$399.9 million and \$399.6 million as of December 31, 2025 and June 30, 2025, respectively. The change in goodwill during the six months ended December 31, 2025 is primarily due to foreign currency translation adjustments which are recorded as a component of "Accumulated other comprehensive loss" in the condensed consolidated balance sheets.

## 7. Debt

The Company's debt is comprised of the following (in thousands):

	December 31, 2025	June 30, 2025
Current portion of long-term debt:		
Term loan	\$ 17,500	\$ 15,000
Less: unamortized debt issuance costs	(698)	(729)
Current portion of long-term debt	<u>\$ 16,802</u>	<u>\$ 14,271</u>
Long-term debt, less current portion:		
Term loan	\$ 155,000	\$ 165,000
Less: unamortized debt issuance costs	(937)	(1,276)
Total long-term debt, less current portion	<u>154,063</u>	<u>163,724</u>
Total debt	<u>\$ 170,865</u>	<u>\$ 177,995</u>

On June 22, 2023, the Company entered into a Second Amended and Restated Credit Agreement (the "2023 Credit Agreement"), by and among the Company, as borrower, BMO Harris Bank, N.A., as an issuing lender and swingline lender, Bank of America, N.A., JPMorgan Chase Bank, N.A., PNC Bank, National Association, and Wells Fargo Bank, National Association, as issuing lenders, the financial institutions or entities party thereto as lenders, and Bank of Montreal, as administrative agent and collateral agent, which amended and restated the Amended and Restated Credit Agreement, dated August 9, 2019, by and among the Company, as borrower, several banks and other financial institutions as Lenders, BMO Harris Bank N.A., as an issuing lender and swingline lender, Silicon Valley Bank, as an Issuing Lender, and Bank of Montreal, as administrative agent and collateral agent for the Lenders. The 2023 Credit Agreement provides for i) a \$200.0 million first lien term loan facility in an aggregate principal amount (the "2023 Term Loan"), ii) a \$150.0 million five-year revolving credit facility (the "2023 Revolving Facility") and, iii) an uncommitted additional incremental loan facility in the principal amount of up to \$100.0 million.

Borrowings under the 2023 Credit Agreement bear interest, and at the Company's election, the initial term loan may be made as either a base rate loan or a Secured Overnight Funding Rate ("SOFR") loan. The applicable margin for base rate loans ranges from 1.00% to 1.75% per annum, and the applicable margin for SOFR loans ranges from 2.00% to 2.75%, in each case based on the Company's consolidated leverage ratio. All SOFR loans are subject to a floor of 0.00% per annum and spread adjustment of 0.10% per annum. The Company paid other closing fees, arrangement fees, and administration fees associated with the 2023 Credit Agreement.

The 2023 Credit Agreement requires the Company to maintain certain minimum financial ratios at the end of each fiscal quarter. The 2023 Credit Agreement also includes covenants and restrictions that limit, among other things, the Company's ability to incur additional indebtedness, create liens upon any of its property, merge, consolidate or sell all or substantially all of its assets. The 2023 Credit Agreement also includes customary events of default which may result in acceleration of the outstanding balance.

On August 14, 2024, the Company entered into an Amendment Number One to the 2023 Credit Agreement (the 2023 Credit Agreement as amended by that certain Amendment Number One, the "Amended Credit Agreement"). Under the Amended Credit Agreement, the Company modified the definition of the consolidated EBITDA for the purposes of evaluating compliance with financial covenants under the 2023 Credit Agreement. The amended definition of consolidated EBITDA modifies the amount and type of add-backs that are allowable to better align with the Company's operations and activities. Further, the Amended Credit Agreement provided a waiver for the Company's compliance with the consolidated interest charge coverage ratio for each of the quarters ended June 30, 2024, September 30, 2024, and December 31, 2024. As of December 31, 2025, the Company was in compliance with the modified terms and financial covenants under the Amended Credit Agreement.

Financing costs incurred in connection with obtaining long-term financing are deferred and amortized over the term of the related indebtedness or credit agreement. Amortization of deferred financing costs is included in "Interest expense" in the accompanying condensed consolidated statements of operations was \$0.3 million for each of the three months ended December 31, 2025 and 2024, and was \$0.6 million for each of the six months ended December 31, 2025 and 2024. The interest rate was 5.92% and 6.84% as of December 31, 2025 and 2024, respectively.

As of December 31, 2025, the Company did not have any outstanding balance against its 2023 Revolving Facility and had \$135.8 million of availability for borrowing under the 2023 Revolving Facility. During the three and six months ended December 31, 2025 and 2024, the Company did not make any additional payments against its term loan facility other than the scheduled payments per the terms of the Amended Credit Agreement.

The Company had \$14.2 million of outstanding letters of credit as of December 31, 2025.

## **8. Commitments and Contingencies**

### *Purchase Commitments*

The Company currently has arrangements with contract manufacturers and suppliers for the manufacture of its products. Those arrangements allow the contract manufacturers to procure long lead-time component inventory based upon a rolling production forecast provided by the Company. The Company is obligated to purchase long lead-time component inventory that its contract manufacturer procures in accordance with the forecast, unless the Company gives notice of order cancellation outside of applicable component lead-times. As of December 31, 2025, the Company had commitments to purchase \$52.2 million of inventory.

### *Legal Proceedings*

The Company may from time to time be party to litigation arising in the course of its business, including, without limitation, allegations relating to commercial transactions, business relationships, or intellectual property rights. Such claims, even if not meritorious, could result in the expenditure of significant financial and managerial resources. Litigation in general, and intellectual property litigation in particular, can be expensive and disruptive to normal business operations. Moreover, the results of legal proceedings are difficult to predict.

In accordance with applicable accounting guidance, the Company records accruals for certain of its outstanding legal proceedings, investigations or claims when it is probable that a liability will be incurred, and the amount of loss can be reasonably estimated. The Company evaluates, at least on a quarterly basis, developments in legal proceedings, investigations or claims that could affect the amount of any accrual, as well as any developments that would result in a loss contingency to become both probable and reasonably estimable. When a loss contingency is not both probable and reasonably estimable, the Company does not record a loss accrual. However, if the loss (or an additional loss in excess of any prior accrual) is at least reasonably possible and material, then the Company would disclose an estimate of the possible loss or range of loss, if such estimate can be made, or disclose that an estimate cannot be made. The assessment of whether a loss is probable or a reasonable possibility, and whether the loss or a range of loss is estimable, involves a series of complex judgments about future events. Even if a loss is reasonably possible, the Company may not be able to estimate a range of possible loss, particularly where (i) the damages sought are substantial or indeterminate, (ii) the proceedings are in the early stages, or (iii) the matters involve novel or unsettled legal theories or a large number of parties. In such cases, there is considerable uncertainty regarding the ultimate resolution of such matters, including the amount of any possible loss, fine or penalty. However, an adverse resolution of one or more of such matters could have a material adverse effect on the Company's results of operations in a particular quarter or fiscal year.

### *Mala Technologies Ltd. v. Extreme Networks GmbH, Extreme Networks Ireland Ops Ltd., and Extreme Networks, Inc.*

On April 15, 2021, Mala Technologies Ltd. ("Mala") filed a patent infringement lawsuit against the Company and its Irish and German subsidiaries in the District Court in Dusseldorf, Germany. The lawsuit alleges indirect infringement of the German portion of a patent ("EP '498") based on the offer and sale in Germany of certain network switches equipped with the ExtremeXOS operating system.

Mala is seeking injunctive relief, accounting, and an unspecified declaration of liability for damages and costs of the lawsuit. On December 20, 2022, the trial court ruled that the Company did not infringe the EP '498 patent and dismissed Mala's complaint entirely. Mala has filed an appeal. On December 9, 2024, the Higher Regional Court stayed the matter until the nullity action has been finally decided.

The Company filed a nullity complaint against EP '498 with the German Federal Patent Court on September 24, 2021. The German Federal Patent Court issued a decision finding that the patent was invalid on November 20, 2024. Mala appealed the decision on March 3, 2025, and filed its Grounds of Appeal on June 5, 2025. The Company filed its response to the Grounds of Appeal on October 6, 2025.

#### *Steamfitters Local 449 Pension & Retirement Security Funds v. Extreme Networks, Inc., et al.*

On August 13, 2024, a putative securities class action (the "Class Action") was filed in the United States District Court for the Northern District of California captioned Steamfitters Local 449 Pension & Retirement Security Funds v. Extreme Networks, Inc., et al., Case No. 5:24-cv-05102-TLT, naming the Company and certain of its current and former executive officers as defendants. The lawsuit is purportedly brought on behalf of purchasers of Extreme Networks securities between July 27, 2022 and January 30, 2024 (the "Class Period"). The complaint alleges claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, and Rule 10b-5 promulgated thereunder, based on allegedly false and misleading statements about the Company's business and prospects during the Class Period. The lawsuit seeks unspecified damages. On December 30, 2024, the Court selected Oklahoma Firefighters Pension and Retirement System, Oklahoma Police Pension and Retirement System, Oakland County Voluntary Employees' Beneficiary Association, Oakland County Employees' Retirement System as the lead plaintiffs. The Company's Motion to Dismiss was granted on August 15, 2025, but the plaintiffs were granted leave to file a second amended complaint. Plaintiffs filed a second amended complaint on September 9, 2025. The Company filed a motion to dismiss the second amended complaint on October 3, 2025.

On February 27, 2025, a shareholder derivative case was filed in the United States District Court for the Northern District of California captioned Turner v. Brown et al., Case No. 3:25-cv-02101. On March 6, 2025, a shareholder derivative case was filed in the United States District Court for the Northern District of California captioned Hemani v. Meyercord et al., Case No. 3:25-cv-02318-AGT. On March 25, 2025, a shareholder derivative case was filed in the United States District Court for the Eastern District of North Carolina captioned Miller v. Meyercord et al., Case No. 5:25-cv-00161. Each of these shareholder derivative cases names current and former officers, directors, and employees of the Company as defendants, and seeks recovery on behalf of the Company based on substantially the same allegations as the Class Action. Plaintiffs filed an amended complaint in the two California shareholder derivative cases on December 1, 2025. The Company filed a motion to dismiss the amended complaint on December 19, 2025. The North Carolina case remains stayed pending a decision on the motion to dismiss the second amended complaint in the Class Action.

#### *Indemnification Obligations*

Subject to certain limitations, the Company may be obligated to indemnify its current and former directors, officers, and employees. These obligations arise under the terms of its certificate of incorporation, its bylaws, applicable contracts, and applicable law. The obligation to indemnify, where applicable, generally means that the Company is required to pay or reimburse, and in certain circumstances the Company has paid or reimbursed, the individuals' reasonable legal expenses and possible damages and other liabilities incurred in connection with certain legal matters. The Company also procures Directors and Officers liability insurance to help cover its defense and/or indemnification costs, although its ability to recover such costs through insurance is uncertain. While it is not possible to estimate the maximum potential amount that could be owed under these governing documents and agreements due to the Company's limited history with prior indemnification claims, indemnification (including defense) costs could, in the future, have a material adverse effect on the Company's consolidated financial position, results of operations and cash flows.

## **9. Stockholders' Equity**

#### *Equity Incentive Plan*

The Compensation Committee of the Board unanimously approved an amendment to the Extreme Networks, Inc. Amended and Restated 2013 Equity Incentive Plan (the "2013 Plan") on September 14, 2025 to increase the maximum number of available shares by 6.8 million shares, which was approved by the stockholders of the Company at the annual meeting of stockholders held on November 12, 2025.

#### *Common Stock Repurchases*

On February 18, 2025, the Company announced that the Board had authorized management to repurchase up to \$200.0 million of shares of the Company's common stock over a three-year period, commencing July 1, 2025 (the "2025 Repurchase Program"). Purchases may be made from time to time in the open market or pursuant to a 10b5-1 plan.

During the three months ended December 31, 2025, the Company did not repurchase any shares of its common stock. During the six months ended December 31, 2025, the Company repurchased a total of 577,281 shares of its common stock on the open market at a total cost of \$12.0 million with an average price of \$20.79 per share. During the three and six months ended December 31, 2024, the Company did not repurchase any shares of its common stock. As of December 31, 2025, approximately \$188.0 million remains available for share repurchases under the 2025 Repurchase Program.

As a provision of the Inflation Reduction Act enacted in the U.S., the Company is subject to an excise tax on corporate stock repurchases, which is assessed as one percent of the fair market value of net corporate stock repurchases after December 31, 2022. The Company had no excise tax liability for fiscal 2025 and expects the impact of the excise tax on net corporate stock repurchases will not be material for fiscal 2026.

## 10. Employee Benefit Plans

### *Shares Reserved for Issuance*

The Company had the following reserved shares of common stock for future issuance as of the dates noted (in thousands):

	December 31, 2025	June 30, 2025
2013 Equity Incentive Plan shares available for grant	13,153	10,935
Employee stock options and awards outstanding	8,509	7,566
2014 Employee Stock Purchase Plan	5,418	5,952
Total shares reserved for issuance	<u>27,080</u>	<u>24,453</u>

### *Share-based Compensation Expense*

Share-based compensation expense recognized in the condensed consolidated financial statements by line-item caption is as follows (in thousands):

	Three Months Ended		Six Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Cost of product revenues	\$ 796	\$ 680	\$ 1,548	\$ 1,298
Cost of subscription and support revenues	759	798	1,486	1,487
Research and development	4,639	4,467	9,086	8,680
Sales and marketing	8,009	7,596	15,522	14,478
General and administrative	8,696	7,911	17,037	15,276
Total share-based compensation expense	<u>\$ 22,899</u>	<u>\$ 21,452</u>	<u>\$ 44,679</u>	<u>\$ 41,219</u>

### *Stock Options*

The following table summarizes stock option activity for the six months ended December 31, 2025 (in thousands, except per share amount and contractual term):

	Number of Shares	Weighted- Average Exercise Price Per Share	Weighted- Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Options outstanding at June 30, 2025	496	\$ 6.70	1.16	\$ 5,580
Granted	—	—		
Exercised	(121)	—		
Canceled	—	—		
Options outstanding at December 31, 2025	<u>375</u>	\$ 6.70	0.66	\$ 3,727
Vested and expected to vest at December 31, 2025	375	\$ 6.70	0.66	\$ 3,727
Exercisable at December 31, 2025	375	\$ 6.70	0.66	\$ 3,727

There were no stock options granted during the three and six months ended December 31, 2025 and 2024.

### *Stock Awards*

Stock awards may be granted under the 2013 Plan on terms approved by the Compensation Committee of the Board. Stock awards generally provide for the issuance of restricted stock units (“RSUs”) including performance-condition or market-condition RSUs which vest over a fixed period of time or based upon the satisfaction of certain performance criteria or market conditions. The Company

recognizes compensation expense on the stock awards over the vesting period based on the awards' fair value as of the date of grant. The Company does not estimate forfeitures, but accounts for them as incurred.

The following table summarizes stock award activity for the six months ended December 31, 2025 (in thousands, except grant date fair value):

	Number of Shares	Weighted- Average Grant Date Fair Value	Aggregate Fair Value
Non-vested stock awards outstanding at June 30, 2025	7,070	\$ 19.53	
Granted	4,351	20.87	
Released	(3,185)	18.86	
Canceled	(102)	19.84	
Non-vested stock awards outstanding at December 31, 2025	8,134	\$ 20.57	
Stock awards expected to vest at December 31, 2025	8,134	\$ 20.57	\$ 167,311

The RSUs granted under the 2013 Plan vest over a period of time, generally one to three years, and are subject to participant's continued service to the Company.

During the six months ended December 31, 2025, the Company granted 0.8 million stock awards with vesting based on market conditions ("MSU") to certain of the Company's employees. The MSUs vest based on the Company's total shareholder return ("TSR") relative to the TSR of the Russell 2000 Index ("Index"). The MSU award represents the right to receive a target number of shares of common stock of up to 150% of the original grant. The MSUs vest based on the Company's TSR relative to the TSR of the Index over performance periods of three years from the grant date, subject to the grantees' continued service through the certification of performance.

The grant date fair value of each MSU was determined using the Monte Carlo simulation model. The weighted-average grant-date fair value of the TSR MSUs granted during the six months ended December 31, 2025 and 2024 was \$22.23 per share and \$17.22 per share, respectively. The following assumptions used to determine the grant-date fair values of the MSU during the following periods:

	Equity Incentive Plan Six Months Ended	
	December 31, 2025	December 31, 2024
Expected term	3.0 years	3.0 years
Risk-free interest rate	3.70%	3.86%
Volatility	45%	48%
Dividend yield	—%	—%

As of December 31, 2025, there was \$119.8 million in unrecognized compensation cost related to non-vested stock awards, including performance and market condition awards. This cost is expected to be recognized over a weighted average period of 1.80 years.

#### *Employee Stock Purchase Plan*

There were approximately 0.5 million shares issued under the ESPP during each of the six months ended December 31, 2025 and 2024, respectively. The following assumptions were used to determine the grant-date fair values of the ESPP shares during the following periods:

	Employee Stock Purchase Plan Six Months Ended	
	December 31, 2025	December 31, 2024
Expected term	0.5 years	0.5 years
Risk-free interest rate	4.12%	5.04%
Volatility	50%	36%
Dividend yield	—%	—%

The weighted-average grant-date fair value of shares under the ESPP during the six months ended December 31, 2025 and 2024 was \$5.83 and \$3.74 per share, respectively.

## 11. Information about Segments and Geographic Areas

The Company has one reportable segment, the development, marketing, and sale of network infrastructure equipment and related software. The Company conducts business globally and is managed geographically. Revenues are attributed to a geographical area. The Company operates in three geographical areas: Americas, EMEA, and APAC. See Note 3, *Revenues*, for additional information on the Company's revenues by geographic region.

### *Measure of segment profit or loss:*

The Company's chief operating decision maker ("CODM"), who is its Chief Executive Officer, reviews financial information presented on a consolidated basis and uses consolidated non-GAAP net income to measure segment profit or loss and decide where to allocate and invest additional resources within the business. Consolidated non-GAAP net income is also used in the Company's annual budgeting and forecasting processes to establish goals and compare actual results against both budgeted targets and historical performance.

Consolidated non-GAAP net income is exclusive of certain items that are non-recurring or not consistent with the Company's operations. The CODM reviews and utilizes functional expenses (costs of revenue, research and development, sales and marketing, and general and administrative) at the consolidated level to manage and assess the Company's operations. Other segment items included in consolidated non-GAAP net income are interest income, interest expense, other expense, net, and the provision for income taxes, which are reflected in the condensed consolidated statements of operations.

A reconciliation of consolidated GAAP net income (loss) to consolidated non-GAAP net income is shown in the table below (in thousands):

	Three Months Ended		Six Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
GAAP net income (loss)	\$ 7,876	\$ 7,382	\$ 13,487	\$ (3,122)
Adjustments:				
Share-based compensation expense	22,899	21,452	44,679	41,219
Restructuring and related charges	167	1,035	538	2,312
Litigation charges <sup>(1)</sup>	822	877	2,759	11,593
System transition costs <sup>(2)</sup>	6,467	4,026	11,392	9,371
Other non-recurring costs <sup>(3)</sup>	3,648	—	3,648	—
Amortization of intangibles	741	1,098	1,834	2,216
Debt refinancing charges	—	—	—	79
Tax effect of non-GAAP adjustments	(7,895)	(7,297)	(13,468)	(12,695)
Total adjustments to GAAP net income (loss)	\$ 26,849	\$ 21,191	\$ 51,382	\$ 54,095
Non-GAAP net income	\$ 34,725	\$ 28,573	\$ 64,869	\$ 50,973

<sup>(1)</sup>Litigation charges consist of estimated settlement and related legal expenses for non-recurring litigation offset by any proceeds received or expected to be received from insurance.

<sup>(2)</sup>System transition costs consist of costs related to direct and incremental costs incurred in connection with our multi-phase transition of our customer relationship management solution, our configure, price, quote solution and our enterprise resource planning tools that were not capitalizable.

<sup>(3)</sup>Other non-recurring costs consist of certain external advisory and professional fees incurred for various non-recurring transactions and activities that occur outside of the normal course of business.

### *Measure of segment assets:*

The measure of segment assets that is reviewed by the CODM is reported within the condensed consolidated balance sheets as "Total assets." Depreciation expense recorded for the three months ended December 31, 2025 and 2024 was \$3.9 million and \$3.8 million, respectively. Depreciation expense recorded for each of the six months ended December 31, 2025 and 2024 was \$7.7 million.

Total expenditures for additions to property, plant and equipment recorded for each of the three months ended December 31, 2025 and 2024 was \$7.1 million and \$5.4 million, respectively. Total expenditures for additions to property, plant and equipment recorded for the six months ended December 31, 2025 and 2024 was \$13.9 million and \$12.3 million, respectively.

The Company's long-lived assets are attributed to the geographic regions as follows (in thousands):

	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<i>Segment long-lived assets:</i>		
Americas	\$ 185,144	\$ 167,499
EMEA	38,686	40,299
APAC	9,258	10,550
Total segment long-lived assets	<u>\$ 233,088</u>	<u>\$ 218,348</u>

## 12. Derivatives and Hedging

The Company uses derivative financial instruments to manage exposures to foreign currency risk that may or may not be designated as hedging instruments. The Company's objective for holding derivatives is to use the most effective methods to minimize the impact of these exposures. The Company does not enter into derivatives for speculative or trading purposes. The Company enters into foreign exchange forward or zero-cost collar contracts to attempt to mitigate the effect of gains and losses generated by foreign currency transactions related to certain forecasted operating expenses and remeasurement of certain assets and liabilities denominated in foreign currencies.

### *Foreign Exchange Forward Contracts*

For foreign exchange forward contracts not designated as hedging instruments, the fair value of the Company's derivatives in a gain position are recorded in "Prepaid expenses and other current assets" and derivatives in a loss position are recorded in "Other accrued liabilities" in the accompanying condensed consolidated balance sheets. Changes in the fair value of derivatives are recorded in "Other income (expense), net" in the accompanying condensed consolidated statements of operations. As of December 31, 2025 and June 30, 2025, foreign exchange forward contracts not designated as hedging instruments had a total notional principal amount of \$68.4 million and \$57.2 million, respectively. For the three months ended December 31, 2025 and 2024, the net gains and losses recorded in the condensed consolidated statement of operations from these contracts were net losses of \$0.4 million and \$2.1 million, respectively. For the six months ended December 31, 2025 and 2024, the net gains and losses recorded in the condensed consolidated statement of operations were net losses of \$1.8 million and \$1.3 million, respectively. Changes in the fair value of these foreign exchange forward contracts are offset largely by remeasurement of the underlying assets and liabilities.

### *Zero-Cost Collar Contracts*

During the three and six months ended December 31, 2025, the Company entered into zero-cost collar contracts that were designated as cash flow hedges, to hedge the foreign currency risk associated with forecasted foreign currency denominated operating expenses. The changes in fair value of these derivatives are recorded as a component of "Accumulated other comprehensive loss" in the condensed consolidated balance sheets. Amounts recorded in "Accumulated other comprehensive loss" related to the changes in the fair value of these derivatives are reclassified to the condensed consolidated statement of operations in the same period in which the underlying hedged transaction affects earnings.

As of December 31, 2025, the Company had zero-cost collar contracts that were designated as hedging instruments with a total notional principal amount of \$55.1 million and had maturities of less than twelve months. As of June 30, 2025, there were no outstanding zero-cost collar contracts that were designated as hedging instruments. For the three and six months ended December 31, 2025, these contracts had unrealized losses of \$0.2 million which are recorded as a component of "Accumulated other comprehensive loss" and realized net losses of less than \$0.1 million reclassified to the condensed consolidated statement of operations.

### *Foreign Currency Transactions*

For the three months ended December 31, 2025 and 2024, the Company recognized foreign currency transaction net losses of less than \$0.1 million and foreign currency transaction net gains of \$2.8 million, respectively, and for the six months ended December 31, 2025 and 2024, the Company recognized foreign currency transaction net gains of \$1.0 million and \$1.4 million, respectively, related to the change in fair value of foreign currency denominated assets and liabilities.

## 13. Restructuring and Related Charges

The Company recorded restructuring charges of \$0.2 million and \$1.0 million during the three months ended December 31, 2025 and 2024, respectively. The Company recorded restructuring charges of \$0.5 million and \$2.3 million during the six months ended December 31, 2025 and 2024, respectively. These charges primarily included severance and benefits costs and professional fees as well as asset disposal costs related to the restructuring plans executed in prior years.

During the third quarter of fiscal 2024, the Company executed a global reduction-in-force plan targeted towards the reorganization of the Company's research and development and sales and marketing functions to align the Company's workforce with its strategic priorities and to focus on specific geographies and industry segments with higher growth opportunities (the "Q3 2024 Plan"). During the three months ended December 31, 2025, the Company did not record any restructuring charges related to the Q3 2024 Plan. During the six months ended December 31, 2025, the Company recorded restructuring charges of \$0.4 million related to the Q3 2024 Plan, which primarily consisted of severance and benefits expenses, legal and consulting fees. During the three and six months ended December 31, 2024, the Company recorded restructuring charges of \$0.9 million and \$1.5 million, respectively, related to the Q3 2024 Plan. These charges primarily consisted of severance and benefits expenses, legal and consulting fees.

During the second quarter of fiscal 2024, the Company executed a global reduction-in-force plan to rebalance its workforce to create greater efficiency and improve execution, in alignment with the Company's business and strategic priorities, while reducing its ongoing operating expenses to address reduced revenue and macro-economic conditions (the "Q2 2024 Plan"). During the three and six months ended December 31, 2025, the Company recorded restructuring benefits of \$0.1 million and \$0.2 million, respectively, related to the Q2 2024 Plan, which primarily consisted of reversals of previously established accruals related to unused severance benefits. During the three and six months ended December 31, 2024, the Company recorded restructuring charges of less than \$0.1 million and \$0.6 million, respectively, related to the Q2 2024 Plan, which primarily consisted of severance and benefits expenses, legal and consulting fees.

Through December 31, 2025, the Company has incurred \$28.6 million in restructuring charges under the Q2 2024 Plan and Q3 2024 Plan which primarily related to severance and benefits costs. As of December 31, 2025 these plans were substantially complete.

During the third quarter of fiscal 2023, the Company initiated a restructuring plan to transform its business infrastructure and reduce its facilities footprint and the facilities related charges (the "2023 Plan"). As part of this project, the Company moved engineering labs from its San Jose, California location to its Salem, New Hampshire location. This move is expected to help reduce the cost of operating the Company's labs. During the three and six months ended December 31, 2025, the Company recorded charges of \$0.3 million for asset disposals related to the 2023 Plan. During the six months ended December 31, 2024, the Company recorded restructuring charges of approximately \$0.1 million related to the 2023 Plan. As of December 31, 2025 this plan was complete.

Restructuring liabilities are recorded in "Other accrued liabilities" in the accompanying condensed consolidated balance sheets. As of December 31, 2025 and June 30, 2025, the restructuring liability was less than \$0.1 million and \$0.7 million, respectively, related to these restructuring plans.

The following table summarizes the activity related to the Company's restructuring and related liabilities during the following periods (in thousands):

	Three Months Ended		Six Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Balance at beginning of period	\$ 618	\$ 4,393	\$ 693	\$ 11,469
Period charges	—	1,134	437	2,707
Period reversals	(114)	(97)	(180)	(393)
Period payments	(436)	(2,032)	(882)	(10,385)
Balance at end of period	\$ 68	\$ 3,398	\$ 68	\$ 3,398

#### 14. Income Taxes

For the three months ended December 31, 2025 and 2024, the Company recorded an income tax provision of \$2.5 million and \$2.6 million, respectively. For the six months ended December 31, 2025 and 2024, the Company recorded an income tax provision of \$5.3 million and \$4.1 million, respectively.

The income tax provisions for the three and six months ended December 31, 2025 and 2024, consisted of (1) taxes on the income of the Company's foreign subsidiaries, (2) state taxes in jurisdictions where the Company has no remaining state net operating losses ("NOLs"), (3) foreign withholding taxes, and (4) tax expense associated with the establishment of a U.S. deferred tax liability for amortizable goodwill resulting from the acquisition of Enterasys Networks, Inc., the wireless local area network business from Zebra Technologies Corporation, the Campus Fabric Business from Avaya and the Data Center Business from Brocade. The interim income tax provisions for the three and six months ended December 31, 2025 and 2024 were calculated using the discrete effective tax rate method as allowed by ASC 740-270-30-18, *Income Taxes – Interim Reporting*. The discrete method is applied when the application of the estimated annual effective tax rate is impractical because it is not possible to reliably estimate the annual effective tax rate. The discrete method treats the year-to-date period as if it was the annual period and determines the income tax expense or benefit on that basis. The Company believes that, at this time, the use of this discrete method is more appropriate than the annual effective tax rate method as (i) the estimated annual effective tax rate method is not reliable due to the high degree of uncertainty in estimating annual

pretax earnings on a jurisdictional basis and (ii) the Company's ongoing assessment that the recoverability of certain U.S. and Irish deferred tax assets is not more likely than not.

The Company has provided a full valuation allowance against all of its U.S. federal and state deferred tax assets as well as a portion of the deferred tax assets in Ireland. Significant judgment is required in determining any valuation allowance recorded against deferred tax assets. In assessing the need for a valuation allowance, the Company considers all available positive and negative evidence to determine whether it is "more likely than not" that deferred tax assets are recoverable including past operating results, estimates of future taxable income, changes to enacted tax laws, and the feasibility of tax planning strategies; such assessment is required on a jurisdiction-by-jurisdiction basis. The Company's inconsistent earnings in recent periods, including historical losses, tax attributes expiring unutilized in recent years and the cyclical nature of the Company's business provides sufficient negative evidence that require a full valuation allowance against its U.S. federal and state net deferred tax assets as well as a portion of the deferred tax assets in Ireland. These valuation allowances will be evaluated periodically and can be reversed partially or in whole if business results and the economic environment have sufficiently improved to support realization of some or all of the Company's deferred tax assets. In the event the Company changes its determination as to the amount of deferred tax assets that can be realized, it will adjust its valuation allowance with a corresponding impact to the provision for income taxes in the period in which such determination is made.

The Company had \$18.2 million of unrecognized tax benefits as of December 31, 2025. If fully recognized in the future, \$0.1 million would impact the effective tax rate and \$18.1 million would result in adjustments to deferred tax assets and corresponding adjustments to the valuation allowance with no impact to the effective tax rate. The Company does not anticipate any events to occur during the next twelve months that would materially reduce the unrealized tax benefit as currently stated in the Company's condensed consolidated balance sheets.

The Company's policy is to accrue interest and penalties related to the underpayment of income taxes as a component of tax expense in the accompanying condensed consolidated statements of operations.

In general, the Company's U.S. federal income tax returns are subject to examination by tax authorities for fiscal years 2004 forward due to NOLs and the Company's state income tax returns are subject to examination for fiscal years 2005 and forward due to NOLs. In general, the Company's Irish tax returns are subject to examination by tax authorities for fiscal years 2022 and forward.

The Company is currently under examination in the U.S. by the Internal Revenue Service for the tax year ended June 30, 2023. Management believes that adequate provision has been made in the financial statements for any potential assessments that may result from tax examinations and other tax-related matters for all open tax years.

On July 4, 2025, federal legislation commonly referred to as the One Big Beautiful Bill Act ("OBBBA") was enacted in the U.S. The OBBBA includes numerous changes to existing tax law including provisions providing current deductibility of domestic research and development costs, modifications to the limitation on deductibility of business interest expense and modifications to the international tax framework. This legislation has multiple effective dates, with certain provisions effective for the Company's fiscal year ended June 30, 2026 and others for the Company's fiscal year ended June 30, 2027. ASC 740, *Income Taxes*, requires the effects of changes in tax rates and laws to be recognized in the period in which the legislation is enacted. The effects of the new legislation are reflected in the condensed consolidated financial statements for the period ended December 31, 2025.

## 15. Net Income (Loss) Per Share

Basic net income (loss) per share is calculated by dividing net income (loss) by the weighted-average number of shares of common stock outstanding during the period. Diluted net income (loss) per share is calculated by dividing net income (loss) by the weighted-average number of shares of common stock used in the basic net income (loss) per share calculation plus the dilutive effect of shares subject to repurchase, options and unvested RSUs.

The following table presents the calculation of net income (loss) per share of basic and diluted (in thousands, except per share data):

	Three Months Ended		Six Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Net income (loss)	\$ 7,876	\$ 7,382	\$ 13,487	\$ (3,122)
Weighted-average shares used in per share calculation – basic	133,914	132,381	133,443	131,778
Options to purchase common stock	258	551	274	—
Restricted stock units	915	1,100	1,556	—
Employee Stock Purchase Plan shares	79	75	106	—
Weighted-average shares used in per share calculation – diluted	135,166	134,107	135,379	131,778
Net income (loss) per share – basic and diluted				
Net income (loss) per share – basic	\$ 0.06	\$ 0.06	\$ 0.10	\$ (0.02)
Net income (loss) per share – diluted	\$ 0.06	\$ 0.06	\$ 0.10	\$ (0.02)

The following securities were excluded from the computation of net income (loss) per diluted share of common stock for the periods presented as their effect would have been anti-dilutive (in thousands):

	Three Months Ended		Six Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Options to purchase common stock	—	—	—	997
Restricted stock units	537	1,295	554	5,638
Employee Stock Purchase Plan shares	620	695	452	545
Total shares excluded	1,157	1,990	1,006	7,180

## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

*This Quarterly Report on Form 10-Q for the second quarter ended December 31, 2025 (this “Report”) contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including in particular, our expectations regarding market demands, customer requirements and the general economic environment, future results of operations, and other statements that include words such as “may,” “will,” “should,” “expect,” “plan,” “intend,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “continue” and similar expressions. These forward-looking statements involve risks and uncertainties. We caution investors that actual results may differ materially from those projected in the forward-looking statements as a result of certain risk factors identified in the section entitled “Risk Factors” in this Report, our Annual Report on Form 10-K for the fiscal year ended June 30, 2025, and other filings we have made with the Securities and Exchange Commission. These risk factors include, but are not limited to: adverse general economic conditions; fluctuations in demand for our products and services; a highly competitive business environment for network switching equipment; our effectiveness in controlling expenses; the possibility that we might experience delays in the development or introduction of new technology and products; customer response to our new technology and products; fluctuations in the global economy, including as a result of political, social, economic, and regulatory factors, currency fluctuations, and tariff and trade policies; geopolitical tensions and conflicts; risks related to pending or future litigation and dependency on third parties for certain components and for the manufacturing of our products.*

### Business Overview

The following discussion is based upon our unaudited condensed consolidated financial statements included elsewhere in this Report. In the course of operating our business, we routinely make decisions as to the timing of the payment of invoices, the collection of receivables, the manufacturing and shipment of products, the fulfillment of orders, the purchase of supplies, and the building of inventory and service parts, among other matters. Each of these decisions has some impact on the financial results for any given period. In making these decisions, we consider various factors, including contractual obligations, customer satisfaction, competition, internal and external financial targets and expectations, and financial planning objectives. For further information about our critical accounting policies and estimates, see the “Critical Accounting Policies and Estimates” section included in this “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Extreme Networks, Inc. (“Extreme,” “Company,” “we,” “us” and “our”) is a leader in AI-powered cloud networking, focused on delivering simple and secure solutions that help businesses address challenges and enable connections among devices, applications, and users. We push the boundaries of technology, leveraging the powers of artificial intelligence (“AI”), analytics, and automation and have industry-leading support services. Tens of thousands of customers globally trust Extreme to drive value, foster innovation, and overcome extreme challenges. Extreme also designs, develops, and manufactures wired, wireless, and software-defined wide area-network (“SD-WAN”) infrastructure equipment. Our Extreme Platform ONE™ solution, announced in December 2024 and made generally available in July 2025, is a technology platform that is designed to reduce the complexity for enterprises by seamlessly integrating networking, security and AI solutions into a single platform. AI-powered automation includes conversational, interactive and autonomous AI agents—to assist, advise and accelerate the productivity of networking, security and business teams—reducing the time to complete complex tasks.

Our global footprint provides service to some of the world’s leading names in business across verticals such as large sports and entertainment venues, hospitality, retail, transportation and logistics, education, government, healthcare, manufacturing and service providers. We derive all our revenues from the sale of our networking equipment, software subscriptions, and related maintenance contracts.

### Industry Background

Enterprises across every industry are going through unprecedented changes, such as digital transformation initiatives, migrating their workloads to cloud-based environments, modernizing applications, finding new ways to leverage generative, multimodal and agentic AI technology, and adapting to a distributed workforce. To accomplish this, they are adopting new Information Technology (“IT”) delivery models and applications that require fundamental network alterations and enhancements spanning from the access edge to the data center. As networks become more complex and more distributed in nature, we believe IT teams in every industry will need more control and better insights than ever before to deliver secure, distributed connectivity and comprehensive centralized visibility. Networking is mission critical and touches all elements of how services are delivered to customers, employees, students, and patients. Managing networks from a single platform that integrates AI networking and security is critical to help reduce complexity and minimize the time it takes to complete tasks. A new category has emerged in the industry to address challenges related to managing the breadth and depth of complexities related to network administration, deployment and on-going management termed *AI for networking*. This new category is defined by innovation in generative, multimodal and agentic AI technology.

As the edge of the network continues to expand, our customers are managing more endpoints which comes with a host of challenges. This continued expansion creates issues such as a higher risk of cyberattacks and a need for more bandwidth due to an increase in applications running across the network.

Network complexity manifests itself in the form of more endpoints to manage, more applications to monitor, and more services that rely on the network for service delivery and enablement. When performance suffers, and the tug on internal systems and IT staff becomes more intense, technology is often being overworked. Resolving network problems expeditiously and identifying their root cause can improve organizational productivity and result in higher performance of operations. *AI for networking* is needed to improve an IT team's agility and responsiveness to address these challenges.

We believe that the network has never been more vital than it is today. As administrators grapple with more data, coming from more places, more connected devices, and more Software-as-a-Service ("SaaS") based applications, the cloud is fundamental to managing and maintaining a modern network. Traditional network offerings are not well-suited to fulfill enterprise expectations for rapid delivery of new services, more flexible business models, real-time response, and massive scalability. We expect Extreme Platform ONE to deliver significant productivity gains for IT teams by streamlining network design, deployment, management, and commercial operations through its generative, multimodal, and agentic AI capabilities.

As enterprises continue to migrate increasing numbers of applications and services to either private clouds or public clouds offered by third parties and to adopt new IT delivery models and applications, they are required to make fundamental network alterations and enhancements spanning from wireless access points ("APs") to the network core. In either case, the network infrastructure must adapt to this new dynamic environment. AI and automation are key if enterprises are to derive maximum benefit from their cloud deployments. With automation applications becoming increasingly critical in manufacturing, warehousing, logistics, healthcare and other key industries, we believe this will continue to create demand for networking technology to serve as a foundation to run these services.

Service providers are investing in network enhancements with platforms and applications that deliver data insights, provide flexibility, and can quickly respond to new user demands and 5G use cases. The scale of issues and challenges seen within service provider networks is even greater than the enterprise network—thus they too can greatly benefit from operational gains from Extreme Platform ONE.

We believe Extreme will continue to benefit from the use of its technology to manage distributed campus network architecture centrally from the cloud. Extreme has blended a dynamic network fabric architecture that delivers simplicity for moves and changes at the edge of the network together with corporate-wide role-based policy. This enables customers to migrate to new cloud-managed switching, Wi-Fi, and SD-WAN, agnostic of the existing switching or wireless equipment they already have installed. In the end, we expect these customers to see lower operating and capital expenditures, lower subscription costs, lower overall cost of ownership and more flexibility along with a more resilient network, powered by Extreme Platform ONE.

We estimate the total addressable market ("TAM") for our networking solutions, consisting of cloud networking, wireless local area networks ("WLAN"), campus local area networks ("LAN"), Ethernet switching, data center networking, SD-WAN solutions, and elements of the Secure Access Service Edge ("SASE"), exceeded \$42 billion in calendar year 2024. Based on data from 650 Group, Gartner, IDC, and Dell'Oro Group, demand is projected to grow at a five-year compound annual growth rate ("CAGR") of approximately 7%, reaching \$59 billion by 2029. Within this market, cloud-managed networking solutions are expected to grow at a CAGR of approximately 15% through 2029. And with Extreme Platform ONE, we are addressing AI Networking for the Campus, a high-growth segment forecasted to grow at a 72% CAGR over the next five years.

## The Extreme Strategy

Extreme is committed to empowering organizations with new ways to simply and securely connect with Extreme's intelligent technology platform that help move their organizations forward.

Extreme Platform ONE is designed to reduce complexity for enterprises by seamlessly integrating networking, security and AI solutions. The platform's AI-powered automation includes conversational, interactive and autonomous AI agents, to assist, advise and accelerate the productivity of networking, security and business teams—reducing the time to complete complex tasks. Extreme Platform ONE is also designed to offer the industry's simplest licensing.

### Key elements of Extreme's strategy and differentiation include:

- **Deliver AI that is fully integrated into the networking experience.** As IT environments grow in complexity, enterprises need simpler, smarter ways to manage their networks. Extreme Platform ONE delivers significant benefits including:
  - o **AI-Driven Insight and Automation:** Customers gain instant insights while the network adapts in real time to bandwidth spikes and security threats. Network administrators can set guardrails for policy, risk, and approvals, while AI agents act autonomously to optimize performance and reliability in real time.
  - o **End-to-End Network Visibility:** With real-time network topology and lifecycle data, customers can improve compliance, simplify onboarding, and enable proactive planning for refreshes, expansions, or support alignment. Extreme Platform ONE eliminates fragmented screenshots of the network and delivers a complete view in one place.

- o Unified Operations Dashboard: Extreme Platform ONE consolidates license, contract, and asset management into a single, intuitive platform, delivering real-time visibility into usage, renewals, support coverage, and device inventory across all sites and product lines.
- o Integrated Experience: One integrated experience for everyone in an organization, including Network Operations (“NetOps”), Security Operations (“SecOps”), and business teams, to access just what they need to do high quality work from a fully customizable workspace.
- o Simplified licensing: Extreme Platform ONE is backwards compatible to ExtremeCloud IQ and is now bundled with support services to facilitate license to asset tracking.
- **Provide a differentiated end-to-end cloud networking architecture.** Cloud networking is estimated to be a \$15 billion segment of the networking market comprising cloud-managed services and cloud-managed products, which are largely WLAN access points and ethernet switches, growing at 15% annually over the next five years, according to data from the 650 Group, Gartner, IDC and Dell’Oro. Cloud management technology has evolved significantly over the past decade. Extreme offers:
  - o Cloud Platform: A robust cloud management platform that delivers visibility, intelligence, and assurance from the network edge to the core.
  - o Cloud Choice for Customers: Our cloud networking solution is available on all major cloud providers (Amazon Web Services (“AWS”), Google Cloud Platform (“GCP”) and Microsoft Azure).
  - o ExtremeCloud IQ: Our ExtremeCloud IQ offering conforms to ISO/IEC 27001, ISO/IEC 27017 and ISO/IEC 27701 standards for data privacy and protection as set forth by the International Standards Organization (“ISO”), and is CSA STAR certified.
  - o Cloud Continuum: We provide hosting flexibility across a range of options including public, private, and on-premises edge cloud options.
  - o Consumption Flexibility: We offer a range of financing and network purchase options. Our value-based subscription tiers provide customers with flexibility to grow, as well as offer pool-able and portable licenses that can be transferred between products (e.g., access points and switches) at one fixed price.
- **Offer customers choice: public or private cloud, or on-premises.** We leverage the cloud where it makes sense for our customers and provide on-premises solutions where customers need it and also have a solution for those who want to harness the power of both. Our hybrid approach gives our customers options to adapt the technology to their business. At the same time, all of our solutions have visibility, control and strategic information built in, all tightly integrated with a single view across all of the installed products. Our customers can understand what is going on across their network and applications in real time – who, when, and what is connected to the network, which is critical for bring your own device (“BYOD”) and Internet of Things (“IoT”) usage.
- **Offers universal platforms for enterprise class switching and wireless infrastructure.** We offer universal platforms which support multiple deployment use cases, providing flexibility and investment protection.
  - o **Universal switches (7720/5720/5520/5420/5320/4220/4120)** support fabric or traditional networking with a choice of cloud or on-premises (air-gapped or cloud connected) management.
  - o **Universal Wi-Fi 6/6E APs (300/400, 4000 and 5000 series)** support campus or distributed deployments with a choice of cloud or on-premises (air-gapped or cloud connected) management.
  - o **Universal licensing** with one portable management license for any device and for any type of management. For switches, operating system feature licenses are portable, and bulk activated through ExtremeCloud IQ.
- **Enable a common fabric to simplify and automate the network.** Fabric technologies virtualize the network infrastructure (decoupling network services from physical connectivity) which enables network services to be provisioned faster, with lower likelihood of error. They make the underlying network much easier to design, implement, manage, and troubleshoot.
- **Offer a frictionless experience for secure hybrid work.** Our layered security approach is managed from one cloud and secure by design. We offer tightly integrated security with network fabric and infrastructure.
  - o **ExtremeCloud Universal ZTNA** is the first network security offering to integrate network, application, and device security within a single solution. By combining Cloud Network Access Control (“NAC”) and Zero Trust Network Access (“ZTNA”) into a single, easy-to-use SaaS offering, we help customers ensure unified observability, frictionless user experiences and a consistent security policy for applications and devices as well as support secure hybrid work use cases for customers. As the virtual private network (“VPN”) market transitions to ZTNA, the proliferation of individual applications, each with their own policy and dashboard, is adding complexity and expense for enterprise

customers. We expect the broadening of our security offering to drive significant traction for our business with growth opportunities.

- o **Extreme's unique and highly differentiated network fabric** makes it simple to orchestrate applications and policy across the entire campus, from the core to the wireless edge, and across the wide area network. We bring enhanced security, the ability to segment networks and zero touch provisioning, thus reducing confusion, complexity and the need for additional IT staff. This is in stark contrast to our competitors' fabric solutions, which were designed for service providers and data center networks and not meant for the campus.
- **End-to-End Portfolio.** Our cloud-driven solutions provide visibility, control and strategic intelligence from the edge to the data center, across networks and applications. Our solutions include wired switching, wireless switching, wireless access points, WLAN controllers, routers, and an extensive portfolio of software applications that deliver AI-enhanced access control, network and application analytics, as well as network management. All can be managed, assessed, and controlled from a single pane of glass on premises or from the cloud.
- **Provide high-quality insourced customer service and support.** We seek to enhance customer satisfaction and build customer loyalty through high-quality service and support. This includes a wide range of standard support programs to the level of service our customers require, from standard business hours to global 24-hour-a-day, 365-days-a-year real-time responsive support.
- **Extend switching and routing technology leadership.** Our technological leadership is achieved by the development of innovative switching, routing and wireless products, the depth and focus of our market experience and our operating systems - the software that runs on all of our networking products. Our products reduce operating expenses for our customers and enable a more flexible and dynamic network environment that will help them meet the upcoming demands of IoT, mobile, and cloud.
- **Expand Wi-Fi technology leadership.** Wireless is today's network access method of choice and every business must deal with scale, density and BYOD challenges. The network edge landscape is changing as the explosion of mobile and IoT devices increases the demand for high-performance, transparent, and always-on wired to wireless edge services. The unified access layer requires distributed intelligent components to ensure that access control and resiliency of business services are available across the entire infrastructure and manageable from a single console. We are at a technology inflection point with the pending migration from Wi-Fi 6 solutions to 6 GHz Wi-Fi (Wi-Fi 6E and Wi-Fi 7), focused on providing more efficient access to the broad array of connected devices. We believe we have the industry's broadest 6 GHz indoor and outdoor wireless portfolio.
- **Offer actionable insights.** Our network-powered application analytics provide actionable business insights by capturing and analyzing context-based data about the network and applications to deliver meaningful intelligence about applications, users, locations and devices. With an easy to comprehend dashboard, our applications help businesses turn their network into a strategic business asset that helps executives make faster and more effective decisions.
- **Expand market penetration by targeting high-growth market segments.** Within the campus, we focus on the mobile user, leveraging our automation capabilities and tracking WLAN growth. Our data center approach leverages our product portfolio to address the needs of public and private cloud data center providers. We believe that the cloud networking compound annual growth rate will continue to outpace the compound annual growth rate for on-premises managed networking. Our focus is on expanding our technology foothold in the critical cloud networking segment to accelerate not only cloud management adoption, but also subscription-based licensing consumption.
- **Leverage and expand multiple distribution channels.** We distribute our products through select distributors, a large number of resellers and system-integrators worldwide, as well as several large strategic partners. We maintain a field sales force to support our channel partners and to sell directly to certain strategic accounts. As an independent networking vendor, we seek to provide products that, when combined with the offerings of our channel partners, create compelling solutions for end-user customers.
- **Maintain and extend our strategic relationships.** We have established strategic relationships with a number of industry-leading vendors to provide both increased and enhanced routes to market, to collaboratively develop unique solutions.

## Results of Operations

During the second quarter of fiscal 2026, we achieved the following results:

- Net revenues of \$317.9 million compared to \$279.4 million in the second quarter of fiscal 2025.
- Product revenues of \$197.8 million compared to \$172.3 million in the second quarter of fiscal 2025.
- Subscription and support revenues of \$120.2 million compared to \$107.1 million in the second quarter of fiscal 2025.
- Total gross margin of 61.4% of net revenues compared to 62.7% of net revenues in the second quarter of fiscal 2025.
- Operating income of \$13.0 million compared to operating income of \$12.7 million in the second quarter of fiscal 2025.
- Net income of \$7.9 million compared to \$7.4 million in the second quarter of fiscal 2025.

During the first six months of fiscal 2026, we reflected the following results:

- Cash flows provided by operating activities of \$36.1 million compared to \$40.1 million in the six months ended December 31, 2024.
- Cash and cash equivalents of \$219.8 million as of December 31, 2025 compared to \$231.7 million as of June 30, 2025.

## Net Revenues

The following table presents net product and subscription and support revenues for the periods presented (in thousands, except percentages):

	Three Months Ended				Six Months Ended			
	December 31, 2025	December 31, 2024	\$ Change	% Change	December 31, 2025	December 31, 2024	\$ Change	% Change
Net revenues:								
Product	\$ 197,765	\$ 172,261	\$ 25,504	14.8 %	\$ 391,806	\$ 334,545	\$ 57,261	17.1 %
<i>Percentage of net revenues</i>	<i>62.2%</i>	<i>61.7%</i>			<i>62.4%</i>	<i>61.0%</i>		
Subscription and support	120,160	107,094	13,066	12.2 %	236,364	214,014	22,350	10.4 %
<i>Percentage of net revenues</i>	<i>37.8%</i>	<i>38.3%</i>			<i>37.6%</i>	<i>39.0%</i>		
Total net revenues	<u>\$ 317,925</u>	<u>\$ 279,355</u>	<u>\$ 38,570</u>	13.8 %	<u>\$ 628,170</u>	<u>\$ 548,559</u>	<u>\$ 79,611</u>	14.5 %

We generate product revenues primarily from sales of our networking equipment. We derive subscription and support revenues primarily from sales of our subscription and support offerings which include SaaS subscription offerings, maintenance contracts, professional services and training for our products.

Product revenues increased \$25.5 million or 14.8% for the three months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. Product revenues increased \$57.3 million or 17.1% for the six months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. The increase in product revenues was primarily due to strong demand for our products, which contributed to higher bookings and higher shipments than the corresponding period in fiscal 2025.

Subscription and support revenues increased \$13.1 million or 12.2% for the three months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. Subscription and support revenues increased \$22.4 million or 10.4% for the six months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. The increase in subscription and support revenues was driven by increased adoption of our cloud network management solutions and continued growth in our subscription business.

The following table presents the product and subscription and support gross profit, and the respective gross profit percentages for the periods presented (in thousands, except percentages):

	Three Months Ended				Six Months Ended			
	December 31, 2025	December 31, 2024	\$ Change	% Change	December 31, 2025	December 31, 2024	\$ Change	% Change
<b>Gross profit:</b>								
Product	\$ 110,765	\$ 99,657	\$ 11,108	11.1 %	\$ 218,678	\$ 192,539	\$ 26,139	13.6 %
<i>Percentage of product revenues</i>	<i>56.0%</i>	<i>57.9%</i>			<i>55.8%</i>	<i>57.6%</i>		
Subscription and support	84,315	75,466	8,849	11.7 %	164,431	152,091	12,340	8.1 %
<i>Percentage of subscription and support revenues</i>	<i>70.2%</i>	<i>70.5%</i>			<i>69.6%</i>	<i>71.1%</i>		
Total gross profit	\$ 195,080	\$ 175,123	\$ 19,957	11.4 %	\$ 383,109	\$ 344,630	\$ 38,479	11.2 %
<i>Percentage of net revenues</i>	<i>61.4%</i>	<i>62.7%</i>			<i>61.0%</i>	<i>62.8%</i>		

Product gross profit increased \$11.1 million or 11.1% for the three months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. Product gross profit increased \$26.1 million or 13.6% for the six months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. The increase in product gross profit was primarily due to higher product revenues, partially offset by increased distribution costs and unfavorable purchase price variance related to increased costs for memory components.

Subscription and support gross profit increased \$8.8 million or 11.7% for the three months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. Subscription and support gross profit increased \$12.3 million or 8.1% for the six months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. The increase in subscription and support gross profit was primarily due to higher subscription revenues, partially offset by higher subscription hosting costs and professional services costs.

### Operating Expenses

The following table presents operating expenses for the periods presented (in thousands, except percentages):

	Three Months Ended				Six Months Ended			
	December 31, 2025	December 31, 2024	\$ Change	% Change	December 31, 2025	December 31, 2024	\$ Change	% Change
Research and development	\$ 57,522	\$ 54,883	\$ 2,639	4.8 %	\$ 115,275	\$ 109,334	\$ 5,941	5.4 %
Sales and marketing	89,393	79,967	9,426	11.8 %	178,316	161,350	16,966	10.5 %
General and administrative	34,599	26,064	8,535	32.7 %	63,786	62,665	1,121	1.8 %
Restructuring and related charges	167	1,035	(868)	(83.9)%	538	2,312	(1,774)	(76.7)%
Amortization of intangible assets	407	509	(102)	(20.0)%	907	1,021	(114)	(11.2)%
Total operating expenses	\$ 182,088	\$ 162,458	\$ 19,630	12.1 %	\$ 358,822	\$ 336,682	\$ 22,140	6.6 %

### Research and Development Expenses

Research and development expenses consist primarily of personnel costs (which consist of compensation, benefits and share-based compensation), consultant fees and prototype expenses related to the design, development, and testing of our products.

Research and development expenses increased by \$2.6 million or 4.8% for the three months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. The increase in research and development expenses was primarily due to a \$1.3 million increase in personnel costs due to higher compensation and benefits costs, a \$1.1 million increase in engineering project costs, and a \$0.9 million increase in information technology, equipment and depreciation costs, offset by a \$0.7 million decrease in facilities and occupancy related costs.

Research and development expenses increased by \$5.9 million or 5.4% for the six months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. The increase in research and development expenses was primarily due to a \$3.4 million increase in personnel costs due to higher compensation and benefits costs, a \$2.0 million increase in engineering project costs, and a \$1.6 million increase in information technology, equipment costs and depreciation costs, offset by a \$1.1 million decrease in facilities and occupancy related costs.

### Sales and Marketing Expenses

Sales and marketing expenses consist primarily of personnel costs (which consist of compensation, benefits and share-based compensation), as well as trade shows and promotional expenses.

Sales and marketing expenses increased by \$9.4 million or 11.8% for the three months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. The increase in sales and marketing expenses was primarily due to a \$4.0 million increase in sales and marketing costs primarily related to higher sales commissions, a \$3.6 million increase in personnel costs due to higher headcount and higher salaries and benefits costs and a \$1.8 million increase in other expenses primarily related to information technology and equipment costs and professional fees.

Sales and marketing expenses increased by \$17.0 million or 10.5% for the six months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. The increase in sales and marketing expenses was primarily due to a \$8.2 million increase in personnel costs due to higher headcount and higher salaries and benefits costs, a \$6.0 million increase in sales and marketing costs primarily related to higher sales commissions and higher travel costs, a \$1.7 million increase in information technology and equipment costs, and a \$1.1 million increase in other expenses primarily related to professional fees.

### **General and Administrative Expenses**

General and administrative expenses consist primarily of personnel costs (which consist of compensation, benefits and share-based compensation), legal and professional service costs, and facilities and information technology costs.

General and administrative expenses increased by \$8.5 million or 32.7% for the three months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. The increase in general and administrative expenses was primarily due to a \$3.8 million increase in professional fees, a \$2.4 million increase in personnel costs due to higher headcount and higher salaries and benefits costs, a \$2.4 million increase in system transition costs, partially offset by a \$0.1 million decrease in legal costs related to litigation matters.

General and administrative expenses increased by \$1.1 million or 1.8% for the six months ended December 31, 2025 as compared to the corresponding period in fiscal 2025. The increase in general and administrative expenses was primarily due to a \$4.4 million increase in personnel costs due to higher headcount and higher salaries and benefits costs, a \$3.1 million increase in professional fees, a \$2.0 million increase in software licensing costs and a \$2.0 million increase in system transition costs, partially offset by a \$8.8 million decrease in legal costs related to litigation matters, a \$1.2 million decrease in depreciation costs and a \$0.4 million decrease in other expenses primarily related to information technology and equipment costs.

### **Restructuring and Related Charges**

For the three and six months ended December 31, 2025, we recorded restructuring charges of \$0.2 million and \$0.5 million, respectively, which primarily consisted of asset disposal costs and reversals of previously established accruals related to unused severance benefits associated with the reduction-in-force actions related to the “Q2 2024 Plan”, and “2023 Plan”, each as described in Note 13, *Restructuring and Related Charges*, in the Notes to Condensed Consolidated Financial Statements included elsewhere in this Report.

For the three and six months ended December 31, 2024, we recorded restructuring and related charges of \$1.0 million and \$2.3 million, respectively, which primarily consisted of additional severance and benefits costs and professional services fees associated with the reduction-in-force actions related to the “Q2 2024 Plan”, and “Q3 2024 Plan”, each as described in Note 13, *Restructuring and Related Charges*, in the Notes to Condensed Consolidated Financial Statements included elsewhere in this Report.

### **Amortization of Intangible Assets**

During the three months ended December 31, 2025 and 2024, we recorded \$0.4 million and \$0.5 million of operating expenses, respectively, related to the amortization of intangible assets.

During the six months ended December 31, 2025 and 2024, we recorded \$0.9 million and \$1.0 million of operating expenses, respectively, related to the amortization of intangible assets.

## **Interest Income**

During the three months ended December 31, 2025 and 2024, we recorded \$1.1 million and \$0.8 million, respectively, in interest income. The increase in interest income was primarily related to the higher interest earned on our cash accounts due to higher interest rates as well as higher cash and cash equivalents balances held during the second quarter in fiscal 2026.

During the six months ended December 31, 2025 and 2024, we recorded \$2.3 million and \$1.7 million, respectively, in interest income. The increase in interest income was primarily related to the higher interest earned on our cash accounts due to interest rates as well as higher cash and cash equivalents balances held during the first half of fiscal 2026.

## **Interest Expense**

During the three months ended December 31, 2025 and 2024, we recorded \$3.4 million and \$4.2 million, respectively, in interest expense related to the debt obligations held under our Amended Credit Agreement. The decrease in interest expense was primarily due to lower average rates under the Amended Credit Agreement.

During the six months ended December 31, 2025 and 2024, we recorded \$7.0 million and \$8.6 million, respectively, in interest expense related to the debt obligations held under our Amended Credit Agreement. The decrease in interest expense was primarily due to lower average rates under the Amended Credit Agreement.

## **Other Income (Expense), Net**

During the three months ended December 31, 2025 and 2024, we recorded other expense, net of \$0.4 million and other income, net of \$0.7 million, respectively. The other income (expense), net for each period primarily related to the foreign exchange impact from the revaluation of certain assets and liabilities denominated in foreign currencies into U.S. Dollars.

During the six months ended December 31, 2025 and 2024, we recorded other expense, net of \$0.8 million and less than \$0.1 million, respectively. The other expense, net for each period primarily related to the foreign exchange impact from the revaluation of certain assets and liabilities denominated in foreign currencies into U.S. Dollars.

## **Provision for Income Taxes**

For the three months ended December 31, 2025 and 2024, we recorded an income tax provision of \$2.5 million and \$2.6 million, respectively.

For the six months ended December 31, 2025 and 2024, we recorded an income tax provision of \$5.3 million and \$4.1 million, respectively.

The income tax provisions for the three and six months ended December 31, 2025 and 2024 consisted of (1) taxes on the income of our foreign subsidiaries, (2) state taxes in jurisdictions where we have no remaining state net operating losses, (3) foreign withholding taxes, and (4) tax expense associated with the establishment of a U.S. deferred tax liability for amortizable goodwill resulting from the acquisition of Enterasys Networks, Inc., the WLAN business from Zebra Technologies Corporation, the Campus Fabric Business from Avaya LLC and the Data Center Business from Brocade Communications System.

## **Critical Accounting Policies and Estimates**

Our unaudited condensed consolidated financial statements and the related notes included elsewhere in this Report are prepared in accordance with accounting principles generally accepted in the United States. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles have been condensed or omitted under SEC rules and regulations. The preparation of these unaudited condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs and expenses, and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. In many instances, we could have reasonably used different accounting estimates, and in other instances changes in the accounting estimates are reasonably likely to occur from period to period. Accordingly, actual results could differ significantly from the estimates made by our management. On an ongoing basis, we evaluate our estimates and assumptions. To the extent that there are material differences between these estimates and actual results, our future financial statement presentation, financial condition, results of operations, and cash flows will be affected.

As discussed in Part II, Item 7, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” of our Annual Report on Form 10-K for the year ended June 30, 2025, we consider the following accounting policies to be the most critical in understanding the judgments that are involved in preparing our consolidated financial statements:

- *Revenue Recognition*
- *Inventory Valuation and Purchase Commitments*

There have been no changes to our critical accounting policies since the filing of our last Annual Report on Form 10-K.

## Liquidity and Capital Resources

The following table summarizes information regarding our cash and cash equivalents (in thousands):

	December 31, 2025	June 30, 2025
Cash and cash equivalents	\$ 219,791	\$ 231,745

As of December 31, 2025, our principal sources of liquidity consisted of cash and cash equivalents of \$219.8 million, accounts receivable, net of \$152.4 million, and available borrowings under our 2023 Revolving Facility of \$135.8 million. Our principal uses of cash include the purchase of finished goods inventory from our contract manufacturers, payroll and other operating expenses related to the development and marketing of our products, purchases of property and equipment, repayments of debt and related interest and share repurchases. We believe that our \$219.8 million of cash and cash equivalents at December 31, 2025, our cash flow from operations and the availability of borrowings from the 2023 Revolving Facility will be sufficient to fund our planned operations for at least the next 12 months and into the foreseeable future.

On February 18, 2025, we announced that our Board had authorized management to repurchase up to \$200 million of shares of the Company's common stock over a three-year period, commencing July 1, 2025 (the "2025 Repurchase Program"). Under these repurchase programs, purchases may be made from time to time in the open market or pursuant to a 10b5-1 plan. The manner, timing and amount of any future purchases will be determined by our management based on their evaluation of market conditions, stock price, Extreme's ongoing determination that it is the best use of available cash and other factors. The 2025 Repurchase Program does not obligate us to acquire any shares of our common stock, and it may be suspended or terminated at any time without prior notice and will be subject to regulatory considerations. During the three months ended December 31, 2025, the Company did not repurchase any shares of its common stock. During the six months ended December 31, 2025, we repurchased a total of 577,281 shares of our common stock on the open market at a total cost of \$12.0 million with an average price of \$20.79 per share. As of December 31, 2025, the Company had \$188.0 million available under the 2025 Repurchase Program.

On June 22, 2023, we entered into the Second Amended and Restated Credit Agreement (the "2023 Credit Agreement") by and among Extreme, as borrower, BMO Harris Bank, N.A., as an issuing lender and swingline lender, Bank of America, N.A., JPMorgan Chase Bank, N.A., PNC Bank, National Association and Wells Fargo Bank, National Association, as issuing lenders, the financial institutions or entities party thereto as lenders, and Bank of Montreal, as an administrative agent and collateral agent, which amended and restated the 2019 Credit Agreement. The 2023 Credit Agreement provides for i) a \$200.0 million first lien term loan facility in an aggregate principal amount (the "Term Facility"), ii) a \$150.0 million five-year revolving credit facility (the "2023 Revolving Facility") and iii) an uncommitted additional incremental loan facility in the principal amount of up to \$100.0 million plus an unlimited amount that is subject to pro forma compliance with a specified Consolidated Leverage Ratio tests. We may use the proceeds of the loans for working capital and general corporate purposes.

At our election, the initial term loan under the 2023 Credit Agreement may be made as either a base rate loan or a Secured Overnight Financing Rate loan ("SOFR loan"). The applicable margin for base rate loans ranges from 1.00% to 1.75% per annum, and the applicable margin for SOFR loans ranges from 2.00% to 2.75%, in each case based on the Company's Consolidated Leverage Ratio. All SOFR loans are subject to a floor of 0.00% per annum and spread adjustment of 0.10% per annum. We also agreed to pay other closing fees, arrangement fees, and administration fees.

The 2023 Credit Agreement requires us to maintain certain minimum financial ratios at the end of each fiscal quarter. The 2023 Credit Agreement also includes covenants and restrictions that limit, among other things, our ability to incur additional indebtedness, create liens upon any of its property, merge, consolidate or sell all or substantially all of its assets. The 2023 Credit Agreement also includes customary events of default which may result in acceleration of the outstanding balance.

On August 14, 2024, we entered into an Amendment Number One to the 2023 Credit Agreement (the 2023 Credit Agreement as amended by that certain Amendment Number One, "Amended Credit Agreement"). Under the Amended Credit Agreement, we modified the definition of the consolidated EBITDA for the purposes of evaluating compliance with financial covenants under the Amended Credit Agreement. The amended definition of consolidated EBITDA modifies the amount and type of add-backs that are allowable to better align with our operations and activities.

As of December 31, 2025, the Company was in compliance with the modified terms and financial covenants under the Amended Credit Agreement.

### *Key Components of Cash Flows and Liquidity*

A summary of the sources and uses of cash and cash equivalents is as follows (in thousands):

	Six Months Ended	
	December 31, 2025	December 31, 2024
Net cash provided by operating activities	\$ 36,140	\$ 40,118
Net cash used in investing activities	(13,922)	(12,325)
Net cash used in financing activities	(33,998)	(13,995)
Foreign currency effect on cash and cash equivalents	(174)	(175)
Net increase (decrease) in cash and cash equivalents	\$ (11,954)	\$ 13,623

#### *Net Cash Provided by Operating Activities*

Cash flows provided by operations in the six months ended December 31, 2025 were \$36.1 million, including our net income of \$13.5 million and non-cash expenses of \$64.0 million for items such as amortization of intangible assets, amortization of cloud computing implementation costs, share-based compensation, depreciation, reduction in carrying amount of right-of-use assets, deferred income taxes, provision for excess and obsolete inventory, provision for credit losses and interest. Other sources of cash for the period included a decrease in inventories and increases in accounts payable, deferred revenue and accrued compensation and benefits. This was partially offset by increases in accounts receivable and other current and non-current assets as well as decreases in operating lease liabilities and other accrued liabilities.

Cash flows provided by operations in the six months ended December 31, 2024 were \$40.1 million, including our net loss of \$3.1 million and non-cash expenses of \$54.7 million for items such as amortization of intangible assets, share-based compensation, depreciation, reduction in carrying amount of right-of-use assets, deferred income taxes, provision for excess and obsolete inventory and interest. Other sources of cash for the period included a decrease in inventories and increases in accounts payable, deferred revenue and accrued compensation and benefits. This was partially offset by increases in accounts receivable and other assets as well as decreases in operating lease liabilities and other liabilities.

#### *Net Cash Used in Investing Activities*

Cash flows used in investing activities in the six months ended December 31, 2025 were \$13.9 million for the purchases of property and equipment and capitalized software development costs.

Cash flows used in investing activities in the six months ended December 31, 2024 were \$12.3 million for the purchases of property and equipment and capitalized software development costs.

#### *Net Cash Used in Financing Activities*

Cash flows used in financing activities in the six months ended December 31, 2025 were \$34.0 million primarily due to share repurchases of \$12.0 million under the 2025 Repurchase Program, payments of \$14.5 million for taxes paid on vested and released stock awards net of proceeds from the issuance of shares of our common stock under our Employee Stock Purchase Plan ("ESPP") and exercise of stock options and debt repayments of \$7.5 million.

Cash flows used in financing activities in the six months ended December 31, 2024 were \$14.0 million primarily due to payments of \$8.3 million for taxes paid on vested and released stock awards net of proceeds from the issuance of shares of our common stock under our ESPP and exercise of stock options, a payment of \$0.7 million for debt financing costs related to the Amended Credit Agreement, and debt repayments of \$5.0 million.

#### *Foreign Currency Effect on Cash and cash equivalents*

Foreign currency effect on cash and cash equivalents decreased in the six months ended December 31, 2025, primarily due to changes in foreign currency exchange rates between the U.S. Dollar and particularly the Indian Rupee, the UK Pound and the Euro.

#### *Contractual Obligations*

As of December 31, 2025, we had contractual obligations resulting from our debt arrangement, agreements to purchase goods and services in the ordinary course of business and obligations under our operating lease arrangements.

Our debt obligations relate to amounts owed under our Amended Credit Agreement. As of December 31, 2025, we had \$172.5 million of debt outstanding, which is payable on quarterly installments through our fiscal year 2028. We are subject to interest on our debt obligations and unused commitment fee. See Note 7, *Debt*, in the Notes to Condensed Consolidated Financial Statements in this Report for additional information regarding our debt obligations.

Our unconditional purchase obligations represent the purchase of long lead-time component inventory that our contract manufacturers procure in accordance with our forecast. We expect to honor the inventory purchase commitments within the next 12 months. As of December 31, 2025, we had non-cancelable commitments to purchase \$52.2 million of inventory. See Note 8, *Commitments and Contingencies*, in the Notes to Condensed Consolidated Financial Statements for additional information regarding our purchase obligations.

We have contractual commitments to our suppliers which represent commitments for future services. As of December 31, 2025, we had contractual commitments of \$12.9 million that are due through our fiscal year 2027.

We lease facilities under operating lease arrangements at various locations that expire at various dates through our fiscal year 2033. As of December 31, 2025, the value of our obligations under operating leases was \$47.9 million.

We have immaterial income tax liabilities related to uncertain tax positions and we are unable to reasonably estimate the timing of the settlement of those liabilities.

We did not have any material commitments for capital expenditures as of December 31, 2025.

#### *Off-Balance Sheet Arrangements*

We did not have any off-balance sheet arrangements as of December 31, 2025.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

#### **Interest Rate Sensitivity**

Our exposure to market risk for changes in interest rates relates primarily to debt and foreign currencies.

#### ***Debt***

At certain points in time, we are exposed to the impact of interest rate fluctuations, primarily in the form of variable rate borrowings from the Amended Credit Agreement, which is described in Note 7, *Debt*, in the Notes to Condensed Consolidated Financial Statements in this Report. As of December 31, 2025, we had \$172.5 million of debt outstanding. During the quarter ended December 31, 2025, the average daily outstanding amount was \$177.6 million, with a high of \$201.3 million and a low of \$172.5 million.

The following table presents hypothetical changes in interest expense for the quarter ended December 31, 2025, on the outstanding borrowings under the Amended Credit Agreement as of December 31, 2025, that are sensitive to changes in interest rates (in thousands):

Description	Change in interest expense given a decrease in interest rate of X bps*		Average outstanding as of December 31, 2025	Change in interest expense given an increase in interest rate of X bps*	
	(100 bps)	(50 bps)		100 bps	50 bps
Debt	\$ (1,776)	\$ (888)	\$ 177,600	\$ 1,776	\$ 888

\* The underlying interest rate was 5.92% as of December 31, 2025.

#### **Exchange Rate Sensitivity**

A majority of our sales and expenses are denominated in United States Dollars. While we conduct some sales transactions and incur certain operating expenses in foreign currencies and expect to continue to do so, we do not anticipate that foreign exchange gains or losses will be significant, in part because of our foreign exchange risk management process discussed below.

#### ***Foreign Exchange Forward Contracts***

We record all derivatives on the balance sheet at fair value. From time to time, we enter into foreign exchange forward or zero-cost collar contracts to attempt to mitigate the effect of gains and losses generated by foreign currency transactions related to certain forecasted operating expenses and remeasurement of certain assets and liabilities denominated in foreign currencies. Changes in the fair value of our foreign exchange forward contracts are offset largely by remeasurement of the underlying foreign currency denominated assets and liabilities. As of December 31, 2025 and 2024, foreign exchange forward contracts not designated as hedging instruments had a total notional principal amount of \$68.4 million and \$55.0 million, respectively. Changes in the fair value of derivatives are recognized in "Other income (expense), net."

#### ***Zero-Cost Collar Contracts***

Changes in the fair value of our zero-cost collar contracts are recorded as a component of "Accumulated other comprehensive loss" in the condensed consolidated balance sheets. Amounts recorded in "Accumulated other comprehensive loss" related to the changes in the fair value of these derivatives are reclassified to the condensed consolidated statement of operations in the same period that the underlying hedged transaction affects earnings. As of December 31, 2025, zero-cost collar contracts designated as cash flow hedges,

had a total notional principal amount of \$55.1 million. As of December 31, 2024, there were no outstanding zero-cost collar contracts that were designated as hedging instruments.

#### ***Foreign Currency Transactions***

For the three months ended December 31, 2025 and 2024, we recognized foreign currency transaction net losses of less than \$0.1 million and foreign currency transaction net gains of \$2.8 million, respectively, and for the six months ended December 31, 2025 and 2024, the Company recognized foreign currency transaction net gains of \$1.0 million and \$1.4 million, respectively, related to the change in fair value of foreign currency denominated assets and liabilities.

### **Item 4. Controls and Procedures**

#### ***Evaluation of Disclosure Controls and Procedures***

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934, as amended, such as this Report, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and to ensure that such information is accumulated and communicated to our management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), as appropriate to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our CEO and CFO, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Report. Based on this evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Report.

#### ***Changes in Internal Control over Financial Reporting***

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during the three months ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

#### ***Inherent Limitations on Effectiveness of Controls***

Our management, including the CEO and CFO, does not expect that our disclosure controls or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Our controls and procedures are designed to provide reasonable assurance that our control system's objective will be met, and our CEO and CFO have concluded that our disclosure controls and procedures are effective at the reasonable assurance level. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within Extreme Networks have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events. Projections of any evaluation of the effectiveness of controls in future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures. Notwithstanding these limitations, our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives. Our CEO and CFO have concluded that our disclosure controls and procedures are, in fact, effective at the "reasonable assurance" level.

## PART II. Other Information

### Item 1. Legal Proceedings

For information regarding litigation matters required by this item, refer to Part I, Item 3, “*Legal Proceedings*” of our Annual Report on Form 10-K for the fiscal year ended June 30, 2025, and Note 8, *Commitments and Contingencies*, to the Notes to Condensed Consolidated Financial Statements, in this Report, which are incorporated herein by reference.

### Item 1A. Risk Factors

Our operations and financial results are subject to various risks and uncertainties, including those described in Part I, Item 1A, “*Risk Factors*” in our Annual Report on Form 10-K for the year ended June 30, 2025, which could adversely affect our business, financial condition, results of operations, cash flows, and the trading price of our common stock. There have been no material changes to our risk factors since our Annual Report on Form 10-K for the year ended June 30, 2025.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no sales of unregistered equity securities or repurchases of any share of common stock during the three months ended December 31, 2025. As of December 31, 2025, we have \$188.0 million available for share repurchases under the 2025 Repurchase Program.

### Item 3. Defaults Upon Senior Securities - Not Applicable

### Item 4. Mine Safety Disclosures - Not Applicable

### Item 5. Other Information

#### *Rule 10b5-1 Trading Plan*

During the three months ended December 31, 2025, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (each as defined in Item 408(a) of Regulation S-K under the Exchange Act).

**Item 6. Exhibits**

(a) Exhibits:

Exhibit Number	Description of Document	Incorporated by Reference			Filed Herewith
		Form	Filing Date	Number	
10.1#	<a href="#">Extreme Networks, Inc. Amended and Restated 2013 Equity Incentive Plan</a>				X
31.1	<a href="#">Section 302 Certification of Chief Executive Officer.</a>				X
31.2	<a href="#">Section 302 Certification of Chief Financial Officer.</a>				X
32.1*	<a href="#">Section 906 Certification of Chief Executive Officer.</a>				X
32.2*	<a href="#">Section 906 Certification of Chief Financial Officer.</a>				X
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.				X
101.SCH	Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents.				X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).				

\* Furnished herewith. Exhibits 32.1 and 32.2 are being furnished and shall not be deemed to be “filed” for purposes of section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, nor shall such exhibits be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise specifically stated in such filing.

#Indicates management or board of directors contract or compensatory plan or arrangement.

## 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 thereunto duly authorized.

**EXTREME NETWORKS, INC.**

(Registrant)

/s/ Kevin Rhodes

**Kevin Rhodes**

**Executive Vice President, Chief Financial Officer  
(Principal Accounting Officer)**

January 29, 2026

## Amended and Restated 2013 Equity Incentive Plan

### 1. ESTABLISHMENT, PURPOSE AND TERM OF PLAN.

1.1 **Establishment.** The Extreme Networks, Inc. Amended and Restated 2013 Equity Incentive Plan (the “*Plan*”) is hereby established effective as of November 12, 2025, the date of its approval by the stockholders of the Company (the “*Effective Date*”). This Plan amends and restates in its entirety that certain 2013 Equity Incentive Plan that was originally established effective as of November 20, 2013 (the “*Original Effective Date*”) and amended and restated as of November 9, 2017, November 7, 2019, November 4, 2021, November 17, 2022, November 8, 2023, and as of November 14, 2024.

1.2 **Purpose.** The purpose of the Plan is to advance the interests of the Participating Company Group and its stockholders by providing an incentive to attract, retain and reward persons performing services for the Participating Company Group and by motivating such persons to contribute to the growth and profitability of the Participating Company Group. The Plan seeks to achieve this purpose by providing for Awards in the form of Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Units, Performance Shares, Performance Units, Cash-Based Awards and Other Stock-Based Awards.

1.3 **Term of Plan.** The Plan shall continue in effect until its termination by the Committee; provided, however, that all Awards shall be granted, if at all, within ten (10) years from the Effective Date.

### 2. DEFINITIONS AND CONSTRUCTION.

2.1 **Definitions.** Whenever used herein, the following terms shall have their respective meanings set forth below:

(a) “*Affiliate*” means (i) a parent entity, other than a Parent Corporation, that directly, or indirectly through one or more intermediary entities, controls the Company or (ii) a subsidiary entity, other than a Subsidiary Corporation, that is controlled by the Company directly or indirectly through one or more intermediary entities. For this purpose, the terms “parent,” “subsidiary,” “control” and “controlled by” shall have the meanings assigned such terms for the purposes of registration of securities on Form S-8 under the Securities Act.

(b) “*Award*” means any Option, Stock Appreciation Right, Restricted Stock Purchase Right, Restricted Stock Bonus, Restricted Stock Unit, Performance Share, Performance Unit, Cash-Based Award or Other Stock-Based Award granted under the Plan.

(c) “*Award Agreement*” means a written or electronic agreement between the Company and a Participant setting forth the terms, conditions and restrictions applicable to an Award.

(d) “*Board*” means the Board of Directors of the Company.

(e) “*Cash-Based Award*” means an Award denominated in cash and granted pursuant to Section 11.

(f) “*Cashless Exercise*” means a Cashless Exercise as defined in Section 6.3(b)(i).

(g) “*Cause*” means, unless such term or an equivalent term is otherwise defined by the applicable Award Agreement or other written agreement between a Participant and a Participating Company applicable to an Award, any of the following: (i) the Participant’s theft, dishonesty, willful misconduct, breach of fiduciary duty for personal profit, or falsification of any Participating Company documents or records; (ii) the Participant’s material failure to abide by a Participating Company’s code of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct); (iii) the Participant’s unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of a Participating Company (including, without limitation, the Participant’s improper use or disclosure of a Participating Company’s confidential or proprietary information); (iv) any intentional act by the Participant which has a material detrimental effect on a Participating Company’s reputation or business; (v) the Participant’s repeated failure to perform any reasonable assigned duties after written notice from a Participating Company of, and a reasonable opportunity to cure, such failure; (vi) any material breach by the Participant of any employment, service, non-disclosure, non-competition, non-solicitation or other similar agreement between the Participant and a Participating Company, which breach is not cured pursuant to the terms of such agreement; or (vii) the Participant’s conviction (including any plea of guilty or nolo contendere) of any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or which impairs the Participant’s ability to perform his or her duties with a Participating Company.

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(h) “**Change in Control**” means, unless such term or an equivalent term is otherwise defined by the applicable Award Agreement or other written agreement between the Participant and a Participating Company applicable to an Award, the occurrence of any one or a combination of the following:

(i) any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the “beneficial owner” (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total Fair Market Value or total combined voting power of the Company’s then-outstanding securities entitled to vote generally in the election of Directors; provided, however, that a Change in Control shall not be deemed to have occurred if such degree of beneficial ownership results from any of the following: (A) an acquisition by any person who on the Effective Date is the beneficial owner of more than fifty percent (50%) of such voting power, (B) any acquisition directly from the Company, including, without limitation, pursuant to or in connection with a public offering of securities, (C) any acquisition by the Company, (D) any acquisition by a trustee or other fiduciary under an employee benefit plan of a Participating Company or (E) any acquisition by an entity owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the voting securities of the Company; or

(ii) an Ownership Change Event or series of related Ownership Change Events (collectively, a “**Transaction**”) in which the stockholders of the Company immediately before the Transaction do not retain immediately after the Transaction direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the outstanding securities entitled to vote generally in the election of Directors or, in the case of an Ownership Change Event described in Section 2.1(dd)(iii), the entity to which the assets of the Company were transferred (the “**Transferee**”), as the case may be; or

(iii) a date specified by the Committee following approval by the stockholders of a plan of complete liquidation or dissolution of the Company;

provided, however, that a Change in Control shall be deemed not to include a transaction described in subsections (i) or (ii) of this Section 2.1(h) in which a majority of the members of the board of directors of the continuing, surviving or successor entity, or parent thereof, immediately after such transaction is comprised of Incumbent Directors.

For purposes of the preceding sentence, indirect beneficial ownership shall include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company or the Transferee, as the case may be, either directly or through one or more subsidiary corporations or other business entities. The Committee shall determine whether multiple events described in subsections (i), (ii) and (iii) of this Section 2.1(h) are related and to be treated in the aggregate as a single Change in Control, and its determination shall be final, binding and conclusive.

(i) “**Code**” means the Internal Revenue Code of 1986, as amended, and any applicable regulations and administrative guidelines promulgated thereunder.

(j) “**Committee**” means the Compensation Committee and such other committee or subcommittee of the Board, if any, duly appointed to administer the Plan and having such powers in each instance as shall be specified by the Board. If, at any time, there is no committee of the Board then authorized or properly constituted to administer the Plan, the Board shall exercise all of the powers of the Committee granted herein, and, in any event, the Board may in its discretion exercise any or all of such powers.

(k) “**Company**” means Extreme Networks, Inc., a Delaware corporation, and any successor corporation thereto.

(l) “**Consultant**” means a person engaged to provide consulting or advisory services (other than as an Employee or a Director) to a Participating Company, provided that the identity of such person, the nature of such services or the entity to which such services are provided would not preclude the Company from offering or selling securities to such person pursuant to the Plan in reliance on registration on Form S-8 under the Securities Act.

(m) “**Director**” means a member of the Board.

(n) “**Disability**” means, unless such term or an equivalent term is otherwise defined by the applicable Award Agreement or other written agreement between the Participant and a Participating Company applicable to an Award, the permanent and total disability of the Participant, within the meaning of Section 22(e)(3) of the Code.

(o) “**Dividend Equivalent Right**” means the right of a Participant, granted at the discretion of the Committee or as otherwise provided by the Plan, to receive a credit for the account of such Participant in an amount equal to the cash dividends paid on one share of Stock for each share of Stock represented by an Award held by such Participant.

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(p) “**Employee**” means any person treated as an employee (including an Officer or a Director who is also treated as an employee) in the records of a Participating Company and, with respect to any Incentive Stock Option granted to such person, who is an employee for purposes of Section 422 of the Code; provided, however, that neither service as a Director nor payment of a Director’s fee shall be sufficient to constitute employment for purposes of the Plan. The Company shall determine in good faith and in the exercise of its discretion whether an individual has become or has ceased to be an Employee and the effective date of such individual’s employment or termination of employment, as the case may be. For purposes of an individual’s rights, if any, under the terms of the Plan as of the time of the Company’s determination of whether or not the individual is an Employee, all such determinations by the Company shall be final, binding and conclusive as to such rights, if any, notwithstanding that the Company or any court of law or governmental agency subsequently makes a contrary determination as to such individual’s status as an Employee.

(q) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

(r) “**Fair Market Value**” means, as of any date, the value of a share of Stock or other property as determined by the Committee, in its discretion, or by the Company, in its discretion, if such determination is expressly allocated to the Company herein, subject to the following:

(i) Except as otherwise determined by the Committee, if, on such date, the Stock is listed or quoted on a national or regional securities exchange or quotation system, the Fair Market Value of a share of Stock shall be the closing price of a share of Stock as quoted on the national or regional securities exchange or quotation system constituting the primary market for the Stock, as reported in The Wall Street Journal or such other source as the Company deems reliable. If the relevant date does not fall on a day on which the Stock has traded on such securities exchange or quotation system, the date on which the Fair Market Value shall be established shall be the last day on which the Stock was so traded or quoted prior to the relevant date, or such other appropriate day as shall be determined by the Committee, in its discretion.

(ii) Notwithstanding the foregoing, the Committee may, in its discretion, determine the Fair Market Value of a share of Stock on the basis of the opening, closing, or average of the high and low sale prices of a share of Stock on such date or the preceding trading day, the actual sale price of a share of Stock received by a Participant, any other reasonable basis using actual transactions in the Stock as reported on a national or regional securities exchange or quotation system, or on any other basis consistent with the requirements of Section 409A. The Committee may also determine the Fair Market Value upon the average selling price of the Stock during a specified period that is within thirty (30) days before or thirty (30) days after such date, provided that, with respect to the grant of an Option or SAR, the commitment to grant such Award based on such valuation method must be irrevocable before the beginning of the specified period. The Committee may vary its method of determination of the Fair Market Value as provided in this Section for different purposes under the Plan to the extent consistent with the requirements of Section 409A.

(iii) If, on such date, the Stock is not listed or quoted on a national or regional securities exchange or quotation system, the Fair Market Value of a share of Stock shall be as determined by the Committee in good faith without regard to any restriction other than a restriction which, by its terms, will never lapse, and in a manner consistent with the requirements of Section 409A.

(s) “**Full Value Award**” means any Award settled in Stock, other than (i) an Option, (ii) a Stock Appreciation Right, or (iii) a Restricted Stock Purchase Right or an Other Stock-Based Award under which the Company will receive monetary consideration equal to the Fair Market Value (determined on the effective date of grant) of the shares subject to such Award.

(t) “**Incentive Stock Option**” means an Option intended to be (as set forth in the Award Agreement) and which qualifies as an incentive stock option within the meaning of Section 422(b) of the Code.

(u) “**Incumbent Director**” means a director who either (i) is a member of the Board as of the Effective Date or (ii) is elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but excluding a director who was elected or nominated in connection with an actual or threatened proxy contest relating to the election of directors of the Company).

(v) “**Insider**” means an Officer, a Director or other person whose transactions in Stock are subject to Section 16 of the Exchange Act.

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- (w) “**Net Exercise**” means a Net Exercise as defined in Section 6.3(b)(iii).
- (x) “**Nonemployee Director**” means a Director who is not an Employee.
- (y) “**Nonemployee Director Award**” means any Award granted to a Nonemployee Director.
- (z) “**Nonstatutory Stock Option**” means an Option not intended to be (as set forth in the Award Agreement) or which does not qualify as an incentive stock option within the meaning of Section 422(b) of the Code.
- (aa) “**Officer**” means any person designated by the Board as an officer of the Company.
- (bb) “**Option**” means an Incentive Stock Option or a Nonstatutory Stock Option granted pursuant to the Plan.
- (cc) “**Other Stock-Based Award**” means an Award denominated in shares of Stock and granted pursuant to Section 11.
- (dd) “**Ownership Change Event**” means the occurrence of any of the following with respect to the Company: (i) the direct or indirect sale or exchange in a single or series of related transactions by the stockholders of the Company of securities of the Company representing more than fifty percent (50%) of the total combined voting power of the Company’s then outstanding securities entitled to vote generally in the election of Directors; (ii) a merger or consolidation in which the Company is a party; or (iii) the sale, exchange, or transfer of all or substantially all of the assets of the Company (other than a sale, exchange or transfer to one or more subsidiaries of the Company).
- (ee) “**Parent Corporation**” means any present or future “parent corporation” of the Company, as defined in Section 424(e) of the Code.
- (ff) “**Participant**” means any eligible person who has been granted one or more Awards.
- (gg) “**Participating Company**” means the Company or any Parent Corporation, Subsidiary Corporation or Affiliate. (ii) “**Participating Company Group**” means, at any point in time, the Company and all other entities collectively which are then Participating Companies.
- (hh) “**Performance Award**” means an Award of Performance Shares or Performance Units.
- (ii) “**Performance Award Formula**” means, for any Performance Award, a formula or table established by the Committee pursuant to Section 10.3 which provides the basis for computing the value of a Performance Award at one or more levels of attainment of the applicable Performance Goal(s) measured as of the end of the applicable Performance Period.
- (jj) “**Performance Goal**” means a performance goal established by the Committee pursuant to Section 10.3.
- (kk) “**Performance Period**” means a period established by the Committee pursuant to Section 10.3 at the end of which one or more Performance Goals are to be measured.
- (ll) “**Performance Share**” means a right granted to a Participant pursuant to Section 10 to receive a payment equal to the value of a Performance Share, as determined by the Committee, based upon attainment of applicable Performance Goal(s).
- (mm) “**Performance Unit**” means a right granted to a Participant pursuant to Section 10 to receive a payment equal to the value of a Performance Unit, as determined by the Committee, based upon attainment of applicable Performance Goal(s).
- (nn) “**Predecessor Plan**” means each of the Company’s 2005 Equity Incentive Plan, as amended, and the Enterasys Inc. 2013 Stock Plan, as amended.
- (oo) “**Restricted Stock Award**” means an Award of a Restricted Stock Bonus or a Restricted Stock Purchase Right.
- (pp) “**Restricted Stock Bonus**” means Stock granted to a Participant pursuant to Section 8.
- (qq) “**Restricted Stock Purchase Right**” means a right to purchase Stock granted to a Participant pursuant to Section 8.
- (rr) “**Restricted Stock Unit**” means a right granted to a Participant pursuant to Section 9 to receive on a future date or occurrence of a future event a share of Stock or cash in lieu thereof, as determined by the Committee.
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(ss) “**Rule 16b-3**” means Rule 16b-3 under the Exchange Act, as amended from time to time, or any successor rule or regulation.

(tt) “**SAR**” or “**Stock Appreciation Right**” means a right granted to a Participant pursuant to Section 7 to receive payment, for each share of Stock subject to such Award, of an amount equal to the excess, if any, of the Fair Market Value of a share of Stock on the date of exercise of the Award over the exercise price thereof.

(uu) “**Section 409A**” means Section 409A of the Code.

(vv) “**Section 409A Deferred Compensation**” means compensation provided pursuant to an Award that constitutes nonqualified deferred compensation within the meaning of Section 409A.

(ww) “**Securities Act**” means the Securities Act of 1933, as amended.

(xx) “**Service**” means a Participant’s employment or service with the Participating Company Group, whether as an Employee, a Director or a Consultant. Unless otherwise provided by the Committee, a Participant’s Service shall not be deemed to have terminated merely because of a change in the capacity in which the Participant renders Service or a change in the Participating Company for which the Participant renders Service, provided that there is no interruption or termination of the Participant’s Service. Furthermore, a Participant’s Service shall not be deemed to have been interrupted or terminated if the Participant takes any military leave, sick leave, or other bona fide leave of absence approved by the Company. However, unless otherwise provided by the Committee, if any such leave taken by a Participant exceeds ninety (90) days, then on the ninety-first (91st) day following the commencement of such leave the Participant’s Service shall be deemed to have terminated, unless the Participant’s right to return to Service is guaranteed by statute or contract. Notwithstanding the foregoing, unless otherwise designated by the Company or required by law, an unpaid leave of absence shall not be treated as Service for purposes of determining vesting under the Participant’s Award Agreement. A Participant’s Service shall be deemed to have terminated either upon an actual termination of Service or upon the business entity for which the Participant performs Service ceasing to be a Participating Company. Subject to the foregoing, the Company, in its discretion, shall determine whether the Participant’s Service has terminated and the effective date of and reason for such termination.

(yy) “**Stock**” means the common stock of the Company, as adjusted from time to time in accordance with Section 4.4.

(zz) “**Stock Tender Exercise**” means a Stock Tender Exercise as defined in Section 6.3(b)(ii).

(aaa) “**Subsidiary Corporation**” means any present or future “subsidiary corporation” of the Company, as defined in Section 424(f) of the Code.

(bbb) “**Ten Percent Owner**” means a Participant who, at the time an Option is granted to the Participant, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of a Participating Company (other than an Affiliate) within the meaning of Section 422(b)(6) of the Code.

(ccc) “**Trading Compliance Policy**” means the written policy of the Company pertaining to the purchase, sale, transfer or other disposition of the Company’s equity securities by Directors, Officers, Employees or other service providers who may possess material, nonpublic information regarding the Company or its securities.

(ddd) “**Vesting Conditions**” mean those conditions established in accordance with the Plan prior to the satisfaction of which an Award or shares subject to an Award remain subject to forfeiture or a repurchase option in favor of the Company exercisable for the Participant’s monetary purchase price, if any, for such shares upon the Participant’s termination of Service or failure of a performance condition to be satisfied, subject to the minimum vesting conditions set forth in Section 5.3(c) below.

**2.2 Construction.** Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

### **3. ADMINISTRATION.**

**3.1 Administration by the Committee.** The Plan shall be administered by the Committee. All questions of interpretation of the Plan, of any Award Agreement or of any other form of agreement or other document employed by the

Company in the administration of the Plan or of any Award shall be determined by the Committee, and such determinations shall be final, binding and conclusive upon all persons having an interest in the Plan or such Award, unless fraudulent or made in bad faith. Any and all actions, decisions and determinations taken or made by the Committee in the exercise of its discretion pursuant to the Plan or Award Agreement or other agreement thereunder (other than determining questions of interpretation pursuant to the preceding sentence) shall be final, binding and conclusive upon all persons having an interest therein. All expenses incurred in connection with the administration of the Plan shall be paid by the Company.

**3.2 Authority of Officers.** Any Officer shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, determination or election that is the responsibility of or that is allocated to the Company herein, provided that the Officer has apparent authority with respect to such matter, right, obligation, determination or election.

**3.3 Administration with Respect to Insiders.** With respect to participation by Insiders in the Plan, at any time that any class of equity security of the Company is registered pursuant to Section 12 of the Exchange Act, the Plan shall be administered in compliance with the requirements, if any, for Awards to be exempt from Section 16(b) of the Securities Act pursuant to Rule 16b-3.

**3.4 Powers of the Committee.** In addition to any other powers set forth in the Plan and subject to the provisions of the Plan, the Committee shall have the full and final power and authority, in its discretion:

(a) to determine the persons to whom, and the time or times at which, Awards shall be granted and the number of shares of Stock, units or monetary value to be subject to each Award;

(b) to determine the type of Award granted;

(c) to determine the Fair Market Value of shares of Stock or other property;

(d) to determine the terms, conditions and restrictions applicable to each Award (which need not be identical) and any shares acquired pursuant thereto, including, without limitation, (i) the exercise or purchase price of shares pursuant to any Award, (ii) the method of payment for shares purchased pursuant to any Award, (iii) the method for satisfaction of any tax withholding obligation arising in connection with any Award, including by the withholding or delivery of shares of Stock, (iv) the timing, terms and conditions of the exercisability or vesting of any Award or any shares acquired pursuant thereto, (v) the Performance Measures, Performance Period, Performance Award Formula and Performance Goals applicable to any Award and the extent to which such Performance Goals have been attained, (vi) the time of expiration of any Award, (vii) the effect of any Participant's termination of Service on any of the foregoing, and (viii) all other terms, conditions and restrictions applicable to any Award or shares acquired pursuant thereto not inconsistent with the terms of the Plan;

(e) to determine whether an Award will be settled in shares of Stock, cash, other property or in any combination thereof;

(f) to approve one or more forms of Award Agreement;

(g) to amend, modify, extend, cancel or renew any Award or to waive any restrictions or conditions applicable to any Award or any shares acquired pursuant thereto;

(h) to accelerate, continue, extend or defer the exercisability or vesting of any Award or any shares acquired pursuant thereto, including with respect to the period following a Participant's termination of Service;

(i) to prescribe, amend or rescind rules, guidelines and policies relating to the Plan, or to adopt sub-plans or supplements to, or alternative versions of, the Plan, including, without limitation, as the Committee deems necessary or desirable to comply with the laws of, or to accommodate the tax policy, accounting principles or custom of, foreign jurisdictions whose residents may be granted Awards; and

(j) to correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award Agreement and to make all other determinations and take such other actions with respect to the Plan or any Award as the Committee may deem advisable to the extent not inconsistent with the provisions of the Plan or applicable law.

**3.5 Option or SAR Repricing.** Without the affirmative vote of holders of a majority of the shares of Stock cast in person or by proxy at a meeting of the stockholders of the Company at which a quorum representing a majority of all outstanding shares of Stock is present or represented by proxy, the Committee shall not approve a program providing for either (a) the

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cancellation of outstanding Options or SARs having exercise prices per share greater than the then Fair Market Value of a share of Stock (“*Underwater Awards*”) and the grant in substitution therefore of new Options or SARs having a lower exercise price, Full Value Awards or payments in cash, or (b) the amendment of outstanding Underwater Awards to reduce the exercise price thereof. This Section shall not be construed to apply to (i) “issuing or assuming a stock option in a transaction to which Section 424(a) applies,” within the meaning of Section 424 of the Code, (ii) adjustments pursuant to the assumption of or substitution for an Option or SAR in a manner that would comply with Section 409A, or (iii) an adjustment pursuant to Section 4.4.

**3.6 Indemnification.** In addition to such other rights of indemnification as they may have as members of the Board or the Committee or as officers or employees of the Participating Company Group, to the extent permitted by applicable law, members of the Board or the Committee and any officers or employees of the Participating Company Group to whom authority to act for the Board, the Committee or the Company is delegated shall be indemnified by the Company against all reasonable expenses, including attorneys’ fees, actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any right granted hereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Company) or paid by them in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such person is liable for gross negligence, bad faith or intentional misconduct in duties; provided, however, that within sixty (60) days after the institution of such action, suit or proceeding, such person shall offer to the Company, in writing, the opportunity at its own expense to handle and defend the same.

#### **4. SHARES SUBJECT TO PLAN.**

**4.1 Maximum Number of Shares Issuable.** Subject to adjustment as provided in Sections 4.2, 4.3 and 4.4, the maximum aggregate number of shares of Stock that may be issued under the Plan shall be equal to sixty-one million, eight hundred thousand (61,800,000) shares and shall consist of authorized but unissued or reacquired shares of Stock or any combination thereof.

**4.2 Adjustment for Unissued or Forfeited Predecessor Plan Shares.** The maximum aggregate number of shares of Stock that may be issued under the Plan as set forth in Section 4.1 shall be cumulatively increased from time to time by:

(a) the 1,333,271 shares of Stock that remained available for the future grant of awards under the Company’s 2005 Equity Incentive Plan immediately prior to its termination;

(b) the number of shares of Stock subject to that portion of any option outstanding pursuant to a Predecessor Plan as of the Original Effective Date which, on or after the Original Effective Date, expires or is terminated or canceled for any reason without having been exercised or settled in full; and

(c) the number of shares of Stock underlying restricted stock units granted under a Predecessor Plan which, on or after the Original Effective Date, are forfeited, provided that for each one (1) share subject to a restricted stock unit award granted under a Predecessor Plan that is forfeited, the maximum aggregate number of shares of Stock that may be issued under the Plan in accordance with Section 4.1 shall be increased by one and five-tenths (1.5) shares; provided, however, that the aggregate number of shares of Stock authorized for issuance under the Predecessor Plans that may become authorized for issuance under the Plan pursuant to this Section 4.2 shall not exceed six million six hundred twenty-eight thousand six hundred and forty-three (6,628,643) shares.

#### **4.3 Share Counting.**

(a) Each share of Stock subject to an Award other than a Full Value Award shall be counted against the limit set forth in Section 4.1 as one (1) share. Each one (1) share of Stock subject to a Full Value Award granted pursuant to the Plan or forfeited or repurchased pursuant to Section 4.3(b) shall be counted for purposes of the limit set forth in Section 4.1 and shares becoming available for issuance pursuant to Section 4.3(b) as one and five-tenths (1.5) shares (the “*Full Value Award Ratio*”).

(b) If an outstanding Award for any reason expires or is terminated or canceled without having been exercised or settled in full, or if shares of Stock acquired pursuant to an Award subject to forfeiture or repurchase are forfeited or repurchased by the Company for an amount not greater than the Participant’s purchase price, the shares of Stock allocable to the terminated portion of such Award or such forfeited or repurchased shares of Stock shall again be available for issuance under the Plan. Shares

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of Stock shall not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award that is settled in cash. Upon payment in shares of Stock pursuant to the exercise of an SAR, the number of shares available for issuance under the Plan shall be reduced by the gross number of shares for which the SAR is exercised. If the exercise price of an Option is paid by tender to the Company, or attestation to the ownership, of shares of Stock owned by the Participant, or by means of a Net-Exercise, the number of shares available for issuance under the Plan shall be reduced by the gross number of shares for which the Option is exercised. Shares withheld or reacquired by the Company in satisfaction of tax withholding obligations pursuant to the exercise or settlement of Options or SARs pursuant to Section 17.2 shall not again be available for issuance under the Plan. Shares withheld or reacquired by the Company in satisfaction of tax withholding obligations pursuant to the vesting or settlement of Full Value Awards pursuant to Section 17.2 shall again become available for issuance under the Plan in amount determined in accordance with the Full Value Award Ratio. The payment of Dividend Equivalent Rights in cash in conjunction with any outstanding Awards shall not be counted against the Shares available for issuance under the Plan.

**4.4 Adjustments for Changes in Capital Structure.** Subject to any required action by the stockholders of the Company and the requirements of Sections 409A and 424 of the Code to the extent applicable, in the event of any change in the Stock effected without receipt of consideration by the Company, whether through merger, consolidation, reorganization, reincorporation, recapitalization, reclassification, stock dividend, stock split, reverse stock split, split-up, split-off, spin-off, combination of shares, exchange of shares, or similar change in the capital structure of the Company, or in the event of payment of a dividend or distribution to the stockholders of the Company in a form other than Stock (excepting regular, periodic cash dividends) that has a material effect on the Fair Market Value of shares of Stock, appropriate and proportionate adjustments shall be made in the number and kind of shares subject to the Plan and to any outstanding Awards, and in the exercise or purchase price per share under any outstanding Award in order to prevent dilution or enlargement of Participants' rights under the Plan. For purposes of the foregoing, conversion of any convertible securities of the Company shall not be treated as "effected without receipt of consideration by the Company." If a majority of the shares which are of the same class as the shares that are subject to outstanding Awards are exchanged for, converted into, or otherwise become (whether or not pursuant to an Ownership Change Event) shares of another corporation (the "*New Shares*"), the Committee may unilaterally amend the outstanding Awards to provide that such Awards are for New Shares. In the event of any such amendment, the number of shares subject to, and the exercise or purchase price per share of, the outstanding Awards shall be adjusted in a fair and equitable manner as determined by the Committee, in its discretion. Any fractional share resulting from an adjustment pursuant to this Section shall be rounded down to the nearest whole number and the exercise or purchase price per share shall be rounded up to the nearest whole cent. In no event may the exercise or purchase price, if any, under any Award be decreased to an amount less than the par value, if any, of the stock subject to such Award. The Committee in its discretion, may also make such adjustments in the terms of any Award to reflect, or related to, such changes in the capital structure of the Company or distributions as it deems appropriate, including modification of Performance Goals, Performance Award Formulas and Performance Periods. The adjustments determined by the Committee pursuant to this Section shall be final, binding and conclusive. **4.5 Assumption or Substitution of Awards.** The Committee may, without affecting the number of shares of Stock reserved or available hereunder, authorize the issuance or assumption of benefits under this Plan (a "Substitute Grant") in connection with any merger, consolidation, acquisition of property or stock, or reorganization upon such terms and conditions as it may deem appropriate, subject to compliance with Section 409A and any other applicable provisions of the Code.

## **5. ELIGIBILITY, PARTICIPATION AND AWARD LIMITATIONS.**

**5.1 Persons Eligible for Awards.** Awards may be granted only to Employees, Consultants and Directors.

**5.2 Participation in the Plan.** Awards are granted solely at the discretion of the Committee. Eligible persons may be granted more than one Award. However, eligibility in accordance with this Section shall not entitle any person to be granted an Award, or, having been granted an Award, to be granted an additional Award.

**5.3 Award Limitations.**

**(a) Incentive Stock Option Limitations.**

(i) **Maximum Number of Shares Issuable Pursuant to Incentive Stock Options.** Subject to adjustment as provided in Section 4.4, the maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to the exercise of Incentive Stock Options shall not exceed sixty-one million eight hundred thousand (61,800,000) shares. The maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to all Awards other than Incentive Stock Options

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shall be the number of shares determined in accordance with Section 4.1, subject to adjustment as provided in Sections 4.2, 4.3 and 4.4.

(ii) **Persons Eligible.** An Incentive Stock Option may be granted only to a person who, on the effective date of grant, is an Employee of the Company, a Parent Corporation or a Subsidiary Corporation (each being an “*ISO-Qualifying Corporation*”). Any person who is not an Employee of an ISO-Qualifying Corporation on the effective date of the grant of an Option to such person may be granted only a Nonstatutory Stock Option.

(iii) **Fair Market Value Limitation.** To the extent that options designated as Incentive Stock Options (granted under all stock plans of the Participating Company Group, including the Plan) become exercisable by a Participant for the first time during any calendar year for stock having a Fair Market Value greater than One Hundred Thousand Dollars (\$100,000), the portion of such options which exceeds such amount shall be treated as Nonstatutory Stock Options. For purposes of this Section, options designated as Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of stock shall be determined as of the time the option with respect to such stock is granted. If the Code is amended to provide for a limitation different from that set forth in this Section, such different limitation shall be deemed incorporated herein effective as of the date and with respect to such Options as required or permitted by such amendment to the Code. If an Option is treated as an Incentive Stock Option in part and as a Nonstatutory Stock Option in part by reason of the limitation set forth in this Section, the Participant may designate which portion of such Option the Participant is exercising. In the absence of such designation, the Participant shall be deemed to have exercised the Incentive Stock Option portion of the Option first. Upon exercise the Option, shares issued pursuant to each such portion shall be separately identified.

(b) **Nonemployee Director Award Limits.** Notwithstanding any provision to the contrary in the Plan, the sum of the grant date fair value (determined as of the grant date in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, or any successor thereto) of all equity-based Awards and any cash compensation provided to a Service Provider as compensation for services as a non-employee Director during any calendar year shall not exceed \$750,000 for each year.

(c) **Vesting Condition Limitation.** Notwithstanding any other provision of the Plan to the contrary, but subject to Sections 4.4 and 14 of the Plan, Awards granted under the Plan on or after November 9, 2017 (excluding for this purpose any Substitute Grants) shall vest no earlier than the first anniversary of the date the Award is granted; *provided, however*, that, notwithstanding the foregoing, (i) Awards that result in the issuance of an aggregate of up to 5% of the shares of Stock available pursuant to Section 4.1 above (as such number of shares of Common Stock may be increased from time to time in accordance with the Plan) may be granted to any one or more eligible Directors, Consultants or Employees without respect to such minimum Vesting Condition and (ii) Awards to non-employee Directors may vest on the earlier of the one year anniversary of the date of grant or the next annual meeting of shareholders (provided that such vesting period may not be less than 50 weeks after grant). Nothing in this Section 5.3(c) shall preclude the Committee from taking action, in its sole discretion, to accelerate the vesting of any Award in connection with or following a Participant’s death, disability, termination of Service or the consummation of a Change in Control.

## 6. **STOCK OPTIONS.**

Options shall be evidenced by Award Agreements specifying the number of shares of Stock covered thereby, in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

6.1 **Exercise Price.** The exercise price for each Option shall be established in the discretion of the Committee; provided, however, that (a) the exercise price per share shall be not less than the Fair Market Value of a share of Stock on the effective date of grant of the Option and (b) no Incentive Stock Option granted to a Ten Percent Owner shall have an exercise price per share less than one hundred ten percent (110%) of the Fair Market Value of a share of Stock on the effective date of grant of the Option. Notwithstanding the foregoing, an Option (whether an Incentive Stock Option or a Nonstatutory Stock Option) may be granted with an exercise price lower than the minimum exercise price set forth above if such Option is granted pursuant to an assumption or substitution for another option in a manner that would qualify under the provisions of Section 409A or Section 424(a) of the Code. Dividend Equivalent Rights shall not be granted with respect to Options.

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**6.2 Exercisability and Term of Options.** Options shall be exercisable at such time or times, or upon such event or events, and subject to such terms, conditions, performance criteria and restrictions as shall be determined by the Committee and set forth in the Award Agreement evidencing such Option; provided, however, that (a) no Option shall be exercisable after the expiration of seven (7) years after the effective date of grant of such Option, (b) no Incentive Stock Option granted to a Ten Percent Owner shall be exercisable after the expiration of five (5) years after the effective date of grant of such Option and (c) no Option granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, shall be first exercisable until at least six (6) months following the date of grant of such Option (except in the event of such Employee's death, disability or retirement, upon a Change in Control, or as otherwise permitted by the Worker Economic Opportunity Act). Subject to the foregoing, unless otherwise specified by the Committee in the grant of an Option, each Option shall terminate seven (7) years after the effective date of grant of the Option, unless earlier terminated in accordance with its provisions.

### **6.3 Payment of Exercise Price.**

(a) **Forms of Consideration Authorized.** Except as otherwise provided below, payment of the exercise price for the number of shares of Stock being purchased pursuant to any Option shall be made (i) in cash, by check or in cash equivalent; (ii) if permitted by the Committee and subject to the limitations contained in Section 6.3(b), by means of (1) a Cashless Exercise, (2) a Stock Tender Exercise or (3) a Net Exercise; (iii) by such other consideration as may be approved by the Committee from time to time to the extent permitted by applicable law, or (iv) by any combination thereof. The Committee may at any time or from time to time grant Options which do not permit all of the foregoing forms of consideration to be used in payment of the exercise price or which otherwise restrict one or more forms of consideration.

#### **(b) Limitations on Forms of Consideration.**

(i) **Cashless Exercise.** A "**Cashless Exercise**" means the delivery of a properly executed notice of exercise together with irrevocable instructions to a broker providing for the assignment to the Company of the proceeds of a sale or loan with respect to some or all of the shares being acquired upon the exercise of the Option (including, without limitation, through an exercise complying with the provisions of Regulation T as promulgated from time to time by the Board of Governors of the Federal Reserve System). The Company reserves, at any and all times, the right, in the Company's sole and absolute discretion, to establish, decline to approve or terminate any program or procedures for the exercise of Options by means of a Cashless Exercise, including with respect to one or more Participants specified by the Company notwithstanding that such program or procedures may be available to other Participants.

(ii) **Stock Tender Exercise.** A "**Stock Tender Exercise**" means the delivery of a properly executed exercise notice accompanied by a Participant's tender to the Company, or attestation to the ownership, in a form acceptable to the Company of whole shares of Stock owned by the Participant having a Fair Market Value that does not exceed the aggregate exercise price for the shares with respect to which the Option is exercised. A Stock Tender Exercise shall not be permitted if it would constitute a violation of the provisions of any law, regulation or agreement restricting the redemption of the Company's stock. If required by the Company, an Option may not be exercised by tender to the Company, or attestation to the ownership, of shares of Stock unless such shares either have been owned by the Participant for a period of time required by the Company (and not used for another option exercise by attestation during such period) or were not acquired, directly or indirectly, from the Company.

(iii) **Net Exercise.** A "**Net Exercise**" means the delivery of a properly executed exercise notice followed by a procedure pursuant to which (1) the Company will reduce the number of shares otherwise issuable to a Participant upon the exercise of an Option by the largest whole number of shares having a Fair Market Value that does not exceed the aggregate exercise price for the shares with respect to which the Option is exercised, and (2) the Participant shall pay to the Company in cash the remaining balance of such aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued.

### **6.4 Effect of Termination of Service.**

(a) **Option Exercisability.** Subject to earlier termination of the Option as otherwise provided by this Plan and unless otherwise provided by the Committee, an Option shall terminate immediately upon the Participant's termination of Service to the extent that it is then unvested and shall be exercisable after the Participant's termination of Service to the extent it is then vested only during the applicable time period determined in accordance with this Section and thereafter shall terminate.

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(i) **Disability.** If the Participant's Service terminates because of the Disability of the Participant, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participant's Service terminated, may be exercised by the Participant (or the Participant's guardian or legal representative) at any time prior to the expiration of twelve (12) months (or such longer or shorter period provided by the Award Agreement) after the date on which the Participant's Service terminated, but in any event no later than the date of expiration of the Option's term as set forth in the Award Agreement evidencing such Option (the "**Option Expiration Date**").

(ii) **Death.** If the Participant's Service terminates because of the death of the Participant, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participant's Service terminated, may be exercised by the Participant's legal representative or other person who acquired the right to exercise the Option by reason of the Participant's death at any time prior to the expiration of twelve (12) months (or such longer or shorter period provided by the Award Agreement) after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date. The Participant's Service shall be deemed to have terminated on account of death if the Participant dies within three (3) months (or such longer or shorter period provided by the Award Agreement) after the Participant's termination of Service.

(iii) **Termination for Cause.** Notwithstanding any other provision of the Plan to the contrary, if the Participant's Service is terminated for Cause or if, following the Participant's termination of Service and during any period in which the Option otherwise would remain exercisable, the Participant engages in any act that would constitute Cause, the Option shall terminate in its entirety and cease to be exercisable immediately upon such termination of Service or act.

(iv) **Other Termination of Service.** If the Participant's Service terminates for any reason, except Disability, death or Cause, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participant's Service terminated, may be exercised by the Participant at any time prior to the expiration of three (3) months (or such longer or shorter period provided by the Award Agreement) after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date.

(b) **Extension if Exercise Prevented by Law.** Notwithstanding the foregoing, other than termination of Service for Cause, if the exercise of an Option within the applicable time periods set forth in Section 6.4(a) is prevented by the provisions of Section 15 below, the Option shall remain exercisable until the later of (i) thirty (30) days after the date such exercise first would no longer be prevented by such provisions or (ii) the end of the applicable time period under Section 6.4(a), but in any event no later than the Option Expiration Date.

**6.5 Transferability of Options.** During the lifetime of the Participant, an Option shall be exercisable only by the Participant or the Participant's guardian or legal representative. An Option shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. Notwithstanding the foregoing, to the extent permitted by the Committee, in its discretion, and set forth in the Award Agreement evidencing such Option, an Option shall be assignable or transferable for no consideration subject to the applicable limitations, if any, described in the General Instructions to Form S-8 under the Securities Act or, in the case of an Incentive Stock Option, only as permitted by applicable regulations under Section 421 of the Code in a manner that does not disqualify such Option as an Incentive Stock Option.

## **7. STOCK APPRECIATION RIGHTS.**

Stock Appreciation Rights shall be evidenced by Award Agreements specifying the number of shares of Stock subject to the Award, in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

**7.1 Types of SARs Authorized.** SARs may be granted in tandem with all or any portion of a related Option (a "**Tandem SAR**") or may be granted independently of any Option (a "**Freestanding SAR**"). A Tandem SAR may only be granted concurrently with the grant of the related Option. Dividend Equivalent Rights shall not be granted with respect to SARs.

**7.2 Exercise Price.** The exercise price for each SAR shall be established in the discretion of the Committee; provided, however, that (a) the exercise price per share subject to a Tandem SAR shall be the exercise price per share under the related Option and (b) the exercise price per share subject to a Freestanding SAR shall be not less than the Fair Market Value of a share of Stock on the effective date of grant of the SAR. Notwithstanding the foregoing, an SAR may be granted with an exercise price

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lower than the minimum exercise price set forth above if such SAR is granted pursuant to an assumption or substitution for another stock appreciation right in a manner that would qualify under the provisions of Section 409A of the Code.

### 7.3 Exercisability and Term of SARs.

(a) **Tandem SARs.** Tandem SARs shall be exercisable only at the time and to the extent, and only to the extent, that the related Option is exercisable, subject to such provisions as the Committee may specify where the Tandem SAR is granted with respect to less than the full number of shares of Stock subject to the related Option. The Committee may, in its discretion, provide in any Award Agreement evidencing a Tandem SAR that such SAR may not be exercised without the advance approval of the Company and, if such approval is not given, then the Option shall nevertheless remain exercisable in accordance with its terms. A Tandem SAR shall terminate and cease to be exercisable no later than the date on which the related Option expires or is terminated or canceled. Upon the exercise of a Tandem SAR with respect to some or all of the shares subject to such SAR, the related Option shall be canceled automatically as to the number of shares with respect to which the Tandem SAR was exercised. Upon the exercise of an Option related to a Tandem SAR as to some or all of the shares subject to such Option, the related Tandem SAR shall be canceled automatically as to the number of shares with respect to which the related Option was exercised.

(b) **Freestanding SARs.** Freestanding SARs shall be exercisable at such time or times, or upon such event or events, and subject to such terms, conditions, performance criteria and restrictions as shall be determined by the Committee and set forth in the Award Agreement evidencing such SAR; provided, however, that (is) no Freestanding SAR shall be exercisable after the expiration of seven (7) years after the effective date of grant of such SAR and (ii) no Freestanding SAR granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, shall be first exercisable until at least six (6) months following the date of grant of such SAR (except in the event of such Employee's death, disability or retirement, upon a Change in Control, or as otherwise permitted by the Worker Economic Opportunity Act). Subject to the foregoing, unless otherwise specified by the Committee in the grant of a Freestanding SAR, each Freestanding SAR shall terminate seven (7) years after the effective date of grant of the SAR, unless earlier terminated in accordance with its provisions.

**7.4 Exercise of SARs.** Upon the exercise (or deemed exercise pursuant to Section 7.5) of an SAR, the Participant (or the Participant's legal representative or other person who acquired the right to exercise the SAR by reason of the Participant's death) shall be entitled to receive payment of an amount for each share with respect to which the SAR is exercised equal to the excess, if any, of the Fair Market Value of a share of Stock on the date of exercise of the SAR over the exercise price. Payment of such amount shall be made (a) in the case of a Tandem SAR, solely in shares of Stock in a lump sum upon the date of exercise of the SAR and (b) in the case of a Freestanding SAR, in cash, shares of Stock, or any combination thereof as determined by the Committee, in a lump sum upon the date of exercise of the SAR. When payment is to be made in shares of Stock, the number of shares to be issued shall be determined on the basis of the Fair Market Value of a share of Stock on the date of exercise of the SAR. For purposes of Section 7, an SAR shall be deemed exercised on the date on which the Company receives notice of exercise from the Participant or as otherwise provided in Section 7.5.

**7.5 Deemed Exercise of SARs.** If, on the date on which an SAR would otherwise terminate or expire, the SAR by its terms remains exercisable immediately prior to such termination or expiration and, if so exercised, would result in a payment to the holder of such SAR, then any portion of such SAR which has not previously been exercised shall automatically be deemed to be exercised as of such date with respect to such portion.

**7.6 Effect of Termination of Service.** Subject to earlier termination of the SAR as otherwise provided herein and unless otherwise provided by the Committee, an SAR shall be exercisable after a Participant's termination of Service only to the extent and during the applicable time period determined in accordance with Section 6.4 (treating the SAR as if it were an Option) and thereafter shall terminate.

**7.7 Transferability of SARs.** During the lifetime of the Participant, an SAR shall be exercisable only by the Participant or the Participant's guardian or legal representative. An SAR shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. Notwithstanding the foregoing, to the extent permitted by the Committee, in its discretion, and set forth in the Award Agreement evidencing such Award, a Tandem SAR related to a Nonstatutory Stock Option or a Freestanding SAR shall be assignable or transferable for no consideration subject to the applicable limitations, if any, described in the General Instructions to Form S-8 under the Securities Act.

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## 8. **RESTRICTED STOCK AWARDS.**

Restricted Stock Awards shall be evidenced by Award Agreements specifying whether the Award is a Restricted Stock Bonus or a Restricted Stock Purchase Right and the number of shares of Stock subject to the Award, in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

**8.1 Types of Restricted Stock Awards Authorized.** Restricted Stock Awards may be granted in the form of either a Restricted Stock Bonus or a Restricted Stock Purchase Right. Restricted Stock Awards may be granted upon such conditions as the Committee shall determine, including, without limitation, upon the attainment of one or more Performance Goals described in Section 10.4. If either the grant of or satisfaction of Vesting Conditions applicable to a Restricted Stock Award is to be contingent upon the attainment of one or more Performance Goals, the Committee shall follow procedures substantially equivalent to those set forth in Sections 10.3 through 10.5(a).

**8.2 Purchase Price.** The purchase price for shares of Stock issuable under each Restricted Stock Purchase Right shall be established by the Committee in its discretion. No monetary payment (other than applicable tax withholding) shall be required as a condition of receiving shares of Stock pursuant to a Restricted Stock Bonus, the consideration for which shall be services actually rendered to a Participating Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to a Participating Company or for its benefit having a value not less than the par value of the shares of Stock subject to a Restricted Stock Award.

**8.3 Purchase Period.** A Restricted Stock Purchase Right shall be exercisable within a period established by the Committee, which shall in no event exceed thirty (30) days from the effective date of the grant of the Restricted Stock Purchase Right.

**8.4 Payment of Purchase Price.** Except as otherwise provided below, payment of the purchase price for the number of shares of Stock being purchased pursuant to any Restricted Stock Purchase Right shall be made (a) in cash, by check or in cash equivalent, (b) by such other consideration as may be approved by the Committee from time to time to the extent permitted by applicable law, or (c) by any combination thereof.

**8.5 Vesting and Restrictions on Transfer.** Shares issued pursuant to any Restricted Stock Award may (but need not) be made subject to Vesting Conditions, subject to Section 5.3(c) above, based upon the satisfaction of such Service requirements, conditions, restrictions or performance criteria, including, without limitation, Performance Goals as described in Section 10.4, as shall be established by the Committee and set forth in the Award Agreement evidencing such Award. During any period in which shares acquired pursuant to a Restricted Stock Award remain subject to Vesting Conditions, such shares may not be sold, exchanged, transferred, pledged, assigned or otherwise disposed of other than pursuant to an Ownership Change Event or as provided in Section 8.8. The Committee, in its discretion, may provide in any Award Agreement evidencing a Restricted Stock Award that, if the satisfaction of Vesting Conditions with respect to any shares subject to such Restricted Stock Award would otherwise occur on a day on which the sale of such shares would violate the provisions of the Trading Compliance Policy, then satisfaction of the Vesting Conditions automatically shall be determined on the next trading day on which the sale of such shares would not violate the Trading Compliance Policy. Upon request by the Company, each Participant shall execute any agreement evidencing such transfer restrictions prior to the receipt of shares of Stock hereunder and shall promptly present to the Company any and all certificates representing shares of Stock acquired hereunder for the placement on such certificates of appropriate legends evidencing any such transfer restrictions.

**8.6 Voting Rights; Dividends and Distributions.** Except as provided in this Section, Section 8.5 and any Award Agreement, during any period in which shares acquired pursuant to a Restricted Stock Award remain subject to Vesting Conditions, the Participant shall have all of the rights of a stockholder of the Company holding shares of Stock, including the right to vote such shares and to receive all dividends and other distributions paid with respect to such shares; provided, however, that such dividends and distributions shall be subject to the same Vesting Conditions as the shares subject to the Restricted Stock Award with respect to which such dividends or distributions were paid.

**8.7 Effect of Termination of Service.** Unless otherwise provided by the Committee in the Award Agreement evidencing a Restricted Stock Award, if a Participant's Service terminates for any reason, whether voluntary or involuntary (including the Participant's death or disability), then (a) the Company shall have the option to repurchase for the purchase price

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paid by the Participant any shares acquired by the Participant pursuant to a Restricted Stock Purchase Right which remain subject to Vesting Conditions as of the date of the Participant's termination of Service and (b) the Participant shall forfeit to the Company any shares acquired by the Participant pursuant to a Restricted Stock Bonus which remain subject to Vesting Conditions as of the date of the Participant's termination of Service. The Company shall have the right to assign at any time any repurchase right it may have, whether or not such right is then exercisable, to one or more persons as may be selected by the Company.

**8.8 Nontransferability of Restricted Stock Award Rights.** Rights to acquire shares of Stock pursuant to a Restricted Stock Award shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or the laws of descent and distribution. All rights with respect to a Restricted Stock Award granted to a Participant hereunder shall be exercisable during his or her lifetime only by such Participant or the Participant's guardian or legal representative.

## **9. RESTRICTED STOCK UNITS.**

Restricted Stock Unit Awards shall be evidenced by Award Agreements specifying the number of Restricted Stock Units subject to the Award, in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

**9.1 Grant of Restricted Stock Unit Awards.** Restricted Stock Unit Awards may be granted upon such conditions as the Committee shall determine, including, without limitation, upon the attainment of one or more Performance Goals described in Section 10.4. If either the grant of a Restricted Stock Unit Award or the Vesting Conditions with respect to such Award is to be contingent upon the attainment of one or more Performance Goals, the Committee shall follow procedures substantially equivalent to those set forth in Sections 10.3 through 10.5(a).

**9.2 Purchase Price.** No monetary payment (other than applicable tax withholding, if any) shall be required as a condition of receiving a Restricted Stock Unit Award, the consideration for which shall be services actually rendered to a Participating Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to a Participating Company or for its benefit having a value not less than the par value of the shares of Stock issued upon settlement of the Restricted Stock Unit Award.

**9.3 Vesting.** Subject to Section 5.3(c), Restricted Stock Unit Awards may (but need not) be made subject to Vesting Conditions based upon the satisfaction of such Service requirements, conditions, restrictions or performance criteria, including, without limitation, Performance Goals as described in Section 10.4, as shall be established by the Committee and set forth in the Award Agreement evidencing such Award. The Committee, in its discretion, may provide in any Award Agreement evidencing a Restricted Stock Unit Award that, if the satisfaction of Vesting Conditions with respect to any shares subject to the Award would otherwise occur on a day on which the sale of such shares would violate the provisions of the Trading Compliance Policy, then the satisfaction of the Vesting Conditions automatically shall be determined on the first to occur of (a) the next trading day on which the sale of such shares would not violate the Trading Compliance Policy or (b) the last day of the calendar year in which the original vesting date occurred.

**9.4 Voting Rights, Dividend Equivalent Rights and Distributions.** Participants shall have no voting rights with respect to shares of Stock represented by Restricted Stock Units until the date of the issuance of such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). However, the Committee, in its discretion, may provide in the Award Agreement evidencing any Restricted Stock Unit Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Stock during the period beginning on the date such Award is granted and ending, with respect to each share subject to the Award, on the earlier of the date the Award is settled or the date on which it is terminated. Dividend Equivalent Rights, if any, shall be paid by crediting the Participant with a cash amount or with additional whole Restricted Stock Units as of the date of payment of such cash dividends on Stock, as determined by the Committee. The number of additional Restricted Stock Units (rounded to the nearest whole number), if any, to be credited shall be determined by dividing (a) the amount of cash dividends paid on the dividend payment date with respect to the number of shares of Stock represented by the Restricted Stock Units previously credited to the Participant by (b) the Fair Market Value per share of Stock on such date. Such cash amount or additional Restricted Stock Units shall be subject to the same terms and conditions, including the same Vesting Conditions, and shall be settled in the same manner and at the same time as the Restricted Stock Units originally subject to the Restricted Stock Unit Award.

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**9.5 Effect of Termination of Service.** Unless otherwise provided by the Committee and set forth in the Award Agreement evidencing a Restricted Stock Unit Award, if a Participant's Service terminates for any reason, whether voluntary or involuntary (including the Participant's death or disability), then the Participant shall forfeit to the Company any Restricted Stock Units pursuant to the Award which remain subject to Vesting Conditions as of the date of the Participant's termination of Service.

**9.6 Settlement of Restricted Stock Unit Awards.** The Company shall issue to a Participant on the date on which Restricted Stock Units subject to the Participant's Restricted Stock Unit Award vest or on such other date determined by the Committee in compliance with Section 409A, if applicable, and set forth in the Award Agreement one (1) share of Stock (and/or any other new, substituted or additional securities or other property pursuant to an adjustment described in Section 9.4) for each Restricted Stock Unit then becoming vested or otherwise to be settled on such date, subject to the withholding of applicable taxes, if any. If permitted by the Committee, the Participant may elect, consistent with the requirements of Section 409A, to defer receipt of all or any portion of the shares of Stock or other property otherwise issuable to the Participant pursuant to this Section, and such deferred issuance date(s) and amount(s) elected by the Participant shall be set forth in the Award Agreement. Notwithstanding the foregoing, the Committee, in its discretion, may provide for settlement of any Restricted Stock Unit Award by payment to the Participant in cash of an amount equal to the Fair Market Value on the payment date of the shares of Stock or other property otherwise issuable to the Participant pursuant to this Section.

**9.7 Nontransferability of Restricted Stock Unit Awards.** The right to receive shares pursuant to a Restricted Stock Unit Award shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to a Restricted Stock Unit Award granted to a Participant hereunder shall be exercisable during his or her lifetime only by such Participant or the Participant's guardian or legal representative.

## **10. PERFORMANCE AWARDS.**

Performance Awards shall be evidenced by Award Agreements in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

**10.1 Types of Performance Awards Authorized.** Performance Awards may be granted in the form of either Performance Shares or Performance Units. Each Award Agreement evidencing a Performance Award shall specify the number of Performance Shares or Performance Units subject thereto, the Performance Award Formula, the Performance Goal(s) and Performance Period applicable to the Award, and the other terms, conditions and restrictions of the Award.

**10.2 Initial Value of Performance Shares and Performance Units.** Unless otherwise provided by the Committee in granting a Performance Award, each Performance Share shall have an initial monetary value equal to the Fair Market Value of one (1) share of Stock, subject to adjustment as provided in Section 4.4, on the effective date of grant of the Performance Share, and each Performance Unit shall have an initial monetary value established by the Committee at the time of grant. The final value payable to the Participant in settlement of a Performance Award determined on the basis of the applicable Performance Award Formula will depend on the extent to which Performance Goals established by the Committee are attained within the applicable Performance Period established by the Committee.

**10.3 Establishment of Performance Period, Performance Goals and Performance Award Formula.** In granting each Performance Award, the Committee shall establish in writing the applicable Performance Period, Performance Award Formula and one or more Performance Goals which, when measured at the end of the Performance Period, shall determine on the basis of the Performance Award Formula the final value of the Performance Award to be paid to the Participant. The Company shall notify each Participant granted a Performance Award of the terms of such Award, including the Performance Period, Performance Goal(s) and Performance Award Formula.

**10.4 Measurement of Performance Goals.** Performance Goals shall be established by the Committee on the basis of targets to be attained ("**Performance Targets**") with respect to one or more measures of business or financial performance (each, a "**Performance Measure**"), subject to the following:

(a) **Performance Measures.** Performance Measures shall be calculated in accordance with the Company's financial statements, or, if such measures are not reported in the Company's financial statements, they shall be calculated in accordance with generally accepted accounting principles, a method used generally in the Company's industry, or in accordance with a

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methodology established by the Committee prior to the grant of the Performance Award. As specified by the Committee, Performance Measures may be calculated with respect to the Company and each Subsidiary Corporation consolidated therewith for financial reporting purposes, one or more Subsidiary Corporations or such division or other business unit of any of them selected by the Committee. Unless otherwise determined by the Committee prior to the grant of the Performance Award, the Performance Measures applicable to the Performance Award shall be calculated prior to the accrual of expense for any Performance Award for the same Performance Period and excluding the effect (whether positive or negative) on the Performance Measures of any change in accounting standards or any extraordinary, unusual or nonrecurring item, as determined by the Committee, occurring after the establishment of the Performance Goals applicable to the Performance Award. Each such adjustment, if any, shall be made solely for the purpose of providing a consistent basis from period to period for the calculation of Performance Measures in order to prevent the dilution or enlargement of the Participant's rights with respect to a Performance Award. Performance Measures may be based upon one or more of the following, as determined by the Committee, or such other measure established by the Committee:

- (i) revenue;
  - (ii) sales;
  - (iii) expenses;
  - (iv) operating income;
  - (v) gross margin;
  - (vi) operating margin;
  - (vii) earnings before any one or more of: stock-based compensation expense, interest, taxes, depreciation and amortization;
  - (viii) pre-tax profit;
  - (ix) net operating income;
  - (x) net income;
  - (xi) economic value added;
  - (xii) free cash flow;
  - (xiii) operating cash flow;
  - (xiv) balance of cash, cash equivalents and marketable securities;
  - (xv) stock price;
  - (xvi) earnings per share;
  - (xvii) return on stockholder equity;
  - (xviii) return on capital;
  - (xix) return on assets;
  - (xx) return on investment;
  - (xxi) total stockholder return;
  - (xxii) employee satisfaction;
  - (xxiii) employee retention;
  - (xxiv) market share;
  - (xxv) customer satisfaction;
  - (xxvi) product development;
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- (xxvii) research and development expenses;
- (xxviii) completion of an identified special project;
- (xxix) completion of a joint venture or other corporate transaction; and
- (xxx) new customer acquisition.

(b) **Performance Targets.** Performance Targets may include a minimum, maximum, target level and intermediate levels of performance, with the final value of a Performance Award determined under the applicable Performance Award Formula by the Performance Target level attained during the applicable Performance Period. A Performance Target may be stated as an absolute value, an increase or decrease in a value, or as a value determined relative to an index, budget or other standard selected by the Committee.

#### 10.5 Settlement of Performance Awards.

(a) **Determination of Final Value.** As soon as practicable following the completion of the Performance Period applicable to a Performance Award, the Committee shall certify in writing the extent to which the applicable Performance Goals have been attained and the resulting final value of the Award earned by the Participant and to be paid upon its settlement in accordance with the applicable Performance Award Formula.

(b) **Discretionary Adjustment of Award Formula.** In its discretion, the Committee may, either at the time it grants a Performance Award or at any time thereafter, provide for the positive or negative adjustment of the Performance Award Formula applicable to a Performance Award.

(c) **Effect of Leaves of Absence.** Unless otherwise required by law or a Participant's Award Agreement, payment of the final value, if any, of a Performance Award held by a Participant who has taken in excess of thirty (30) days in unpaid leaves of absence during a Performance Period shall be prorated on the basis of the number of days of the Participant's Service during the Performance Period during which the Participant was not on an unpaid leave of absence.

(d) **Notice to Participants.** As soon as practicable following the Committee's determination and certification in accordance with Sections 10.5(a) and (b), the Company shall notify each Participant of the determination of the Committee.

(e) **Payment in Settlement of Performance Awards.** As soon as practicable following the Committee's determination and certification in accordance with Sections 10.5(a) and (b), but in any event within the Short-Term Deferral Period described in Section 16.1 (except as otherwise provided below or consistent with the requirements of Section 409A), payment shall be made to each eligible Participant (or such Participant's legal representative or other person who acquired the right to receive such payment by reason of the Participant's death) of the final value of the Participant's Performance Award. Payment of such amount shall be made in cash, shares of Stock, or a combination thereof as determined by the Committee. Unless otherwise provided in the Award Agreement evidencing a Performance Award, payment shall be made in a lump sum. If permitted by the Committee, the Participant may elect, consistent with the requirements of Section 409A, to defer receipt of all or any portion of the payment to be made to the Participant pursuant to this Section, and such deferred payment date(s) elected by the Participant shall be set forth in the Award Agreement. If any payment is to be made on a deferred basis, the Committee may, but shall not be obligated to, provide for the payment during the deferral period of Dividend Equivalent Rights or interest.

(f) **Provisions Applicable to Payment in Shares.** If payment is to be made in shares of Stock, the number of such shares shall be determined by dividing the final value of the Performance Award by the Fair Market Value of a share of Stock determined by the method specified in the Award Agreement. Subject to Section 5.3(c), shares of Stock issued in payment of any Performance Award may be fully vested and freely transferable shares or may be shares of Stock subject to Vesting Conditions as provided in Section 8.5. Any shares subject to Vesting Conditions shall be evidenced by an appropriate Award Agreement and shall be subject to the provisions of Sections 8.5 through 8.8 above.

**10.6 Voting Rights; Dividend Equivalent Rights and Distributions.** Participants shall have no voting rights with respect to shares of Stock represented by Performance Share Awards until the date of the issuance of such shares, if any (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). However, the Committee, in its discretion, may provide in the Award Agreement evidencing any Performance Share Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Stock during the

period beginning on the date the Award is granted and ending, with respect to each share subject to the Award, on the earlier of the date on which the Performance Shares are settled or the date on which they are forfeited. Such Dividend Equivalent Rights, if any, shall be credited to the Participant either in cash or in the form of additional whole Performance Shares as of the date of payment of such cash dividends on Stock, as determined by the Committee, and shall be subject to the same terms and conditions, including the same Performance Goals and Vesting Conditions, and shall be settled in the same manner and at the same time as the Performance Shares. The number of additional Performance Shares (rounded to the nearest whole number), if any, to be so credited shall be determined by dividing (a) the amount of cash dividends paid on the dividend payment date with respect to the number of shares of Stock represented by the Performance Shares previously credited to the Participant by (b) the Fair Market Value per share of Stock on such date. Dividend Equivalent Rights, if any, shall be accumulated and paid to the extent that the related Performance Shares become nonforfeitable.

Settlement of Dividend Equivalent Rights may be made in cash, shares of Stock, or a combination thereof as determined by the Committee, and shall be paid on the same basis as settlement of the related Performance Share as provided in Section 10.5. Dividend Equivalent Rights shall not be paid with respect to Performance Units.

**10.7 Effect of Termination of Service.** Unless otherwise provided by the Committee and set forth in the Award Agreement evidencing a Performance Award, the effect of a Participant's termination of Service on the Performance Award shall be as follows:

(a) **Death or Disability.** If the Participant's Service terminates because of the death or Disability of the Participant before the completion of the Performance Period applicable to the Performance Award, the final value of the Participant's Performance Award shall be determined by the extent to which the applicable Performance Goals have been attained with respect to the entire Performance Period and shall be prorated based on the number of months of the Participant's Service during the Performance Period. Payment shall be made following the end of the Performance Period in any manner permitted by Section 10.5.

(b) **Other Termination of Service.** If the Participant's Service terminates for any reason except death or Disability before the completion of the Performance Period applicable to the Performance Award, such Award shall be forfeited in its entirety; provided, however, that in the event of an involuntary termination of the Participant's Service, the Committee, in its discretion, may waive the automatic forfeiture of all or any portion of any such Award and determine the final value of the Performance Award in the manner provided by Section 10.7(a). Payment of any amount pursuant to this Section shall be made following the end of the Performance Period in any manner permitted by Section 10.5.

**10.8 Nontransferability of Performance Awards.** Prior to settlement in accordance with the provisions of the Plan, no Performance Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to a Performance Award granted to a Participant hereunder shall be exercisable during his or her lifetime only by such Participant or the Participant's guardian or legal representative.

## **11. CASH-BASED AWARDS AND OTHER STOCK-BASED AWARDS.**

Cash-Based Awards and Other Stock-Based Awards shall be evidenced by Award Agreements in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

**11.1 Grant of Cash-Based Awards.** Subject to the provisions of the Plan, the Committee, at any time and from time to time, may grant Cash-Based Awards to Participants in such amounts and upon such terms and conditions, including the achievement of performance criteria, as the Committee may determine.

**11.2 Grant of Other Stock-Based Awards.** The Committee may grant other types of equity-based or equity-related Awards not otherwise described by the terms of this Plan (including the grant or offer for sale of unrestricted securities, stock-equivalent units, stock appreciation units, securities or debentures convertible into common stock or other forms determined by the Committee) in such amounts and subject to such terms and conditions as the Committee shall determine. Other Stock-Based Awards may be made available as a form of payment in the settlement of other Awards or as payment in lieu of compensation to which a Participant is otherwise entitled. Other Stock-Based Awards may involve the transfer of actual shares of Stock to

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Participants, or payment in cash or otherwise of amounts based on the value of Stock and may include, without limitation, Awards designed to comply with or take advantage of the applicable local laws of jurisdictions other than the United States.

**11.3 Value of Cash-Based and Other Stock-Based Awards.** Each Cash-Based Award shall specify a monetary payment amount or payment range as determined by the Committee. Each Other Stock-Based Award shall be expressed in terms of shares of Stock or units based on such shares of Stock, as determined by the Committee. The Committee may require the satisfaction of such Service requirements, conditions, restrictions or performance criteria, including, without limitation, Performance Goals as described in Section 10.4, as shall be established by the Committee and set forth in the Award Agreement evidencing such Award. If the Committee exercises its discretion to establish performance criteria, the final value of Cash-Based Awards or Other Stock-Based Awards that will be paid to the Participant will depend on the extent to which the performance criteria are met.

**11.4 Payment or Settlement of Cash-Based Awards and Other Stock-Based Awards.** Payment or settlement, if any, with respect to a Cash-Based Award or an Other Stock-Based Award shall be made in accordance with the terms of the Award, in cash, shares of Stock or other securities or any combination thereof as the Committee determines. To the extent applicable, payment or settlement with respect to each Cash-Based Award and Other Stock-Based Award shall be made in compliance with the requirements of Section 409A.

**11.5 Voting Rights; Dividend Equivalent Rights and Distributions.** Participants shall have no voting rights with respect to shares of Stock represented by Other Stock-Based Awards until the date of the issuance of such shares of Stock (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), if any, in settlement of such Award. However, the Committee, in its discretion, may provide in the Award Agreement evidencing any Other Stock-Based Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Stock during the period beginning on the date such Award is granted and ending, with respect to each share subject to the Award, on the earlier of the date the Award is settled or the date on which it is terminated. Such Dividend Equivalent Rights, if any, shall be paid in accordance with the provisions set forth in Section 9.4 and shall be subject to the same terms and conditions, including the same Vesting Conditions, and shall be settled in the same manner and at the same time as the Other Stock-Based Awards. Dividend Equivalent Rights shall not be granted with respect to Cash-Based Awards.

**11.6 Effect of Termination of Service.** Each Award Agreement evidencing a Cash-Based Award or Other Stock-Based Award shall set forth the extent to which the Participant shall have the right to retain such Award following termination of the Participant's Service. Such provisions shall be determined in the discretion of the Committee, need not be uniform among all Cash-Based Awards or Other Stock-Based Awards, and may reflect distinctions based on the reasons for termination, subject to the requirements of Section 409A, if applicable.

**11.7 Non-transferability of Cash-Based Awards and Other Stock-Based Awards.** Prior to the payment or settlement of a Cash-Based Award or Other Stock-Based Award, the Award shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. The Committee may impose such additional restrictions on any shares of Stock issued in settlement of Cash-Based Awards and Other Stock-Based Awards as it may deem advisable, including, without limitation, minimum holding period requirements, restrictions under applicable federal securities laws, under the requirements of any stock exchange or market upon which such shares of Stock are then listed and/or traded, or under any state securities laws or foreign law applicable to such shares of Stock.

## **12. NONEMPLOYEE DIRECTOR AWARDS.**

From time to time, the Board or the Committee shall set the amount(s) and type(s) of Nonemployee Director Awards that shall be granted to all Nonemployee Directors on a periodic, nondiscriminatory basis pursuant to the Plan, as well as the additional amount(s) and type(s) of Nonemployee Director Awards, if any, to be awarded, also on a periodic, nondiscriminatory basis, in consideration of one or more of the following: (a) the initial election or appointment of an individual to the Board as a Nonemployee Director, (b) a Nonemployee Director's service as Chairman or Lead Director of the Board, (c) a Nonemployee Director's service as the chairman of a committee of the Board, and (d) a Nonemployee Director's service other than as the chairman of a committee of the Board. The terms and conditions of each Nonemployee Director Award shall comply with the applicable provisions of the Plan. Subject to the limits set forth in Section 5.3(b) and the foregoing, the Board or the Committee shall grant Nonemployee Director Awards having such terms and conditions as it shall from time to time determine.

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### 13. STANDARD FORMS OF AWARD AGREEMENT.

13.1 **Award Agreements.** Each Award shall comply with and be subject to the terms and conditions set forth in the appropriate form of Award Agreement approved by the Committee and as amended from time to time. No Award or purported Award shall be a valid and binding obligation of the Company unless evidenced by a fully executed Award Agreement, which execution may be evidenced by electronic means.

13.2 **Authority to Vary Terms.** The Committee shall have the authority from time to time to vary the terms of any standard form of Award Agreement either in connection with the grant or amendment of an individual Award or in connection with the authorization of a new standard form or forms; provided, however, that the terms and conditions of any such new, revised or amended standard form or forms of Award Agreement are not inconsistent with the terms of the Plan.

### 14. CHANGE IN CONTROL.

#### 14.1 Effect of Change in Control on Awards.

(a) **Termination of Service.** The Committee may provide in the grant of any Award or at any other time may take such action as it deems appropriate to provide for acceleration of the exercisability, vesting and/or settlement of each or any outstanding Award or portion thereof and shares acquired pursuant thereto upon the termination of the Participant's Service in connection with a Change in Control.

(b) **Assumption, Continuation or Substitution.** In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the "**Acquiror**"), may, without the consent of any Participant, assume or continue the Company's rights and obligations under each or any Award or portion thereof outstanding immediately prior to the Change in Control or substitute for each or any such outstanding Award or portion thereof a substantially equivalent award with respect to the Acquiror's stock, as applicable. For purposes of this Section, if so determined by the Committee in its discretion, an Award denominated in shares of Stock shall be deemed assumed if, following the Change in Control, the Award confers the right to receive, subject to the terms and conditions of the Plan and the applicable Award Agreement, for each share of Stock subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a combination thereof) to which a holder of a share of Stock on the effective date of the Change in Control was entitled (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Stock); provided, however, that if such consideration is not solely common stock of the Acquiror, the Committee may, with the consent of the Acquiror, provide for the consideration to be received upon the exercise or settlement of the Award, for each share of Stock subject to the Award, to consist solely of common stock of the Acquiror equal in Fair Market Value to the per share consideration received by holders of Stock pursuant to the Change in Control. Any Award or portion thereof which is neither assumed or continued by the Acquiror in connection with the Change in Control shall fully vest effective immediately prior to but conditioned on the Change in Control, and, except as otherwise provided in an Award Agreement evidencing an Award, for each such Award that vests subject to the attainment of one or more Performance Goals, the applicable Performance Goals shall be deemed achieved at the greater of target or actual performance (with the Performance Goals equitably adjusted to reflect a shortened Performance Period ending as of the Change in Control).

14.2 **Effect of Change in Control on Nonemployee Director Awards.** Subject to the requirements and limitations of Section 409A, if applicable, including as provided by Section 16.4(f), in the event of a Change in Control, each outstanding Nonemployee Director Award shall become immediately exercisable and vested in full and, except to the extent assumed, continued or substituted for pursuant to Section 14.1(b), shall be settled effective immediately prior to the time of consummation of the Change in Control.

#### 14.3 Federal Excise Tax Under Section 4999 of the Code.

(a) **Excess Parachute Payment.** If any acceleration of vesting pursuant to an Award and any other payment or benefit received or to be received by a Participant would subject the Participant to any excise tax pursuant to Section 4999 of the Code due to the characterization of such acceleration of vesting, payment or benefit as an "excess parachute payment" under Section 280G of the Code, then, provided such election would not subject the Participant to taxation under Section 409A, the Participant may elect to reduce the amount of any acceleration of vesting called for under the Award in order to avoid such characterization.

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(b) **Determination by Independent Accountants.** To aid the Participant in making any election called for under Section 14.3(a), no later than the date of the occurrence of any event that might reasonably be anticipated to result in an “excess parachute payment” to the Participant as described in Section 14.3(a), the Company shall request a determination in writing by the professional firm engaged by the Company for general tax purposes, or, if the tax firm so engaged by the Company is serving as accountant or auditor for the Acquiror, the Company will appoint a nationally recognized tax firm to make the determinations required by this Section. (the “**Tax Firm**”). As soon as practicable thereafter, the Tax Firm shall determine and report to the Company and the Participant the amount of such acceleration of vesting, payments and benefits which would produce the greatest after-tax benefit to the Participant. For the purposes of such determination, the Tax Firm may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Participant shall furnish to the Tax Firm such information and documents as the Tax Firm may reasonably request in order to make its required determination. The Company shall bear all fees and expenses the Tax Firm charge in connection with its services contemplated by this Section.

#### 15. **COMPLIANCE WITH SECURITIES LAW.**

The grant of Awards and the issuance of shares of Stock pursuant to any Award shall be subject to compliance with all applicable requirements of federal, state and foreign law with respect to such securities and the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, no Award may be exercised or shares issued pursuant to an Award unless (a) a registration statement under the Securities Act shall at the time of such exercise or issuance be in effect with respect to the shares issuable pursuant to the Award, or (b) in the opinion of legal counsel to the Company, the shares issuable pursuant to the Award may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company’s legal counsel to be necessary to the lawful issuance and sale of any shares under the Plan shall relieve the Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority shall not have been obtained. As a condition to issuance of any Stock, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

#### 16. **COMPLIANCE WITH SECTION 409A.**

16.1 **Awards Subject to Section 409A.** The Company intends that Awards granted pursuant to the Plan shall either be exempt from or comply with Section 409A, and the Plan shall be so construed. The provisions of this Section 16 shall apply to any Award or portion thereof that constitutes or provides for payment of Section 409A Deferred Compensation. Such Awards may include, without limitation:

(a) A Nonstatutory Stock Option or SAR that includes any feature for the deferral of compensation other than the deferral of recognition of income until the later of (i) the exercise or disposition of the Award or (ii) the time the stock acquired pursuant to the exercise of the Award first becomes substantially vested.

(b) Any Restricted Stock Unit Award, Performance Award, Cash-Based Award or Other Stock-Based Award that either (i) provides by its terms for settlement of all or any portion of the Award at a time or upon an event that will or may occur later than the end of the Short-Term Deferral Period (as defined below) or (ii) permits the Participant granted the Award to elect one or more dates or events upon which the Award will be settled after the end of the Short-Term Deferral Period. Subject to the provisions of Section 409A, the term “**Short-Term Deferral Period**” means the 2 1/2 month period ending on the later of (i) the 15th day of the third month following the end of the Participant’s taxable year in which the right to payment under the applicable portion of the Award is no longer subject to a substantial risk of forfeiture or (ii) the 15th day of the third month following the end of the Company’s taxable year in which the right to payment under the applicable portion of the Award is no longer subject to a substantial risk of forfeiture. For this purpose, the term “substantial risk of forfeiture” shall have the meaning provided by Section 409A.

16.2 **Deferral and/or Distribution Elections.** Except as otherwise permitted or required by Section 409A, the following rules shall apply to any compensation deferral and/or payment elections (each, an “**Election**”) that may be permitted or required by the Committee pursuant to an Award providing Section 409A Deferred Compensation:

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(a) Elections must be in writing and specify the amount of the payment in settlement of an Award being deferred, as well as the time and form of payment as permitted by this Plan.

(b) Elections shall be made by the end of the Participant's taxable year prior to the year in which services commence for which an Award may be granted to the Participant.

(c) Elections shall continue in effect until a written revocation or change in Election is received by the Company, except that a written revocation or change in Election must be received by the Company prior to the last day for making the Election determined in accordance with paragraph (b) above or as permitted by Section 16.3.

**16.3 Subsequent Elections.** Except as otherwise permitted or required by Section 409A, any Award providing Section 409A Deferred Compensation which permits a subsequent Election to delay the payment or change the form of payment in settlement of such Award shall comply with the following requirements:

(a) No subsequent Election may take effect until at least twelve (12) months after the date on which the subsequent Election is made.

(b) Each subsequent Election related to a payment in settlement of an Award not described in Section 16.4(a)(ii), 16.4(a)(iii) or 16.4(a)(vi) must result in a delay of the payment for a period of not less than five (5) years from the date on which such payment would otherwise have been made.

(c) No subsequent Election related to a payment pursuant to Section 16.4(a)(iv) shall be made less than twelve (12) months before the date on which such payment would otherwise have been made.

(d) Subsequent Elections shall continue in effect until a written revocation or change in the subsequent Election is received by the Company, except that a written revocation or change in a subsequent Election must be received by the Company prior to the last day for making the subsequent Election determined in accordance the preceding paragraphs of this Section 16.3.

#### **16.4 Payment of Section 409A Deferred Compensation.**

(a) **Permissible Payments.** Except as otherwise permitted or required by Section 409A, an Award providing Section 409A Deferred Compensation must provide for payment in settlement of the Award only upon one or more of the following:

(i) The Participant's "separation from service" (as defined by Section 409A);

(ii) The Participant's becoming "disabled" (as defined by Section 409A);

(iii) The Participant's death;

(iv) A time or fixed schedule that is either (i) specified by the Committee upon the grant of an Award and set forth in the Award Agreement evidencing such Award or (ii) specified by the Participant in an Election complying with the requirements of Section 16.2 or 16.3, as applicable;

(v) A change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company determined in accordance with Section 409A; or

(vi) The occurrence of an "unforeseeable emergency" (as defined by Section 409A).

(b) **Installment Payments.** It is the intent of this Plan that any right of a Participant to receive installment payments (within the meaning of Section 409A) shall, for all purposes of Section 409A, be treated as a right to a series of separate payments.

(c) **Required Delay in Payment to Specified Employee Pursuant to Separation from Service.** Notwithstanding any provision of the Plan or an Award Agreement to the contrary, except as otherwise permitted by Section 409A, no payment pursuant to Section 16.4(a)(i) in settlement of an Award providing for Section 409A Deferred Compensation may be made to a Participant who is a "specified employee" (as defined by Section 409A) as of the date of the Participant's separation from service before the date (the "**Delayed Payment Date**") that is six (6) months after the date of such Participant's separation from service, or, if earlier, the date of the Participant's death. All such amounts that would, but for this paragraph, become payable prior to the Delayed Payment Date shall be accumulated and paid on the Delayed Payment Date.

(d) **Payment Upon Disability.** All distributions of Section 409A Deferred Compensation payable pursuant to Section 16.4(a)(ii) by reason of a Participant becoming disabled shall be paid in a lump sum or in periodic installments as

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established by the Participant's Election. If the Participant has made no Election with respect to distributions of Section 409A Deferred Compensation upon becoming disabled, all such distributions shall be paid in a lump sum upon the determination that the Participant has become disabled.

(e) **Payment Upon Death.** If a Participant dies before complete distribution of amounts payable upon settlement of an Award subject to Section 409A, such undistributed amounts shall be distributed to his or her beneficiary under the distribution method for death established by the Participant's Election upon receipt by the Committee of satisfactory notice and confirmation of the Participant's death. If the Participant has made no Election with respect to distributions of Section 409A Deferred Compensation upon death, all such distributions shall be paid in a lump sum upon receipt by the Committee of satisfactory notice and confirmation of the Participant's death.

(f) **Payment Upon Change in Control.** Notwithstanding any provision of the Plan or an Award Agreement to the contrary, to the extent that any amount constituting Section 409A Deferred Compensation would become payable under this Plan by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also constitute a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Section 409A. Any Award which constitutes Section 409A Deferred Compensation and which would vest and otherwise become payable upon a Change in Control as a result of the failure of the Acquiror to assume, continue or substitute for such Award in accordance with Section 14.1(b) shall vest to the extent provided by such Award but shall be converted automatically at the effective time of such Change in Control into a right to receive, in cash on the date or dates such award would have been settled in accordance with its then existing settlement schedule (or as required by Section 16.4(c)), an amount or amounts equal in the aggregate to the intrinsic value of the Award at the time of the Change in Control.

(g) **Payment Upon Unforeseeable Emergency.** The Committee shall have the authority to provide in the Award Agreement evidencing any Award providing for Section 409A Deferred Compensation for payment pursuant to Section 16.4(a)(vi) in settlement of all or a portion of such Award in the event that a Participant establishes, to the satisfaction of the Committee, the occurrence of an unforeseeable emergency. In such event, the amount(s) distributed with respect to such unforeseeable emergency cannot exceed the amounts reasonably necessary to satisfy the emergency need plus amounts necessary to pay taxes reasonably anticipated as a result of such distribution(s), after taking into account the extent to which such emergency need is or may be relieved through reimbursement or compensation by insurance or otherwise, by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship) or by cessation of deferrals under the Award.

All distributions with respect to an unforeseeable emergency shall be made in a lump sum upon the Committee's determination that an unforeseeable emergency has occurred. The Committee's decision with respect to whether an unforeseeable emergency has occurred and the manner in which, if at all, the payment in settlement of an Award shall be altered or modified, shall be final, conclusive, and not subject to approval or appeal.

(h) **Prohibition of Acceleration of Payments.** Notwithstanding any provision of the Plan or an Award Agreement to the contrary, this Plan does not permit the acceleration of the time or schedule of any payment under an Award providing Section 409A Deferred Compensation, except as permitted by Section 409A. (i) **No Representation Regarding Section 409A Compliance.** Notwithstanding any other provision of the Plan, the Company makes no representation that Awards shall be exempt from or comply with Section 409A. No Participating Company shall be liable for any tax, penalty or interest imposed on a Participant by Section 409A.

## **17. TAX WITHHOLDING.**

17.1 **Tax Withholding in General.** The Company shall have the right to deduct from any and all payments made under the Plan, or to require the Participant, through payroll withholding, cash payment or otherwise, to make adequate provision for, the federal, state, local and foreign taxes (including social insurance), if any, required by law to be withheld by any Participating Company with respect to an Award or the shares acquired pursuant thereto. The Company shall have no obligation to deliver shares of Stock, to release shares of Stock from an escrow established pursuant to an Award Agreement, or to make any payment in cash under the Plan until the Participating Company Group's tax withholding obligations have been satisfied by the Participant.

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**17.2 Withholding in or Directed Sale of Shares.** The Company shall have the right, but not the obligation, to deduct from the shares of Stock issuable to a Participant upon the exercise or settlement of an Award, or to accept from the Participant the tender of, a number of whole shares of Stock having a Fair Market Value, as determined by the Company, equal to all or any part of the tax withholding obligations of any Participating Company. The Fair Market Value of any shares of Stock withheld or tendered to satisfy any such tax withholding obligations shall not exceed the amount determined based on the applicable maximum statutory withholding rates on the date of withholding or repurchase. The Company may require a Participant to direct a broker, upon the vesting, exercise or settlement of an Award, to sell a portion of the shares subject to the Award determined by the Company in its discretion to be sufficient to cover the tax withholding obligations of any Participating Company and to remit an amount equal to such tax withholding obligations to such Participating Company in cash.

**18. AMENDMENT, SUSPENSION OR TERMINATION OF PLAN.**

The Committee may amend, suspend or terminate the Plan at any time. However, without the approval of the Company's stockholders, there shall be (a) no increase in the maximum aggregate number of shares of Stock that may be issued under the Plan (except by operation of the provisions of Sections 4.2, 4.3 and 4.4), (b) no change in the class of persons eligible to receive Incentive Stock Options, and (c) no other amendment of the Plan that would require approval of the Company's stockholders under any applicable law, regulation or rule, including the rules of any stock exchange or quotation system upon which the Stock may then be listed or quoted. No amendment, suspension or termination of the Plan shall affect any then outstanding Award unless expressly provided by the Committee. Except as provided by the next sentence, no amendment, suspension or termination of the Plan may have a materially adverse effect on any then outstanding Award without the consent of the Participant. Notwithstanding any other provision of the Plan or any Award Agreement to the contrary, the Committee may, in its sole and absolute discretion and without the consent of any Participant, amend the Plan or any Award Agreement, to take effect retroactively or otherwise, as it deems necessary or advisable for the purpose of conforming the Plan or such Award Agreement to any present or future law, regulation or rule applicable to the Plan, including, but not limited to, Section 409A.

**19. MISCELLANEOUS PROVISIONS.**

**19.1 Repurchase Rights.** Shares issued under the Plan may be subject to one or more repurchase options, or other conditions and restrictions as determined by the Committee in its discretion at the time the Award is granted. The Company shall have the right to assign at any time any repurchase right it may have, whether or not such right is then exercisable, to one or more persons as may be selected by the Company. Upon request by the Company, each Participant shall execute any agreement evidencing such transfer restrictions prior to the receipt of shares of Stock hereunder and shall promptly present to the Company any and all certificates representing shares of Stock acquired hereunder for the placement on such certificates of appropriate legends evidencing any such transfer restrictions.

**19.2 Forfeiture Events.**

(a) The Committee may specify in an Award Agreement that the Participant's rights, payments, and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture, or recoupment upon the occurrence of specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include, but shall not be limited to, termination of Service for Cause or any act by a Participant, whether before or after termination of Service, that would constitute Cause for termination of Service, or any accounting restatement due to material noncompliance of the Company with any financial reporting requirements of securities laws as a result of which, and to the extent that, such reduction, cancellation, forfeiture, or recoupment is required by applicable securities laws.

(b) If the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct, with any financial reporting requirement under the securities laws, any Participant who knowingly or through gross negligence engaged in the misconduct, or who knowingly or through gross negligence failed to prevent the misconduct, and any Participant who is one of the individuals subject to automatic forfeiture under Section 304 of the Sarbanes-Oxley Act of 2002, shall reimburse the Company for (i) the amount of any payment in settlement of an Award received by such Participant during the twelve- (12-) month period following the first public issuance or filing with the United States Securities and Exchange Commission (whichever first occurred) of the financial document embodying such financial reporting requirement, and (ii) any profits realized by such Participant from the sale of securities of the Company during such twelve- (12-) month period.

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**19.3 Provision of Information.** Each Participant shall be given access to information concerning the Company equivalent to that information generally made available to the Company's common stockholders.

**19.4 Rights as Employee, Consultant or Director.** No person, even though eligible pursuant to Section 5, shall have a right to be selected as a Participant, or, having been so selected, to be selected again as a Participant. Nothing in the Plan or any Award granted under the Plan shall confer on any Participant a right to remain an Employee, Consultant or Director or interfere with or limit in any way any right of a Participating Company to terminate the Participant's Service at any time. To the extent that an Employee of a Participating Company other than the Company receives an Award under the Plan, that Award shall in no event be understood or interpreted to mean that the Company is the Employee's employer or that the Employee has an employment relationship with the Company.

**19.5 Rights as a Stockholder.** A Participant shall have no rights as a stockholder with respect to any shares covered by an Award until the date of the issuance of such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date such shares are issued, except as provided in Section 4.4 or another provision of the Plan.

**19.6 Delivery of Title to Shares.** Subject to any governing rules or regulations, the Company shall issue or cause to be issued the shares of Stock acquired pursuant to an Award and shall deliver such shares to or for the benefit of the Participant by means of one or more of the following: (a) by delivering to the Participant evidence of book entry shares of Stock credited to the account of the Participant, (b) by depositing such shares of Stock for the benefit of the Participant with any broker with which the Participant has an account relationship, or (c) by delivering such shares of Stock to the Participant in certificate form.

**19.7 Fractional Shares.** The Company shall not be required to issue fractional shares upon the exercise or settlement of any Award.

**19.8 Retirement and Welfare Plans.** Neither Awards made under this Plan nor shares of Stock or cash paid pursuant to such Awards may be included as "compensation" for purposes of computing the benefits payable to any Participant under any Participating Company's retirement plans (both qualified and non-qualified) or welfare benefit plans unless such other plan expressly provides that such compensation shall be taken into account in computing a Participant's benefit.

**19.9 Beneficiary Designation.** Subject to local laws and procedures, each Participant may file with the Company a written designation of a beneficiary who is to receive any benefit under the Plan to which the Participant is entitled in the event of such Participant's death before he or she receives any or all of such benefit. Each designation will revoke all prior designations by the same Participant, shall be in a form prescribed by the Company, and will be effective only when filed by the Participant in writing with the Company during the Participant's lifetime. If a married Participant designates a beneficiary other than the Participant's spouse, the effectiveness of such designation may be subject to the consent of the Participant's spouse. If a Participant dies without an effective designation of a beneficiary who is living at the time of the Participant's death, the Company will pay any remaining unpaid benefits to the Participant's legal representative.

**19.10 Severability.** If any one or more of the provisions (or any part thereof) of this Plan shall be held invalid, illegal or unenforceable in any respect, such provision shall be modified so as to make it valid, legal and enforceable, and the validity, legality and enforceability of the remaining provisions (or any part thereof) of the Plan shall not in any way be affected or impaired thereby.

**19.11 No Constraint on Corporate Action.** Nothing in this Plan shall be construed to: (a) limit, impair, or otherwise affect the Company's or another Participating Company's right or power to make adjustments, reclassifications, reorganizations, or changes of its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell, or transfer all or any part of its business or assets; or (b) limit the right or power of the Company or another Participating Company to take any action which such entity deems to be necessary or appropriate.

**19.12 Unfunded Obligation.** Participants shall have the status of general unsecured creditors of the Company. Any amounts payable to Participants pursuant to the Plan shall be considered unfunded and unsecured obligations for all purposes, including, without limitation, Title I of the Employee Retirement Income Security Act of 1974. No Participating Company shall be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such obligations. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of

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any trust or any Participant account shall not create or constitute a trust or fiduciary relationship between the Committee or any Participating Company and a Participant, or otherwise create any vested or beneficial interest in any Participant or the Participant's creditors in any assets of any Participating Company. The Participants shall have no claim against any Participating Company for any changes in the value of any assets which may be invested or reinvested by the Company with respect to the Plan.

19.13 **Choice of Law.** Except to the extent governed by applicable federal law, the validity, interpretation, construction and performance of the Plan and each Award Agreement shall be governed by the laws of the State of California, without regard to its conflict of law rules.

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SECTION 302 CERTIFICATION OF EDWARD B. MEYERCORD III  
AS CHIEF EXECUTIVE OFFICER

I, Edward B. Meyercord III, certify that:

1. I have reviewed this Form 10-Q of Extreme Networks, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent function):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 29, 2026

/s/ EDWARD B. MEYERCORD III  
Edward B. Meyercord III  
President and Chief Executive Officer

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SECTION 302 CERTIFICATION OF KEVIN RHODES  
AS CHIEF FINANCIAL OFFICER

I, Kevin Rhodes, certify that:

1. I have reviewed this Form 10-Q of Extreme Networks, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent function):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 29, 2026

/s/ KEVIN RHODES

Kevin Rhodes  
Executive Vice President, Chief Financial Officer  
(Principal Accounting Officer)

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CERTIFICATION OF EDWARD B. MEYERCORD III AS CHIEF EXECUTIVE OFFICER, PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Extreme Networks, Inc. on Form 10-Q for the period ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacities and on the date specified below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 29, 2026

/s/ EDWARD B. MEYERCORD III  
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Edward B. Meyercord III  
President and Chief Executive Officer

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CERTIFICATION OF KEVIN RHODES AS CHIEF FINANCIAL OFFICER, PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Extreme Networks, Inc. on Form 10-Q for the period ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacities and on the date specified below, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 29, 2026

/s/ KEVIN RHODES

Kevin Rhodes

Executive Vice President, Chief Financial Officer  
(Principal Accounting Officer)

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