

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

AIRSPAN NETWORKS HOLDINGS INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-10621 (THM)

(Joint Administration Requested)

DECLARATION OF GLENN LAXDAL IN SUPPORT OF FIRST DAY MOTIONS

I, Glenn Laxdal, pursuant to section 1746 of title 27 of the United States Code, hereby declare that the following is true and correct to the best of my knowledge, information, and belief:

1. I am the President and Chief Executive Officer of debtor Airspan Networks Holdings Inc, a company incorporated under the laws of Delaware (together with its debtor affiliates, collectively, the “Debtors,” and together with their non-debtor foreign affiliates, the “Company” or “Airspan”). I joined Airspan in January 2022 as President and Chief Operating Officer and was appointed as President and Chief Executive Officer by Airspan’s board of directors on May 18, 2023. From 2017 until my employment at Airspan, I served as senior vice president and general manager at Infinera Corp., a provider of connectivity solutions (“Infinera”), where I was responsible for Infinera’s product business. Prior to joining Infinera, I was head of network products in North America for Ericsson from 2016 to 2017, overseeing strategy, product management and solution development. I also served as chief technology officer and head of strategy for Ericsson North America from 2014 to 2017. Prior to Ericsson, I served as vice president of global product management at BlackBerry Ltd. from 2009 to 2012 and prior to that

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Airspan Networks Holdings Inc. (2786); Airspan Networks Inc. (0097); Airspan IP Holdco LLC (9270); and Airspan Networks (SG) Inc. (2232). The location of the Debtors’ service address is: 777 Yamato Road, Suite 310, Boca Raton, FL 33431.

held executive roles in product management and operations at Airvana, Inc. and Nortel Networks Inc. My education includes an M.B.A. from the University of Toronto and a B.A. in Economics and Bachelor of Commerce degrees from the University of Saskatchewan.

2. As President and Chief Executive Officer of Airspan, I am familiar with and knowledgeable about the Debtors' day-to-day operations, business and financial affairs, and books and records, as well as the circumstances leading to the commencement of these chapter 11 cases. I submit this declaration (this "Declaration") to assist the Court and parties in interest in understanding the circumstances compelling the commencement of these chapter 11 cases and in support of the Debtors' chapter 11 petitions filed on March 31, 2024 (the "Petition Date") and First Day Motions (as defined below) filed contemporaneously herewith. I am authorized to submit this Declaration on behalf of the Debtors.

3. Except as otherwise indicated herein, the facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, information provided to me by employees of the Company, my opinion based on experience, knowledge, and information concerning the Company's operations and financial condition, or from my discussions with the Debtors' advisors. If called upon to testify, I would and could testify competently to the facts set forth in this Declaration on that basis.

Preliminary Statement

4. Airspan is a U.S. headquartered, award-winning technical leader, in the 4G and 5G Radio Access Network ("RAN") and broadband access solutions market, for both mainstream public telecommunications service providers and private network implementations. While headquartered in the U.S., Airspan's main operations and product development centers are located outside the U.S., principally in Slough, United Kingdom, Airport City, Israel, and Mumbai and Bangalore, India. As a result and as detailed below and in the First Day Motions, funds flow from

Airspan's domestic entities out to its foreign non-debtor affiliates in order to support operations and product development which, in turn, generate revenue for the entire Company. The Company's prepetition debt reflects that structure, as certain of the Debtors' non-debtor affiliated entities (the "Non-Debtor Entities") have also guaranteed certain of the Debtors' funded debt obligations.

5. Airspan offers a broad range of software defined radios, broadband access products and network management software to enable cost-effective deployment and efficient management of mobile, fixed and hybrid wireless networks. Customers include leading mobile communications service providers ("CSPs"), large enterprises, infrastructure operators, military communications integrators, and internet service providers working to deliver high-capability broadband access to numerous markets. Airspan's mission is to disrupt and modernize network total cost of ownership models. Airspan has been pioneering wireless technology for over 25 years and is distinguished by its deep customer relationships, innovative product design capabilities and expertise in solving technical challenges at the network edge, where a device or local network interfaces with the Internet or other networks.

6. Over the course of its operations, Airspan has incurred significant operating losses in part due to its commitment of significant resources to research and development as well as competitive pressures. To fund operations, Airspan historically relied on equity investments. In recent years, however, Airspan has relied on debt investments to fund operations, having been unable to issue additional equity securities on favorable terms. The COVID-19 pandemic also generated challenges in the form of supply chain disruptions, inflation and stagnant growth, and a longer telecom business cycle than in the past. Airspan sought to address these challenges by reducing costs and pursuing strategic alternatives, including potential sales of all or part of the Company's assets, additional financing, or other comprehensive restructuring transactions.

7. Airspan ultimately determined that a comprehensive restructuring was the best path forward to maximize the value of the enterprise and engaged in negotiations and discussions with its key stakeholders, the result of which is a holistic balance sheet restructuring memorialized in the *Joint Prepackaged Chapter 11 Plan of Reorganization of Airspan Networks Holdings Inc. and its Debtor Affiliates* [ECF No. 4] (the “Plan”), filed contemporaneous herewith. The Plan has the overwhelming and near-unanimous support of the Debtors’ major stakeholders, as evidenced by that certain restructuring support agreement (the “Restructuring Support Agreement”), filed as Exhibit B to the *Disclosure Statement for the Joint Prepackaged Chapter 11 Plan of Reorganization of Airspan Networks Holdings Inc. and its Debtor Affiliates* [ECF No. 5] (the “Disclosure Statement”). As of the date of hereof, holders of approximately 95% in aggregate principal amount of the Prepetition Senior Secured Debt (defined below) and holders of 100% in principal amount of the Prepetition Subordinated Debt (defined below) have executed the Restructuring Support Agreement.

8. To familiarize the Court with the Company, Airspan’s business, the circumstances leading to these cases, and the relief the Debtors are seeking in the First Day Motions filed contemporaneously herewith, I have organized this Declaration into five sections:

- Part I provides background information on Airspan’s corporate history and operations;
- Part II offers an overview of Airspan’s prepetition corporate and capital structure;
- Part III describes the financial and operational circumstances leading to the need for the filing of these chapter 11 cases;
- Part IV provides an overview of the restructuring transactions contemplated by the Restructuring Support Agreement and the Plan; and
- Part V summarizes the relief requested in the First Day Motions.

I. Airspan's History and Operations

A. Airspan's Business and Operations

9. The Company began operations in 1998, and started its business in proprietary digital wireless access technology, primarily Broadband Wireless Solutions. In 2002, the Company developed a WiMAX solution, rapidly becoming a leader in high performance wireless data networks. In 2008, Airspan focused on cellular technology based on 3rd Generation Partnership Project ("3GPP"), developing their first LTE (4G) macro and small cells solutions. Airspan started its 5G path in 2019, developing a comprehensive portfolio of macro and small cells covering the sub-6GHz and mmWave bands. While Airspan develops the technology and equipment, manufacturing is completed by third party manufacturers.

10. In 4G mobile networks, Airspan established itself as an expert in network densification by focusing on solving the problems associated with physically locating, installing and commissioning networks consisting of hundreds of thousands of small cells as an alternative and supplement to macro cell-based networks. Software-defined and cost-optimized radio platforms, self-organizing/optimization algorithms, and minimum power consumption have been critical to Airspan's 4G business and are expected to be even more critical to the deployment and expansion of new 5G networks. As an early leader in 5G OPEN-RAN standards, Airspan has worked to unbundle the monolithic network architectures previously dominated by large incumbent suppliers such as Telefonaktiebolaget LM Ericsson ("Ericsson"), Huawei Technologies Co., Ltd. ("Huawei"), and Nokia Corporation ("Nokia"). As a foundational member of the 5G ecosystem, Airspan works closely with wireless operators, chipset suppliers and infrastructure vendors around the world on 5G developments, trials, pilots and deployments.

11. Airspan has relationships with some of the world's most innovative Tier-1 CSPs including T-Mobile (over 400,000 radios), Reliance Jio (over 250,000 radios) and Rakuten (over

50,000 radios). Airspan has also revolutionized the Enterprise Private Network (“EPN”) market with more than 500 laboratory trials and production networks deployed. Some examples of deployments are:

a. *Meta* – One thousand radios deployed nationwide across Meta campuses to provide a dedicated wireless broadband network. The Meta deployment is a Neutral Host Network (“NHN”), meaning it provides an in-building coverage and capacity extension for the main domestic Tier-1 carriers (AT&T, T-Mobile and Verizon) across all Meta properties that is significantly more cost effective compared to alternatives such as distributed antenna systems.

b. *Il-Shin* – South Korean System Integrator that provides a wireless communication system for nuclear power plants by connecting various services to the private network (reactor monitoring, sensors, video, communication, employee communications) running Airspan’s solution that satisfies heightened security and reliability requirements.

c. *Prospecta* – An innovative Australian company focused on delivering multiservice infrastructure solutions using 5G mmWave Fixed Wireless Access solution from Airspan and building its own telco infrastructure to provide high quality broadband services and to reduce the fixed fees paid to service providers.

d. *Gogo* – A company that has and is revolutionizing in-flight connectivity, providing 4G and 5G broadband coverage from ground base stations to the airplanes. More than 250 macro base stations are deployed to cover North America. To support this use case, Airspan developed patented proprietary features to enable Air To Ground (“ATG”) broadband communication.

e. *Thales* – A Large System Integrator has deployed Airspan’s small cells to provide coverage in the New York City Subway (“NYC Subway”). The NYC Subway uses a 5G private network to provide high performance end-to-end signaling and control systems for the subway system.

12. Airspan has worked closely with leading edge semiconductor companies such as Qualcomm Incorporated and GCT Communications Inc. In partnership with these companies, Airspan has helped to address the challenges of next generation RAN deployments at scale, while building a portfolio of solutions to help innovators deploy novel and innovative networks, augmenting its technology portfolio, creating greater visibility into our end-markets and informing our product development roadmap

13. Airspan’s single integrated software platform is our key differentiator having been deployed at scale in leading Tier-1 CSPs, including Sprint, Reliance Jio, Rakuten and Gogo. We have learned how to rapidly incorporate the experiential learning represented by over one million deployed radios. That has resulted in a unified software code base and a library of low cost and high-performance radio frequency (“RF”) subsystems. We also have an integrated management and control platform (“Airspan Control Platform”) managing all Airspan products, capable of adopting other parts of the network (Core Network and devices), and easy to integrate with existing CSPs’ Operation Support Systems (“OSS”). Today, we employ over 250 engineers with deep expertise in 5G New Radio (“NR”), Long-Term Evolution (“LTE”), LTE-Advanced, orthogonal frequency division multiple access (“OFDMA”), Wi-Fi and VoIP, and we are a leader in Open RAN software with a track record of continuous innovation at the network edge. We hold 229 issued and 68 pending patents, including domestic patents and various foreign counterparts.

14. Airspan competes in the mobile RAN equipment and services market. Airspan’s largest direct competitors in the RAN market include Ericsson, Huawei, Nokia, Samsung Group and ZTE Corporation as well as smaller players such as Casa Systems, Inc., Inseego Corp, JMA Wireless, KMW Co Ltd, Sercomm Corporation, and Mavenir.

15. Airspan’s customers are principally network operators and system integrators who provide their customers with specialized private networks. Our CSP customers today can generally be described as follows:

- a. *Mobile Network Operators (MNOs)* – Entities that provide nationwide public cellular coverage to their customers, including Rakuten and Reliance Jio.
- b. *Enterprise Private Networks* – This market is driven by System Integrators who work with the customers to integrate Airspan technology into a solution. Customers include entities in different verticals like transportation, smart factories and utilities.
- c. *Air To Ground (ATG)* – The lead customer here is Gogo, which is a specialized network operator providing Air to Ground broadband connectivity to business jets.

B. The De-SPAC Transaction

16. In order to take advantage of the capital raising potential of public equity markets, on August 13, 2021, New Beginnings Acquisition Corp., a Delaware corporation (“New Beginnings”), Artemis Merger Sub Corp., a Delaware corporation and wholly-owned direct subsidiary of New Beginnings, and Debtor Airspan Networks Inc. (“Airspan Networks”) consummated their previously announced business combination (the “De-SPAC Transaction”) pursuant to the terms of that certain Business Combination Agreement, dated as of March 8, 2021 (the “Business Combination Agreement”).

17. Pursuant to the Business Combination Agreement, (i) New Beginnings changed its name to “Airspan Networks Holdings Inc.” (“Airspan Holdings”) and (ii) shares of Airspan Networks capital stock issued and outstanding immediately prior to the closing (including shares of Airspan Networks capital stock issued pursuant to the net exercise of warrants to purchase Airspan Networks capital stock, but excluding shares of Airspan Networks restricted stock that were not Airspan Networks accelerated restricted stock) were automatically converted into 59,726,486 shares of common stock in Airspan Holdings and entitled the holders thereof to receive 9,000,000 Airspan Holdings warrants. Airspan Holdings’ shares began trading on the NYSE American under the symbol “MIMO” on August 13, 2021.

18. Prior to the consummation of the De-SPAC Transaction, holders of an aggregate of 9,997,049 shares of common stock sold in New Beginnings’ initial public offering exercised their right to have such shares redeemed for a full pro rata portion of the trust account holding the proceeds from New Beginning’s initial public offering, calculated as of two business days prior to the consummation of the De-SPAC Transaction, which was approximately \$10.10 per share, or \$101.0 million in the aggregate. Concurrent with consummation of the De-SPAC Transaction, New Beginnings issued: (a) 7,500,000 shares of common stock to certain investors, at a price of

\$10.00 per share, for aggregate consideration of \$75 million (the “PIPE Financing”); and (b) \$50 million in aggregate principal amount of convertible notes. After taking into account underwriting fees and costs, the total raised in the De-SPAC transaction was \$115.5 million.

19. The De-SPAC Transaction and associated PIPE Financing did not result in sufficient capital for the Company and, as a result, the Company had to rely on further financing from senior secured lenders, as detailed below. The Company was thus left in an overleveraged position given its subsequent revenue performance.

C. The Mimosa Sale

20. As described more fully below, the Company embarked on a process to explore a sale or other strategic alternatives starting in 2021 in order to find a path to recapitalize its funded debt and de-leverage the Company. One component of that process culminated in a sale of the business associated with Airspan’s affiliate Mimosa Networks, Inc. (“Mimosa”). On March 8, 2023, Airspan entered into a definitive agreement to sell all of the issued and outstanding shares of common stock of Mimosa to Radisys for a total purchase price of approximately \$60 million while retaining a reseller arrangement to continue to market and sell the Mimosa products (the “Mimosa Sale”).

21. Airspan agreed to use \$45 million of the proceeds from the Mimosa Sale to pay obligations and reduce indebtedness to the Prepetition Senior Secured Creditors (defined below). Airspan, in turn, received the remaining \$15 million in proceeds from the Mimosa Sale, which amount was reduced by the costs and fees associated with effectuating the sale, resulting in a net return of approximately \$10 million.

II. Airspan's Prepetition Corporate and Capital Structure

A. Airspan's Corporate Structure

22. As set forth on the organizational chart attached hereto as **Exhibit A**, Airspan Holdings wholly owns, directly or indirectly, each of the Debtors and their non-debtor affiliates. Each of the Debtors is an obligor of one or more of Airspan Networks' debt facilities by way of being a borrower or guarantor.

23. Three Non-Debtor Entities have also guaranteed certain of the Debtors' funded debt obligations. These entities are foreign affiliates of the Debtors and have not commenced chapter 11 cases. As noted at the outset, while Airspan is headquartered in the U.S., its principal operations and product development reside outside the U.S. at the Non-Debtor Entities. As a result, the bulk of Airspan's costs and expenses associated with operations and product development are generated by the Non-Debtor Entities. The Debtors, in turn, provide funding directly to the Non-Debtor Affiliates to satisfy the costs and expenses associated with operations and product development.

B. Equity Ownership

24. Airspan Holdings is a Delaware corporation with shares publicly listed on the NYSE American Stock Market under the ticker symbol "MIMO."

25. As of February 9, 2024, 250,000,000 shares of Airspan Holdings' common stock had been authorized, with 74,638,893 shares issued and outstanding.

C. Prepetition Funded Debt

26. As of the Petition Date, the Debtors have approximately \$205.14 million in total funded debt obligations. The relative amounts and priorities of each debt obligation set forth herein are as follows:

Funded Debt	Maturity	Outstanding Amount as of March 31, 2024 (including capitalized interest and fees)
Prepetition Senior Secured Debt • Prepetition Term Loans • Prepetition Convertible Notes	December 2024	\$146.90 million
Prepetition Subordinated Term Loan	December 2024	\$46.41 million
Prepetition Subordinated Convertible Note	June 2020	\$11.83 million
Total Funded Debt		\$205.14 million

1. Prepetition Senior Secured Debt – Term Loan

27. Pursuant to that certain Sixth Amended and Restated Credit Agreement dated as of March 7, 2024, by and among Airspan Networks, as borrower, the other Debtors, as guarantors (the “Guarantors”), the other affiliate guarantors, and the other lenders party thereto (collectively, the “Prepetition Senior Secured Term Loan Lenders”), and DBFIP ANI LLC, as administrative agent and as collateral agent and trustee for the lenders and secured parties (in such capacity as collateral agent and trustee for the lenders and secured parties, the “Senior Secured Agent” and, together with the initial Prepetition Senior Secured Term Loan Lenders, the “Prepetition Secured Parties”) (as the same may be amended, restated, amended and restated, supplemented or modified from time to time, the “Senior Secured Term Loan Facility” and the loans issued thereunder, the “Prepetition Senior Secured Term Loans”), Airspan Networks incurred the Prepetition Senior Secured Term Loans in an initial principal amount of approximately \$51 million. The Prepetition Senior Secured Term Loans mature in December 2024 and have a variable interest rate.

28. From November 2023 through March 2024, certain of the Prepetition Secured Parties extended nearly \$34 million of additional net cash to Airspan through a series of bridge

financings in order to provide Airspan with necessary liquidity to continue operations while Airspan pursued non-bankruptcy alternatives to maximize the value of the business and ultimately negotiated and worked to implement a prepackaged restructuring with near-unanimous support from impaired creditors.

29. In connection with the issuance of the Prepetition Senior Secured Term Loans, the Borrowers and the Guarantors granted the Prepetition Agent, for its benefit and the benefit of the Prepetition Senior Secured Term Loan Lenders, valid, binding, non-avoidable, properly perfected and enforceable first priority continuing liens on and security interest in substantially all assets of the Debtors and the Guarantors (ranking *pari passu* with the Prepetition Convertible Notes Liens (as defined below)) (collectively, the “Prepetition Term Loan Liens”).

2. Prepetition Senior Secured Debt – Convertible Notes

30. Pursuant to that certain Senior Secured Convertible Note Purchase and Guarantee Agreement dated as of July 30, 2021, by and among Airspan Networks, the Guarantors, the other affiliate guarantors, the purchasers from time to time party thereto (collectively, the “Prepetition Senior Secured Noteholders”), and the Prepetition Agent (as the same may be amended, restated, amended and restated, supplemented or modified from time to time, the “Senior Secured Note Purchase Agreement” and the convertible notes issued pursuant thereto, the “Senior Secured Convertible Notes”), Airspan Networks issued the Senior Secured Convertible Notes in a principal amount of \$52.5 million. The Senior Secured Convertible Notes mature in December 2024 and have an interest rate of 10% per annum. As of the Petition Date, the aggregate principal amount outstanding under the Senior Secured Convertible Notes was approximately \$44.7 million (“Prepetition Senior Secured Convertible Notes Debt” and, together with the Prepetition Senior Secured Term Loan Debt, the “Prepetition Senior Secured Debt”).

3. Prepetition Subordinated Term Loan

31. Pursuant to that certain Term Loan Agreement, dated as of February 9, 2016, between Airspan Networks and the original subordinated term loan lender party thereto (the “Original Prepetition Subordinated Term Loan Lender” and, together with the transferees thereof, the “Prepetition Subordinated Term Loan Lenders”), the Original Prepetition Subordinated Term Loan Lender provided Airspan Networks with a \$30 million subordinated term loan (as may be amended, restated, amended and restated, supplemented or modified from time to time, the “Prepetition Subordinated Term Loan”). The Prepetition Subordinated Term Loan matures in December 2024 and is subject to an interest rate of 9% per annum.

32. Pursuant to that certain Intercreditor and Subordination Agreement, dated as of December 30, 2020, by and among Airspan Networks, the Guarantors, certain affiliate guarantors, the Original Prepetition Subordinated Term Loan Lender and the Prepetition Agent, for the benefit of the Prepetition Agent (as may be amended, restated, amended and restated, supplemented or modified from time to time, the “Prepetition Subordinated Term Loan Subordination Agreement”), the obligations outstanding under the Prepetition Subordinated Term Loan are (i) fully subordinated and junior in right to payment to the Prepetition Secured Obligations, (ii) have no right to payment prior to the indefeasible repayment in full of the Prepetition Obligations, and (iii) have no claim on any assets of the Debtors on parity with or prior to the claim of the Prepetition Senior Secured Parties. As of the Petition Date, the approximate amount outstanding under the Subordinated Term Loan is \$46.41 million (the “Prepetition Subordinated Term Loan Debt”).

4. Prepetition Subordinated Convertible Note

33. Pursuant to that certain Convertible Promissory Note, dated as of August 6, 2015, by and between Airspan Networks and Golden Wayford Limited (the “Prepetition Subordinated Convertible Noteholder”), the Prepetition Subordinated Convertible Noteholder provided Airspan

Networks with a \$10 million subordinated convertible note (as the same has been and may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Prepetition Subordinated Convertible Note”). The Prepetition Subordinated Convertible Note matured on June 30, 2020 and is subject to an interest rate of 5% per annum. Notwithstanding having matured, the Prepetition Subordinated Convertible Note remains unpaid in accordance with the Prepetition Subordinated Convertible Note Subordination Agreement (as defined below).

34. Pursuant to that certain Debt Subordination Agreement, dated as of August 6, 2015, by and among Airspan Networks, certain affiliate Guarantors, and the Prepetition Subordinated Convertible Noteholder, for the benefit of the Prepetition Agent (as may be amended, restated, amended and restated, supplemented or modified from time to time prior to the Petition Date, the “Prepetition Subordinated Convertible Note Subordination Agreement”), the obligations outstanding under the Prepetition Subordinated Convertible Note are (i) fully subordinated and junior in right to payment to the Prepetition Secured Obligations, (ii) have no right to payment prior to the indefeasible repayment in full of the Prepetition Obligations, and (iii) have no claim on any assets of the Debtors on parity with or prior to the claim of the Prepetition Senior Secured Parties. As of the Petition Date, the approximate amount of the Prepetition Subordinated Convertible Note outstanding was \$11.83 million (the “Prepetition Subordinated Note” and, together with the Prepetition Subordinated Term Loan Debt, the “Prepetition Subordinated Debt”).

D. Trade Payables and Ordinary Course Obligations

35. In addition to Airspan’s funded debt obligations, as of the Petition Date, the Debtors owe an estimated \$2 million to third party suppliers, vendors, and other ordinary course unsecured creditors. While the trade payables associated with the Non-Debtor Entities are unaffected by these bankruptcy cases, those Non-Debtor Entities will continue to rely on the Debtors providing funding to them for their operations and product development. The Debtors are also seeking relief

to continue paying such third parties, including through the Non-Debtor Entities, in the ordinary course during the pendency of these Chapter 11 Cases (see paragraphs 130-136 discussing the Trade Motion). In addition, the Plan provides that all such creditors will be unimpaired and paid in the ordinary course of business.

III. Events Leading to These Chapter 11 Cases

A. Research and Development Costs, COVID-19, and Supply Chain Issues

36. In recent years, Airspan has incurred significant operating losses in part due to the commitment of significant resources to research and development as well as competitive pressures.

37. As noted above, at the time of the De-SPAC Transaction, Airspan raised an additional \$50 million of convertible debt. As a result of Airspan's stockholders' equity deficit and significant indebtedness, Airspan has been unable to issue additional equity securities on favourable terms and thus increase its public stockholder base. Instead, Airspan has relied on its funded indebtedness to fund the shortfall in our cash flow from operations.

38. The De-SPAC Transaction occurred during the COVID-19 pandemic, which also created additional significant challenges to Airspan's business model, including supply chain disruptions, highlighted by extended lead times and significant price increases for silicon based components, and materially increased transportation costs, inflation and stagnant growth. Airspan's plans to reach additional Tier-1 customers and the emerging private network segment were further impacted by the start of a protracted downturn in the telecom equipment market as the tailwinds of initial 5G deployment wave subsided. With CSPs cutting back on further capital expenditures to maximize cash flows, telecom equipment vendors both large and small saw significant declines in revenue. The downturn led to longer lead times and extended proof of concept integration requirements. Moreover, potential customers were less inclined to try new vendors, making the acquisition of new business particularly difficult. As a result of lower

revenues, and despite cost reduction initiatives that have significantly reduced quarterly operating costs, Airspan has continued to have negative EBITDA and cash flows following the De-SPAC Transaction.

B. Prepetition Restructuring Efforts

39. During 2022, in an effort to contend with the negative macroeconomic trends that were impacting the business, Airspan focused on reducing operating costs, including by reducing its headcount (including the Debtors and their non-Debtor affiliates) from over 800 employees to approximately 494 employees. The number of employees has steadily decreased since 2022; Airspan currently has approximately 370 employees (many of whom are employed by Non-Debtor Entities).

40. Beginning in September 2021, Airspan began exploring a strategic transaction to maximize the value of the enterprise for its stakeholders. In September 2021, Airspan engaged in confidential discussions and diligence with an entity (the “Prospect”) interested in pursuing a purchase of Airspan’s assets and/or engaging in a restructuring transaction with Airspan. To assist in those efforts and further explore its options, in June 2022, Airspan retained an investment banker to pursue strategic alternatives, including a potential sale of some or all of Airspan’s assets, additional financing, or a comprehensive restructuring transaction (the “Sale Process”). In September 2022, Airspan agreed to exclusivity with the Prospect, but Airspan and the Prospect were not ultimately able to agree to the terms of any transaction and exclusivity ended on November 4, 2022.

41. Thereafter, the investment banker relaunched the Sale Process in earnest. In order to ensure Airspan had the necessary capital to pursue robust marketing efforts, in May 2023, the Company and certain of the Prepetition Senior Secured Creditors entered into an amendment to the Prepetition Senior Secured Term Loan Facility and Prepetition Senior Secured Convertible

Note Purchase Agreement pursuant to which certain of the Prepetition Senior Secured Term Loan Lenders (i) provided the Company with \$25 million in delayed-draw term loan commitments and (ii) granted the Company waivers of certain existing defaults and events of default (collectively, the “May Amendments”). The May Amendments provided the Company with necessary liquidity and breathing space to maintain its operations while it continued the Sale Process.

42. This relaunched Sale Process resulted in a partial sale of the business associated with Mimosa described above. In August 2023, Airspan closed the Mimosa Sale, resulting in net proceeds to Airspan of approximately \$10 million in cash after transaction fees and related expenses.

43. Despite the capital infusions from the Mimosa Sale and the May Amendments, the Company continued to battle liquidity constraints. The Company continued to press ahead with the Sale Process, recognizing the pressing need for a comprehensive balance sheet deleveraging with the aim of maximizing value for stakeholders. In addition, Airspan formed a special committee of three independent directors (the “Special Committee”) which was empowered to review and evaluate a strategic transaction.

44. In connection with the Sale Process, Airspan, along with certain of the Senior Secured Creditors, sought to solicit proposals for a merger or acquisition transaction. Airspan’s advisors contacted almost forty parties that they believed would be interested in a strategic transaction with Airspan. In response to this outreach, eleven parties expressed sufficient interest in a potential transaction to sign non-disclosure agreements with Airspan, allowing such parties to gain access to certain confidential information. Airspan and their advisors subsequently engaged with these potentially interested parties to evaluate the potential for a strategic transaction with Airspan.

45. Airspan continued to engage with potential parties to a strategic transaction throughout and after the fall of 2023; however, the Company continued to face severe liquidity constraints and was out of compliance with various covenants under the Senior Secured Term Loan Facility and the Senior Secured Convertible Note Purchase Agreement. Recognizing the importance of the ongoing Sale Process, on November 15, 2023 certain of the Senior Secured Creditors agreed to provide the Company with \$5 million in bridge financing and waive certain existing defaults and events of default under the Senior Secured Term Loan Facility and Senior Secured Convertible Note Purchase Agreement (the “November Bridge Facility”). In connection with the November Bridge Facility, the Company appointed an additional independent director with specific restructuring expertise to the board of directors and the Special Committee.

46. By mid-December 2023, it became clear that the Sale Process was not likely to materialize into an actionable proposal from any of the parties to undertake a strategic transaction with the Company in time to address Airspan’s liquidity shortfall. As such, Airspan began engaging in earnest with its Senior Secured Creditors and Subordinated Creditors on the terms of a comprehensive restructuring transaction. To facilitate these discussions, from December 2023 through March 2024, certain of the Senior Secured Creditors (which creditors are the Debtors’ proposed DIP Lenders) provided Airspan with multiple rounds of additional bridge financing (the “Prepetition Bridge Loans”). The Prepetition Bridge Loans provided necessary liquidity to Airspan to support their businesses and operations and fund runway to allow for an orderly and consensual prepackaged chapter 11 process, with nearly all impaired claims signed up to the Restructuring Support Agreement. As of the Petition Date, the aggregate principal amount outstanding under the Prepetition Bridge Loans extended from December 2023 through March 2024 (including capitalized interest and fees) was approximately \$37.4 million.

IV. Transaction Overview

A. The Restructuring Support Agreement

47. After months of arms-length negotiation between and among the Debtors (overseen by the Special Committee), the Consenting Senior Secured Creditors, the Consenting Subordinated Creditors (each as defined in the Restructuring Support Agreement and collectively, the “Consenting Stakeholders”), and the Debtors entered into the Restructuring Support Agreement on March 29, 2024, embodying the terms of a comprehensive restructuring transaction to be implemented through a pre-packaged plan of reorganization. As described below, the Restructuring Support Agreement and the restructuring transaction contemplated thereby will allow the Company to substantially deleverage the business while posing minimal disruptions to the business.

48. The Restructuring Support Agreement has the near-unanimous support of the Debtors’ funded debt holders—the only impaired creditors in these chapter 11 cases. Pursuant to the Restructuring Support Agreement, the Consenting Stakeholders have agreed to, among other things:

- subject to receipt of the Disclosure Statement, vote to accept the Plan;
- grant and not opt-out of the releases contemplated by the Plan;
- refrain from taking any action that would delay or impede consummation of the Plan; and
- support and effectuate the documentation within the timeframes contemplated by the Restructuring Support Agreement.

49. The Restructuring Support Agreement and the Plan contemplate a fulsome recapitalization transaction that will allow for substantial deleveraging and new capital infusion to right size the Company’s balance sheet for the benefit of all stakeholders (a “Reorganization Transaction”). In particular, the Plan and the Restructuring Support Agreement provide for:

- a full equitization of the Company's existing funded indebtedness, which will eliminate all of the Company's existing funded debt;
- a new-money equity capital raise in an amount of up to \$95 million (the "New Money Common Equity Opportunity"), up to \$90 million of which will be offered for ratable participation by holders of Senior Secured Claims and the remaining \$5 million of which will be offered for ratable participation by holders of Subordinated Claims. The New Money Common Equity Opportunity will be backstopped by certain of the Prepetition Senior Secured Creditors up to an amount equal to the sum of (i) all obligations due and owing under the DIP Facility (as defined below) as of the effective date of the Plan, *plus* (ii) \$20 million; and
- a cash distribution available to holders of Airspan's existing stock that do not opt out of the Plan releases (or take certain other actions as set forth in the Plan). Airspan's equityholders may also have the opportunity to elect to participate in the equity upside of the Company with the opportunity to elect to receive certain warrants in reorganized Airspan in lieu of a cash distribution.

50. In addition, and importantly, the Plan provides that the Debtors may continue to pursue a potential sale transaction or alternative restructuring in the form of an Acceptable Sale Transaction (as defined in the Plan). This feature of the Plan further ensures that the Debtors maximize recoveries to their stakeholders.

51. In addition, certain of the Prepetition Senior Secured Creditors (collectively, the "DIP Lenders") have agreed to provide the Debtors with approximately \$55.5 million in fully committed debtor-in-possession financing (the "DIP Facility") to fund the Debtors' operations during the course of the chapter 11 cases. The proposed DIP Facility contemplates a roll-up of the loans issued under the Prepetition Bridge Loans, which were extended to the Debtors from December 2023 through March 2024. Although the bridge financing extended by the same Prepetition Senior Secured Creditors to the Debtors also included amounts under the November Bridge Facility, it was agreed as part of the comprehensive negotiations among the parties that only subsequent Prepetition Bridge Loans would be rolled up into the DIP Facility. The DIP Facility, including the roll-up, is an essential component of the overall financing package provided

to the Debtors in connection with the Restructuring and is a continuation of the rescue financing the Debtors previously received through the Prepetition Bridge Loans.

52. Together, the DIP Facility, Restructuring Support Agreement and the Plan provide a pathway toward a comprehensive restructuring of the Debtors' prepetition obligations, preserve and strengthen the going-concern value of the business, maximize creditor recoveries, and provide for an equitable distribution to the Debtors' stakeholders, all while minimizing disruption to day-to-day operations. Airspan negotiated a holistic balance sheet restructuring and recapitalization memorialized in the Plan. Through the Plan, Airspan expects to emerge from chapter 11 expeditiously with a stronger balance sheet and new capital.

53. Indeed, the Debtors' general unsecured creditors, such as trade vendors, employees, and strategic partners will be satisfied in the ordinary course of business, subject to the applicable contracts governing their relationships with the Debtors. Trade contracts and terms will be maintained and customer relationships will remain intact. Operations will continue in the ordinary course. Meanwhile, upon consummation of the Reorganization Transaction, the Company will emerge without any liabilities. In short, the Plan will allow the Debtors to reduce their funded debt to a sustainable level and will permit the Company to restructure as a fully-funded de-levered enterprise, well positioned for success.

54. I believe that the transactions contemplated by the Plan represent the best solution to the financial challenges Airspan faces and will benefit Airspan's employees, customers, vendors, creditors and stakeholders.

B. Proposed Timeline

55. Prior to the Petition Date, the Debtors commenced the solicitation of votes on the Plan through the Disclosure Statement. Consistent with their obligations under the Restructuring Support Agreement, the Debtors are seeking to emerge from chapter 11 on an expedited basis.

56. The following table highlights the Debtors' proposed key dates for these chapter 11 cases:

Proposed Confirmation Schedule	
Voting Record Date	March 29, 2024
Prepetition Solicitation Commencement Date	March 30, 2024
Mailing of Combined Hearing Notice	Within one (1) business day following entry of the Order, or as soon as reasonably practicable thereafter
Plan Supplement Filing Deadline	April 26, 2024
Voting Deadline	5:00 p.m. (prevailing Eastern Time) on May 3, 2024
Proposed Objection Deadline	5:00 p.m. (prevailing Eastern Time) on May 3, 2024
Combined Hearing	May 8, 2024

V. Evidentiary Support for First Day Motions

57. Contemporaneously herewith, the Debtors have filed a number of motions seeking emergency relief (together, the "First Day Motions") intended to stabilize the Debtors' business operations, facilitate the efficient administration of these chapter 11 cases, and execute a swift and smooth restructuring. I have reviewed each of the First Day Motions and believe that the factual support set forth in each of the First Day Motions is correct and accurate to the best of my knowledge, information, and belief. A description of the relief requested and the facts supporting each of the First Day Motions follows.

A. Administrative and Procedural Motions

1. Debtors' Motion for Entry of an Order (I) Directing Joint Administration of the Debtors' Chapter 11 Cases and (II) Granting Related Relief (the "Joint Administration Motion").

58. Pursuant to the Joint Administration Motion, the Debtors seek entry of an order directing joint administration of the chapter 11 cases. Because of the Debtors' affiliation with one another, and in light of the provisions of the Bankruptcy Rules and the Bankruptcy Local Rules, joint administration of the chapter 11 cases is warranted and would provide significant administrative convenience without harming the substantive rights of any party in interest. Joint administration would avoid the preparation, replication, service, and filing, as applicable, of duplicative notices, applications, and orders, thereby saving the Debtors considerable expense and resources. The Debtors' financial affairs and business operations are closely related. Many of the motions, hearings, and orders in the chapter 11 cases will affect each Debtor and its respective estate. The rights of creditors would not be adversely affected, as this Motion requests only administrative, and not substantive, consolidation of the estates. Each creditor shall still file its claim against a particular estate (to the extent claims must be filed). In fact, all creditors would benefit by the reduced costs that would result from the joint administration of the chapter 11 cases. The Court also would be relieved of the burden of entering duplicative orders and maintaining duplicative files. Finally, supervision of the administrative aspects of the chapter 11 cases by the Office of the United States Trustee for the Southern District of Texas (the "U.S. Trustee") would be simplified.

59. I believe that the relief requested in the Joint Administration Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption. Accordingly, it is my opinion that the Joint Administration Motion should be approved.

2. Debtors' Motion For Entry of an Order (I) Authorizing the Debtors to Redact Certain Personal Identifying Information; (II) Waiving the Requirement to File a List of Equity Security Holders; and (III) Granting Related Relief (the "Creditor Matrix Motion").

60. Pursuant to the Creditor Matrix Motion, the Debtors seek entry of an Order (a) waiving the requirement to file a list of equity security holders, (b) authorizing the Debtors to redact personal identifying information from documents filed with the Court in these chapter 11 cases (including any Creditor Matrix), schedule, or statement, and (c) granting related relief.

61. *The Equity Security Holders.* Airspan Networks Holdings Inc.'s common stock is publicly-traded on the NYSE American with approximately 74,638,893 outstanding shares of common stock as of the Petition Date, and cannot be readily traced to specific individual holders. Airspan only maintains a list of its registered equity security holders and therefore must obtain the names and addresses of its beneficial shareholders from a securities agent. Preparing and submitting such a list with last known addresses for each equity security holder and sending notices to all such parties would create undue expense and administrative burden with limited corresponding benefit to the estates or parties in interest.

62. Airspan has taken or will take several actions to inform its equity security holders of the commencement of these chapter 11 cases. With its petition, Airspan filed a list of persons and entities with significant holdings of its outstanding common stock. On or about the date hereof, the Debtors will issue a press release announcing the filing. As soon as is practicable following the date hereof, the Debtors intend to cause the notices required under Bankruptcy Rule 2002(d) to be served on registered holders of Airspan's common stock and published in full in *The New York Times* (National Edition) and USA Today (National Edition)² or similar publication in

² See Debtors' Motion For Entry of an Order (I) Conditionally Approving the Disclosure Statement, (II) Scheduling a Combined Disclosure Statement Final Approval and Plan Confirmation Hearing and Setting Related Deadlines, (III) Approving (A) the Solicitation Procedures and (B) the Ballots, the Confirmation Hearing Notice and Related Notices and Forms, (IV) Conditionally Waiving the Requirements that the U.S. Trustee Convene a Meeting of

the Debtors' business judgment. Accordingly, the Debtors submit that the waiver of the requirement for the Debtors to file a list of equity security holders is appropriate.

63. ***The Personal Identifying Information.*** The Debtors respectfully seek entry of an order authorizing the redaction of personal identifying information from any document filed or to be filed with the Court in these chapter 11 cases, so as to protect individuals and to prevent the Debtors from potentially violating applicable data privacy and protection laws or regulations.

64. In this case, cause exists under section 107(c) to redact the personally identifying information of individuals, including individuals who are employees, directors, officers, or individual equity holders of the Debtors, because such information could be used to perpetuate identity theft or create other risks to the individuals' safety and welfare. The Debtors propose to provide an unredacted version of the consolidated creditor matrix, the schedules of assets and liabilities and the statement of financial affairs (if applicable) to the Court, the U.S. Trustee, and to any official committee of unsecured creditors appointed in these chapter 11 cases. The Debtors believe such procedures would be fair, would not impair the rights of any parties, and are within the bounds of this Court's prior decisions.

65. I believe that the relief requested in the Creditor Matrix Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption. Accordingly, it is my opinion that the Creditor Matrix Motion should be approved.

Creditors, (V) Approving Procedures For the Assumption and Rejection of Executory Contracts, and (VI) Granting Related Relief.

3. Debtors' *Ex Parte* Application For Entry of an Order Authorizing the Employment and Retention of Epiq Corporate Restructuring, LLC as Claims, Noticing, and Solicitation Agent (the "Epiq Retention Application").

66. Pursuant to the Epiq Retention Application, the Debtors seek entry of an order (a) appointing Epiq Corporate Restructuring, LLC ("Epiq") as claims, noticing, and solicitation agent in the Debtors' chapter 11 cases, to, among other tasks, serve as the noticing agent to mail notices to the estates' creditors, equity security holders, and parties in interest, provide computerized claims, objection, solicitation, and balloting database services, provide expertise, consultation, and assistance in claim and ballot processing and other administrative services with respect to the Debtors' bankruptcy cases, pursuant to the provisions of the Engagement Agreement; and (b) granting related relief. In support of the Epiq Retention Application, the Debtors submit the Declaration of Kate Mailloux, a Senior Director of Epiq Corporate Restructuring, LLC, attached to the Epiq Retention Application as Exhibit B. The Debtors' selection of Epiq to act as the Claims and Noticing Agent is appropriate under the circumstances and in the best interest of the estates. Epiq's rates are competitive and reasonable given Epiq's quality of services and expertise. The terms of Epiq's retention are set forth in the Engagement Agreement attached to the Epiq Retention Application as Exhibit A.

67. Based on my discussions with the Debtors' advisors, I believe that the Debtors' selection of Epiq to act as the Claims, Noticing, and Solicitation Agent is appropriate under the circumstances and in the best interest of the estates. Moreover, it is my understanding, based on all engagement proposals obtained and reviewed, that Epiq's rates are competitive and reasonable given Epiq's quality of services and expertise.

68. The Debtors intend on seeking a waiver of the requirement to file their schedules of assets and liabilities. However, if the Debtors are required to do so, they anticipate that there will be thousands of persons and entities to be noticed and that many of these parties will file

claims. In view of the number of anticipated claimants and the complexity of the Debtors' businesses, the appointment of a claims and noticing agent will provide the most effective and efficient means of, and relieve the Debtors and/or the Clerk's Office of the administrative burden of, noticing, administering claims, and soliciting and tabulating votes and is in the best interests of both the Debtors' estates and their creditors.

69. I believe that the relief requested in the Epiq Retention Application is in the best interest of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption. Accordingly, it is my opinion that the Epiq Retention Application should be approved.

4. Debtors' Motion For Entry of an Order (I) Conditionally Approving the Disclosure Statement, (II) Scheduling a Combined Disclosure Statement Final Approval and Plan Confirmation Hearing and Setting Related Deadlines, (III) Approving (A) The Solicitation Procedures and (B) The Ballots, The Confirmation Hearing Notice and Related Notices and Forms, (IV) Conditionally Waiving the Requirements That The U.S. Trustee Convene a Meeting of Creditors, (V) Approving Procedures For the Assumption and Rejection of Executory Contracts, and (VI) Granting Related Relief (the "Solicitation Motion").

70. Pursuant to the Solicitation Motion, the Debtors request entry of an order (a) conditionally approving the Disclosure Statement, (b) scheduling the combined hearing on confirmation of the Plan and the adequacy of the Debtors' Disclosure Statement and setting related deadlines, (c) approving (i) the solicitation procedures, and (ii) the confirmation hearing notice, (d) conditionally waiving the requirements that the U.S. Trustee convene a Meeting of Creditors, provided that the Plan is confirmed within forty days of the Petition Date; (e) establishing procedures for the assumption and rejection of Executory contracts and Unexpired Leases, and (f) granting related relief.

71. The Debtors have proposed the confirmation schedule reflected in Paragraph 56 above (the "Proposed Confirmation Schedule").

72. In connection with the relief requested in the Solicitation Motion, the Debtors request that the Court approve the Proposed Confirmation Schedule set forth above, subject to the Court's availability.

73. As set forth in the Solicitation Motion, and consistent with the Bankruptcy Code and the Bankruptcy Rules, and the Bankruptcy Local Rules, the Debtors have provided full notice of the Plan to all known parties in interest.

74. Beginning on March, 30 2024, the Debtors caused the proposed Claims Noticing Agent to commence e-mail service of the Solicitation Packages on all Holders of Claims in the Voting Classes.

75. Holders of Claims in the Voting Classes were directed to follow the instructions contained in the applicable Ballot and Voting Instructions to cast a vote to accept or reject the Plan. The Ballots and Voting Instructions also included instructions on how to opt out of providing the releases proposed to be given to the Released Parties as set forth in Article VIII.D of the Plan (the "Third Party Release") and how to pursue participation in the New Money Common Equity Investment Opportunity. Notably, the classes that are being offered the right to participate in the New Money Common Equity Investment Opportunity consist of a limited number of known, sophisticated parties – ten creditors in total, all from sophisticated lending institutions. For the avoidance of doubt, the Debtors will seek approval of the Third Party Release and the funding of the New Money Common Equity Investment Opportunity through confirmation of the Plan.

76. The Debtors propose to (a) serve the Combined Hearing Notice, in the form attached as Exhibit 1 to the Solicitation Motion Order, within one (1) business days following entry of this Order, or as soon as reasonably practicable thereafter, on the entire creditor matrix (including shareholders of record), thus providing notice to all known third-party Holders of Claims and Interests in the Non-Voting Classes and (b) publish a form of the Combined Hearing

Notice, in the form attached as Exhibit 2 to the Scheduling Motion Order (the “Publication Notice”) in each of USA Today, National Edition, and the New York Times, National Edition, within seven (7) business days after entry of the Order so as to provide notice to any third party Holders of Claims and/or Interests that are unknown to, or not reasonably ascertainable by, the Debtors.

77. The Combined Hearing Notice will (a) inform parties in interest of the commencement of these Chapter 11 Cases, (b) identify the date, time and place of the Combined Hearing, (c) set forth the Proposed Objection Deadline and the procedures for filing objections as to the adequacy of the Disclosure Statement and/or the confirmation of the Plan, (d) set forth the name and telephone number of a person from whom copies of the Plan and Disclosure Statement can be obtained at the Debtors’ expense, (e) set forth the manner in which the Disclosure Statement, the Plan can be obtained or viewed electronically, (f) provide a summary of the treatment of Claims and Interests of each Class under the Plan, (g) advise that a 341 Meeting will not be convened until further notice, (h) and provide notice with regard to the assumption or rejection of Executory Contracts and Unexpired Leases.

78. I provided input on the preparation and contents of the Disclosure Statement.

79. I have read and understand the Disclosure Statement.

80. I have personal knowledge of the information contained in the Disclosure Statement.

81. I believe the Disclosure Statement contains adequate information to allow creditors, potential investors, and other interested parties to permit such party to decide whether or not to vote in favor of the Plan.

82. I have discussed the contents of the Disclosure Statement with the Debtors' professionals and have asked questions, and been provided answers, to solidify my understanding of the Disclosure Statement.

83. In light of the foregoing, I believe all parties in interest have been provided a full and fair opportunity to participate in these chapter 11 cases. I believe that the relief requested in the Solicitation Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates.

84. If the relief requested in the Solicitation Motion is not granted, it likely will result in significantly increased administrative costs and potential attrition among the Debtors' customers, clients, employees, and other key stakeholder groups. I further believe that the relief requested in the Solicitation Motion is in the best interests of the Debtors' estates, their creditors, and all other parties in interest, will enable the Debtors to minimize any potential adverse effects to the Debtors' business as a result of the restructuring, and will position the Debtors for a prompt emergence from bankruptcy. Given the robust noticing procedures described in the Solicitation Motion, I believe that the proposed Confirmation Schedule provides ample time for any interested party to participate in these chapter 11 cases and will preserve significant value for the Debtors' estates and their stakeholders, as more fully set forth in the Solicitation Motion. Accordingly, it is my opinion that the Solicitation Motion should be approved.

B. Operational Motions

1. Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to (A) Continue to Operate Their Cash Management System and Maintain Existing Bank Accounts, (B) Continue to Perform Intercompany Transactions, and (C) Maintain Existing Business Forms and Books and Records, and (II) Granting Related Relief (the "Cash Management Motion").

85. Pursuant to the Cash Management Motion, the Debtors seek entry of an order (a) authorizing the Debtors to (i) continue to operate their Cash Management System and maintain

their existing bank accounts, including honoring certain prepetition obligations related thereto, (ii) continue to perform intercompany transactions consistent with historical practice and accord administrative expense status to postpetition intercompany claims arising from such transactions, and (iii) maintain existing business forms and books and records, and (b) granting related relief.

86. In the ordinary course of business, the Company operates a complex cash management system, a schematic of which is attached to the Cash Management Motion as Exhibit C. The Company uses the Cash Management System to collect, transfer, and disburse funds, and to facilitate cash monitoring, forecasting, and reporting. The Company's treasury department maintains daily oversight of the Cash Management System and implements cash management controls for accepting, processing, and releasing funds, including in connection with any Intercompany Transactions. The Company's accounting department reconciles the Company's books and records monthly to ensure that all transfers are accounted for properly.

87. The Cash Management System is similar to those commonly employed by businesses comparable in size and scale to the Company's to help control funds, ensure cash availability for each entity, and reduce administrative expenses by facilitating the movement of funds among multiple entities. The Company estimates that the cash receipts flowing through the Cash Management System during calendar year 2023, averaged approximately \$5.5 million per month.

88. Any disruption to the Cash Management System would have an immediate adverse effect on the Debtors' operations to the detriment of their estates and stakeholders. To minimize the disruption caused by these chapter 11 cases and to maximize the value of the Debtors' estates, the Debtors request authority to continue utilizing their existing Cash Management System during the course of these chapter 11 cases. Because of the consequences that would result if the

Company's Cash Management System was disrupted or restricted in any way, I believe it is critical that the existing Cash Management System remain in place.

89. I believe that the relief requested in the Cash Management Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption. Accordingly, it is my opinion that the Cash Management Motion should be approved.

2. Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to (A) Pay Prepetition Wages, Salaries, and Employee Benefits and (B) Continue the Postpetition Maintenance of Employee Benefit Programs, Policies, and Procedures in the Ordinary Course, and (II) Granting Related Relief (the "Wages Motion").

90. Pursuant to the Wages Motion, the Debtors seek entry of an order (a) authorizing the Debtors to (i) pay prepetition wages, salaries, and employee benefits, (ii) continue the post-petition maintenance of any employee programs, policies and procedures in the ordinary course of business, and (b) granting related relief. As of the Petition Date, the Debtors estimate the total amount outstanding on account of compensation and benefits is approximately \$55,866, which is detailed in the following chart:

Payroll Obligations	
Independent Contractors	\$3,500
Unpaid Compensation	\$0
Withholding Taxes and Obligations	\$0
Processing Fees	\$0
Incentive Compensation Programs	\$25,618
Out of Pocket Expenses	\$0
Director Compensation	\$1,600
Employee Benefit Programs	
Medical Plans	\$0
COBRA Plans	\$0
Dental and Vision Plans	\$0
Basic Life and AD&D Plan	\$0

HSA and FSA Programs	\$0
Workers' Compensation Program	\$0
Paid Time Off	\$0
401(k) Plan	\$0
Severance Obligations	\$25,148
TOTAL	\$55,866

91. The Debtors' employees are the lifeblood of their business—the continued service and morale of the Debtors' employees is essential to the Debtors' operations. Further, the Debtors' employees are highly trained and uniquely well-versed in the industry in which the Debtors operate. The Debtors' operations are complex and could not be continued without their employees.

92. The Debtors seek to eliminate any personal hardship to their workforce resulting from these chapter 11 cases and to minimize the disruption to the Debtors' operations. As of the Petition Date, certain of the Debtors' prepetition obligations to their workforce and other related third-party service providers remain unpaid because, among other things, amounts related to prepetition services, while accrued in whole or in part, had not yet become due and payable by the Debtors, and amounts deducted or withheld from Employees' (as defined below) paychecks were not then due to be paid to the intended third-party recipient or bank account, including payments on behalf of the employees in respect of the Employee Benefit Programs (as defined below) or amounts due to third parties in connection therewith, and income, garnishment, state disability, unemployment and other taxes for remittance to the appropriate federal, state, or local taxing authorities.

93. The Debtors' employees rely on the compensation and benefits they receive through the programs described in this Motion to pay their daily living expenses and support their families. Granting the relief requested will enable the Debtors to maintain morale, enhance the Debtors' ability to retain and attract their valuable workforce, and otherwise eliminate any personal

hardship as a result of these chapter 11 cases which, in turn, will maximize value for the benefit of all stakeholders, including the employees.

94. ***Employee Wages.*** As of the of the Petition Date, the Debtors employ and retain approximately 24 Employees, including approximately 4 full- or part-time Hourly Employees, and 20 full time Salaried Employees.

95. On average, the Debtors' gross monthly payroll for all Employees is approximately \$132,000. The Employees are paid biweekly, with the most recent payroll occurring on March 15, 2024, for the period of March 16, 2024 through March 29, 2024. We do not believe that Employees are owed any accrued and unpaid wages and salary as of the Petition Date. The Debtors request authority to pay the unpaid compensation and wages and salary that accrue postpetition in the ordinary course.

96. ***Independent Contractor Payments.*** The Debtors supplement their workforce with various Independent Contractors. These Independent Contractors are necessary for the ongoing operation of the Debtors' business. The Debtors retain approximately 9 Independent Contractors, all of whom play a critical role in the Debtors' day-to-day operations and, thus, to the preservation of value of the Debtors' estates. Certain of the Independent Contractors are utilized on a recurring basis, while others are utilized only as needed. On average, the Debtors pay the Independent Contractors approximately \$50,000 per month. As of the Petition Date, the Debtors estimate that approximately \$3,500 remains due and owing to the Independent Contractors, all of which is due and payable within the first thirty (30) days after the Petition Date. The Debtors seek authority to honor their obligations to their Independent Contractors by paying in the ordinary course any unpaid amounts owed as of the Petition Date.

97. ***Incentive Programs.*** In the ordinary course of business, the Debtors maintain certain employee programs to motivate, reward, and retain certain of their non-insider Employees

and consultants (collectively, the “Incentive Compensation Programs”). The Incentive Compensation Programs are essential to the Debtors’ ability to both recruit and retain valuable and talented Employees to perform at high levels and achieve certain sales and other metrics. The bulk of these programs are non-discretionary and require compensation of covered Employees if and when they achieve the relevant metrics. Accordingly, covered Employees rely on and anticipate their compensation pursuant to these Incentive Compensation Programs.

98. As of the Petition Date, the Debtors estimate that they owe approximately \$25,618 on account of the Incentive Compensation Programs. These amounts are attributable to sales commission earned but not yet paid by the Debtors’ employees.

99. ***Business Expenses.*** Prior to the Petition Date, and in the ordinary course of business, the Debtors reimbursed Employees for certain business expenses incurred in the scope of their employment, including travel, lodging, ground transportation, meals, automobile usage (gas or mileage), subscription charges and other miscellaneous business expenses. We do not believe that there are any outstanding obligations due and owing on account of these business expenses as of the Petition Date. By the Wages Motion, the Debtors request authority to reimburse business expenses.

100. ***Director Compensation.*** As of the Petition Date, the Debtors maintain a board of directors, comprised of ten (10) directors, nine (9) of whom are non-Employees. Each of the Directors is compensated up to approximately \$270,000 per year, paid on a monthly or quarterly basis, (together the “Director Payments”).

101. The Debtors believe there is \$1,600 outstanding with respect to the Director Payments as of the Petition Date. The Debtors request the authority to honor any prepetition obligations on account of Director Payments and to continue paying such Director Payments on a postpetition basis in the ordinary course of business and consistent with historical practice.

102. ***Employee Benefit Programs.*** In the ordinary course of business, the Debtors maintain various employee benefit plans and policies, including, but not limited to, medical plans, dental plans, vision plans, life insurance plans, short-term and long-term disability plans, other paid time off, and a 401(k) plan. The Employee Benefit Programs are, in each case, available to all Employees who work the requisite hours per week for a given benefit or who otherwise satisfy the eligibility requirements for any Employee Benefit Program.

103. The Debtors seek authority, in their discretion, to pay prepetition claims (if applicable), to honor obligations, and to continue programs in the ordinary course of business and consistent with prior practice relating to the Employee Benefit Programs,³ subject to the Debtors' ability to modify or discontinue any Employee Benefit Programs in their discretion and to reduce applicable costs, the scope of benefits provided, or reporting periods permitted thereunder. As of the Petition Date, the Debtors do not believe they have any outstanding pre-petition obligations on account of Employee Benefit Programs.

104. ***Workers' Compensation.*** The Debtors maintain a workers' compensation programs and workers' compensation insurance at the levels required by law in the states in which the Debtors have Employees and, where applicable, make payments on account of workers' compensation claims. As of the Petition Date, the Debtors do not believe they have any outstanding obligations on account of the Workers' Compensation Program. The Debtors request authority to maintain these programs and to permit Employees to continue prosecution of their workers' compensation claims notwithstanding the bankruptcy filing.

³ Relief requested in this Motion shall not constitute or be deemed an assumption or an authorization to assume any of such Employee Benefit Programs under section 365(a) of the Bankruptcy Code.

105. ***Paid Time Off.*** All Employees are eligible for paid time off (“PTO”), which can be used for vacation, personal appointments, family matters, sick days, school activities, religious observances, rest and relaxation, and other personal obligations (the “PTO Policy”). Employees are permitted to rollover unused PTO up to certain limits. A portion of unused PTO is paid out to Employees depending on their role, the nature of their separation from the companies, and their tenure as Employees, unless applicable state law requires payment of the full amount of unused PTO.

106. As of the Petition Date, there is accrued and unused PTO, valued at approximately \$78,000. The Debtors do not anticipate significant pay outs of unused PTO during pendency of these chapter 11 case. The Debtors seek authorization to continue the PTO Policy in the ordinary course of business, including making pay outs of unused PTO to departing Employees.

107. ***401(k) Plan.*** The Debtors offer Employees an opportunity to participate in and contribute to a 401(k) plan (the “401(k) Plan”), which is administered by Ascensus. Participating Employees can make Roth and pre-tax contributions to the 401(k) Plan, up to the maximum amount allowed under the Internal Revenue Code. There are approximately 22 Employees with current account balances in the 401(k) Plan (the “401(k) Program Participants”). The Debtors withhold approximately \$24,532 each month from active employed 401(k) Program Participants’ paychecks relating to contributions to the 401(k) Plan (the “401(k) Savings Plan Withholdings”). Under the 401k Plan, the Debtors match contributions in an amount equal to 100% of the portion of elective deferrals not exceeding 3% of salary plus 50% of the portion of elective deferrals between 3-5% of the participating Employee’s compensation. As of the Petition Date, the Debtors do not believe they have any accrued and outstanding obligations on account of the 401(k) Plan. The Debtors seek authority to continue to maintain the 401(k) Plan and honor their obligations in the ordinary course.

108. Employees and Independent Contractors are critical to the ordinary course operations of the Debtors. Indeed, the Debtors are in the service industry and need their Employees and Independent Contractors to provide those services. The Debtors believe that absent the payment of the compensation and benefits owed to the Employees and Independent Contractors the Debtors may experience workforce turnover and instability at this critical time in these chapter 11 cases. Without these payments, the workforce may become demoralized and unproductive because of the potential significant financial strain and other hardships these Employees and Independent Contractors may face. Such individuals may then elect to seek alternative employment opportunities. A significant portion of the value of the Debtors' business is tied to their workforce, which cannot be replaced without significant efforts—which efforts may not be successful given the overhang of these chapter 11 cases. Enterprise value may be materially impaired to the detriment of all stakeholders in such a scenario. The Debtors therefore believe that payment of the prepetition obligations with respect to the compensation and benefits is a necessary and critical element of the Debtors' efforts to preserve value and will give the Debtors the greatest likelihood of retention of their Employees as the Debtors seek to operate their business in these chapter 11 cases.

109. I believe that the relief requested in the Wages Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption. Accordingly, it is my opinion that the Wages Motion should be approved.

3. Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Granting Liens, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief (the "DIP Motion").

110. Pursuant to the DIP Motion, the Debtors seek entry of an order (a) authorizing the Debtors to obtain postpetition financing, (b) granting liens, (c) modifying the automatic stay, (d) scheduling a final hearing, and (e) granting related relief. I have reviewed the DIP Motion and the declarations in support of the DIP Motion and am familiar with their contents. At my direction, VRS Restructuring Services, LLC ("VRS") conducted financial analysis and created a budget in support of the DIP Motion and Intrepid Investment Bankers LLC ("Intrepid") marketed the DIP financing to various potential DIP lenders.

111. As is also stated in the declaration of Jeffrey T. Varsalone of VRS in support of the DIP Motion, it is necessary and essential for the Debtors to receive the DIP Facility (as defined in the DIP Motion) in order to fund these Chapter 11 Cases. Such funding will provide the Debtors with the liquidity required to operate their business during the Chapter 11 Cases and instill confidence in the Debtors' vendors, customers, employees, contract counterparties, regulators, and business partners that the Debtors will be able to continue operating in the ordinary course after the Petition Date. The DIP Facility will therefore provide significant benefit to the Debtors, their estates, and all of the Debtors' stakeholders in these Chapter 11 Cases. Without the DIP Facility and the funds made available pursuant to the Approved Budget (as defined in the DIP Motion), the Debtors' operations and the value of the estates' assets would be detrimentally impacted.

112. The Approved Budget created by VRS reflects the Debtors' need for DIP financing to fund these Chapter 11 Cases. Based on the assumptions that VRS made in formulating the Approved Budget, the DIP financing will allow the Debtors to maintain a positive cash balance during the period covered by the Approved Budget.

113. I believe that the relief requested in the DIP Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption. Accordingly, it is my opinion that the DIP Motion should be approved.

4. Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to (A) Continue Their Prepetition Insurance Coverage and Satisfy Prepetition Obligations Related Thereto, (B) Renew, Amend, Supplement, Extend, or Purchase Insurance Policies, (C) Continue to Pay Brokerage Fees and Claims Administration Fees, and (II) Granting Related Relief (the "Insurance Motion").

114. Pursuant to the Insurance Motion, the Debtors seek entry of an order (a) authorizing the Debtors to (i) continue insurance coverage entered into prepetition and satisfy prepetition obligations related thereto, (ii) renew, amend, supplement, extend, or purchase insurance policies, (iii) continue to pay brokerage fees, and (b) granting related relief.

115. In the ordinary course of business, the Debtors maintain 38 insurance policies (collectively, the "Insurance Policies") with various insurance carriers (collectively, the "Insurance Carriers"). The Insurance Policies provide coverage for, among other things, losses related to the Debtors' real and personal property, professional, and general liability, commercial crime liability, management liability, cyber liability, directors' and officers' liability, fiduciary liability, errors and omissions liability, automobile liability, and general liability. In addition, certain of the Insurance Policies provide layers of excess liability coverage. A schedule of the Insurance Policies is attached to the Order as Exhibit 1 (the "Insurance Schedule"), which is incorporated herein by reference.

116. The ability to maintain the Insurance Policies, to extend or reduce those Insurance Policies, and to enter into new insurance policies as needed in the ordinary course of business, is essential to the preservation of the Debtors' business operations, properties, and assets, it is

essential that the Debtors be able to continue or renew the Insurance Policies and enter into new insurance agreements. In many cases, regulations, laws, and contract provisions that govern the Debtors' commercial activities require the types of coverage provided for under the Insurance Policies, as well as the Bankruptcy Code and the operating guidelines issued by the U.S. Trustee. The Debtors seek authority to maintain the existing Insurance Policies and brokerage accounts, pay prepetition obligations (if any) related thereto upon entry of the Order, renew, amend, supplement, extend, or purchase new Insurance Policies on a postpetition basis in the ordinary course of business consistent with past practice.

117. The Debtors pay the Premiums on various schedules—monthly, annually or otherwise—over the course of the policy period. Typically, the Insurance Policies at issue are renewed annually at various times throughout the year.

118. As of the Petition Date, the Debtors believe that they owe \$28,729 on account of Premiums for the Insurance Policies. The Debtors seek authority to pay any direct or indirect prepetition amounts due and owing in connection with the Insurance Policies.

119. I believe that the relief requested in the Insurance Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption. Accordingly, it is my opinion that the Insurance Motion should be approved.

5. Debtors' Motion for Entry of an Order (I) Authorizing the Payment of Certain Prepetition Taxes and Fees and (II) Granting Related Relief (the "Taxes Motion").

120. Pursuant to the Taxes Motion, the Debtors seek entry of an order (a) authorizing the Debtors to remit and pay Taxes and Fees, without regard to whether such obligations accrued prior to the Petition Date, that will become payable during the pendency of these chapter 11 cases,

including those obligations subsequently determined upon audit or otherwise to be owed for periods prior to the Petition Date, and (b) granting related relief.

121. The Debtors estimate that approximately \$43,000 in Taxes and Fees is outstanding as of the Petition Date.

122. In the ordinary course of business the Debtors collect, withhold, and incur, sales taxes, use taxes, commercial taxes, business and occupation taxes, income taxes, franchise taxes, as well as taxes interest, penalties, fees, and assessments. The Debtors pay or remit, as applicable, Taxes and Fees to various governmental authorities on a monthly, quarterly, semi-annual, or annual basis depending on the nature and incurrence of a particular Tax or Fee and as required by applicable laws and regulations. A schedule identifying the Taxing Authorities is attached as Exhibit 1 to the Tax Motion Order (the “Tax Schedule”). The Debtors estimate that the prepetition amount owing to the Taxing Authorities (as defined below) in the aggregate is approximately \$43,000. The Debtors generally, but not exclusively, pay and remit Taxes and Fees through checks and electronic transfers that are processed through their banks and other financial institutions or service providers. From time to time, the Debtors may also receive tax credits for overpayments or refunds in respect of Taxes or Fees. The Debtors generally use these credits in the ordinary course of business to offset against future Taxes or Fees or have the amount of such credits refunded to the Debtors.

123. The Debtors seek authority to pay and remit all prepetition and postpetition obligations on account of Taxes and Fees, including: (a) where Taxes and Fees accrue or are incurred postpetition; (b) Taxes and Fees that have accrued or were incurred prepetition but were not paid prepetition, or were paid in an amount less than actually owed; (c) where payments made prepetition by the Debtors were lost or otherwise not received in full by any of the Taxing Authorities; and (d) Taxes and Fees incurred for prepetition periods that become due and payable

after the commencement of these chapter 11 cases, including as a result of Audits. In addition, the Debtors seek authority to pay Taxes and Fees for so-called “straddle” periods.

124. Any failure by the Debtors to pay the Taxes and Fees could materially disrupt the Debtors’ business operations in several ways, including (but not limited to): (a) the Taxing Authorities may initiate Audits of the Debtors, which would unnecessarily divert the Debtors’ attention from these chapter 11 cases; (b) the Taxing Authorities may attempt to suspend the Debtors’ operations, file liens, seek to lift the automatic stay, and/or pursue other remedies that will harm the Debtors’ estates; and (c) in some instances, certain of the Debtors’ directors and officers could be subject to claims of personal liability, which would likely distract those key individuals from their duties related to the Debtors’ chapter 11 cases. Taxes and Fees not paid on the due date as required by law may result in fines and penalties, the accrual of interest, or both. In addition, nonpayment of the Taxes and Fees may give rise to priority claims under section 507(a)(8) of the Bankruptcy Code. The Debtors also collect and hold certain outstanding tax liabilities in trust for the benefit of the applicable Taxing Authorities, and these funds may not constitute property of the Debtors’ estates. Accordingly, the Debtors seek authority to pay the Taxes and Fees and Assessments as they become due.

125. I believe that the relief requested in the Taxes Motion is in the best interest of the Debtors’ estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption. Accordingly, it is my opinion that the Taxes Motion should be approved.

6. Debtors’ Motion for Entry of an Order (I) Approving Notification and Hearing Procedures for Certain Transfers of Common Stock and (II) Granting Related Relief (the “NOL Motion”).

126. Pursuant to the NOL Motion, the Debtors seek entry of an order (a) approving notification and hearing procedures related to certain transfers of Debtor Airspan Network

Holdings Inc.'s existing common stock or any Beneficial Ownership therein, as detailed in Exhibit 1 to the NOL Motion Order, (b) directing that any purchase, sale, or other transfer of Common Stock in violation of the Procedures shall be null and void *ab initio*, and (c) granting related relief.

127. The Debtors estimate that, as of December 31, 2023, they had approximately \$113,057,000 in federal and \$59,130,000 in state NOLs and significant asset basis (together with certain other tax attributes, collectively, the "Tax Attributes"). Importantly, like their NOLs and other tax attributes, the Debtors' asset basis is a valuable attribute that may be limited by the application of Section 382 of the Internal Revenue Code. The Debtors believe that they have a "net unrealized built-in loss" because they estimate that the aggregate adjusted basis of all of their assets is greater than their fair market value, and estimate that they may have generated additional Tax Attributes in the 2023 tax year, and will continue to do so in the 2024 tax year.

128. The Tax Attributes are potentially of significant value to the Debtors and their estates because the Debtors may be able to carry forward certain Tax Attributes to offset future taxable income or directly offset federal tax liability in future years. Such Tax Attributes may also be utilized by the Debtors to offset any taxable income or federal tax liability generated by transactions consummated pursuant to the Plan. Accordingly, the value of the Tax Attributes will inure to the benefit of all of the Debtors' stakeholders.

129. I believe that the relief requested in the NOL Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption. Accordingly, it is my opinion that the NOL Motion should be approved.

7. Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to Pay All Accounts Payable Claims in the Ordinary Course of Business, (II) Granting Administrative Expense Priority to Undisputed Obligations on Account of Outstanding Orders, (III) Authorizing Satisfaction of Obligations Related Thereto, and (IV) Granting Related Relief (the "Trade Motion").

130. Pursuant to the Trade Motion, the Debtors seek entry of an order (a) authorizing the Debtors to pay all Accounts Payable claims to Trade Creditors in the ordinary course of business; (b) granting administrative expense priority to all undisputed obligations on account of goods or services ordered by the Debtors prior to the Petition Date that will not be delivered or provided until after the Petition Date, and (c) authorizing the Debtors to satisfy obligations on account of Outstanding Orders in the ordinary course of business; and (d) granting related relief.

131. *The Accounts Payable Claims.* The Trade Creditors provide the Debtors with goods and services in the ordinary course of business, including, among other things: warehousing and storage, freight and courier services, insurance, leasing, and licenses; and a variety of other basic business necessities for the operation of the Debtors' businesses. While the Debtors have a variety of arrangements with the Trade Creditors, a majority of the Trade Creditors provide the Debtors with payment terms ranging from Net 7 to Net 30 days. As of the Petition Date, the Debtors estimate that there are approximately \$2 million of accrued and unpaid Accounts Payable Claims,. The Debtors estimate that approximately \$750,000 of the accrued and unpaid Account Payable Claims will come due within 30 days of the Petition Date.

132. The goods and services giving rise to the Accounts Payable Claims are necessary to the Debtors' business operations. The failure to pay these Accounts Payable Claims in a timely manner could result in material disruptions in the Debtors' business operations, which could have a negative impact on the Debtors' reputation with their customers and cause irreparable harm to the Debtors' businesses. The failure to pay the Accounts Payable Claims of such Trade Creditors in a timely manner could unnecessarily disrupt the Debtors' business operations.

133. ***The Outstanding Orders.*** Prior to the Petition Date, and in the ordinary course of business, the Debtors placed the Outstanding Orders. In the mistaken belief that they would be prepetition general unsecured creditors of the Debtors' estates with respect to such goods, certain suppliers may refuse to ship or transport such goods (or may seek to recall shipments then in transit) with respect to such Outstanding Orders unless the Debtors issue substitute purchase orders postpetition—potentially disrupting the Debtors' ongoing business operations and requiring the Debtors to expend substantial time and effort in issuing such substitute orders. As set forth in greater detail below, because the Outstanding Orders are administrative expenses of the Debtors' estates, the Debtors are requesting that the Court confirm the administrative expense priority of the Outstanding Orders and authorize the Debtors to pay amounts due on account of Outstanding Orders in the ordinary course of business.

134. ***Payments on behalf of Non-Debtor Entities.*** The Debtors engage in various intercompany transfers with certain Non-Debtor Entities in the ordinary course of operating their businesses. The transfers are necessary because the Debtors directly receive the majority of the revenues generated by the Non-Debtor Entities' operations, thereby leaving the Non-Debtor Entities with insufficient direct cash flow to operate independently. The Non-Debtor Entities' operations, and the Debtors' continued receipt of revenue therefrom, are therefore dependent on the Non-Debtor Entities receiving sufficient funds from the Debtors to meet their obligations. The purpose of such transfers is to provide funds for the Non-Debtor Entities to pay substantially all of their operating expenses, including payroll, trade creditors, and rent obligations.

135. The Debtors also pay certain of the Non-Debtor Entities' expenses directly to the Non-Debtor Entities' creditors, including infrequently paying obligations to the Non-Debtor Entities' trade creditors. Although the Non-Debtor Entities typically pay their trade creditors from the funds received from the Debtors, on occasion the Debtors pay such trade creditors directly

when necessary to ensure that such creditors are timely paid. Such payments are infrequent and arise irregularly on an as-needed basis. The operation of the Non-Debtor Entities is critical to the Debtors' reorganization and benefits the Debtors' estates. Therefore, incorporated in the relief requested in the Trade Motion is a request that the Debtors be permitted to continue making all payments and disbursements in the ordinary course of business to or for the benefit of the Non-Debtor Entities.

136. I believe that the relief requested in the Trade Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption. Accordingly, it is my opinion that the Trade Motion should be approved.

B. Statement of Support for First Day Motions

137. Based on my knowledge, and after reasonable inquiry, I believe that the approval of the relief requested in the First Day Motions is (a) necessary to enable the Debtors to transition into, and operate efficiently and successfully in, chapter 11 with minimal disruption or loss of productivity and value, (b) critical to the Debtors achieving a successful restructuring; and (c) in the best interest of the Debtors' estates and their stakeholders. I believe that, if the Court does not grant the relief requested by the Debtors in the First Day Motions, the Debtors' business and their estates will suffer immediate and irreparable harm. Accordingly, for the reasons set forth herein and in the First Day Motions, the Court should grant the relief requested in each of the First Day Motions.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: March 31, 2024

/s/ Glenn Laxdal
Glenn Laxdal
Chief Executive Officer

EXHIBIT A

Corporate Organization Chart

AIRSPAN ORGANIZATIONAL CHART

Non-Debtor
Entity

Debtor Entity

