



THE #1 WIRELESS HAULING SPECIALIST POSITIONED TO LEAD IN A GROWING MARKET

Investor Presentation // November 2020

DISCLAIMER

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Although we believe that the projections reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be obtained or that any deviations therefrom will not be material. Such statements involve risks and uncertainties that may cause future results to differ materially from those anticipated. These risks and uncertainties include, but are not limited to, the effects of general economic conditions, the effect of the COVID-19 crisis on the global markets and on the markets in which we operate, including the risk of a continued disruption to our and our customers’, providers’, business partners and contractors’ business and operations as a result of the COVID-19 pandemic effects and the restrictions on operations created thereby, and of an adverse effect on our and our customers’ financial performance, cash flow, revenue and financial results, available cash and financing, and our ability to bill and collect amounts due from our customers as a result thereof; the risks relating to the concentration of a significant portion of Ceragon’s expected business in certain countries and particularly in India, where a small number of customers are expected to represent a significant portion of our revenues; risks associated with any failure to meet our product development timetable; the risk that the rollout of 5G services could take longer or differently than anticipated and such other risks, uncertainties and other factors that could affect our results, as detailed in our press release that was published earlier today and as further detailed in Ceragon’s most recent Annual Report on Form 20-F and in Ceragon’s other filings with the Securities and Exchange Commission.

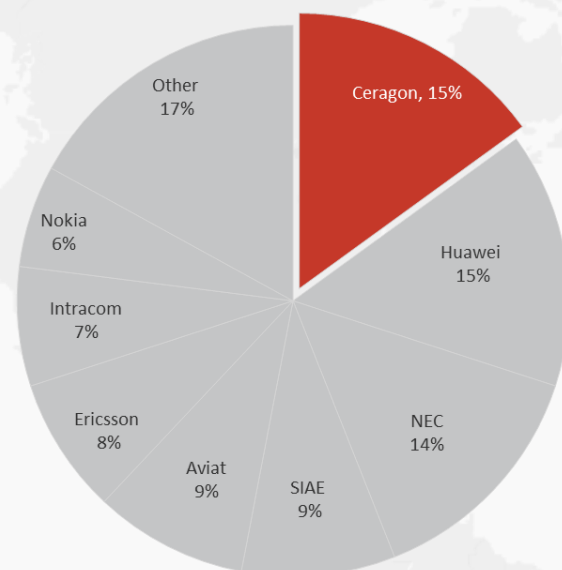
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Ceragon’s public filings are available from the Securities and Exchange Commission’s website at www.sec.gov and may also be obtained from Ceragon’s website at www.ceragon.com.

CERAGON AT A GLANCE

INNOVATIVE MARKET LEADER 4G & 5G NETWORK ENABLER

Customers who choose based on value of technology select Ceragon



2019 BEST-OF-BREED MARKET SHARE

Source: Ceragon estimates based on SkyLight Research. March 2020
*Others include vendors with less than 2% share

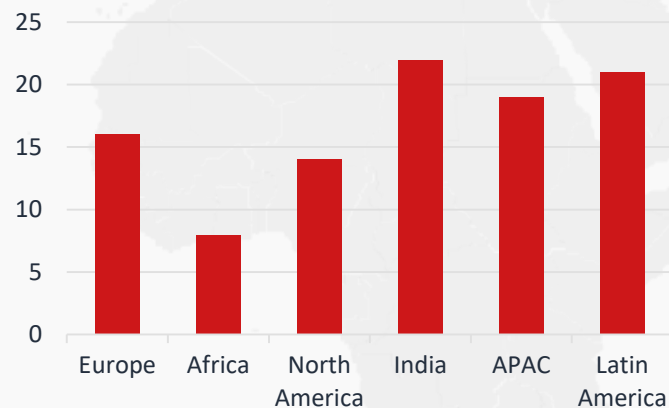
GLOBAL COMPANY

Significant activity in each region



% of revenue
Last 12 months

BALANCED REVENUE MIX



COMPANY SNAPSHOT

+2,000 TOTAL CUSTOMERS

+1M SYSTEMS DEPLOYED

+140 COUNTRIES WITH
SYSTEMS DEPLOYED

1,000+ EMPLOYEES
GLOBALLY

\$0.99-\$2.99 52 WEEK LOW/HIGH^(A)

(A) Source: Nasdaq as of 10/30/2020

WE DO WIRELESS HAULING

CRITICAL TECHNOLOGY FOR 4G AND 5G NETWORKS



WIRELESS HAULING – AN ALTERNATIVE TO FIBER DEPLOYMENT
AN ESSENTIAL PART OF ANY NETWORK EVOLUTION FOR FASTER AND MORE COST-EFFECTIVE DEPLOYMENTS

Connects approximately 50% of all cell sites globally (current & forecast)

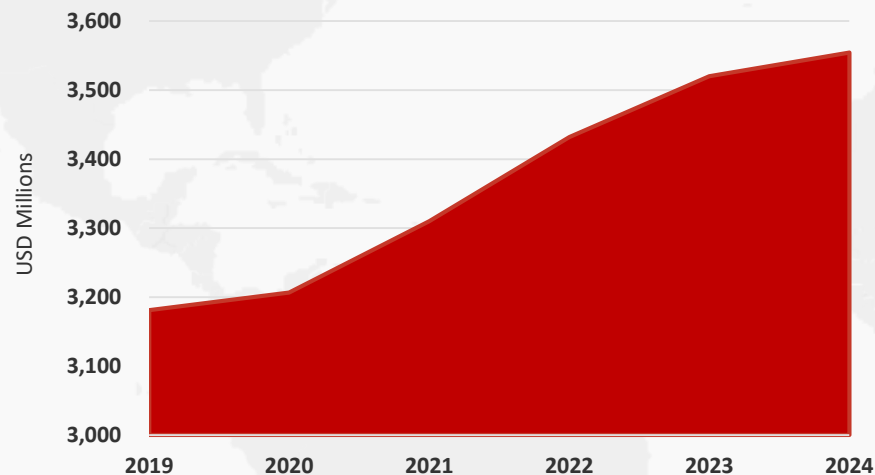
INVESTMENT HIGHLIGHTS

POSITIONED TO LEAD IN THE GROWING 5G MARKET

5G A GROWING MARKET

Market growth driven by 5G opportunities for service providers

Microwave & millimeter-wave global revenues forecast



Source: Dell'Oro – 2020

Proprietary and Confidential

CERAGON POSITIONED TO LEAD AND TAKE MARKET SHARE

- Leading wireless hauling specialist
- Unique technology
- Anytime-anywhere extensive services
- Global presence
- Financial and business resilience

COVID-19 IMPACT: ACCELERATED NETWORK BUILDING WITHIN UNCERTAIN ENVIRONMENT

- Surge in 4G and 5G network activities to meet urgent COVID-driven demand for more broadband capacity, speed and coverage
- Increased ISP activities in the US and Europe to fill short-term coverage gaps
- **Ceragon is participating in multiple 5G selection processes with disaggregated-architecture products recognized as key enablers of the 5G promise**
- Continued uncertainty in many regions: lockdowns and budget freezes in LATAM, slowdowns still impacting supply chain, installations and decision-making processes



THE GROWING 5G MARKET

5G EXPECTED TO CREATE OPPORTUNITIES FOR SERVICE PROVIDERS

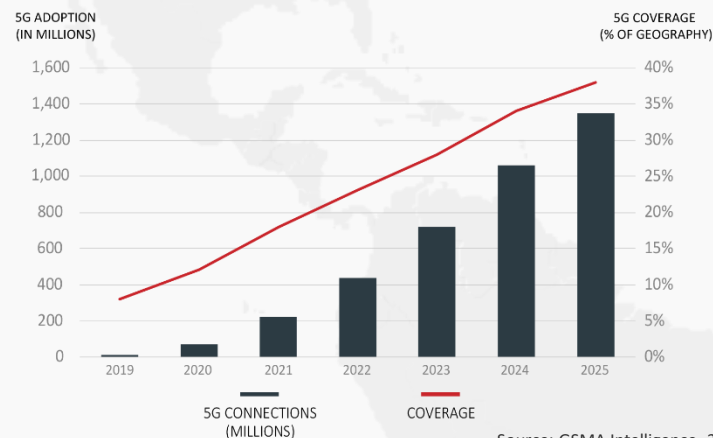
New revenue streams via new service offerings & additional target markets



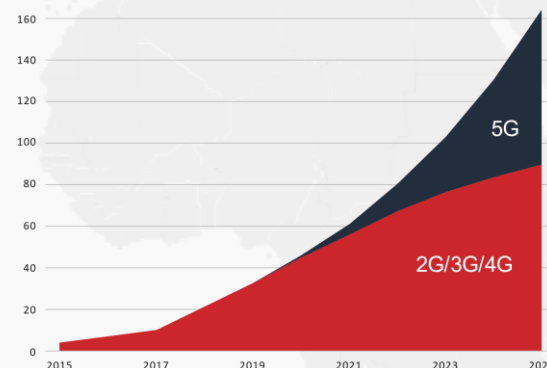
5G to drive growth
in number of connections

Combined with
significant growth in traffic

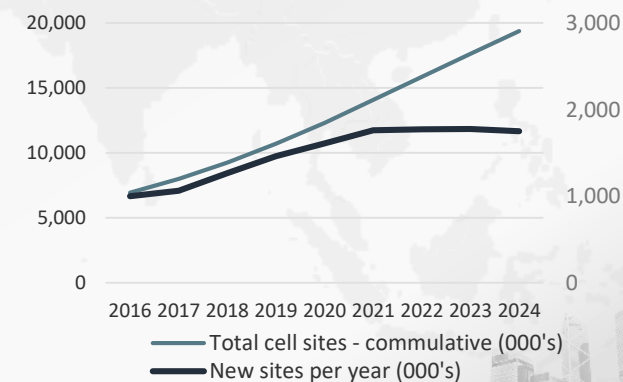
Accelerating deployment
of new cell sites



GLOBAL MOBILE DATA TRAFFIC (EB* PER MONTH)



GLOBAL CELL SITES (000'S)



5G OPERATOR OPPORTUNITIES DRIVE MARKET GROWTH...

...WHILE CREATING NETWORK CHALLENGES OF A DIFFERENT SCALE THAN 4G

5G EXPECTED TO CREATE OPPORTUNITIES FOR SERVICE PROVIDERS

New revenue streams via new service offerings & additional target markets



NETWORK TRENDS

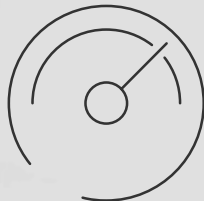


New Services

New Network Architectures

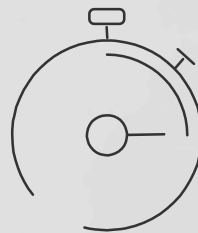
New Cellular Spectrum

NETWORK CHALLENGES



x100

PROVIDE MORE CAPACITY



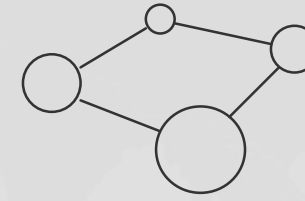
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REDUCE LATENCY



x4

NETWORK SLICING FOR SERVICE ORCHESTRATION



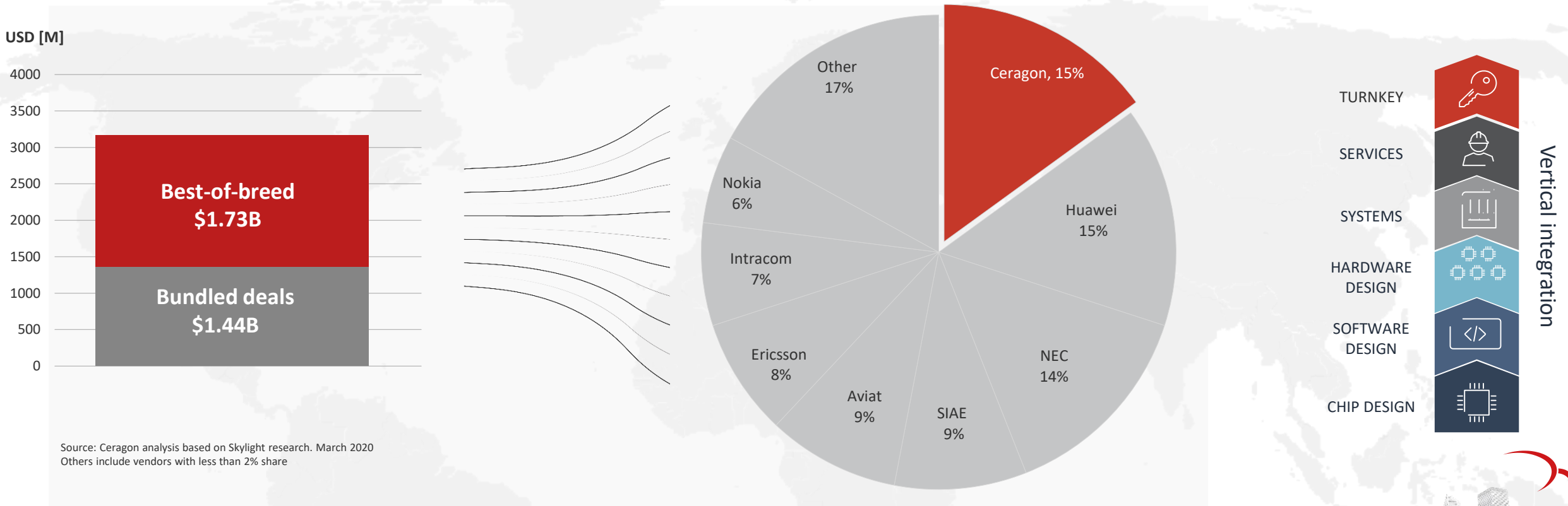
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DEPLOY MORE SITES

GROWING 5G NETWORK COMPLEXITY DRIVES OPERATORS TO ADOPT BEST-OF-BREED* VENDOR STRATEGIES

'BEST-OF-BREED' LEADERSHIP THROUGH UNIQUE VERTICAL INTEGRATION

BEST-OF-BREED MARKET SEGMENT REVENUE - 2019



* Service providers seeking the best wireless hauling solution as primary factor in their vendor selection. Open-RAN as a major driver

BEST-OF-BREED LEADERSHIP DRIVERS

BUILT ON VERTICAL INTEGRATION

CHIPSET

UNIQUE MULTICORE TECHNOLOGY



4G DUAL CORE



5G OCTA CORE



ALL - OUTDOOR NETWORK

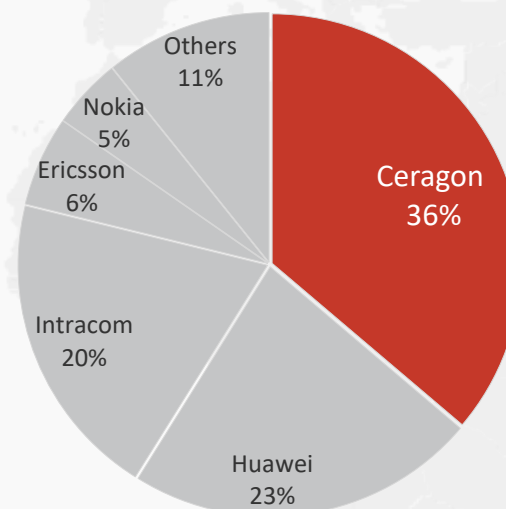
BEST-FIT FOR NETWORK EXPANSION

FAST DEPLOYMENT | SIMPLE SITE ACQUISITION

ENABLER FOR NETWORK DENSIFICATION

LOWEST TCO | FAST TIME TO REVENUE

2019 ALL-OUTDOOR UNIT MARKET SHARE



Source: SkyLight Research. March 2020

DISAGGREGATED WIRELESS HAULING

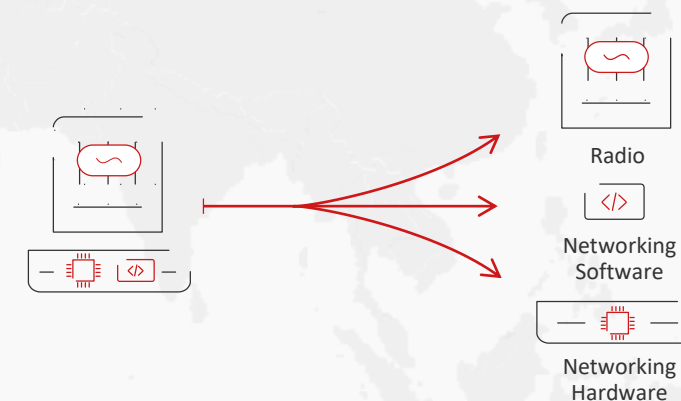
PIONEERING OPEN NETWORKS
IN THE HAULING DOMAIN

LOW TOTAL NETWORK INVESTMENT

FAST NETWORK ROLLOUT

SIMPLER NETWORK EVOLUTION

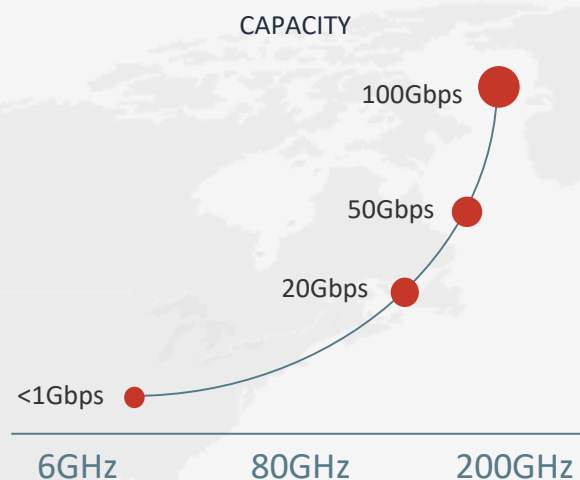
NO VENDOR LOCK-IN



UNIQUE TECHNOLOGY

BUILT ON VERTICAL INTEGRATION

HIGHEST INDUSTRY RADIO CAPACITY AT ANY SPECTRUM



- Any network hauling scenario
- Any network capacity
- Low latency, compact nodes

Eliminate dependency on fiber
Save time and money

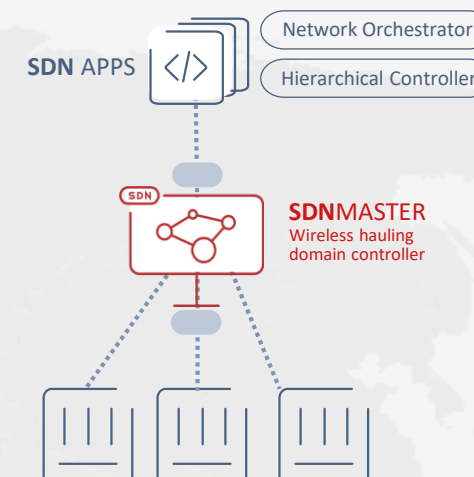
DISAGGREGATED WIRELESS HAULING



- Low total network investment
- Fast network rollout

Open network approach adopted
by major Tier 1 operators

SOFTWARE DEFINED NETWORKING



- Faster time to market for new 5G services
- Simple network slicing

Network agility – Today!

Vertical integration

ECO-SYSTEM IN TRANSFORMATION, CERAGON LEADS!



Ceragon Achieves Recognition by Telecom Infra Project tier 1 operators
AS THE ONLY LEADER ACROSS ALL 3 TRANSPORT DOMAINS



TELECOM INFRA PROJECT

1

RADIO



IP-50C

IP-50S

IP-50E

2

NETWORKING SOFTWARE



IP-50-NOS
Network
Operating System



IP-50-RAON
Radio Aware
Open Networking

3

NETWORKING HARDWARE



IP-50FX

3rd party
white-box

IP-50

Disaggregated
Wireless Hauling platform

COMPLETE NETWORK LIFECYCLE SUPPORT

BUILT ON VERTICAL INTEGRATION



PLAN

- Network planning & design
- Network topology optimization



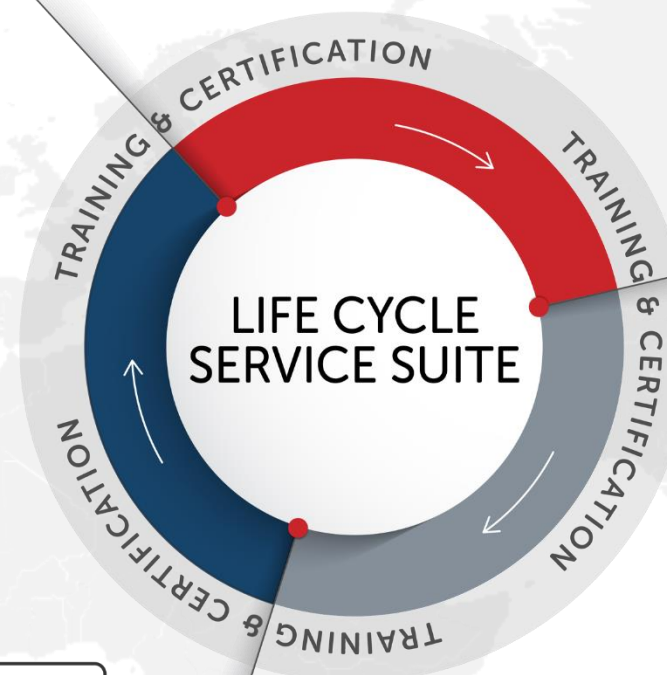
DEPLOY

- Network rollout planning
- Network rollout execution and support



OPERATE

- Customer support
- Preventive maintenance
- NOC operation
- Predictive Analysis
- Infrastructure management & opt



Vertical integration





SERVING CUSTOMERS WORLDWIDE

PRESENT EVERYWHERE TO CAPITALIZE ON 5G

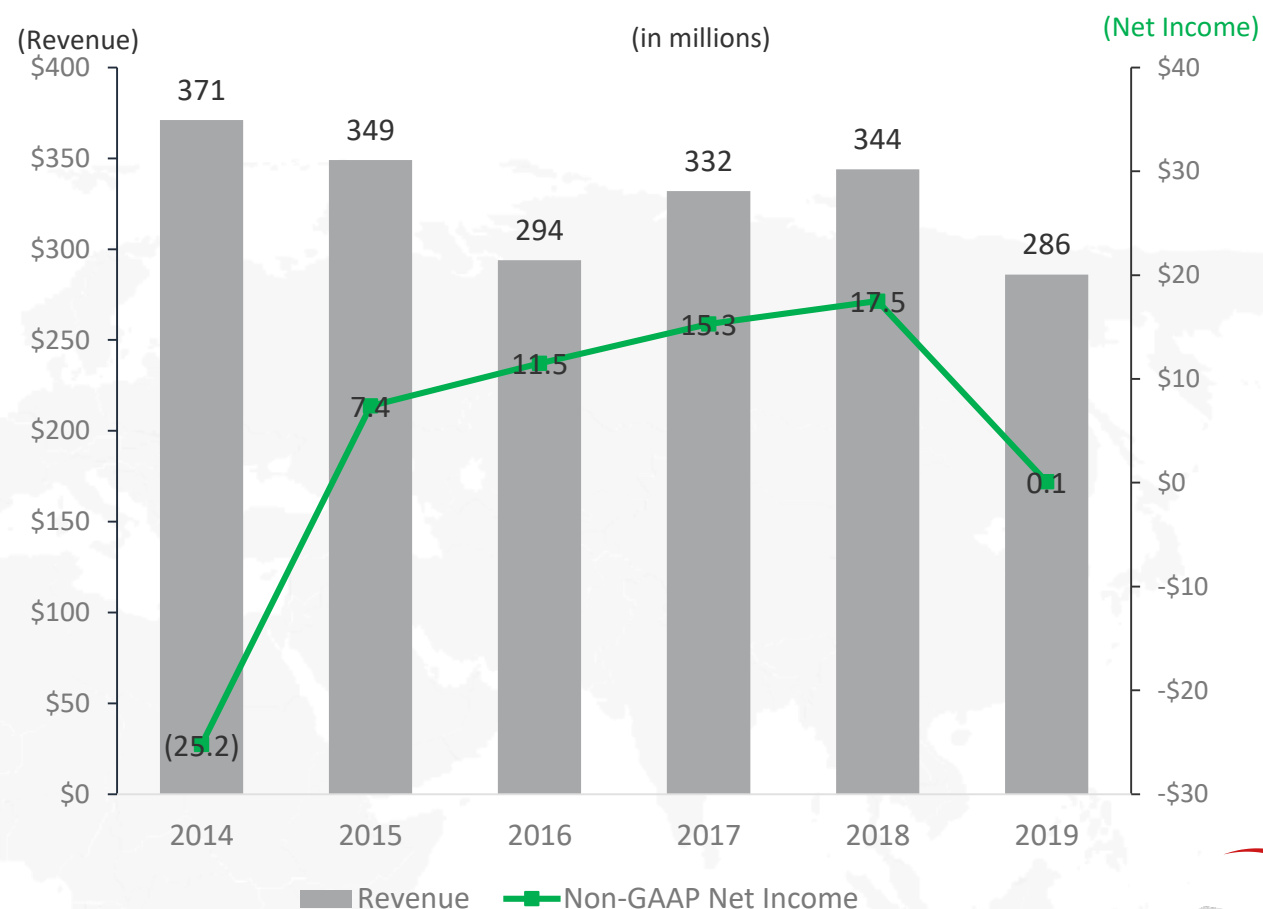
5G



FINANCIALS

TRACK RECORD OF EXECUTION

- Consistently profitable from 2015-2018
- 2019 results negatively impacted by lower revenue from India and one-time items
- Focus on maximizing gross profit dollars
- Q1-Q2 2020 revenues and net results were negatively impacted by COVID-19, but returned to more normal levels in Q3
- COVID-19-related uncertainty expected to continue impacting results going forward



Note: Financial metrics are presented on a non-GAAP basis.

STRONG BALANCE SHEET

- **Positioned to weather challenges**
- Continued reductions in inventory and successful collections
- Short-term bank debt: >\$32.1 million unused borrowing capacity
- On July 1, extended credit line from a consortium of banks for another year; raised from \$40 million to \$50 million
- Credit facility to be used as a business tool to accommodate short-term increase in working capital needs

(U.S. dollars in millions) (Unaudited)	
a/o September 30, 2020	
Cash & cash equivalents	29.2
Short-term loans	17.9
Inventory	51.9
AR	108.4
DSOs	152

CHARACTERISTICS OF OPERATING MODEL

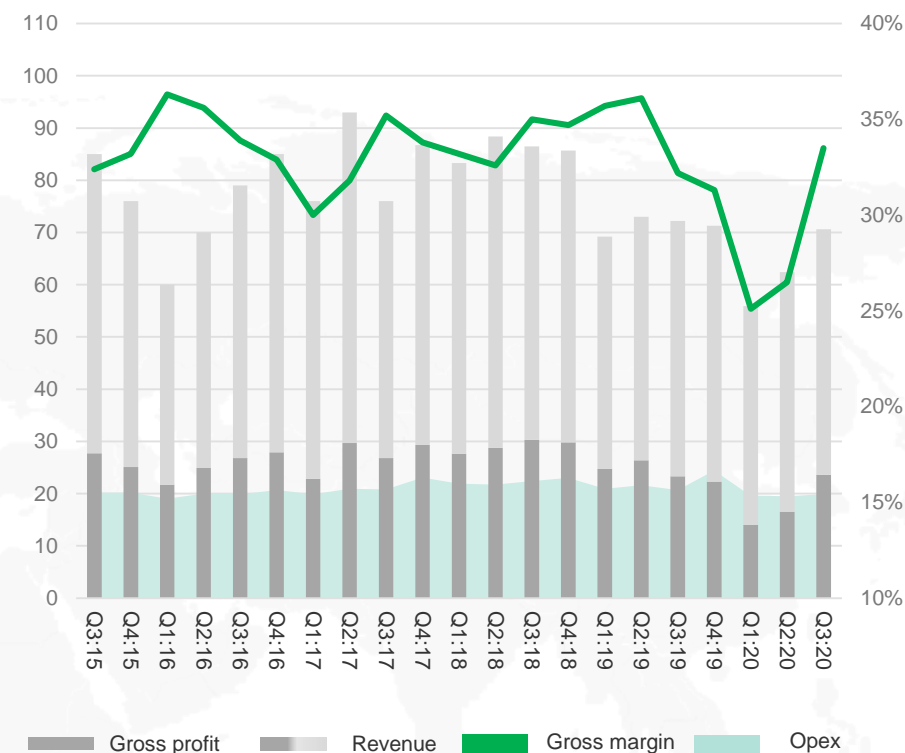
Good management of controllable elements

- Deals accepted based on contribution to gross profit dollars
- Tendency toward trade-off between revenue and gross margin
- Stringent control of operating expenses

Quarter-to-quarter fluctuations due to nature of business

- Geographic mix of revenues
- Shifts in local regulations and market environment
- Timing of revenue recognition for elements of each project depends on equipment delivery schedules
- Also: currency fluctuations, interest rates, seasonality, order lumpiness, changes in raw material and component costs
- Q3 high gross-margin reflects revenues in the normal range and \$1 million in tax relief

Quarterly Operating Model



Note: Financial metrics are presented on a non-GAAP basis.

SUMMARY

POSITIONED TO CAPITALIZE ON ACCELERATED, MULTI-YEAR EVOLUTION TO 5G

- + Recognized 5G technology leader with key enabling technologies and products, uniquely suited to the “OpenRAN OpenCORE” approach
- + Products give operators critical time-to-market, flexibility, capacity and cost advantages
- + Positioned to obtain major share of highest-value opportunities and to gain overall market share
- + Now participating in growing number of new selection processes: moving from Design Wins to low-volume POCs towards volume shipments and deployments beginning in late 2021
- + Financial stability enables continuous innovation and design-to-cost investment



CHALLENGE US
TO TAKE YOU FURTHER

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