

A large, stylized red swoosh graphic is positioned in the upper right quadrant of the slide. It starts as a thin line that curves upwards and then downwards, ending in a sharp point.

*Challenge us
to take you further*

Q2 2023 Financial Review

August 2023

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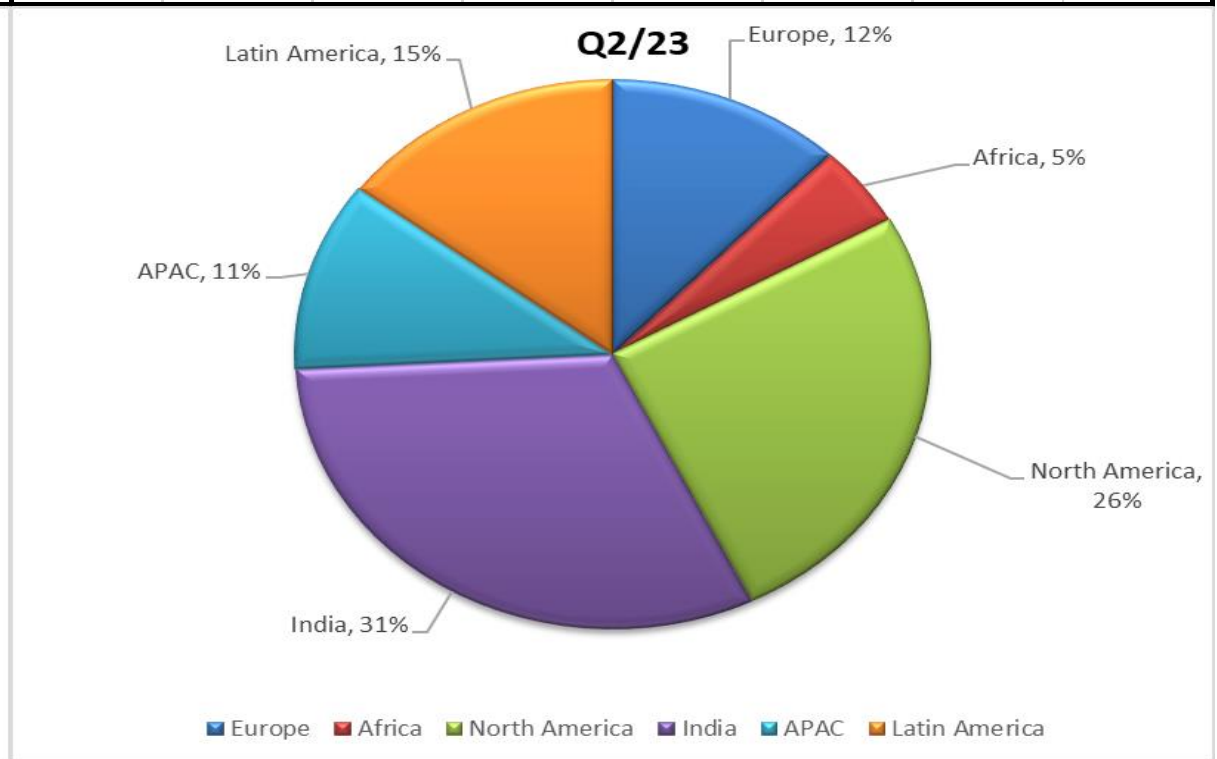
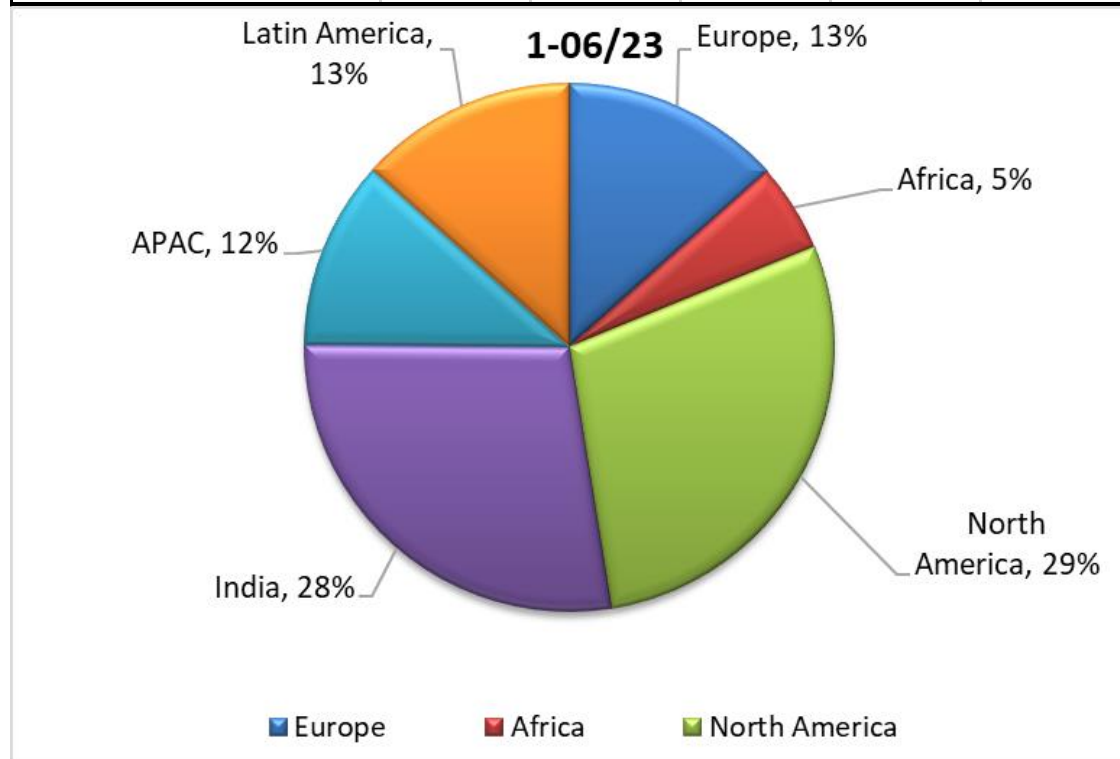
Ceragon’s public filings are available on the Securities and Exchange Commission’s website at www.sec.gov and may also be obtained from Ceragon’s website at www.ceragon.com.

Industry Data.

This presentation contains estimates and information that is based on industry publications, reports and peer company public filings. This information involves a number of assumptions and limitations, and you are cautioned not to rely on or give undue weight to this information. The Company has not independently verified the accuracy or completeness of the data contained in these industry publications, reports or filings.

Revenues- Geographic Split

	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23
Europe	21%	14%	19%	19%	18%	15%	14%	17%	15%	13%	13%	14%	12%
Africa	4%	14%	10%	9%	8%	6%	9%	8%	6%	5%	7%	6%	5%
North America	15%	14%	16%	17%	19%	14%	16%	19%	21%	27%	23%	32%	26%
India	22%	24%	23%	26%	27%	35%	30%	22%	31%	28%	29%	24%	31%
APAC	19%	20%	14%	14%	11%	9%	10%	14%	11%	10%	11%	12%	11%
Latin America	19%	14%	18%	15%	17%	21%	21%	20%	16%	17%	17%	12%	15%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



NON-GAAP Profit & Loss



	Actual (Unaudited)												
	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23
Revenues	62,427	70,581	74,002	68,270	68,621	76,115	77,760	70,319	70,674	78,649	75,531	83,409	86,151
Cost of Revenues	45,891	46,970	52,631	48,087	47,005	52,509	55,199	50,850	49,142	50,699	50,551	55,053	55,747
Gross profit	16,536	23,611	21,371	20,183	21,616	23,606	22,561	19,469	21,532	27,950	24,980	28,356	30,404
Gross margin	26.5%	33.5%	28.9%	29.6%	31.5%	31.0%	29.0%	27.7%	30.5%	35.5%	33.1%	34.0%	35.3%
Research & Development	6,760	7,299	7,694	7,358	7,494	6,640	7,745	6,779	7,493	7,150	7,863	7,692	7,580
% R&D	10.8%	10.3%	10.4%	10.8%	10.9%	8.7%	10.0%	9.6%	10.6%	9.1%	10.4%	9.2%	8.8%
Sales & Marketing	8,032	7,819	8,452	8,186	8,266	8,349	8,681	8,495	9,060	8,280	8,605	9,820	9,415
% S&M	12.9%	11.1%	11.4%	12.0%	12.0%	11.0%	11.2%	12.1%	12.8%	10.5%	11.4%	11.8%	10.9%
General & Administration	4,755	4,754	4,680	3,934	5,247	4,645	4,616	4,803	4,612	6,116	17,647	4,956	6,051
% G&A	7.6%	6.7%	6.3%	5.8%	7.6%	6.1%	5.9%	6.8%	6.5%	7.8%	23.4%	5.9%	7.0%
Total operating expenses	19,547	19,872	20,826	19,478	21,007	19,634	21,042	20,077	21,165	21,546	34,115	22,468	23,046
Operating profit (loss)	(3,011)	3,739	545	705	609	3,972	1,519	(608)	367	6,404	(9,135)	5,888	7,358
Operating margin	-4.8%	5.3%	0.7%	1.0%	0.9%	5.2%	2.0%	-0.9%	0.5%	8.1%	-12.1%	7.1%	8.5%
Non-GAAP EBITDA	(331)	6,467	3,494	3,591	3,552	6,931	4,977	2,333	3,201	9,047	(6,513)	8,441	9,940
Financial expenses and others, net	(1,354)	(1,238)	(2,527)	(1,237)	(1,367)	(2,273)	(2,691)	(1,184)	(2,531)	(2,011)	(2,858)	(1,816)	(2,171)
Income Tax	(487)	(201)	(1,559)	(347)	(420)	(348)	(855)	(61)	(304)	(269)	(534)	(439)	(787)
Non GAAP Net income (loss)	(4,852)	2,300	(3,541)	(879)	(1,178)	1,351	(2,027)	(1,853)	(2,468)	4,124	(12,527)	3,633	4,400
Non GAAP EPS	(0.06)	0.03	(0.04)	(0.01)	(0.01)	0.02	(0.02)	(0.02)	(0.03)	0.05	(0.15)	0.04	0.05
# of Shares for diluted EPS ('000)	81,013	82,244	81,536	82,584	83,424	85,271	83,916	83,959	84,019	85,970	84,348	86,712	86,747

Selected Cash Flow Data

(U.S. dollars in thousands)													
	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23
Total cash & cash equivalents	35,167	29,155	27,101	33,011	28,670	27,235	17,079	24,960	23,592	25,964	22,948	26,423	24,529
Cash flow from operations	6,666	(3,225)	10,677	(1,654)	(2,958)	(667)	(9,740)	(1,816)	(3,173)	8,597	(8,503)	3,509	3,181
Capital expenditures	(2,715)	(1,230)	(1,342)	(2,003)	(1,728)	(2,336)	(3,328)	(2,726)	(3,079)	(4,487)	(2,129)	(4,430)	(2,879)
Options Exercise	308	293	390	3,689	269	730	42	81	32	297	-	-	30
Proceeds (repayment) of short-term bank credits and loans, net	(13,176)	(1,800)	(11,900)	6,000	-	900	2,900	12,150	4,950	(2,000)	7,600	4,350	(2,300)
Other	(36)	(50)	121	(122)	76	(62)	(30)	192	(98)	(35)	16	46	74
Net Change in Cash	(8,953)	(6,012)	(2,054)	5,910	(4,341)	(1,435)	(10,156)	7,881	(1,368)	2,372	(3,016)	3,475	(1,894)

Selected Balance Sheet Data

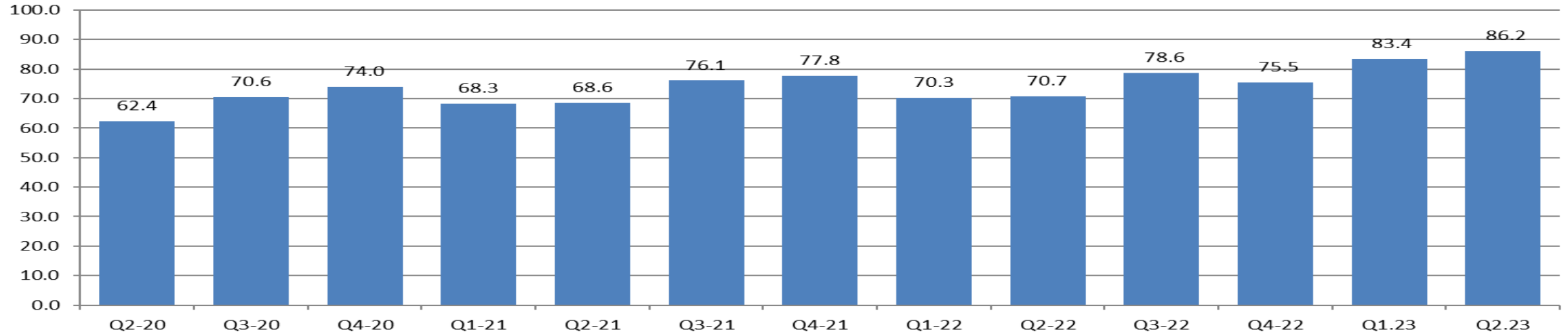
(U.S. dollars in thousands)													
	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23
Cash and Cash Equivalents	35,167	29,155	27,101	33,011	28,670	27,235	17,079	24,960	23,592	25,964	22,948	26,423	24,529
Trade Receivables	97,547	108,394	107,388	106,712	107,404	109,863	118,310	120,682	122,734	115,871	100,034	100,590	107,592
DSOs	136	152	149	141	139	140	149	150	152	142	139	119	121
Inventory	53,593	51,869	50,627	48,542	52,316	53,203	61,398	58,060	60,710	64,227	72,009	68,742	67,836
Inventory Days	106	103	99	92	98	97	111	103	107	114	130	122	116
Working capital	98,206	102,067	99,446	98,954	99,864	101,615	87,799	87,494	82,105	83,335	77,911	79,518	83,536
Short-term loans	19,679	17,879	5,979	11,979	11,000	11,900	14,800	26,950	31,900	29,900	37,500	41,850	39,550
Shareholders' Equity	147,329	149,662	146,126	146,397	146,310	147,663	137,151	135,856	131,973	132,757	119,783	122,808	126,382
% - Shareholders' Equity/ Total assets	54%	55%	54%	50%	50%	50%	47%	45%	43%	44%	41%	42%	43%
Total Balance Sheet	272,097	273,759	272,419	291,098	294,416	295,416	292,563	300,187	304,980	302,336	289,318	290,316	294,464

Reported results – Reconciliation to GAAP

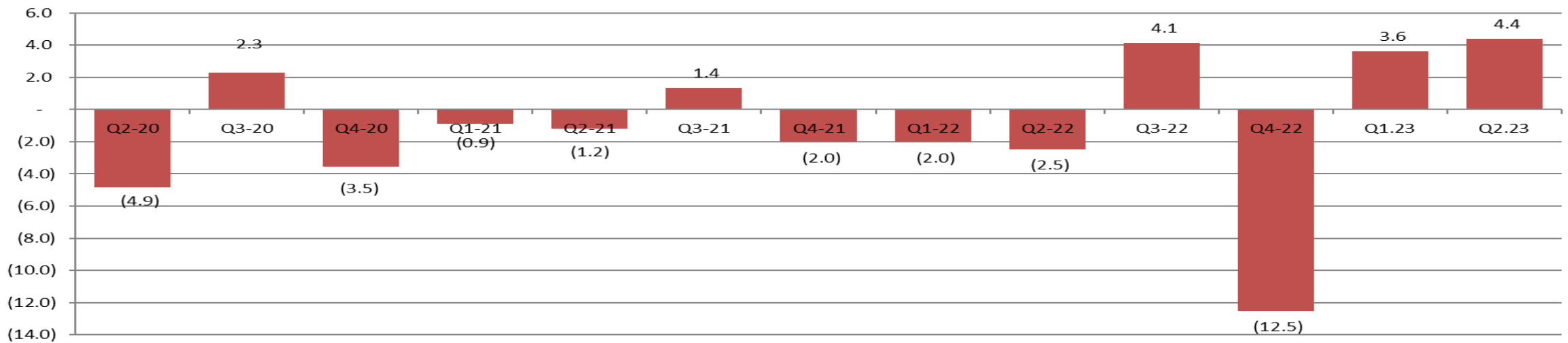
(U.S. dollars in thousands)													
	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23
Non GAAP Net income (loss)	(4,852)	2,300	(3,541)	(879)	(1,178)	1,351	(2,027)	(1,853)	(2,468)	4,124	(12,527)	3,633	4,400
Stock based compensation expenses	441	384	411	351	286	1,034	891	746	689	1,167	958	1,169	808
Amortization of intangible assets	-	-	1,800	-	-	-	-	-	-	-	-	-	-
Changes in indirect tax positions	1	1	(202)	1	2	2	(399)	-	1	1	279	1	2
Leases - financial expenses (income)	110	157	229	(186)	435	102	706	(425)	(1,774)	(233)	154	(358)	(285)
Paycheck protection program	-	-	-	-	(979)	-	-	-	-	-	-	-	-
Retired CEO compensation	-	-	-	-	810	-	-	(96)	-	-	-	-	-
Hostile attempt related costs	-	-	-	-	-	-	-	-	-	3,971	249	-	-
Non-cash tax adjustments	(87)	76	2	128	(23)	(53)	8,987	210	136	81	851	853	890
Restructuring and related charges	-	-	-	-	-	-	-	-	-	-	-	-	897
Equity loss in affiliates	160	98	538	-	-	-	-	-	-	-	-	-	-
GAAP Net Income (Loss)	(5,477)	1,584	(6,319)	(1,173)	(1,709)	266	(12,212)	(2,288)	(1,520)	(863)	(15,018)	1,968	2,088
GAAP EPS	(0.07)	0.02	(0.08)	(0.01)	(0.02)	0.00	(0.15)	(0.03)	(0.02)	(0.01)	(0.03)	0.02	0.02
# of Shares for basic EPS ('000)	81,013	81,278	81,536	82,584	83,424	83,717	83,916	83,959	84,019	84,200	84,348	84,354	84,365
# of Shares for diluted EPS ('000)	81,013	82,000	81,536	82,584	83,424	84,637	83,916	83,959	84,019	84,200	84,348	84,992	85,313

Quarterly Revenues and Non-GAAP Net Income (Loss)

Revenues



Non-GAAP Net Income (loss)





Thank You

