

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*

# Q3 2024 Financial Review

November 2024



November 2024

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The results reported in this press-release are preliminary and unaudited results, and investors should be aware of possible discrepancies between these results and the audited results to be reported, due to various factors.

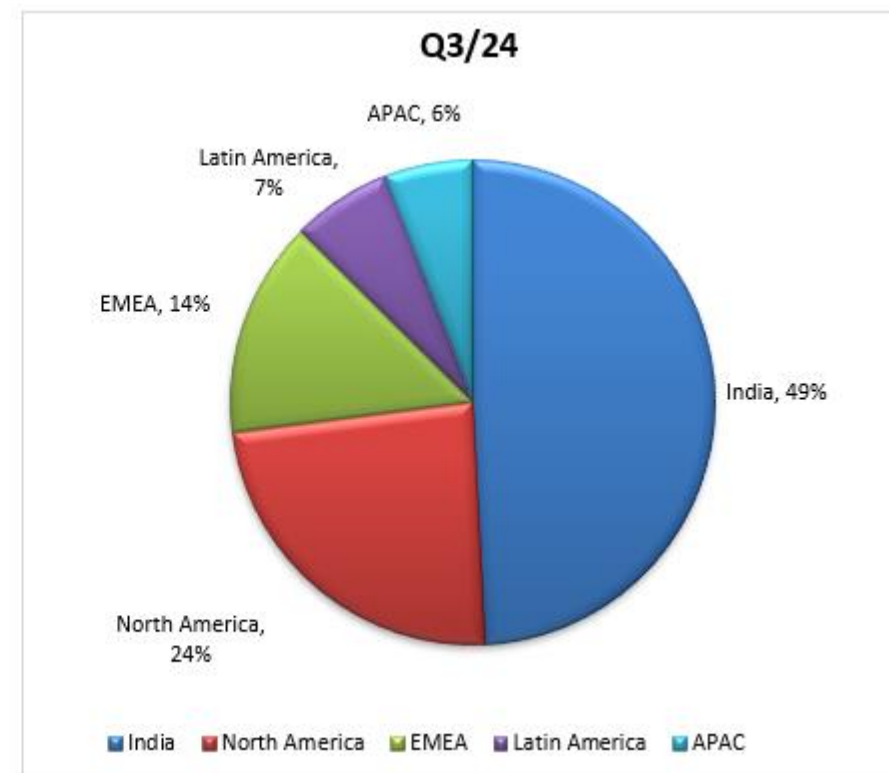
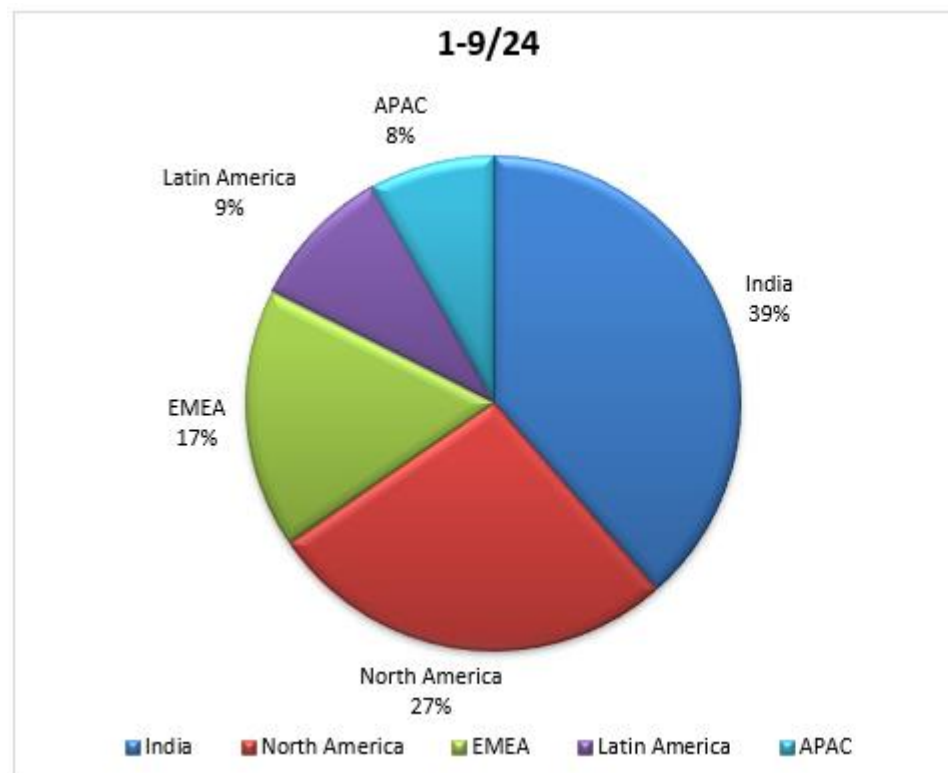
Ceragon's public filings are available on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov) and may also be obtained from Ceragon's website at [www.ceragon.com](http://www.ceragon.com).

## **Industry Data.**

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# Revenues- Geographic Split

	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24
India	35%	30%	22%	31%	28%	29%	24%	31%	34%	34%	29%	37%	49%
North America	14%	16%	19%	21%	27%	23%	32%	26%	26%	27%	33%	24%	24%
EMEA	21%	23%	25%	21%	18%	20%	20%	17%	15%	19%	17%	20%	14%
Latin America	21%	21%	20%	16%	17%	17%	12%	15%	15%	13%	12%	10%	7%
APAC	9%	10%	14%	11%	10%	11%	12%	11%	10%	7%	9%	9%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



# NON-GAAP Profit & Loss



	Actual (Unaudited)												
	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24
Revenues	76,115	77,760	70,319	70,674	78,649	75,531	83,409	86,151	87,260	90,359	88,498	96,088	102,672
Cost of Revenues	52,509	55,199	50,850	49,142	50,699	50,551	55,053	55,747	56,844	58,599	55,986	62,304	67,434
<b>Gross profit</b>	<b>23,606</b>	<b>22,561</b>	<b>19,469</b>	<b>21,532</b>	<b>27,950</b>	<b>24,980</b>	<b>28,356</b>	<b>30,404</b>	<b>30,416</b>	<b>31,760</b>	<b>32,512</b>	<b>33,784</b>	<b>35,238</b>
<b>Gross margin</b>	<b>31.0%</b>	<b>29.0%</b>	<b>27.7%</b>	<b>30.5%</b>	<b>35.5%</b>	<b>33.1%</b>	<b>34.0%</b>	<b>35.3%</b>	<b>34.9%</b>	<b>35.1%</b>	<b>36.7%</b>	<b>35.2%</b>	<b>34.3%</b>
Research & Development	6,640	7,745	6,779	7,493	7,150	7,863	7,692	7,580	7,260	7,715	8,695	8,201	8,577
% R&D	8.7%	10.0%	9.6%	10.6%	9.1%	10.4%	9.2%	8.8%	8.3%	8.5%	9.8%	8.5%	8.4%
Sales & Marketing	8,349	8,681	8,495	9,060	8,280	8,605	9,820	9,415	9,702	10,175	10,694	11,004	10,413
% S&M	11.0%	11.2%	12.1%	12.8%	10.5%	11.4%	11.8%	10.9%	11.1%	11.3%	12.1%	11.5%	10.1%
General & Administration	4,645	4,616	4,803	4,612	6,116	17,647	4,956	6,051	5,451	6,098	5,538	1,434	404
% G&A	6.1%	5.9%	6.8%	6.5%	7.8%	23.4%	5.9%	7.0%	6.2%	6.7%	6.3%	1.5%	0.4%
Total operating expenses	19,634	21,042	20,077	21,165	21,546	34,115	22,468	23,046	22,413	23,988	24,926	20,639	19,393
<b>Operating profit (loss)</b>	<b>3,972</b>	<b>1,519</b>	<b>(608)</b>	<b>367</b>	<b>6,404</b>	<b>(9,135)</b>	<b>5,888</b>	<b>7,358</b>	<b>8,003</b>	<b>7,772</b>	<b>7,585</b>	<b>13,145</b>	<b>15,844</b>
<b>Operating margin</b>	<b>5.2%</b>	<b>2.0%</b>	<b>-0.9%</b>	<b>0.5%</b>	<b>8.1%</b>	<b>-12.1%</b>	<b>7.1%</b>	<b>8.5%</b>	<b>9.2%</b>	<b>8.6%</b>	<b>8.6%</b>	<b>13.7%</b>	<b>15.4%</b>
Financial expenses and others, net	2,273	2,691	1,184	2,531	2,011	2,858	1,816	2,171	2,086	2,538	2,300	2,600	1,211
Income Tax	348	855	61	304	269	534	439	787	953	1,492	542	609	580
<b>Non GAAP Net income (loss)</b>	<b>1,351</b>	<b>(2,027)</b>	<b>(1,853)</b>	<b>(2,468)</b>	<b>4,124</b>	<b>(12,527)</b>	<b>3,633</b>	<b>4,400</b>	<b>4,964</b>	<b>3,742</b>	<b>4,743</b>	<b>9,936</b>	<b>14,053</b>
Non GAAP EPS	0.02	(0.02)	(0.02)	(0.03)	0.05	(0.15)	0.04	0.05	0.06	0.04	0.05	0.11	0.16
# of Shares for diluted EPS ('000)	85,271	83,916	83,959	84,019	85,970	84,348	86,712	86,747	87,228	85,054	87,585	87,922	88,334

# Selected Cash Flow Data

(U.S. dollars in thousands)													
	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24
Total cash & cash equivalents	27,235	17,079	24,960	23,592	25,964	22,948	26,423	24,529	33,966	28,237	28,783	26,303	34,014
Cash flow from operations	(667)	(9,740)	(1,816)	(3,173)	8,597	(8,503)	3,509	3,181	13,237	10,961	6,527	4,822	13,720
Capital expenditures	(2,336)	(3,328)	(2,726)	(3,079)	(4,487)	(2,129)	(4,430)	(2,879)	(2,381)	(11,180)	(3,706)	(5,238)	(3,148)
Options Exercise	730	42	81	32	297	-	-	30	-	9	258	284	265
Proceeds (repayment) of short-term bank credits and loans, net	900	2,900	12,150	4,950	(2,000)	7,600	4,350	(2,300)	(1,350)	(5,600)	(2,100)	(2,050)	(3,250)
Other	(62)	(30)	192	(98)	(35)	16	46	74	(64)	81	(433)	(298)	124
<b>Net Change in Cash</b>	<b>(1,435)</b>	<b>(10,156)</b>	<b>7,881</b>	<b>(1,368)</b>	<b>2,372</b>	<b>(3,016)</b>	<b>3,475</b>	<b>(1,894)</b>	<b>9,437</b>	<b>(5,729)</b>	<b>546</b>	<b>(2,480)</b>	<b>7,711</b>

# Selected Balance Sheet Data

(U.S. dollars in thousands)													
	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24
Cash and Cash Equivalents	27,235	17,079	24,960	23,592	25,964	22,948	26,423	24,529	33,966	28,237	28,783	26,303	34,014
Trade Receivables	109,863	118,310	120,682	122,734	115,871	100,034	100,590	107,592	104,593	104,321	97,386	112,895	121,550
DSOs	140	149	150	152	142	124	119	121	115	110	101	114	118
Inventory	53,203	61,398	58,060	60,710	64,227	72,009	68,742	67,836	70,050	68,811	61,029	59,490	59,800
Inventory Days	97	111	103	107	114	130	122	116	117	110	97	92	88
Working capital	101,615	87,799	87,494	82,105	83,335	77,911	79,518	83,536	88,405	84,987	84,235	88,966	101,862
Short-term loans	11,900	14,800	26,950	31,900	29,900	37,500	41,850	39,550	38,200	32,600	30,500	28,450	25,200
Shareholders' Equity	147,663	137,151	135,856	131,973	132,757	119,783	122,808	126,382	130,514	134,019	135,017	143,501	157,172
% - Shareholders' Equity/ Total assets	50%	47%	45%	43%	44%	41%	42%	43%	43%	45%	47%	48%	50%
Total Balance Sheet	295,416	292,563	300,187	304,980	302,336	289,318	290,316	294,464	301,134	298,525	286,379	299,035	317,274

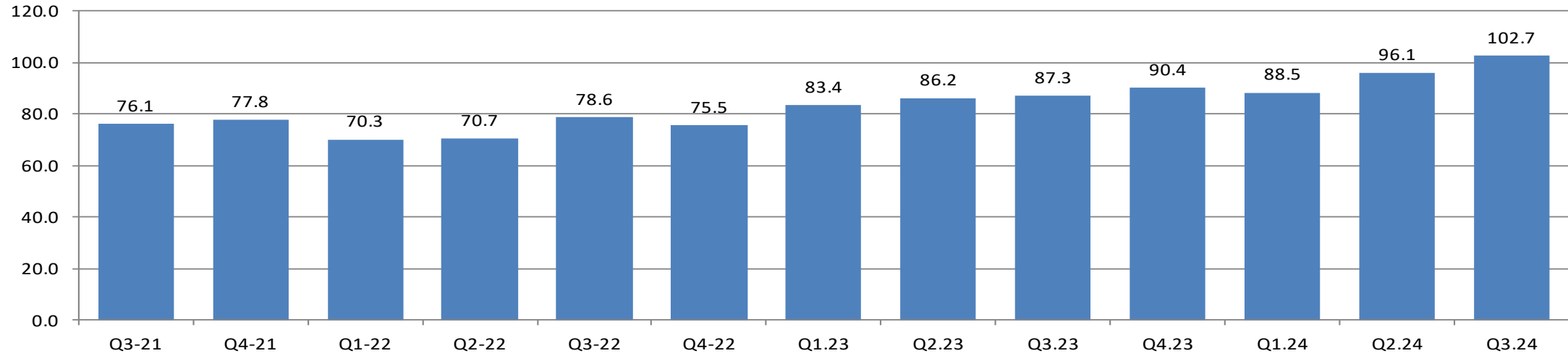
# Reported results – Reconciliation to GAAP



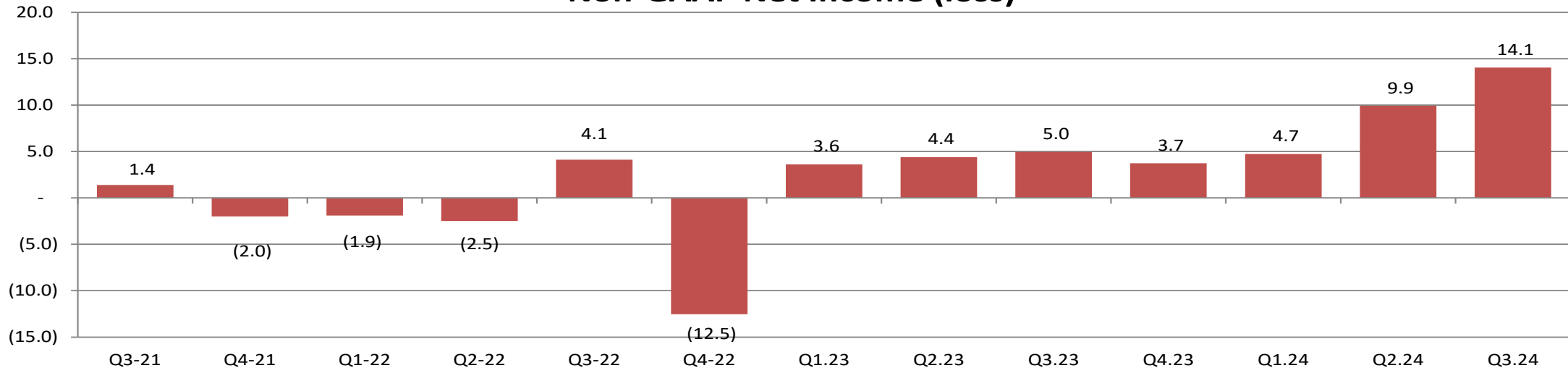
(U.S. dollars in thousands)													
	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24
Non GAAP Net income (loss)	1,351	(2,027)	(1,853)	(2,468)	4,124	(12,527)	3,633	4,400	4,964	3,742	4,743	9,936	14,053
Stock based compensation expenses	1,034	891	746	689	1,167	958	1,170	810	1,048	938	904	1,566	907
Changes in indirect tax positions	2	(399)	-	1	1	279	(0)	-	-	-	-	-	-
Leases - financial expenses (income)	102	706	(425)	(1,774)	(233)	154	(358)	(285)	(364)	754	(112)	(207)	501
Retired CEO compensation	-	-	(96)	-	-	-	-	-	-	-	-	-	-
Hostile attempt related costs	-	-	-	-	3,971	249	-	-	-	-	-	-	-
Non-cash tax adjustments	(53)	8,987	210	136	81	851	853	890	630	478	413	-	-
Acquisition -and integration-related costs	-	-	-	-	-	-	-	-	283	835	462	915	-
Restructuring and related charges	-	-	-	-	-	-	-	897	-	-	1,416	-	-
Write off of net development costs due to an early terminated contract	-	-	-	-	-	-	-	-	-	1,199	-	-	-
Amortization of acquired intangible assets	-	-	-	-	-	-	-	-	-	106	460	306	306
Excess cost on acquired inventory in business combination	-	-	-	-	-	-	-	-	-	525	124	-	-
Non-cash revaluation associated with acquisition	-	-	-	-	-	-	-	-	-	110	673	(477)	122
GAAP Net Income (Loss)	266	(12,212)	(2,288)	(1,520)	(863)	(15,018)	1,968	2,088	3,367	(1,203)	403	7,833	12,217
GAAP EPS	0.00	(0.15)	(0.03)	(0.02)	(0.01)	(0.18)	0.02	0.02	0.04	(0.01)	0.00	0.09	0.14
# of Shares for basic EPS ('000)	83,717	83,916	83,959	84,019	84,200	84,348	84,354	84,365	84,689	85,054	85,521	85,744	86,280
# of Shares for diluted EPS ('000)	84,637	83,916	83,959	84,019	84,200	84,348	84,992	85,313	85,488	85,054	87,585	87,922	88,334

# Quarterly Revenues and Non-GAAP Net Income (Loss)

## Revenues



## Non-GAAP Net Income (loss)







**Thank You**

