

A large, stylized red swoosh graphic is positioned in the upper right quadrant of the slide. It starts as a thin line that curves into a thick, bold shape, resembling a stylized 'C' or a dynamic arrow pointing towards the right.

*Challenge us
to take you further*

Q4 2023 Financial Review

February 2024



February 2024

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We caution you not to place undue reliance on forward-looking statements, which speak only as of the date hereof. Ceragon does not assume any obligation to update any forward-looking statements in order to reflect events or circumstances that may arise after the date of this release unless required by law.

While we believe that we have a reasonable basis for each forward-looking statement contained in this press release, we caution you that these statements are based on a combination of facts and factors currently known by us and our projections of the future, about which we cannot be certain. In addition, any forward-looking statements represent Ceragon's views only as of the date of this press release and should not be relied upon as representing its views as of any subsequent date. Ceragon does not assume any obligation to update any forward-looking statements unless required by law.

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

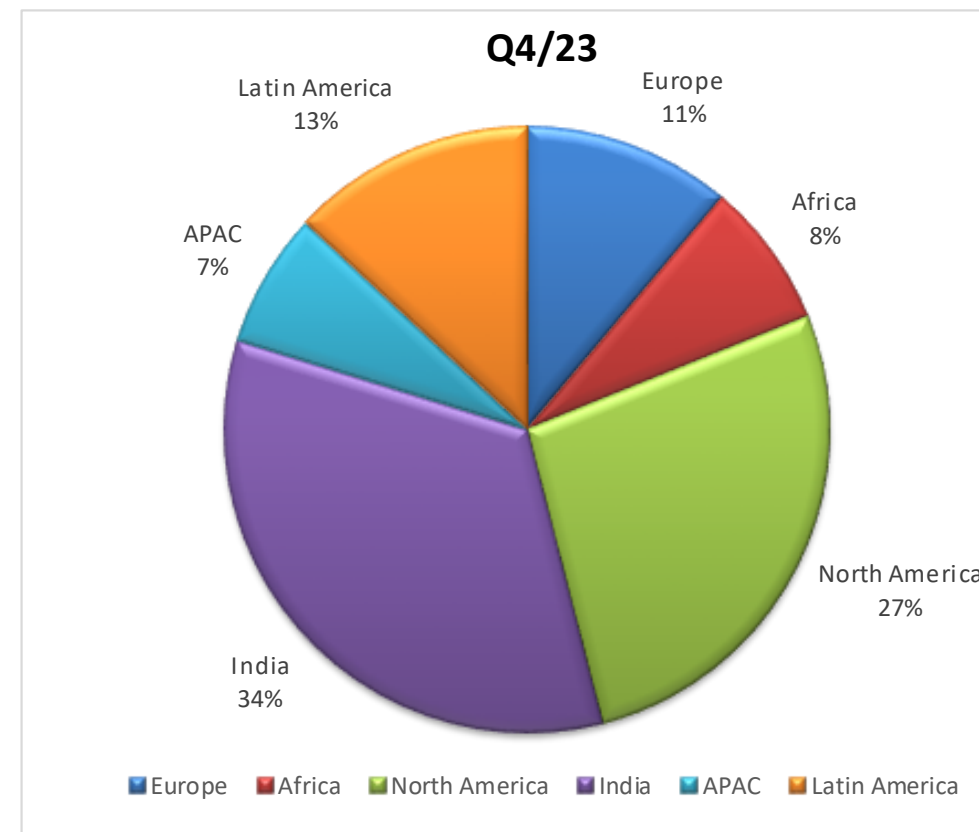
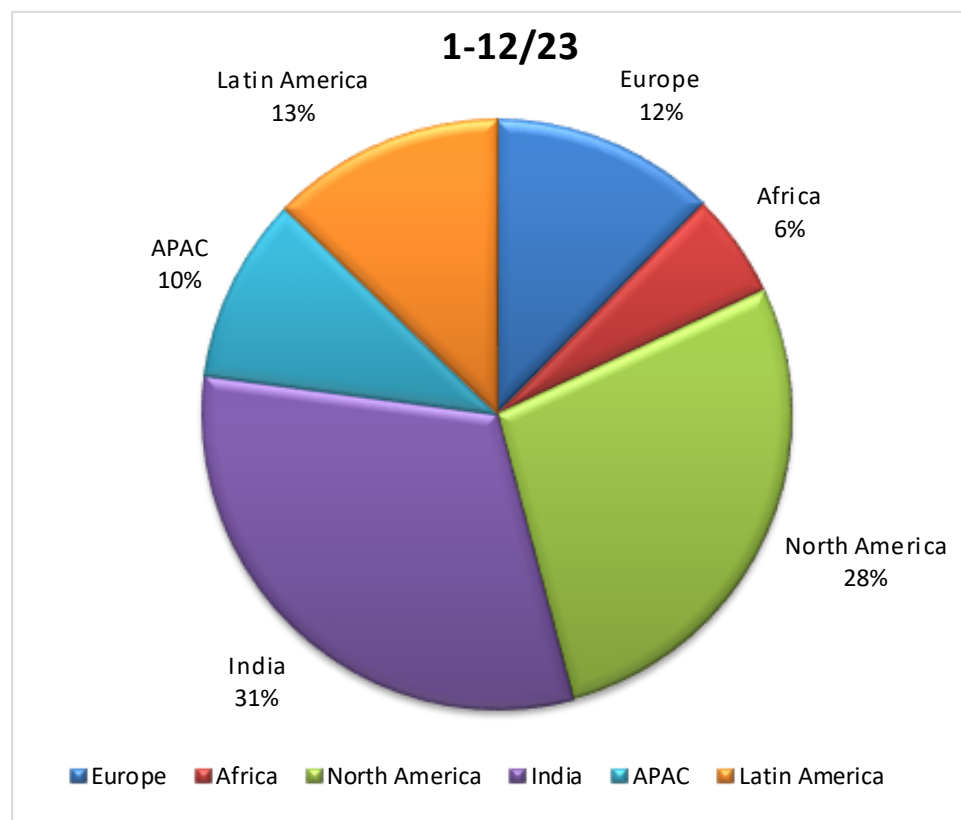
Ceragon's public filings are available on the Securities and Exchange Commission's website at www.sec.gov and may also be obtained from Ceragon's website at www.ceragon.com.

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

	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23
India	24%	23%	26%	27%	35%	30%	22%	31%	28%	29%	24%	31%	34%	34%
North America	14%	16%	17%	19%	14%	16%	19%	21%	27%	23%	32%	26%	26%	27%
Latin America	14%	18%	15%	17%	21%	21%	20%	16%	17%	17%	12%	15%	15%	13%
Europe	14%	19%	19%	18%	15%	14%	17%	15%	13%	13%	14%	12%	11%	11%
Africa	14%	10%	9%	8%	6%	9%	8%	6%	5%	7%	6%	5%	4%	8%
APAC	20%	14%	14%	11%	9%	10%	14%	11%	10%	11%	12%	11%	10%	7%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



NON-GAAP Profit & Loss



	Actual (Unaudited)													
	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23
Revenues	70,581	74,002	68,270	68,621	76,115	77,760	70,319	70,674	78,649	75,531	83,409	86,151	87,260	90,359
Cost of Revenues	46,970	52,631	48,087	47,005	52,509	55,199	50,850	49,142	50,699	50,551	55,053	55,747	56,844	58,599
Gross profit	23,611	21,371	20,183	21,616	23,606	22,561	19,469	21,532	27,950	24,980	28,356	30,404	30,416	31,760
Gross margin	33.5%	28.9%	29.6%	31.5%	31.0%	29.0%	27.7%	30.5%	35.5%	33.1%	34.0%	35.3%	34.9%	35.1%
Research & Development	7,299	7,694	7,358	7,494	6,640	7,745	6,779	7,493	7,150	7,863	7,692	7,580	7,260	7,715
% R&D	10.3%	10.4%	10.8%	10.9%	8.7%	10.0%	9.6%	10.6%	9.1%	10.4%	9.2%	8.8%	8.3%	8.5%
Sales & Marketing	7,819	8,452	8,186	8,266	8,349	8,681	8,495	9,060	8,280	8,605	9,820	9,415	9,702	10,175
% S&M	11.1%	11.4%	12.0%	12.0%	11.0%	11.2%	12.1%	12.8%	10.5%	11.4%	11.8%	10.9%	11.1%	11.3%
General & Administration	4,754	4,680	3,934	5,247	4,645	4,616	4,803	4,612	6,116	17,647	4,956	6,051	5,451	6,098
% G&A	6.7%	6.3%	5.8%	7.6%	6.1%	5.9%	6.8%	6.5%	7.8%	23.4%	5.9%	7.0%	6.2%	6.7%
Total operating expenses	19,872	20,826	19,478	21,007	19,634	21,042	20,077	21,165	21,546	34,115	22,468	23,046	22,413	23,988
Operating profit (loss)	3,739	545	705	609	3,972	1,519	(608)	367	6,404	(9,135)	5,888	7,358	8,003	7,772
Operating margin	5.3%	0.7%	1.0%	0.9%	5.2%	2.0%	-0.9%	0.5%	8.1%	-12.1%	7.1%	8.5%	9.2%	8.6%
Non-GAAP EBITDA	6,467	3,494	3,591	3,552	6,931	4,977	2,333	3,201	9,047	(6,513)	8,441	9,940	10,369	10,238
Financial expenses and others, net	(1,238)	(2,527)	(1,237)	(1,367)	(2,273)	(2,691)	(1,184)	(2,531)	(2,011)	(2,858)	(1,816)	(2,171)	(2,086)	(2,538)
Income Tax	(201)	(1,559)	(347)	(420)	(348)	(855)	(61)	(304)	(269)	(534)	(439)	(787)	(953)	(1,492)
Non GAAP Net income (loss)	2,300	(3,541)	(879)	(1,178)	1,351	(2,027)	(1,853)	(2,468)	4,124	(12,527)	3,633	4,400	4,964	3,742
Non GAAP EPS	0.03	(0.04)	(0.01)	(0.01)	0.02	(0.02)	(0.02)	(0.03)	0.05	(0.15)	0.04	0.05	0.06	0.04
# of Shares for diluted EPS ('000)	82,244	81,536	82,584	83,424	85,271	83,916	83,959	84,019	85,970	84,348	86,712	86,747	87,228	85,054

Selected Cash Flow Data

(U.S. dollars in thousands)

	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23
Total cash & cash equivalents	29,155	27,101	33,011	28,670	27,235	17,079	24,960	23,592	25,964	22,948	26,423	24,529	33,966	28,237
Cash flow from operations	(3,225)	10,677	(1,654)	(2,958)	(667)	(9,740)	(1,816)	(3,173)	8,597	(8,503)	3,509	3,181	13,237	10,961
Capital expenditures	(1,230)	(1,342)	(2,003)	(1,728)	(2,336)	(3,328)	(2,726)	(3,079)	(4,487)	(2,129)	(4,430)	(2,879)	(2,381)	(11,180)
Options Exercise	293	390	3,689	269	730	42	81	32	297	-	-	30	-	9
Proceeds (repayment) of short-term bank credits and loans, net	(1,800)	(11,900)	6,000	-	900	2,900	12,150	4,950	(2,000)	7,600	4,350	(2,300)	(1,350)	(5,600)
Other	(50)	121	(122)	76	(62)	(30)	192	(98)	(35)	16	46	74	(64)	81
Net Change in Cash	(6,012)	(2,054)	5,910	(4,341)	(1,435)	(10,156)	7,881	(1,368)	2,372	(3,016)	3,475	(1,894)	9,437	(5,729)

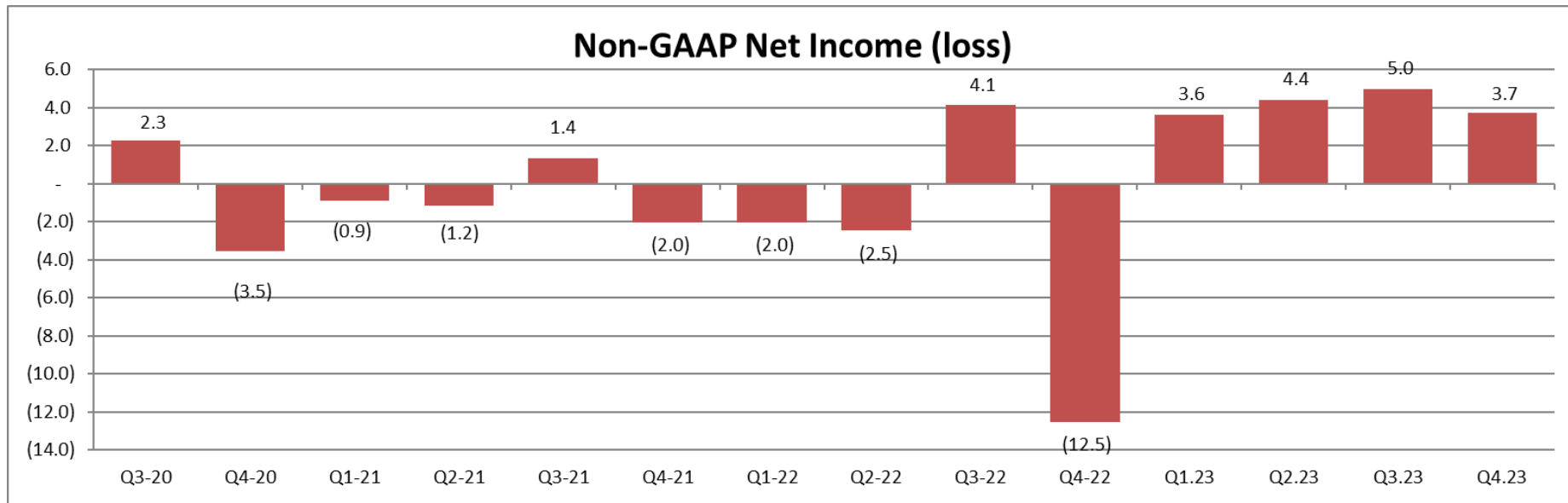
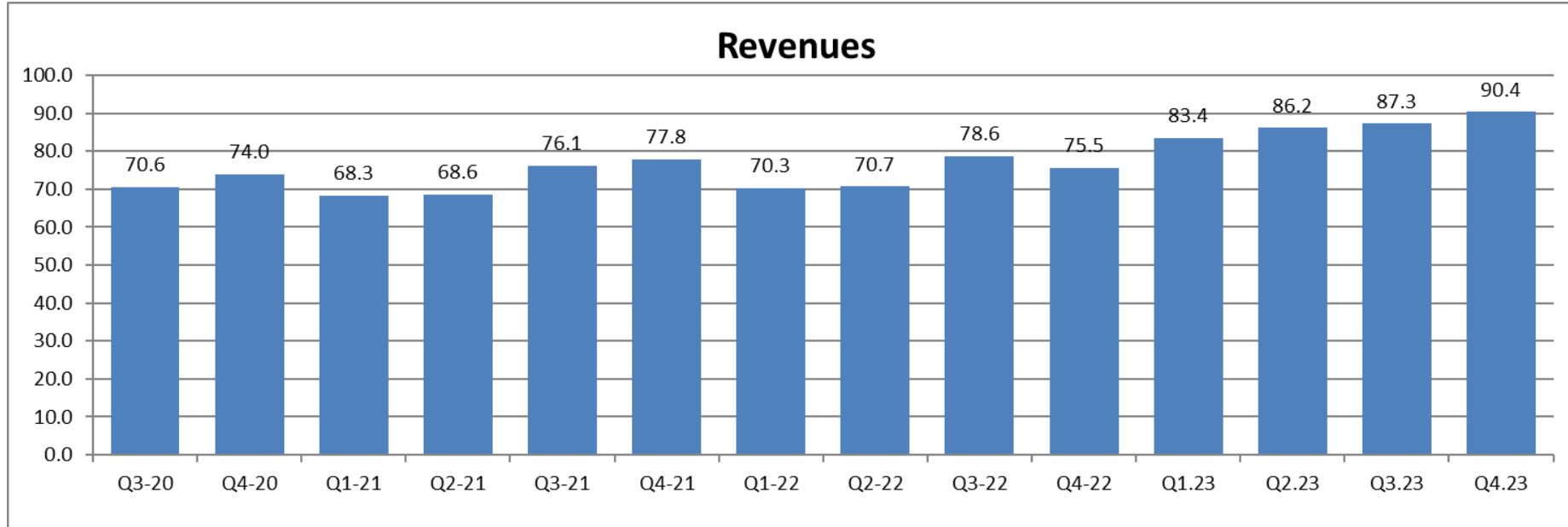
Selected Balance Sheet Data

(U.S. dollars in thousands)														
	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23
Cash and Cash Equivalents	29,155	27,101	33,011	28,670	27,235	17,079	24,960	23,592	25,964	22,948	26,423	24,529	33,966	28,237
Trade Receivables	108,394	107,388	106,712	107,404	109,863	118,310	120,682	122,734	115,871	100,034	100,590	107,592	104,593	104,321
DSOs	152	149	141	139	140	149	150	152	142	124	119	121	115	110
Inventory	51,869	50,627	48,542	52,316	53,203	61,398	58,060	60,710	64,227	72,009	68,742	67,836	70,050	68,811
Inventory Days	103	99	92	98	97	111	103	107	114	130	122	116	117	110
Working capital	102,067	99,446	98,954	99,864	101,615	87,799	87,494	82,105	83,335	77,911	79,518	83,536	88,405	84,987
Short-term loans	17,879	5,979	11,979	11,000	11,900	14,800	26,950	31,900	29,900	37,500	41,850	39,550	38,200	32,600
Shareholders' Equity	149,662	146,126	146,397	146,310	147,663	137,151	135,856	131,973	132,757	119,783	122,808	126,382	130,514	134,019
% - Shareholders' Equity/ Total assets	55%	54%	50%	50%	50%	47%	45%	43%	44%	41%	42%	43%	43%	45%
Total Balance Sheet	273,759	272,419	291,098	294,416	295,416	292,563	300,187	304,980	302,336	289,318	290,316	294,464	301,134	298,525

Reported results – Reconciliation to GAAP

(U.S. dollars in thousands)														
	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23
Non GAAP Net income (loss)	2,300	(3,541)	(879)	(1,178)	1,351	(2,027)	(1,853)	(2,468)	4,124	(12,527)	3,633	4,400	4,964	3,742
Stock based compensation expenses	384	411	351	286	1,034	891	746	689	1,167	958	1,169	808	1,048	938
Amortization of intangible assets	-	1,800	-	-	-	-	-	-	-	-	-	-	-	-
Changes in indirect tax positions	1	(202)	1	2	2	(399)	-	1	1	279	1	2	-	-
Leases - financial expenses (income)	157	229	(186)	435	102	706	(425)	(1,774)	(233)	154	(358)	(285)	(364)	754
Paycheck protection program	-	-	-	(979)	-	-	-	-	-	-	-	-	-	-
Retired CEO compensation	-	-	-	810	-	-	(96)	-	-	-	-	-	-	-
Hostile attempt related costs	-	-	-	-	-	-	-	-	3,971	249	-	-	-	-
Non-cash tax adjustments	76	2	128	(23)	(53)	8,987	210	136	81	851	853	890	630	478
Acquisition -and integration-related costs	-	-	-	-	-	-	-	-	-	-	-	-	283	835
Restructuring and related charges	-	-	-	-	-	-	-	-	-	-	-	897	-	-
Write off of net development costs due to an early terminated contract	-	-	-	-	-	-	-	-	-	-	-	-	-	1,199
Amortization of acquired intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	106
Excess cost on acquired inventory in business combination	-	-	-	-	-	-	-	-	-	-	-	-	-	525
Non-cash revaluation associated with acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	110
Equity loss in affiliates	98	538	-	-	-	-	-	-	-	-	-	-	-	-
GAAP Net Income (Loss)	1,584	(6,319)	(1,173)	(1,709)	266	(12,212)	(2,288)	(1,520)	(863)	(15,018)	1,968	2,088	3,367	(1,203)
GAAP EPS	0.02	(0.08)	(0.01)	(0.02)	0.00	(0.15)	(0.03)	(0.02)	(0.01)	(0.18)	0.02	0.02	0.04	(0.01)
# of Shares for basic EPS ('000)	81,278	81,536	82,584	83,424	83,717	83,916	83,959	84,019	84,200	84,348	84,354	84,365	84,689	85,054
# of Shares for diluted EPS ('000)	82,000	81,536	82,584	83,424	84,637	83,916	83,959	84,019	84,200	84,348	84,992	85,313	85,488	85,054

Quarterly Revenues and Non-GAAP Net Income (Loss)





Thank You

