

Ceragon Provides Update in Response to Business Effects of COVID-19

April 6, 2020



Ceragon Provides Update in Response to Business Effects of COVID-19 Pandemic

First quarter revenues expected to be at the range of \$55.5-57 million; demand is stronger than expected - signaling a positive opportunity for the results during the remainder of 2020.

Little Falls, New Jersey, April 6, 2020 - [Ceragon Networks Ltd.](#) (NASDAQ: [CRNT](#)), the #1 wireless hauling specialist, today provided an update on the impact of the COVID-19 pandemic on its business and operations following the Company's announcement on February 10th 2020.

As COVID-19 continues to spread globally, and as many countries have entered full or partial lockdowns, the Company is assessing the effect on its Q1 and full 2020 annual results. Revenues for the first quarter are expected to be at the range of \$55.5-57 million, mainly due to delays in the pace of network rollouts and shipments, as lockdowns and other COVID-19 related measures are inevitably causing a slowdown in customers' ability to execute on their network expansion plans.

At the same time, demand during Q1 was much stronger than anticipated, especially towards the end of the quarter, with a high book-to-bill ratio of well above 1. As much of the population remains homebound, service providers are taking action to ramp up their network infrastructure in order to cater for the substantial, unanticipated surge in network capacity demands, making 5G use-cases a reality even sooner than anticipated. This new reality is indicative of a consistent and potentially growing demand for Ceragon's leading wireless hauling solutions and services, as telecom operators prepare for the period after the pandemic winds down.

While the company expects deliveries during the second quarter may be negatively impacted by limitations placed on business and civilian operations, management believes that the strong demand for the Company's products and services will continue during 2020. Ceragon hopes it will be able to increase deliveries and meet accumulated demand throughout the remainder of 2020, as the measures taken by governments are anticipated to slow the spread of the pandemic and country restrictions will be gradually lifted.

"The telecommunications industry is transforming and Ceragon plays an essential role in enabling intense broadband experiences everywhere", said Ira Palti, President and CEO. "Our customers are doing everything they can these days in order to increase network capacity and support the sudden surge in network traffic emerging from the COVID-19 pandemic. Our main objective is to help our customers scale up faster than ever. We have a responsibility to enable service providers around the globe to increase their network capacity so that they can guarantee the operational continuity of businesses, governments, first responders and education systems as well as deliver consistent consumer broadband experiences. We have successfully obtained Essential Service status in many regions around the world, which

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improves our ability to continue our delivery and support as best we can, still facing, of course restrictions and obstacles.

“Our top priority is to ensure that our employees and customers are safe and that the company remains resilient and agile. We have successfully transitioned into a new mode of operations to best support our customers under a firm Business Continuity Program wherein most of our employees are working partially or fully from home and other critical teams are at the office, or in the field.

“As we continue to meet the many challenges these unprecedented times present, we believe that we are facing a permanent change in the way businesses and individuals access information. The need for increased network capacity from cell sites to the network core will remain long after the current crisis is resolved and will fuel the transition to 5G, with Ceragon’s flexible wireless hauling solutions playing a leading role in this transition in 2020. We thank our customers, employees and our stakeholders all over the world for their continued support and send our sincere wishes for a quick recovery to those affected”, Mr. Palti concluded.

Additional information and details will be provided in Ceragon’s Q1 Results.

About Ceragon Networks Ltd.

[Ceragon Networks Ltd.](#) (NASDAQ: CRNT) is the #1 wireless hauling specialist. We help operators and other service providers worldwide increase operational efficiency and enhance end customers’ quality of experience with innovative wireless backhaul and fronthaul solutions. Our customers include wireless service providers, public safety organizations, government agencies and utility companies, which use our solutions to deliver 5G & 4G, mission-critical multimedia services and other applications at high reliability and speed.

Ceragon’s unique multicore technology and disaggregated approach to wireless hauling provides highly reliable, fast to deploy, high-capacity wireless hauling for 5G and 4G networks with minimal use of spectrum, power and other resources. It enables increased productivity, as well as simple and quick network modernization, positioning Ceragon as a leading solutions provider for the 5G era. We deliver a range of professional services that ensure efficient network rollout and optimization to achieve the highest value for our customers. Our solutions are deployed by more than 460 service providers, as well as hundreds of private network owners, in more than 130 countries.

Join the discussion



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predictions of future events or circumstances, and therefore, there can be no assurance that any forward-looking statement contained in our announcements, presentations, or commentary will prove to be accurate. We do not assume any obligation to update any forward-looking statements.