



THE #1 WIRELESS HAULING SPECIALIST
POSITIONED TO LEAD IN A GROWING MARKET
H.C. Wainwright 6th Annual Israel Conference // November 12, 2020



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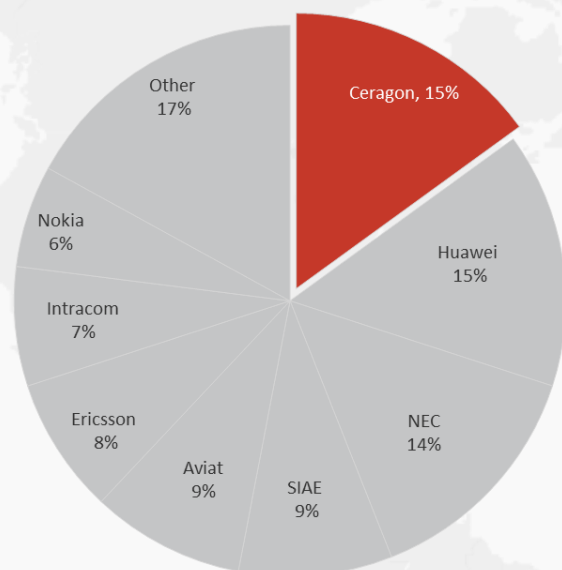
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Ceragon’s public filings are available from the Securities and Exchange Commission’s website at www.sec.gov and may also be obtained from Ceragon’s website at www.ceragon.com.

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

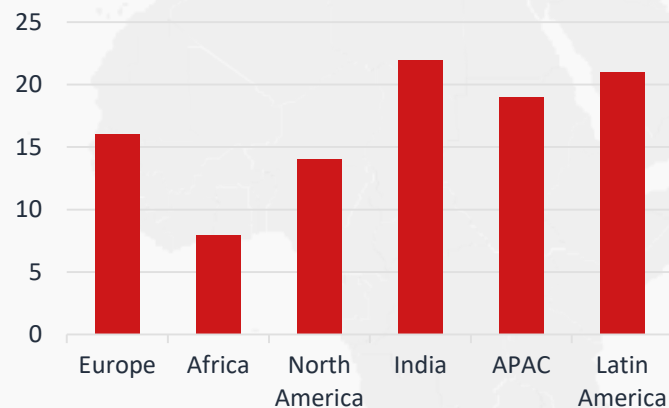
GLOBAL COMPANY

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-\$2.94

52 WEEK LOW/HIGH^(A)

(A) Source: Nasdaq as of 11/10/2020

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)

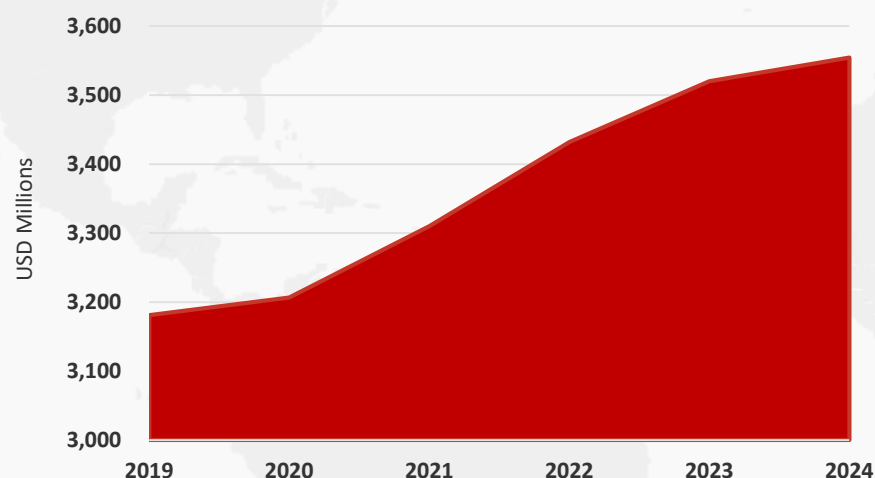
INVESTMENT HIGHLIGHTS

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

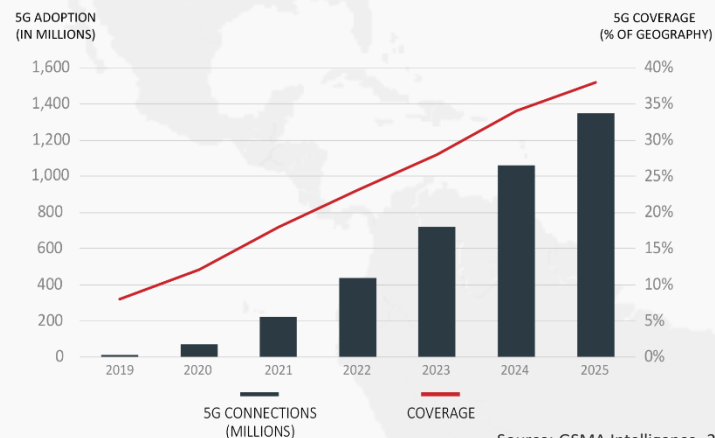
New revenue streams via new service offerings & additional target markets



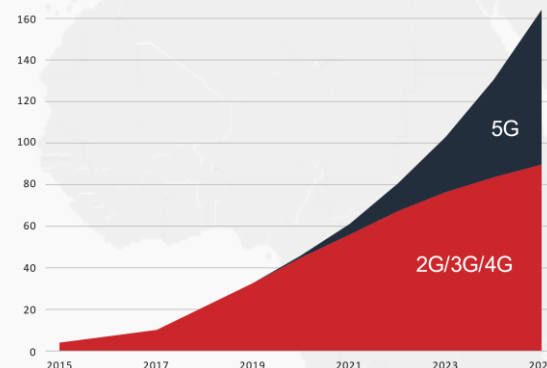
5G to drive growth
in number of connections

Combined with
significant growth in traffic

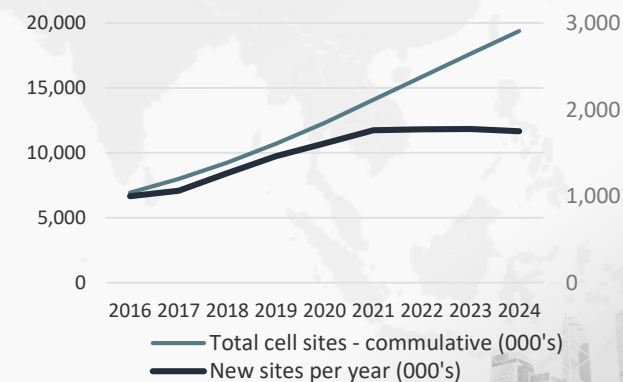
Accelerating deployment
of new cell sites



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

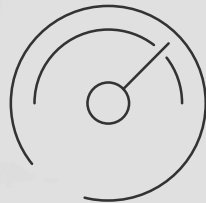


New Services

New Network Architectures

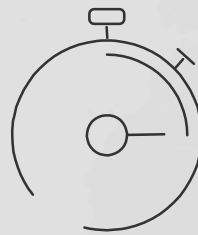
New Cellular Spectrum

NETWORK CHALLENGES



x100

PROVIDE MORE CAPACITY



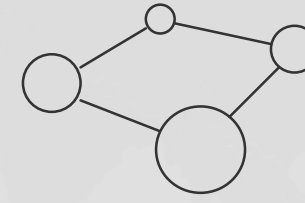
÷100

REDUCE LATENCY



x4

NETWORK SLICING FOR SERVICE ORCHESTRATION



x5

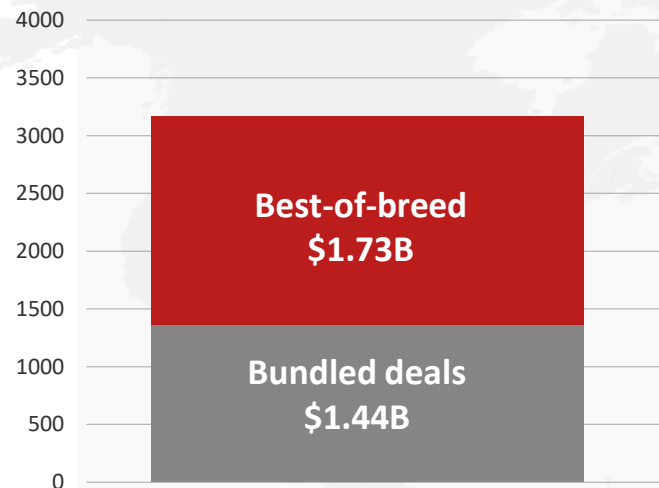
DEPLOY MORE SITES

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

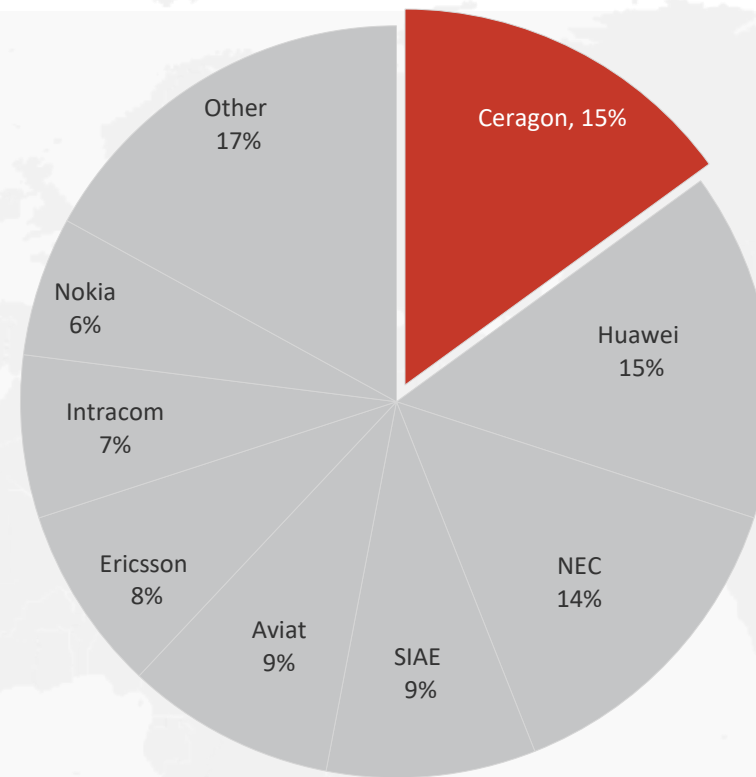
'BEST-OF-BREED' LEADERSHIP THROUGH UNIQUE VERTICAL INTEGRATION

BEST-OF-BREED MARKET SEGMENT REVENUE - 2019

USD [M]



Source: Ceragon analysis based on Skylight research. March 2020
Others include vendors with less than 2% share



TURNKEY
SERVICES
SYSTEMS
HARDWARE
DESIGN
SOFTWARE
DESIGN
CHIP DESIGN

Vertical integration

* 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

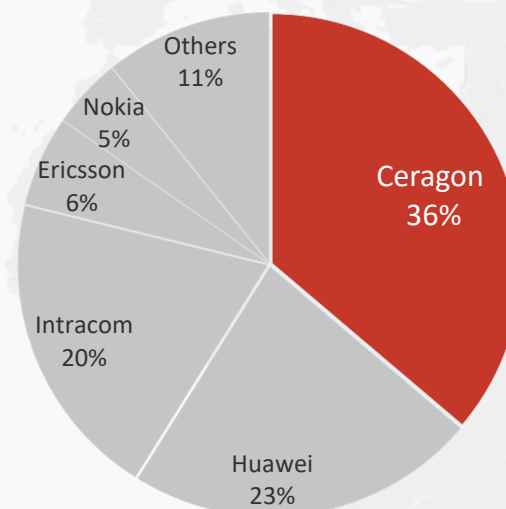
BEST-FIT FOR NETWORK EXPANSION

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

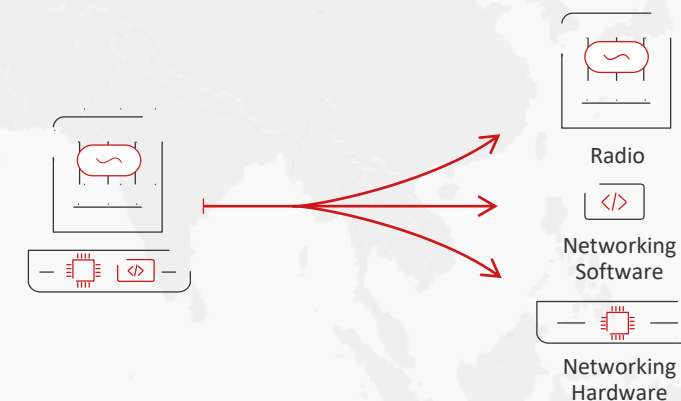
PIONEERING OPEN NETWORKS
IN THE HAULING DOMAIN

LOW TOTAL NETWORK INVESTMENT

FAST NETWORK ROLLOUT

SIMPLER NETWORK EVOLUTION

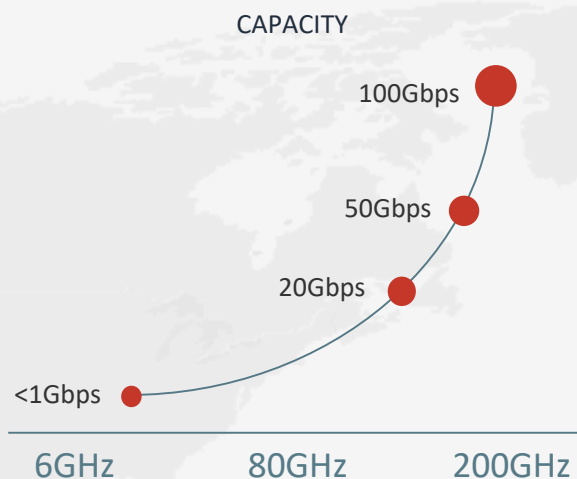
NO VENDOR LOCK-IN



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

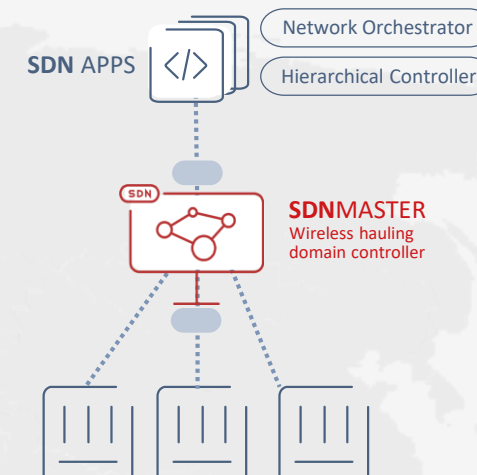
DISAGGREGATED WIRELESS HAULING



- 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

**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



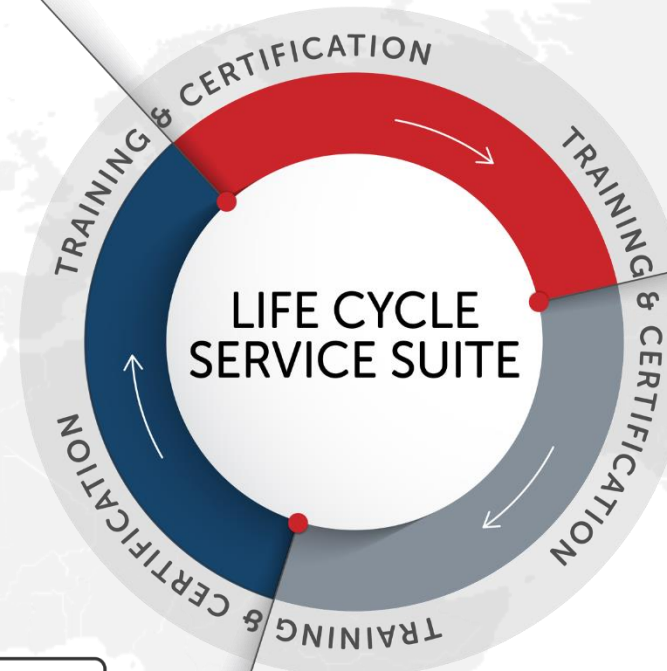
DEPLOY

- 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

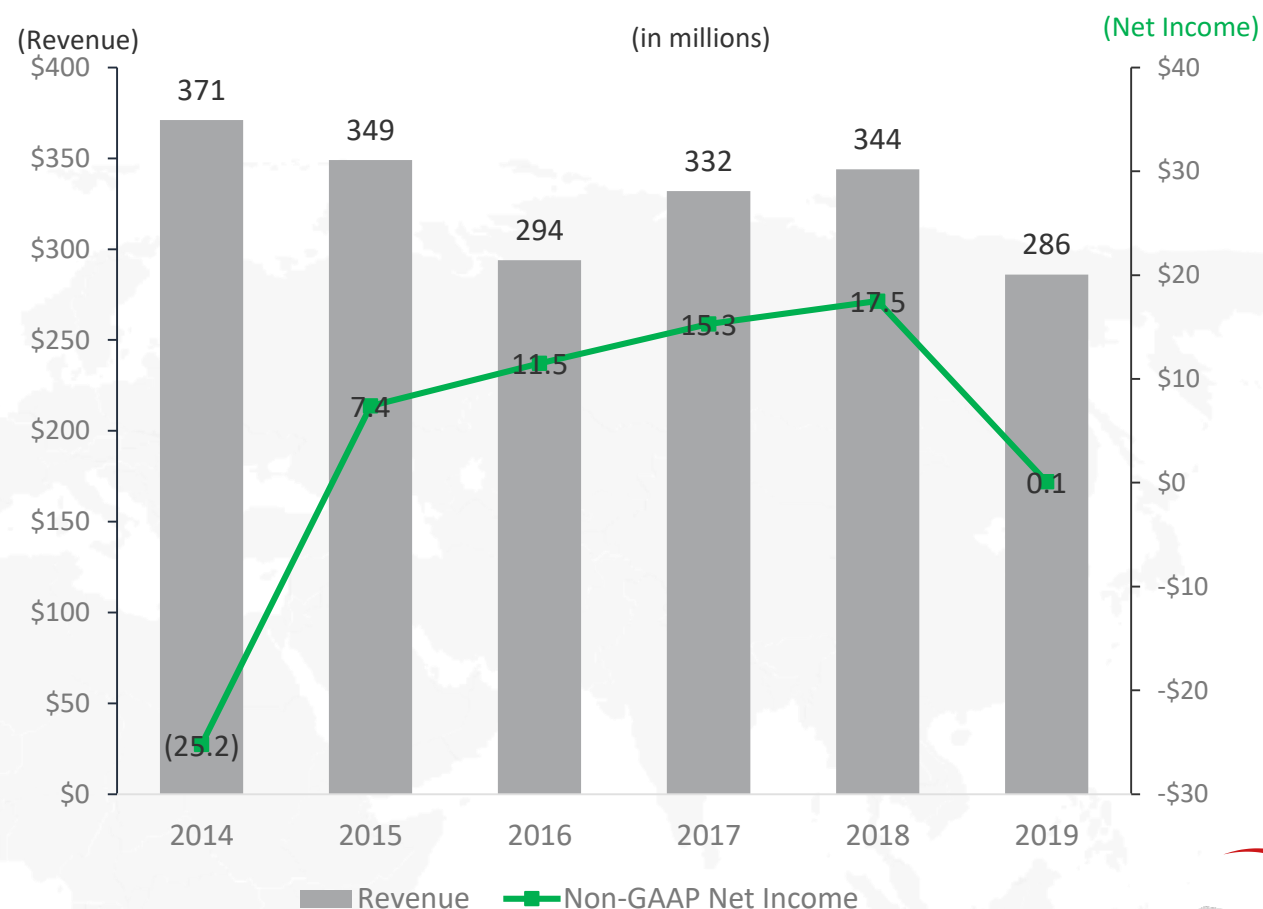
5G



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

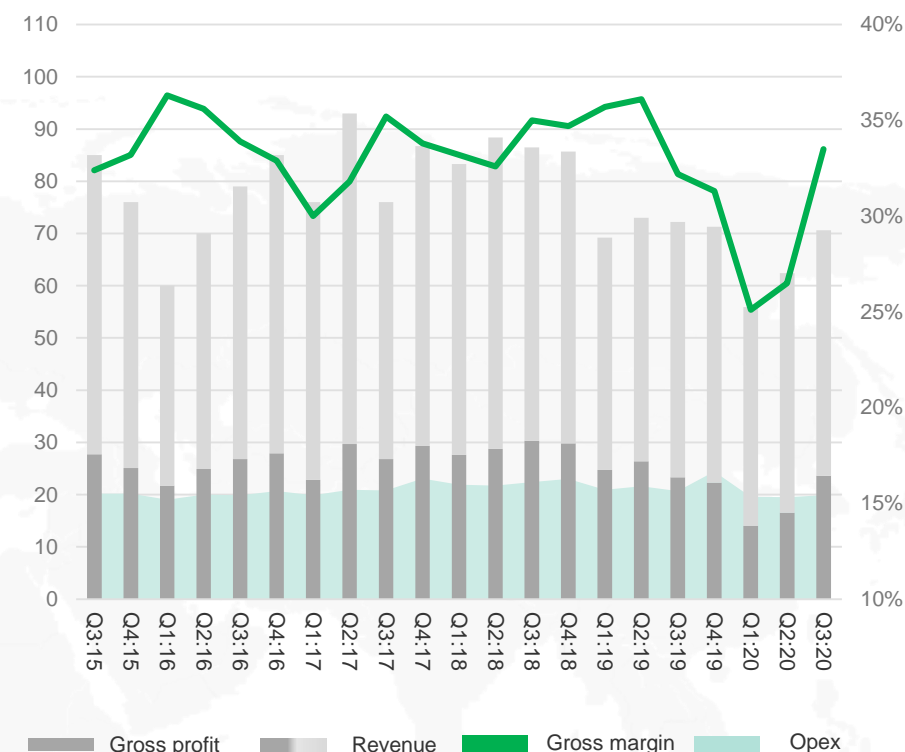
Good management of controllable elements

- 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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