



# Q1 2025 Financial Review

May 2025



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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.

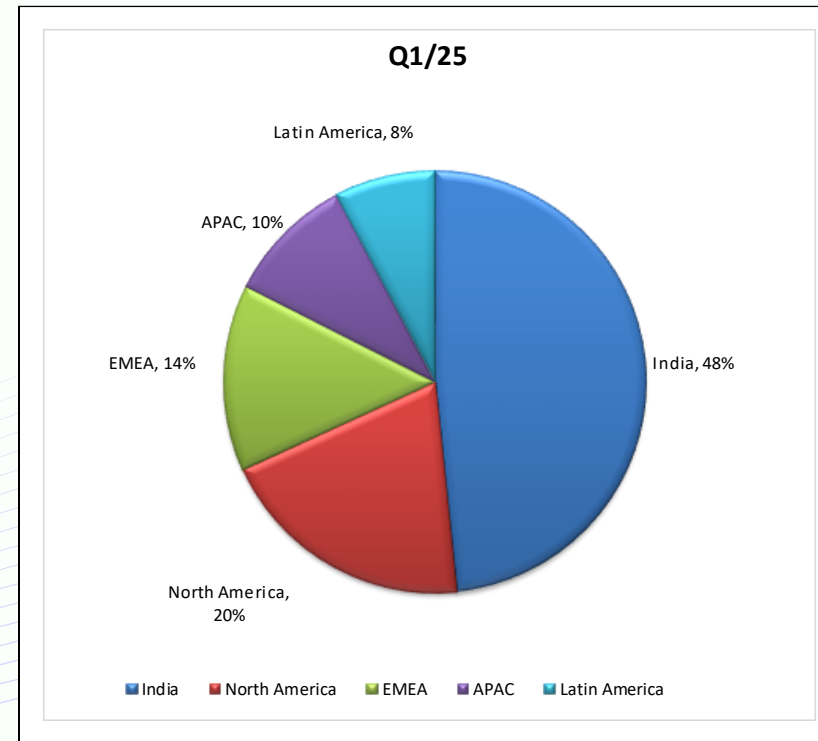
Ceragon's public filings are available on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov) and may also be obtained from Ceragon's website at [www.ceragon.com](http://www.ceragon.com).

## Industry Data.

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# Revenues- Geographic Split

	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25
India	22%	31%	28%	29%	24%	31%	34%	34%	29%	37%	49%	52%	48%
North America	19%	21%	27%	23%	32%	26%	26%	27%	33%	24%	24%	12%	20%
EMEA	25%	21%	18%	20%	20%	17%	15%	19%	17%	20%	14%	15%	14%
APAC	14%	11%	10%	11%	12%	11%	10%	7%	9%	9%	6%	11%	10%
Latin America	20%	16%	17%	17%	12%	15%	15%	13%	12%	10%	7%	10%	8%
<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

(U.S. dollars in thousands, except share and per share data)													
	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25
Revenues	70,319	70,674	78,649	75,531	83,409	86,151	87,260	90,359	88,498	96,088	102,672	106,932	88,652
Cost of Revenues	50,850	49,142	50,699	50,551	55,053	55,747	56,844	58,599	55,986	62,304	67,434	70,240	58,940
<b>Gross profit</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>36,692</b>	<b>29,712</b>
<b>Gross margin</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>	<b>34.3%</b>	<b>33.5%</b>
Research & Development	6,779	7,493	7,150	7,863	7,692	7,580	7,260	7,715	8,695	8,201	8,577	8,777	8,094
% R&D	9.6%	10.6%	9.1%	10.4%	9.2%	8.8%	8.3%	8.5%	9.8%	8.5%	8.4%	8.2%	9.1%
Sales & Marketing	8,495	9,060	8,280	8,605	9,820	9,415	9,702	10,175	10,694	11,004	10,413	10,628	11,765
% S&M	12.1%	12.8%	10.5%	11.4%	11.8%	10.9%	11.1%	11.3%	12.1%	11.5%	10.1%	9.9%	13.3%
General & Administration	4,803	4,612	6,116	17,647	4,956	6,051	5,451	6,098	5,538	1,434	404	5,098	5,359
% G&A	6.8%	6.5%	7.8%	23.4%	5.9%	7.0%	6.2%	6.7%	6.3%	1.5%	0.4%	4.8%	6.0%
Total operating expenses	20,077	21,165	21,546	34,115	22,468	23,046	22,413	23,988	24,926	20,639	19,393	24,504	25,219
<b>Operating profit (loss)</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>12,189</b>	<b>4,494</b>
<b>Operating margin</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>	<b>11.4%</b>	<b>5.1%</b>
Financial expenses and others, net	1,184	2,531	2,011	2,858	1,816	2,171	2,086	2,538	2,300	2,600	1,211	3,493	1,037
Income Tax	61	304	269	534	439	787	953	1,492	542	609	580	1,047	880
<b>Non GAAP Net income (loss)</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>	<b>7,650</b>	<b>2,577</b>
Non GAAP EPS	(0.02)	(0.03)	0.05	(0.15)	0.04	0.05	0.06	0.04	0.05	0.11	0.16	0.09	0.03
# of Shares for diluted EPS ('000)	83,959	84,019	85,970	84,348	86,712	86,747	87,228	85,054	87,585	87,922	88,334	89,988	91,515

# Selected Cash Flow Data

	(U.S. dollars in thousands)												
	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25
Total cash & cash equivalents	24,960	23,592	25,964	22,948	26,423	24,529	33,966	28,237	28,783	26,303	34,014	35,311	27,688
Cash flow from operations	(1,816)	(3,173)	8,597	(8,503)	3,509	3,181	13,237	10,961	6,527	4,822	13,720	1,129	2,610
Capital expenditures	(2,726)	(3,079)	(4,487)	(2,129)	(4,430)	(2,879)	(2,381)	(11,180)	(3,706)	(5,238)	(3,148)	(4,372)	(10,577)
Options Exercise	81	32	297	-	-	30	-	9	258	284	265	5,071	508
Proceeds (repayment) of short-term bank credits and loans, net	12,150	4,950	(2,000)	7,600	4,350	(2,300)	(1,350)	(5,600)	(2,100)	(2,050)	(3,250)	-	-
Effect of exchange rate changes on cash and cash equivalents, and other	192	(98)	(35)	16	46	74	(64)	81	(433)	(298)	124	(531)	(164)
<b>Net Change in Cash</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>	<b>1,297</b>	<b>(7,623)</b>



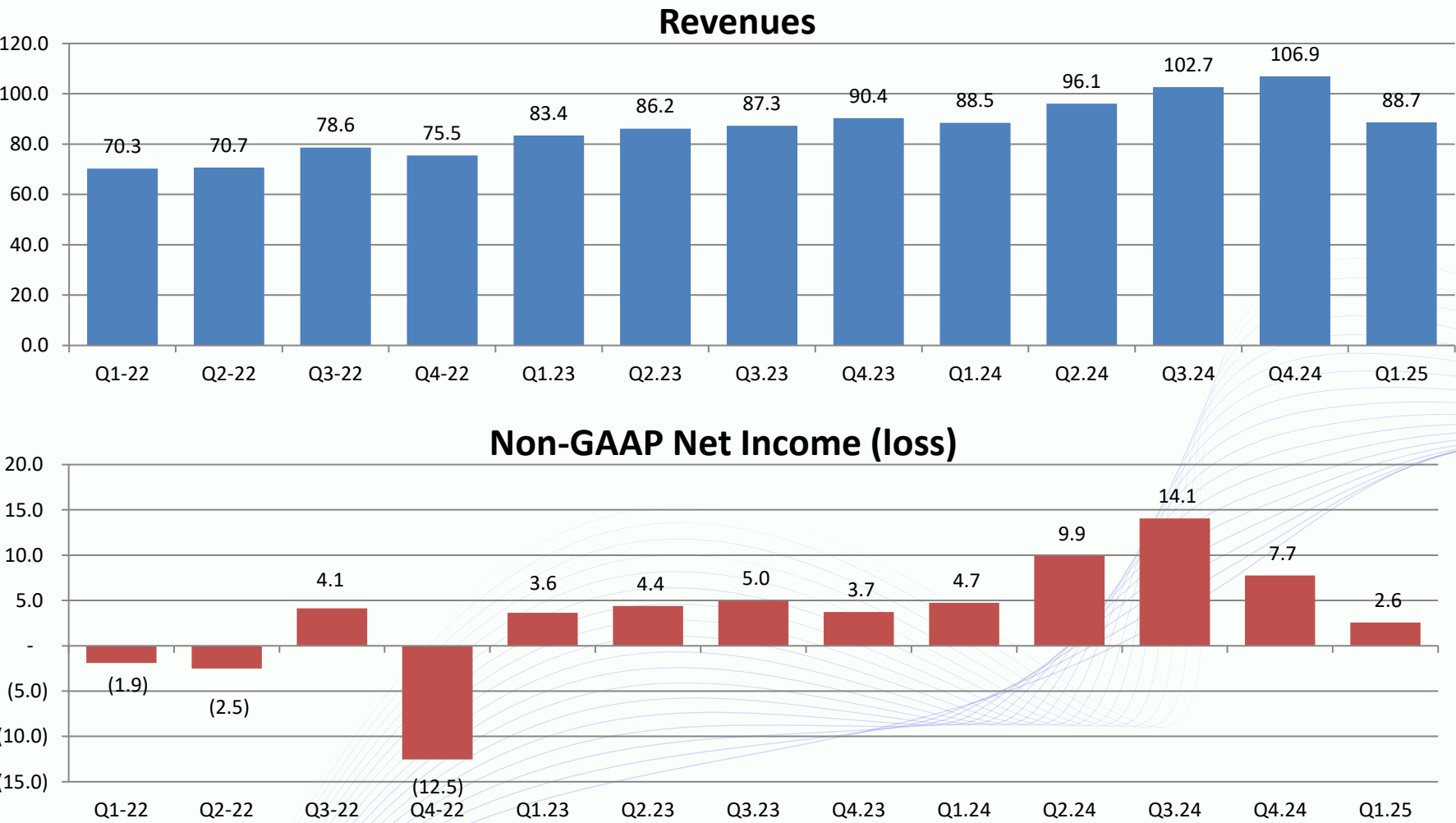
# Selected Balance Sheet Data

	(U.S. dollars in thousands, except DSO & DIO data)												
	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25
Cash and Cash Equivalents	24,960	23,592	25,964	22,948	26,423	24,529	33,966	28,237	28,783	26,303	34,014	35,311	27,688
Trade Receivables	120,682	122,734	115,871	100,034	100,590	107,592	104,593	104,321	97,386	112,895	121,550	149,619	145,740
DSOs	150	152	142	124	119	121	115	110	101	114	118	139	135
Inventory	58,060	60,710	64,227	72,009	68,742	67,836	70,050	68,811	61,029	59,490	59,800	59,693	62,343
Inventory Days	103	107	114	130	122	116	117	110	97	92	88	85	87
Working capital	87,494	82,105	83,335	77,911	79,518	83,536	88,405	84,987	84,235	88,966	101,862	109,590	103,163
Short-term loans	26,950	31,900	29,900	37,500	41,850	39,550	38,200	32,600	30,500	28,450	25,200	25,200	25,200
Shareholders' Equity	135,856	131,973	132,757	119,783	122,808	126,382	130,514	134,019	135,017	143,501	157,172	166,324	167,007
% - Shareholders' Equity/ Total assets	45%	43%	44%	41%	42%	43%	43%	45%	47%	48%	50%	48%	48%
Total Balance Sheet	300,187	304,980	302,336	289,318	290,316	294,464	301,134	298,525	286,379	299,035	317,274	344,996	346,179

# Reported results – Reconciliation to GAAP

(U.S. dollars in thousands, except share and per share data)													
	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25
Non GAAP Net income (loss)	(1,853)	(2,468)	4,124	(12,527)	3,633	4,400	4,964	3,742	4,743	9,936	14,053	7,650	2,577
Stock based compensation expenses	746	689	1,167	958	1,170	810	1,048	938	904	1,566	907	921	650
Changes in indirect tax positions	-	1	1	279	(0)	-	-	-	-	-	-	-	-
Amortization of acquired intangible assets	-	-	-	-	-	-	-	106	460	306	306	306	727
Excess cost on acquired inventory in business combination	-	-	-	-	-	-	-	525	124	-	-	-	-
Loss from termination of joint development agreement	-	-	-	-	-	-	-	1,199	-	-	-	-	-
Restructuring and related charges	-	-	-	-	-	897	-	-	1,416	-	-	-	3,732
Acquisition -and integration-related costs	-	-	-	-	-	-	283	835	462	915	-	283	475
Retired CEO compensation	(96)	-	-	-	-	-	-	-	-	-	-	-	-
Hostile attempt related costs	-	-	3,971	249	-	-	-	-	-	-	-	-	-
Settlement of Class Action Claimed in 2015	-	-	-	-	-	-	-	-	-	-	-	1,160	-
Leases - financial expenses (income)	(425)	(1,774)	(233)	154	(358)	(285)	(364)	754	(112)	(207)	501	(15)	(95)
Non-cash revaluation associated with acquisition	-	-	-	-	-	-	-	110	673	(477)	122	1,385	(1,932)
Non-cash tax adjustments	210	136	81	851	853	890	630	478	413	-	-	-	-
GAAP Net Income (Loss)	(2,288)	(1,520)	(863)	(15,018)	1,968	2,088	3,367	(1,203)	403	7,833	12,217	3,610	(980)
GAAP EPS	(0.03)	(0.02)	(0.01)	(0.18)	0.02	0.02	0.04	(0.01)	0.00	0.09	0.14	0.04	(0.01)
# of Shares for basic EPS ('000)	83,959	84,019	84,200	84,348	84,354	84,365	84,689	85,054	85,521	85,744	86,280	87,208	88,743
# of Shares for diluted EPS ('000)	83,959	84,019	84,200	84,348	84,992	85,313	85,488	85,054	87,585	87,922	88,334	89,988	88,743

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





THANK YOU

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