Radware Ltd. Condensed Consolidated Balance Sheets (U.S. Dollars in thousands)

	March 31, 2023	December 31, 2022
Accets	(Unaudited)	(Unaudited)
Assets		
Current assets		
Cash and cash equivalents	41,882	46,185
Available-for-sale marketable securities	60,693	44,180
Short-term bank deposits	220,287	207,679
Trade receivables, net	18,757	17,752
Other receivables and prepaid expenses	9,114	7,196
Inventories	11,279	11,428
	362,012	334,420
Long-term investments		
Available-for-sale marketable securities	72,476	90,148
Long-term bank deposits	23,711	43,765
Severance pay funds	2,106	2,146
, ,	98,293	136,059
Property and equipment, net	20,750	21,068
Intangible assets, net	18,694	19,686
Other long-term assets	42,443	41,269
Operating lease right-of-use assets	21,891	23,078
Goodwill	68,008	68,008
Total assets	632,091	643,588
Liabilities and shareholders' equity		
Current Liabilities		
Trade payables	4,827	6,464
Deferred revenues	109,846	108,243
Operating lease liabilities	4,815	4,685
Other payables and accrued expenses	41,877	44,643
	161,365	164,035
Long-term liabilities		
Deferred revenues	71,362	72,219
Operating lease liabilities	18,358	19,461
Other long-term liabilities	19,095	19,430
	108,815	111,110
Shareholders' equity		
Share capital	733	732
Additional paid-in capital	506,746	498,168
Accumulated other comprehensive loss, net of tax	(4,719)	(4,844)
Treasury stock, at cost	(316,467)	(303,299)
Retained earnings	138,321	141,402
Total Radware Ltd. shareholder's equity	324,614	332,159
Non-controlling interest	27 207	26 204
Non-controlling interest	37,297	36,284
Total equity	361,911	368,443
Total liabilities and shareholders' equity	632,091	643,588

Radware Ltd. Condensed Consolidated Statements of Income (loss) (U.S Dollars in thousands, except share and per share data)

For the three months ended March 31,

	Marc	ch 31,
	2023	2022
	(Unaudited)	(Unaudited)
Revenues	69,041	73,708
Cost of revenues	13,306	12,941
Gross profit	55,735	60,767
Operating expenses, net:		
Research and development, net	21,150	20,370
Selling and marketing	31,919	30,283
General and administrative	8,247	6,527
Total operating expenses, net	61,316	57,180
Operating income (loss)	(5,581)	3,587
Financial income, net	3,491	1,698
Income (loss) before taxes on income	(2,090)	5,285
Taxes on income	991	1,515
Net income (loss)	(3,081)	3,770
Basic net earnings (loss) per share	(0.07)	0.08
Weighted average number of shares used to compute basic net earnings (loss) per share	44,053,402	45,666,813
Diluted net earnings (loss) per share	(0.07)	0.08
Weighted average number of shares used to compute diluted net earnings (loss) per share	44,053,402	47,122,247

Radware Ltd. Reconciliation of GAAP to Non-GAAP Financial Information (U.S Dollars in thousands, except share and per share data)

For the three months en	ded	
March 31,		

	IVIAIC	л эт,
	2023	2022
	(Unaudited)	(Unaudited)
	(Unaudited)	(Unaudited)
GAAP gross profit	55 <i>,</i> 735	60,767
Share-based compensation	113	90
•		
Amortization of intangible assets	992	464
Non-GAAP gross profit	56,840	61,321
GAAP research and development, net	21,150	20,370
Share-based compensation	1,959	1,809
•		
Non-GAAP Research and development, net	19,191	18,561
GAAP selling and marketing	21.010	20.202
	31,919	30,283
Share-based compensation	3,394	1,849
Non-GAAP selling and marketing	28,525	28,434
Non GAA Selling and marketing	20,323	20,131
GAAP general and administrative	8,247	6,527
		•
Share-based compensation	3,531	668
Litigation costs	-	-
Acquisition costs	13	1,142
·		
Non-GAAP general and administrative	4,703	4,717
CAAD total enerating expenses, not	61 316	E7 100
GAAP total operating expenses, net	61,316	57,180
Share-based compensation	8,884	4,326
Litigation costs	-	_
·	43	4 4 4 2
Acquisition costs	13	1,142
Non-GAAP total operating expenses, net	52,419	51,712
and the second expenses, we		
GAAP operating income (loss)	(5,581)	3,587
Share-based compensation	8,997	4,416
·		•
Amortization of intangible assets	992	464
Litigation costs	-	-
-	13	1,142
Acquisition costs		
Non-GAAP operating income	4,421	9,609
CAND COLOR		
GAAP financial income, net	3,491	1,698
Exchange rate differences, net on balance sheet items included in financial income, net	(775)	(894)
-		
Non-GAAP financial income, net	2,716	804
GAAP income before taxes on income (loss)	(2,090)	5,285
• •	, , ,	•
Share-based compensation	8,997	4,416
Amortization of intangible assets	992	464
Litigation costs	_	_
· ·		
Acquisition costs	13	1,142
Exchange rate differences, net on balance sheet items included in financial income, net	(775)	(894)
Non-GAAP income before taxes on income	7,137	10,413
Non-GAAP income before taxes on income	7,137	10,413
GAAP taxes on income	991	1,515
Tax related adjustments	62	62
Non-GAAP taxes on income	1,053	1,577
GAAP net income (loss)	(3,081)	3,770
Share-based compensation	8,997	4,416
·	992	464
Amortization of intangible assets	992	404
Litigation costs	-	-
Acquisition costs	13	1,142
·		(894)
Exchange rate differences, net on balance sheet items included in financial income, net	(775)	
Tax related adjustments	(62)	(62)
Non-GAAP net income	6,084	8,836
Test of the meeting	0,004	5,550
GAAP diluted net earnings (loss) per share	(0.07)	0.08
Share-based compensation	0.20	0.09
Amortization of intangible assets	0.02	0.01
Litigation costs	0.00	0.00
Acquisition costs	0.00	0.02
Exchange rate differences, net on balance sheet items included in financial income, net	(0.02)	(0.02)
Tax related adjustments	(0.00)	(0.00)
Non-GAAP diluted net earnings per share	0.14	0.19

Radware Ltd. Condensed Consolidated Statements of Cash Flow (U.S. Dollars in thousands)

For the three months ended March 31,

Cash flow from operating activities: 2023 (Unaudited) 2022 (Unaudited) Cash flow from operating activities: (Unaudited) (Unaudited) Net income (loss) (3,081) 3,770 Adjustments to reconcile net income to net cash provided by operating activities: 3,078 2,488 Pepreciation and amortization 8,997 4,416 Amortization of premium, accretion of discounts and accrued interest on marketable securities, net 237 588 securities, net 425 (59) Increase (decrease) in accrued interest on bank deposits (1,754) 33 Increase (decrease) in accrued interest on bank deposits (1,057) 158 Increase in trade receivables, net (10,05) (5,854) Increase (decrease) in accrued interest on bank deposits (1,050) (5,854) Increase in trade receivables, net (1,005) (5,854) Increase (decrease) in accrued severance pay, net (1,005) (5,854) Increase in trade receivables and prepaide expenses (2,858) (3,816) Increase in trade payables in trade payables in trade payables in trade payables and acrued expenses (4,498) (18,332) <th></th> <th colspan="2"></th>			
Cash flow from operating activities: (3,081) 3,770 Net income (loss) (3,081) 3,770 Adjustments to reconcile net income to net cash provided by operating activities: 3,078 2,488 Depreciation and amortization 8,997 4,416 Amortization of premium, accretion of discounts and accrued interest on marketable securities, net 237 588 Loss (gain) related to securities, net (245 (59) Increase (decrease) in accrued interest on bank deposits (1,754) 33 Increase (decrease) in accrued severance pay, net (69) 147 Increase (decrease) in accrued severance pay, net (1,005) (5,854) Increase in trade receivables, net (1,005) (5,854) Increase in other receivables and prepaid expenses and other long-term assets (2,858) (3,816) Decrease in inventories 149 325 Increase in deferred revenues (1,637) 3,843 Increase in deferred revenues (4,498) (18,332) Increase in other payables and accrued expenses (4,498) (18,332) Increase in other payables are accrued expenses (4,498)		2023	2022
Net income (loss) (3,081) 3,770 Adjustments to reconcile net income to net cash provided by operating activities: Depreciation and amortization 3,078 2,488 Share-based compensation 8,997 4,416 Amortization of premium, accretion of discounts and accrued interest on marketable securities, net Loss (gain) related to securities, net Loss (gain) related to securities, net Increase (decrease) in accrued interest on bank deposits (1,754) 33 Increase (decrease) in accrued severance pay, net (69) 147 Increase (decrease) in accrued severance pay, net (69) 147 Increase in trade receivables, net (1,005) (5,854) Increase in other receivables and prepaid expenses and other long-term assets (2,858) (3,816) Decrease in inventories 149 325 Increase in other receivables and accrued expenses and other long-term assets (1,637) 3,843 Increase in other payables (1,637) 3,843 Increase in other payables and accrued expenses (4,498) (18,332) Increase in other payables and accrued expenses (4,498) (18,332) Increase in other payables and accrued expenses (1,236) (10,452) Cash flows from investing activities: Cash flows from investing activities: Purchase of property and equipment (1,768) (2,164) Proceeds from bank deposits, net 9,200 22,349 Proceeds from sale, redemption of and purchase of marketable securities, net 1,976 4,556 Payment for the acquisition of intangible assets 9,455 (5,314) Cash flows from financing activities: Cash flows from financing activities: Proceeds from exercise of stock options 220 562 Repurchase of shares (12,742) (22,826) Net cash used in financing activities (12,522) (22,264) Decrease in cash and cash equivalents (4,303) (38,030)		(Unaudited)	(Unaudited)
Adjustments to reconcile net income to net cash provided by operating activities: Depreciation and amortization \$ 3,078	Cash flow from operating activities:		
Adjustments to reconcile net income to net cash provided by operating activities: Depreciation and amortization \$ 3,078		(2.22.)	
Depreciation and amortization 3,078 4,416 Share-based compensation 8,997 4,416 Amortization of premium, accretion of discounts and accrued interest on marketable securities, net Loss (gain) related to securities, net Loss (gain) related to securities, net (1,754) 33 Increase (decrease) in accrued interest on bank deposits (1,754) 33 Increase (decrease) in accrued severance pay, net (69) 147 Increase in trade receivables, net (1,005) (5,854) Increase in other receivables and prepaid expenses and other long-term assets (2,858) (3,816) Decrease in inventories (149 325 Increase (decrease) in trade payables (1,637) 3,843 Increase (decrease) in trade payables (1,637) 3,843 Increase (decrease) in operating lease liabilities, net (1,498) (18,332) Increase (decrease) in operating lease liabilities, net (1,236) (10,452) Cash flows from investing activities: Purchase of property and equipment (1,768) (2,164) Proceeds from (investment in) other long-term assets, net 9,200 22,349 Proceeds from bank deposits, net 9,200 22,349 Proceeds from sale, redemption of and purchase of marketable securities, net 1,976 4,556 Payment for the acquisition of intangible assets 0 (30,000) Net cash provided (used in) investing activities Cash flows from financing activities Proceeds from exercise of stock options 220 562 Repurchase of shares (12,742) (22,826) Net cash used in financing activities (12,522) (22,264) Decrease in cash and cash equivalents the beginning of the period 46,185 92,513	, ,	(3,081)	3,770
Share-based compensation Amortization of premium, accretion of discounts and accrued interest on marketable securities, net Loss (gain) related to securities, net Loss (decrease) in accrued severance pay, net Loss (gain) related to securities, net Loss (gain) related to securities, net Loss (gain) related to securities, net Loss (gain) related to securities and scrued severance (gain) related to securities and scrued severance (gain) related to securities and scrued expenses and other long-term assets Loss (gain) related to securities and prepaid expenses and other long-term assets Loss (gain) related to securities and prepaid expenses and other long-term assets Loss (gain) related to securities and prepaid expenses and other long-term assets Loss (gain) related to securities and securities and prepaid expenses and other long-term assets Loss (gain) related to securities and	, , , ,	2.070	2 400
Amortization of premium, accretion of discounts and accrued interest on marketable securities, net	·	· ·	•
securities, net Loss (gain) related to securities, net Increase (decrease) in accrued interest on bank deposits Increase (decrease) in accrued severance pay, net Increase in trade receivables, net Increase in other receivables and prepaid expenses and other long-term assets Increase in inventories Increase in inventories Increase in deferred revenues Increase in deferred revenues Increase in deferred revenues Increase in deferred revenues Increase in other payables and accrued expenses Increase in other payables Increase in o	·	8,997	4,416
Loss (gain) related to securities, net recrease (decrease) in accrued interest on bank deposits (1,754) 33 concrease (decrease) in accrued severance pay, net (69) 147 concrease in trade receivables, net (1,005) (5,854) concrease in other receivables and prepaid expenses and other long-term assets (2,858) (3,816) concrease in inventories (14,005) concrease in inventories (14,637) 3,843 concrease in deferred revenues (16,637) 3,843 concrease in deferred revenues (16,637) 3,843 concrease in other payables and accrued expenses (16,637) concrease (decrease) in trade payables and accrued expenses (14,498) (18,332) concrease (decrease) in operating lease liabilities, net (1,236) concrease (decrease) in operating lease liabilities, net (1,236) concrease (1,236) conc	·	237	588
Increase (decrease) in accrued interest on bank deposits Increase (decrease) in accrued severance pay, net Increase (decrease) in accrued severance pay, net Increase in trade receivables, net Increase in other receivables, net Increase in other receivables and prepaid expenses and other long-term assets Increase in inventories Increase (decrease) in trade payables Increase (decrease) in trade payables Increase (decrease) in trade payables Increase (decrease) in other revenues Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating activities Increase (decrease) in operating activities Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating activities Increase (decrease) in activities Inc	· · · · · · · · · · · · · · · · · · ·	245	(EO)
Increase (decrease) in accrued severance pay, net Increase in trade receivables, net Increase in trade receivables, net Increase in trade receivables and prepaid expenses and other long-term assets Increase in other receivables and prepaid expenses and other long-term assets Increase in inventories Intrade payables Increase (decrease) in trade payables Increase (decrease) in trade payables Increase in deferred revenues Increase in other payables and accrued expenses Increase in other payables and accrued expenses Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating activities Increase (decrease) Increase (decrease) in operating activities Increase (decrease) Increas	·= ·		` '
Increase in trade receivables, net Increase in other receivables and prepaid expenses and other long-term assets Increase in other receivables and prepaid expenses and other long-term assets Increase in inventories Increase (decrease) in trade payables Increase in deferred revenues Increase in other payables and accrued expenses Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating activities Increase (decrease) in operating lease liabilities, net Increase in cash pack deposits, net Increase in cash and cash equivalents Increase in cash and cash equiv		, , ,	
Increase in other receivables and prepaid expenses and other long-term assets 149 325 149 325 11,637 3,843 11,637 3,843 11,637 3,843 11,637 3,843 11,637 3,843 11,637 3,843 11,637 3,843 11,637 3,843 11,637 3,843 12,46 2,436 13,332 14,498 (18,332) 15,236 (12,36) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,236 (10,452) 15,237 (10,452) 15,237 (10,452) 15,238 (10,452)		, ,	
Decrease in inventories Increase (decrease) in trade payables Increase (decrease) in trade payables Increase in deferred revenues 746 2,436 Decrease in other payables and accrued expenses Increase (decrease) in operating lease liabilities, net Ret cash used in operating activities Cash flows from investing activities: Purchase of property and equipment Proceeds from (investment in) other long-term assets, net Proceeds from bank deposits, net Proceeds from sale, redemption of and purchase of marketable securities, net Payment for the acquisition of intangible assets Payment for the acquisition of intangible assets Proceeds from exercise of stock options Cash flows from financing activities: Proceeds from exercise of stock options Cash used in financing activities Proceeds from exercise of stock options Cash used in financing activities Proceeds in cash and cash equivalents Cash and cash equivalents at the beginning of the period 149 2,436 2,436 2,436 2,436 2,437 2,437 2,437 2,438 2,449 2,556 2,5314 2,522 2,264 2,264 2,369 2,513	increase in trade receivables, net	, , ,	
Increase (decrease) in trade payables Increase in deferred revenues To 46 Decrease in other payables and accrued expenses Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating activities Increase (decrease) in operating activities Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating accruities (4,37) Increase (decrease) in other payables and accrued expenses Increase in operating accruities Increase in operating lease liabilities, net Increase (decrease) in operating lease liabilities, net Increase in cash and cash equivalents Increase (decrease) (1,637) Increase in cash and cash equivalents Increase in cash and cash equivalents Increase (1,637) Increase in cash and cash equivalents Increase in cash and cash equival	Increase in other receivables and prepaid expenses and other long-term assets	(2,858)	(3,816)
Increase in deferred revenues Decrease in other payables and accrued expenses Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating activities Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating activities Increase (decrease) in operating lease liabilities, net Increase (decrease) in operating activities Increase (decrease) in operating lease liabilities, net Increase of property and equipment Increase of prop	Decrease in inventories	149	325
Decrease in other payables and accrued expenses (4,498) (18,332) Increase (decrease) in operating lease liabilities, net 214 (437) Net cash used in operating activities (1,236) (10,452) Cash flows from investing activities: Purchase of property and equipment (1,768) (2,164) Proceeds from (investment in) other long-term assets, net 47 (55) Proceeds from bank deposits, net 9,200 22,349 Proceeds from sale, redemption of and purchase of marketable securities, net 1,976 4,556 Payment for the acquisition of intangible assets 0 (30,000) Net cash provided (used in) investing activities 9,455 (5,314) Cash flows from financing activities: Proceeds from exercise of stock options 220 562 Repurchase of shares (12,742) (22,826) Net cash used in financing activities (12,522) (22,264) Decrease in cash and cash equivalents (4,303) (38,030) Cash and cash equivalents at the beginning of the period 46,185 92,513	Increase (decrease) in trade payables	(1,637)	3,843
Increase (decrease) in operating lease liabilities, net Net cash used in operating activities (1,236) (10,452) Cash flows from investing activities: Purchase of property and equipment (1,768) (2,164) Proceeds from (investment in) other long-term assets, net 47 (55) Proceeds from bank deposits, net 9,200 22,349 Proceeds from sale, redemption of and purchase of marketable securities, net 1,976 4,556 Payment for the acquisition of intangible assets 0 (30,000) Net cash provided (used in) investing activities 9,455 (5,314) Cash flows from financing activities: Proceeds from exercise of stock options 220 562 Repurchase of shares (12,742) (22,826) Net cash used in financing activities (12,522) (22,264) Decrease in cash and cash equivalents (4,303) (38,030) Cash and cash equivalents at the beginning of the period 46,185 92,513	Increase in deferred revenues	746	2,436
Net cash used in operating activities (1,236) (10,452) Cash flows from investing activities: Purchase of property and equipment (1,768) (2,164) Proceeds from (investment in) other long-term assets, net 47 (55) Proceeds from bank deposits, net 9,200 22,349 Proceeds from sale, redemption of and purchase of marketable securities, net 1,976 4,556 Payment for the acquisition of intangible assets 0 (30,000) Net cash provided (used in) investing activities 9,455 (5,314) Cash flows from financing activities: Proceeds from exercise of stock options 220 562 Repurchase of shares (12,742) (22,826) Net cash used in financing activities (12,522) (22,264) Decrease in cash and cash equivalents (4,303) (38,030) Cash and cash equivalents at the beginning of the period 46,185 92,513	Decrease in other payables and accrued expenses	(4,498)	(18,332)
Cash flows from investing activities: Purchase of property and equipment Proceeds from (investment in) other long-term assets, net Proceeds from bank deposits, net Proceeds from sale, redemption of and purchase of marketable securities, net Payment for the acquisition of intangible assets Payment for the acquisition of intangible assets Peroceeds from exercise of stock options Proceeds from exercise of	Increase (decrease) in operating lease liabilities, net	214	(437)
Purchase of property and equipment (1,768) (2,164) Proceeds from (investment in) other long-term assets, net 47 (55) Proceeds from bank deposits, net 9,200 22,349 Proceeds from sale, redemption of and purchase of marketable securities, net 1,976 4,556 Payment for the acquisition of intangible assets 0 (30,000) Net cash provided (used in) investing activities 9,455 (5,314) Cash flows from financing activities: Proceeds from exercise of stock options 220 562 Repurchase of shares (12,742) (22,826) Net cash used in financing activities (12,522) (22,264) Decrease in cash and cash equivalents (4,303) (38,030) Cash and cash equivalents at the beginning of the period 46,185 92,513	Net cash used in operating activities	(1,236)	(10,452)
Proceeds from (investment in) other long-term assets, net Proceeds from bank deposits, net Proceeds from sale, redemption of and purchase of marketable securities, net Payment for the acquisition of intangible assets Net cash provided (used in) investing activities Proceeds from exercise of stock options Repurchase of shares Net cash used in financing activities Decrease in cash and cash equivalents Cash and cash equivalents at the beginning of the period 47 (55) 9,200 22,349 9,200 30,000) (30,000) 9,455 (5,314) 20 562 (12,742) (22,826) (12,742) (22,826) (12,522) (22,264)	Cash flows from investing activities:		
Proceeds from (investment in) other long-term assets, net Proceeds from bank deposits, net Proceeds from sale, redemption of and purchase of marketable securities, net Payment for the acquisition of intangible assets Net cash provided (used in) investing activities Proceeds from exercise of stock options Repurchase of shares Net cash used in financing activities Decrease in cash and cash equivalents Cash and cash equivalents at the beginning of the period 47 (55) 9,200 22,349 9,200 30,000) (30,000) 9,455 (5,314) 20 562 (12,742) (22,826) (12,742) (22,826) (12,522) (22,264)		(4.760)	(2.464)
Proceeds from bank deposits, net Proceeds from sale, redemption of and purchase of marketable securities, net Payment for the acquisition of intangible assets Net cash provided (used in) investing activities Proceeds from exercise of stock options Repurchase of shares Net cash used in financing activities Pecrease in cash and cash equivalents Cash and cash equivalents at the beginning of the period 220,2349 4,556 4,556 9,455 (30,000) 9,455 (5,314) 220 562 (12,742) (22,826) (12,522) (22,264) 25,330 (38,030) 26,133 (38,030)		, , ,	
Proceeds from sale, redemption of and purchase of marketable securities, net Payment for the acquisition of intangible assets Net cash provided (used in) investing activities Cash flows from financing activities: Proceeds from exercise of stock options Repurchase of shares Net cash used in financing activities Decrease in cash and cash equivalents Cash and cash equivalents at the beginning of the period 1,976 4,556 0 (30,000) 9,455 (5,314) 220 562 (12,742) (22,826) (12,522) (22,264) (4,303) (38,030) Cash and cash equivalents at the beginning of the period	· · · · · · · · · · · · · · · · · · ·		
Payment for the acquisition of intangible assets Net cash provided (used in) investing activities Cash flows from financing activities: Proceeds from exercise of stock options Repurchase of shares (12,742) (22,826) Net cash used in financing activities Decrease in cash and cash equivalents Cash and cash equivalents (4,303) (38,030) Cash and cash equivalents at the beginning of the period	·	•	•
Net cash provided (used in) investing activities 9,455 (5,314) Cash flows from financing activities: Proceeds from exercise of stock options 220 562 Repurchase of shares (12,742) (22,826) Net cash used in financing activities (12,522) (22,264) Decrease in cash and cash equivalents (4,303) (38,030) Cash and cash equivalents at the beginning of the period 46,185 92,513		•	· ·
Proceeds from exercise of stock options Repurchase of shares Net cash used in financing activities Decrease in cash and cash equivalents Cash and cash equivalents the beginning of the period Cash flows from financing activities 220 562 (12,742) (22,826) (12,522) (22,264) (4,303) (38,030) (38,030)	, , , , , , , , , , , , , , , , , , , ,		
Proceeds from exercise of stock options Repurchase of shares Net cash used in financing activities Decrease in cash and cash equivalents Cash and cash equivalents the beginning of the period 220 562 (12,742) (22,826) (12,522) (22,264) (4,303) (38,030) (38,030)	Net cash provided (used in) investing activities	9,455	(5,314)
Repurchase of shares(12,742)(22,826)Net cash used in financing activities(12,522)(22,264)Decrease in cash and cash equivalents(4,303)(38,030)Cash and cash equivalents at the beginning of the period46,18592,513	Cash flows from financing activities:		
Repurchase of shares(12,742)(22,826)Net cash used in financing activities(12,522)(22,264)Decrease in cash and cash equivalents(4,303)(38,030)Cash and cash equivalents at the beginning of the period46,18592,513	Proceeds from exercise of stock antions	220	562
Net cash used in financing activities(12,522)(22,264)Decrease in cash and cash equivalents(4,303)(38,030)Cash and cash equivalents at the beginning of the period46,18592,513	·		
Cash and cash equivalents at the beginning of the period 46,185 92,513	·		
Cash and cash equivalents at the beginning of the period 46,185 92,513			
	Decrease in cash and cash equivalents	(4,303)	(38,030)
Cash and cash equivalents at the end of the period 41,882 54,483	Cash and cash equivalents at the beginning of the period	46,185	92,513
	Cash and cash equivalents at the end of the period	41,882	54,483

Radware Ltd. RECONCILIATION OF GAAP NET INCOME (LOSS) TO EBITDA AND ADJUSTED EBITDA (NON-GAAP) (U.S Dollars in thousands)

For the three months ended

	March 31,	
	2023	2022
	(Unaudited)	(Unaudited)
GAAP net income (loss)	(3,081)	3,770
Exclude: Financial expense (income), net	(3,491)	(1,698)
Exclude: Depreciation and amortization expense	3,078	2,488
Exclude: Taxes on income	991	1,515
EBITDA	(2,503)	6,075
Share-based compensation	8,997	4,416
Litigation costs	-	-
Acquisition costs	13	1,142
Adjusted EBITDA	6.507	11.633

For the three months ended

	March	March 31,	
	2023	2022	
Amortization of intangible assets	992	464	
Depreciation	2,086	2,024	
	3,078	2,488	