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

	September 30, 2025	December 31, 2024
	(Unaudited)	(Unaudited)
Assets		
Current assets		
Cash and cash equivalents	87,281	98,714
Marketable securities	25,226	72,994
Short-term bank deposits	128,577	104,073
Trade receivables, net	29,992	16,823
Other receivables and prepaid expenses	14,738	14,242
Inventories	13,326	14,030
	299,140	320,876
Long-term investments		
Marketable securities	65,642	29,523
Long-term bank deposits	147,922	114,354
Other assets	2,551	2,171
	216,115	146,048
Property and equipment, net	15,433	15,632
Intangible assets, net	8,774	11,750
Other long-term assets	37,304	37,906
Operating lease right-of-use assets	16,725	18,456
Goodwill	68,008	68,008
Total assets	661,499	618,676
Liabilities and equity		
Current liabilities		
Trade payables	5,629	5,581
Deferred revenues	107,527	106,303
Operating lease liabilities	5,157	4,750
Other payables and accrued expenses	59,906	51,836
	178,219	168,470
Long-term liabilities		
Deferred revenues	67,841	64,708
Operating lease liabilities	12,602	13,519
Other long-term liabilities	13,125	14,904
	93,568	93,131
Equity		
Radware Ltd. equity		
Share capital	759	754
Additional paid-in capital	571,603	555,154
Accumulated other comprehensive income	2,584	1,103
Treasury stock, at cost	(366,588)	(366,588)
Retained earnings	140,066	125,850
Total Radware Ltd. shareholder's equity	348,424	316,273
Non–controlling interest	41,288	40,802
Total equity	389,712	357,075
Total liabilities and equity	661,499	618,676

Radware Ltd.

Condensed Consolidated Statements of Income

(U.S Dollars in thousands, except share and per share data)

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues	75,311	69,488	221,605	201,849
Cost of revenues	14,562	13,392	42,868	39,260
Gross profit	60,749	56,096	178,737	162,589
Operating expenses, net:				
Research and development, net	19,694	18,654	57,849	56,251
Selling and marketing	31,577	30,500	94,195	89,945
General and administrative	6,379	6,948	19,228	21,271
Total operating expenses, net	57,650	56,102	171,272	167,467
Operating income (loss)	3,099	(6)	7,465	(4,878)
Financial income, net	4,800	4,957	13,337	12,982
Income before taxes on income	7,899	4,951	20,802	8,104
Taxes on income	2,249	1,807	6,586	4,518
Net income	5,650	3,144	14,216	3,586
Basic net income per share attributed to Radware Ltd.'s shareholders	0.13	0.07	0.33	0.09
Weighted average number of shares used to compute basic net income per share	42,833,456	41,956,001	42,774,664	41,854,984
Diluted net income per share attributed to Radware Ltd.'s shareholders	0.13	0.07	0.32	0.08
Weighted average number of shares used to compute diluted net income per share	44,951,866	43,573,161	44,582,652	43,199,279

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 ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
GAAP gross profit	60,749	56,096	178,737	162,589
Share-based compensation	143	81	394	240
Amortization of intangible assets	992	992	2,976	2,976
Non-GAAP gross profit	61,884	57,169	182,107	165,805
GAAP research and development, net	19,694	18,654	57,849	56,251
Share-based compensation	1,299	1,421	3,849	4,679
Non-GAAP research and development, net	18,395	17,233	54,000	51,572
GAAP selling and marketing	31,577	30,500	94,195	89,945
Share-based compensation	2,630	2,548	8,406	7,708
Non-GAAP selling and marketing	28,947	27,952	85,789	82,237
GAAP general and administrative	6,379	6,948	19,228	21,271
Share-based compensation	1,365	2,008	4,289	6,480
Acquisition costs	99	159	390	571
Non-GAAP general and administrative	4,915	4,781	14,549	14,220
GAAP total operating expenses, net	57,650	56,102	171,272	167,467
Share-based compensation	5,294	5,977	16,544	18,867
Acquisition costs	99	159	390	571
Non-GAAP total operating expenses, net	52,257	49,966	154,338	148,029
GAAP operating income (loss)	3,099	(6)	7,465	(4,878)
Share-based compensation	5,437	6,058	16,938	19,107
Amortization of intangible assets	992	992	2,976	2,976
Acquisition costs	99	159	390	571
Non-GAAP operating income	9,627	7,203	27,769	17,776
GAAP financial income, net	4,800	4,957	13,337	12,982
Exchange rate differences, net on balance sheet items included in financial income, net	504	(86)	2,698	(231)
Non-GAAP financial income, net	5,304	4,871	16,035	12,751
GAAP income before taxes on income	7,899	4,951	20,802	8,104
Share-based compensation	5,437	6,058	16,938	19,107
Amortization of intangible assets	992	992	2,976	2,976
Acquisition costs	99	159	390	571
Exchange rate differences, net on balance sheet items included in financial income, net	504	(86)	2,698	(231)
Non-GAAP income before taxes on income	14,931	12,074	43,804	30,527
GAAP taxes on income	2,249	1,807	6,586	4,518
Tax related adjustments	62	62	185	185
Non-GAAP taxes on income	2,311	1,869	6,771	4,703
GAAP net income	5,650	3,144	14,216	3,586
Share-based compensation	5,437	6,058	16,938	19,107
Amortization of intangible assets	992	992	2,976	2,976
Acquisition costs	99	159	390	571
Exchange rate differences, net on balance sheet items included in financial income, net	504	(86)	2,698	(231)
Tax related adjustments	(62)	(62)	(185)	(185)
Non-GAAP net income	12,620	10,205	37,033	25,824
GAAP diluted net income per share	0.13	0.07	0.32	0.08
Share-based compensation	0.12	0.14	0.38	0.45
Amortization of intangible assets	0.02	0.02	0.06	0.07
Acquisition costs	0.00	0.00	0.01	0.01
Exchange rate differences, net on balance sheet items included in financial income, net	0.01	(0.00)	0.06	(0.01)
Tax related adjustments	(0.00)	(0.00)	(0.00)	(0.00)
Non-GAAP diluted net earnings per share	0.28	0.23	0.83	0.60
Weighted average number of shares used to compute non-GAAP diluted net earnings per share	44,951,866	43,573,161	44,582,652	43,199,279

Radware Ltd.

Condensed Consolidated Statements of Cash Flow

(U.S. Dollars in thousands)

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash flow from operating activities:				
Net income	5,650	3,144	14,216	3,586
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	2,813	2,947	8,830	8,918
Share-based compensation	5,437	6,058	16,938	19,107
Amortization of premium, accretion of discounts and accrued interest on marketable securities, net	150	(234)	(104)	(227)
Increase (decrease) in accrued interest on bank deposits	(1,594)	(814)	(5,708)	4,645
Increase (decrease) in accrued severance pay, net	(28)	147	48	106
Decrease (increase) in trade receivables, net	(7,127)	5,536	(13,169)	304
Decrease (increase) in other receivables and prepaid expenses and other long-term assets	(2,514)	749	(3,651)	1,155
Decrease (increase) in inventories	(14)	253	704	2,001
Increase in trade payables	1,533	2,474	48	2,253
Increase (decrease) in deferred revenues	(12,121)	(6,059)	4,357	10,329
Increase in other payables and accrued expenses	3,444	259	9,030	7,052
Operating lease liabilities, net	197	248	1,221	(369)
Net cash provided by (used in) operating activities	(4,174)	14,708	32,760	58,860
Cash flows from investing activities:				
Purchase of property and equipment	(1,883)	(1,412)	(5,655)	(4,220)
Proceeds from (investment in) other long-term assets, net	(12)	46	78	40
Proceeds from (investment in) bank deposits, net	(11,451)	9,731	(52,364)	(1,433)
Investment in, redemption of and purchase of marketable securities ,net	958	5,541	11,913	(4,456)
Proceeds from other deposits	-	-	5,000	-
Net cash provided by (used in) investing activities	(12,388)	13,906	(41,028)	(10,069)
Cash flows from financing activities:				
Proceeds from exercise of share options	1	-	2	3
Repurchase of shares	-	-	-	(839)
Payment of contingent consideration related to acquisition	-	-	(3,167)	(3,077)
Net cash provided by (used in) financing activities	1	-	(3,165)	(3,913)
Increase (decrease) in cash and cash equivalents	(16,561)	28,614	(11,433)	44,878
Cash and cash equivalents at the beginning of the period	103,842	86,802	98,714	70,538
Cash and cash equivalents at the end of the period	87,281	115,416	87,281	115,416

Radware Ltd.

RECONCILIATION OF GAAP NET INCOME TO EBITDA AND ADJUSTED EBITDA (NON-GAAP)

(U.S Dollars in thousands)

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
GAAP net income	5,650	3,144	14,216	3,586
Exclude: Financial income, net	(4,800)	(4,957)	(13,337)	(12,982)
Exclude: Depreciation and amortization expense	2,813	2,947	8,830	8,918
Exclude: Taxes on income	2,249	1,807	6,586	4,518
EBITDA	**5,912**	**2,941**	**16,295**	**4,040**
Share-based compensation	5,437	6,058	16,938	19,107
Acquisition costs	99	159	390	571
Adjusted EBITDA	**11,448**	**9,158**	**33,623**	**23,718**

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Amortization of intangible assets	992	992	2,976	2,976
Depreciation	1,821	1,955	5,854	5,942
	2,813	**2,947**	**8,830**	**8,918**