

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
	(Unaudited)	(Unaudited)
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	114,239	98,714
Marketable securities	55,118	72,994
Short-term bank deposits	122,361	104,073
Trade receivables, net	25,036	16,823
Other receivables and prepaid expenses	9,627	14,242
Inventories	13,511	14,030
	<u>339,892</u>	<u>320,876</u>
<b>Long-term investments</b>		
Marketable securities	31,229	29,523
Long-term bank deposits	124,968	114,354
Other assets	2,203	2,171
	<u>158,400</u>	<u>146,048</u>
Property and equipment, net	14,584	15,632
Intangible assets, net	10,758	11,750
Other long-term assets	36,492	37,906
Operating lease right-of-use assets	17,560	18,456
Goodwill	68,008	68,008
Total assets	<u><u>645,694</u></u>	<u><u>618,676</u></u>
<b>Liabilities and equity</b>		
<b>Current liabilities</b>		
Trade payables	3,646	5,581
Deferred revenues	119,329	106,303
Operating lease liabilities	4,642	4,750
Other payables and accrued expenses	55,678	51,836
	<u>183,295</u>	<u>168,470</u>
<b>Long-term liabilities</b>		
Deferred revenues	69,505	64,708
Operating lease liabilities	12,497	13,519
Other long-term liabilities	14,319	14,904
	<u>96,321</u>	<u>93,131</u>
<b>Equity</b>		
<b>Radware Ltd. equity</b>		
Share capital	756	754
Additional paid-in capital	560,833	555,154
Accumulated other comprehensive income (loss)	(140)	1,103
Treasury stock, at cost	(366,588)	(366,588)
Retained earnings	130,194	125,850
<b>Total Radware Ltd. shareholder's equity</b>	<u>325,055</u>	<u>316,273</u>
Non-controlling interest	<u>41,023</u>	<u>40,802</u>
<b>Total equity</b>	<u>366,078</u>	<u>357,075</u>
Total liabilities and equity	<u><u>645,694</u></u>	<u><u>618,676</u></u>

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

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2025</b>	<b>2024</b>
	(Unaudited)	(Unaudited)
Revenues	72,079	65,085
Cost of revenues	13,990	12,812
Gross profit	58,089	52,273
Operating expenses, net:		
Research and development, net	18,776	18,896
Selling and marketing	31,281	29,701
General and administrative	6,463	7,339
Total operating expenses, net	56,520	55,936
Operating income (loss)	1,569	(3,663)
Financial income, net	4,875	3,608
Income (loss) before taxes on income	6,444	(55)
Taxes on income	2,100	1,167
Net income (loss)	4,344	(1,222)
Basic net income (loss) per share attributed to Radware Ltd.'s shareholders	0.10	(0.03)
Weighted average number of shares used to compute basic net income (loss) per share	42,663,787	41,750,203
Diluted net income (loss) per share attributed to Radware Ltd.'s shareholders	0.10	(0.03)
Weighted average number of shares used to compute diluted net income (loss) per share	44,192,474	41,750,203

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

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
GAAP gross profit	58,089	52,273
Share-based compensation	120	79
Amortization of intangible assets	992	992
Non-GAAP gross profit	<u>59,201</u>	<u>53,344</u>
GAAP research and development, net	18,776	18,896
Share-based compensation	1,223	1,722
Non-GAAP Research and development, net	<u>17,553</u>	<u>17,174</u>
GAAP selling and marketing	31,281	29,701
Share-based compensation	3,076	2,551
Non-GAAP selling and marketing	<u>28,205</u>	<u>27,150</u>
GAAP general and administrative	6,463	7,339
Share-based compensation	1,479	2,395
Acquisition costs	153	220
Non-GAAP general and administrative	<u>4,831</u>	<u>4,724</u>
GAAP total operating expenses, net	56,520	55,936
Share-based compensation	5,778	6,668
Acquisition costs	153	220
Non-GAAP total operating expenses, net	<u>50,589</u>	<u>49,048</u>
GAAP operating income (loss)	1,569	(3,663)
Share-based compensation	5,898	6,747
Amortization of intangible assets	992	992
Acquisition costs	153	220
Non-GAAP operating income	<u>8,612</u>	<u>4,296</u>
GAAP financial income, net	4,875	3,608
Exchange rate differences, net on balance sheet items included in financial income, net	492	153
Non-GAAP financial income, net	<u>5,367</u>	<u>3,761</u>
GAAP income (loss) before taxes on income	6,444	(55)
Share-based compensation	5,898	6,747
Amortization of intangible assets	992	992
Acquisition costs	153	220
Exchange rate differences, net on balance sheet items included in financial income, net	492	153
Non-GAAP income before taxes on income	<u>13,979</u>	<u>8,057</u>
GAAP taxes on income	2,100	1,167
Tax related adjustments	62	62
Non-GAAP taxes on income	<u>2,162</u>	<u>1,229</u>
GAAP net income (loss)	4,344	(1,222)
Share-based compensation	5,898	6,747
Amortization of intangible assets	992	992
Acquisition costs	153	220
Exchange rate differences, net on balance sheet items included in financial income, net	492	153
Tax related adjustments	(62)	(62)
Non-GAAP net income	<u>11,817</u>	<u>6,828</u>
GAAP diluted net income (loss) per share	0.10	(0.03)
Share-based compensation	0.14	0.16
Amortization of intangible assets	0.02	0.02
Acquisition costs	0.00	0.01
Exchange rate differences, net on balance sheet items included in financial income, net	0.01	0.00
Tax related adjustments	(0.00)	(0.00)
Non-GAAP diluted net earnings per share	<u>0.27</u>	<u>0.16</u>
Weighted average number of shares used to compute non-GAAP diluted net earnings per share	44,192,474	42,875,058

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

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2025</b>	<b>2024</b>
	(Unaudited)	(Unaudited)
<u>Cash flow from operating activities:</u>		
Net income (loss)	4,344	(1,222)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	3,152	2,943
Share-based compensation	5,898	6,747
Amortization of premium, accretion of discounts and accrued interest on marketable securities, net	(161)	(73)
Decrease in accrued interest on bank deposits	(1,790)	(9)
Increase (decrease) in accrued severance pay, net	61	(58)
Increase in trade receivables, net	(8,213)	(219)
Decrease (increase) in other receivables and prepaid expenses and other long-term assets	(186)	605
Decrease in inventories	519	1,004
Increase (decrease) in trade payables	(1,935)	1,406
Increase in deferred revenues	17,823	8,894
Increase in other payables and accrued expenses	3,164	1,483
Operating lease liabilities, net	(234)	(379)
Net cash provided by operating activities	<u>22,442</u>	<u>21,122</u>
<u>Cash flows from investing activities:</u>		
Purchase of property and equipment	(1,112)	(1,774)
Proceeds from (investment in) other long-term assets, net	109	(25)
Investment in bank deposits, net	(27,112)	(17,898)
Investment in, redemption of and purchase of marketable securities ,net	16,194	3,502
Proceeds from other deposits	5,000	-
Net cash used in investing activities	<u>(6,921)</u>	<u>(16,195)</u>
<u>Cash flows from financing activities:</u>		
Proceeds from exercise of share options	4	-
Repurchase of shares	-	(839)
Net cash provided by (used in) financing activities	<u>4</u>	<u>(839)</u>
Increase in cash and cash equivalents	15,525	4,088
Cash and cash equivalents at the beginning of the period	<u>98,714</u>	<u>70,538</u>
Cash and cash equivalents at the end of the period	<u><u>114,239</u></u>	<u><u>74,626</u></u>

**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,	
	2025	2024
	(Unaudited)	(Unaudited)
<b>GAAP net income (loss)</b>	4,344	(1,222)
Exclude: Financial income, net	(4,875)	(3,608)
Exclude: Depreciation and amortization expense	3,152	2,943
Exclude: Taxes on income	2,100	1,167
<b>EBITDA</b>	<b>4,721</b>	<b>(720)</b>
Share-based compensation	5,898	6,747
Acquisition costs	153	220
<b>Adjusted EBITDA</b>	<b>10,772</b>	<b>6,247</b>

	For the three months ended	
	March 31,	
	2025	2024
Amortization of intangible assets	992	992
Depreciation	2,160	1,951
	<b>3,152</b>	<b>2,943</b>