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

	June 30, 2026	December 31, 2025
	(Unaudited)	(Unaudited)
Assets		
Current assets		
Cash and cash equivalents	85,200	102,748
Marketable securities	28,379	15,900
Short-term bank deposits	134,858	129,961
Trade receivables, net	39,480	34,604
Other receivables and prepaid expenses	13,423	10,639
Inventories	13,655	13,220
Current assets held for sale	5,149	9,435
	320,144	316,507
Long-term investments		
Marketable securities	59,006	71,398
Long-term bank deposits	115,482	131,922
Other assets	3,150	2,830
	177,638	206,150
Property and equipment, net	17,280	16,387
Goodwill and intangible assets, net	78,041	72,159
Other long-term assets	43,740	40,641
Operating lease right-of-use assets	14,208	15,456
Long-term assets held for sale	3,337	3,865
Total assets	654,388	671,165
Liabilities and equity		
Current liabilities		
Trade payables	8,157	7,231
Deferred revenues	128,212	111,917
Operating lease liabilities	4,861	4,862
Other payables and accrued expenses	52,743	67,948
Current liabilities held for sale	2,103	2,325
	196,076	194,283
Long-term liabilities		
Deferred revenues	80,349	65,764
Operating lease liabilities	11,225	11,970
Other long-term liabilities	7,605	8,464
	99,179	86,198
Equity		
Radware Ltd. equity		
Share capital	775	770
Additional paid-in capital	591,486	578,652
Accumulated other comprehensive income (loss)	(252)	1,393
Treasury stock, at cost	(425,720)	(377,561)
Retained earnings	151,364	146,107
Total Radware Ltd. shareholder's equity	317,653	349,361
Non–controlling interest	41,480	41,323
Total equity	359,133	390,684
Total liabilities and equity	654,388	671,165

Radware Ltd.

Condensed Consolidated Statements of Income

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

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues	82,280	74,108	162,093	146,130
Cost of revenues	15,819	13,904	30,931	27,466
Gross profit	66,461	60,204	131,162	118,664
Operating expenses, net:				
Research and development, net	23,773	18,163	44,876	35,715
Selling and marketing	32,264	30,737	64,856	61,377
General and administrative	7,955	6,192	14,443	12,424
Total operating expenses, net	63,992	55,092	124,175	109,516
Operating income	2,469	5,112	6,987	9,148
Financial income, net	3,543	3,517	7,315	8,179
Income before taxes on income from continuing operations	6,012	8,629	14,302	17,327
Taxes on income	2,131	2,237	4,300	4,337
Net income from continuing operations	3,881	6,392	10,002	12,990
Loss from discontinued operations	(2,168)	(2,170)	(4,745)	(4,424)
Net income	1,713	4,222	5,257	8,566
Basic net income per share attributed to Radware Ltd.'s shareholders:				
Continuing operations	0.09	0.15	0.23	0.30
Discontinued operations	(0.05)	(0.05)	(0.11)	(0.10)
Total basic net income per share attributed to Radware Ltd.'s shareholders	0.04	0.10	0.12	0.20
Weighted average number of shares used to compute basic net income per share	41,714,046	42,734,026	42,250,915	42,711,279
Diluted net income per share attributed to Radware Ltd.'s shareholders:				
Continuing operations	0.09	0.14	0.23	0.29
Discontinued operations	(0.05)	(0.05)	(0.11)	(0.10)
Total diluted net income per share attributed to Radware Ltd.'s shareholders	0.04	0.09	0.12	0.19
Weighted average number of shares used to compute diluted net income per share	43,687,694	44,510,896	44,089,154	44,364,057

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 June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
GAAP gross profit	66,461	60,204	131,162	118,664
Share-based compensation	114	131	280	252
Amortization of intangible assets	734	732	1,466	1,465
Non-GAAP gross profit	67,309	61,067	132,908	120,381
GAAP research and development, net	23,773	18,163	44,876	35,715
Share-based compensation	1,723	1,259	3,411	2,394
Amortization of intangible assets	253	-	253	-
Non-GAAP research and development, net	21,797	16,904	41,212	33,321
GAAP selling and marketing	32,264	30,737	64,856	61,377
Share-based compensation	3,279	2,669	5,931	5,722
Non-GAAP selling and marketing	28,985	28,068	58,925	55,655
GAAP general and administrative	7,955	6,192	14,443	12,424
Share-based compensation	2,216	1,401	3,218	2,772
Acquisition costs	100	138	389	291
Non-GAAP general and administrative	5,639	4,653	10,836	9,361
GAAP total operating expenses, net	63,992	55,092	124,175	109,516
Share-based compensation	7,218	5,329	12,560	10,888
Acquisition costs	100	138	389	291
Non-GAAP total operating expenses, net	56,674	49,625	111,226	98,337
GAAP operating income	2,469	5,112	6,987	9,148
Share-based compensation	7,332	5,460	12,840	11,140
Amortization of intangible assets	987	732	1,719	1,465
Acquisition costs	100	138	389	291
Non-GAAP operating income	10,888	11,442	21,935	22,044
GAAP financial income, net	3,543	3,517	7,315	8,179
Exchange rate differences, net on balance sheet items included in financial income, net	824	1,673	1,598	2,182
Non-GAAP financial income, net	4,367	5,190	8,913	10,361
GAAP income before taxes on income from continuing operations	6,012	8,629	14,302	17,327
Share-based compensation	7,332	5,460	12,840	11,140
Amortization of intangible assets	987	732	1,719	1,465
Acquisition costs	100	138	389	291
Exchange rate differences, net on balance sheet items included in financial income, net	824	1,673	1,598	2,182
Non-GAAP income before taxes on income from continuing operations	15,255	16,632	30,848	32,405
GAAP taxes on income	2,131	2,237	4,300	4,337
Tax related adjustments	91	61	153	123
Non-GAAP taxes on income	2,222	2,298	4,453	4,460
GAAP net income from continuing operations	3,881	6,392	10,002	12,990
Share-based compensation	7,332	5,460	12,840	11,140
Amortization of intangible assets	987	732	1,719	1,465
Acquisition costs	100	138	389	291
Exchange rate differences, net on balance sheet items included in financial income, net	824	1,673	1,598	2,182
Tax related adjustments	(91)	(61)	(153)	(123)
Non-GAAP net income from continuing operations	13,033	14,334	26,395	27,945
Non-GAAP loss from discontinued operations	1,898	1,739	4,192	3,532
Non-GAAP net income	11,135	12,595	22,203	24,413
GAAP diluted net income per share from continuing operations	0.09	0.14	0.23	0.29
Share-based compensation	0.17	0.12	0.29	0.25
Amortization of intangible assets	0.02	0.02	0.04	0.03
Acquisition costs	0.00	0.00	0.01	0.01
Exchange rate differences, net on balance sheet items included in financial income, net	0.02	0.04	0.03	0.05
Tax related adjustments	(0.00)	(0.00)	(0.00)	(0.00)
Non-GAAP diluted net earnings per share from continuing operations	0.30	0.32	0.60	0.63
Non-GAAP diluted net loss per share from discontinued operations	(0.05)	(0.04)	(0.10)	(0.08)
Non-GAAP diluted net earnings per share	0.25	0.28	0.50	0.55
Weighted average number of shares used to compute non-GAAP diluted net earnings per share	43,687,694	44,510,896	44,089,154	44,364,057

Radware Ltd.

Condensed Consolidated Statements of Cash Flow

(U.S. Dollars in thousands)

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash flow from operating activities:				
Net income	1,713	4,222	5,257	8,566
Loss from discontinued operations activities	2,168	2,170	4,745	4,424
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	2,910	2,594	5,504	5,476
Share-based compensation	7,332	5,460	12,840	11,139
Amortization of premium, accretion of discounts and accrued interest on marketable securities, net	112	(93)	137	(254)
Decrease in accrued interest on bank deposits	(610)	(2,839)	(1,078)	(4,440)
Increase (decrease) in accrued severance pay, net	(193)	15	(480)	76
Decrease (increase) in trade receivables, net	(7,545)	2,133	(4,876)	(6,053)
Increase in other receivables and prepaid expenses and other long-term assets	(4,176)	(928)	(7,252)	(1,088)
Decrease (increase) in inventories	(525)	199	(435)	718
Increase (decrease) in trade payables	1,658	438	926	(1,402)
Increase (decrease) in deferred revenues	16,270	(1,261)	30,880	16,471
Increase (decrease) in other payables and accrued expenses	(6,583)	2,281	(13,702)	5,562
Operating lease liabilities, net	511	1,228	502	1,000
Net cash provided by operating activities - continuing operations	13,042	15,619	32,968	40,195
Net cash used in operating activities - discontinued operations	(1,904)	(1,127)	(4,190)	(3,261)
Net cash provided by operating activities	11,138	14,492	28,778	36,934
Cash flows from investing activities:				
Purchase of property and equipment	(2,025)	(2,659)	(4,678)	(3,770)
Proceeds from (investment in) other long-term assets, net	(32)	(19)	(16)	90
Proceeds from (investment in) bank deposits, net	(12,279)	(17,401)	12,621	(44,513)
Investment in, redemption of and purchase of marketable securities ,net	(147)	(5,239)	(945)	10,955
Acquisition of subsidiary, net of cash acquired	-	-	(5,938)	-
Proceeds from other deposits	-	-	-	5,000
Net cash provided by (used in) investing activities - continuing operations	(14,483)	(25,318)	1,044	(32,238)
Net cash provided by investing activities - discontinued operations	299	3,599	3,300	3,598
Net cash provided by (used in) investing activities	(14,184)	(21,719)	4,344	(28,640)
Cash flows from financing activities:				
Proceeds from exercise of share options	1	-	4	1
Payment of contingent consideration related to acquisition	(3,405)	(3,167)	(3,405)	(3,167)
Repurchase of shares	(18,767)	-	(48,159)	-
Net cash used in financing activities - continuing operations	(22,171)	(3,167)	(51,560)	(3,166)
Net cash used in financing activities - discontinued operations	-	(3)	-	-
Net cash used in financing activities	(22,171)	(3,170)	(51,560)	(3,166)
Increase (decrease) in cash and cash equivalents	(25,217)	(10,397)	(18,438)	5,128
Cash and cash equivalents at the beginning of the period	111,857	114,239	105,078	98,714
Cash and cash equivalents at the end of the period	86,640	103,842	86,640	103,842
Less cash and cash equivalents of discontinued operations	(1,440)	(3,210)	(1,440)	(3,210)
Cash and cash equivalents at the end of the period - continuing operations	85,200	100,632	85,200	100,632

Radware Ltd.

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

(U.S Dollars in thousands)

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
GAAP net income for continuing operations	3,881	6,392	10,002	12,990
Exclude: Financial income, net	(3,543)	(3,517)	(7,315)	(8,179)
Exclude: Depreciation and amortization expense	2,910	2,594	5,504	5,476
Exclude: Taxes on income	2,131	2,237	4,300	4,337
EBITDA	**5,379**	**7,706**	**12,491**	**14,624**
Share-based compensation	7,332	5,460	12,840	11,140
Acquisition costs	100	138	389	291
Adjusted EBITDA for continuing operations	**12,811**	**13,304**	**25,720**	**26,055**

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Amortization of intangible assets	987	732	1,719	1,465
Depreciation	1,923	1,862	3,785	4,011
	2,910	**2,594**	**5,504**	**5,476**