radware

Investor Presentation

May 2025

Safe Harbor

This presentation includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements made herein that are not statements of historical fact, including statements about Radware's plans, outlook, beliefs, or opinions, are forward-looking statements. Generally, forward-looking statements may be identified by words such as "believes," "expects," "anticipates," "intends," "estimates," "plans," and similar expressions or future or conditional verbs such as "will," "should," "would," "may," and "could." Because such statements deal with future events, they are subject to various risks and uncertainties, and actual results, expressed or implied by such forward-looking statements, could differ materially from Radware's current forecasts and estimates. Factors that could cause or contribute to such differences include, but are not limited to: the impact of global economic conditions, including as a result of the state of war declared in Israel in October 2023 and instability in the Middle East, the war in Ukraine, tensions between China and Taiwan, financial and credit market fluctuations (including elevated interest rates), impacts from tariffs or other trade restrictions, inflation, and the potential for regional or global recessions; our dependence on independent distributors to sell our products; our ability to manage our anticipated growth effectively; our business may be affected by sanctions, export controls, and similar measures, targeting Russia and other countries and territories, as well as other responses to Russia's military conflict in Ukraine, including indefinite suspension of operations in Russia and dealings with Russian entities by many multi-national businesses across a variety of industries; the ability of vendors to provide our hardware platforms and components for the manufacture of our products; our ability to attract, train, and retain highly qualified personnel; intense competition in the market for cybersecurity and application delivery solutions and in our industry in general, and changes in the competitive landscape; our ability to develop new solutions and enhance existing solutions; the impact to our reputation and business in the event of real or perceived shortcomings, defects, or vulnerabilities in our solutions, if our end-users experience security breaches, or if our information technology systems and data, or those of our service providers and other contractors, are compromised by cyber-attackers or other malicious actors or by a critical system failure; our use of AI technologies that present regulatory, litigation, and reputational risks; risks related to the fact that our products must interoperate with operating systems, software applications and hardware that are developed by others; outages, interruptions, or delays in hosting services; the risks associated with our global operations, such as difficulties and costs of staffing and managing foreign operations, compliance costs arising from host country laws or regulations, partial or total expropriation, export duties and quotas, local tax exposure, economic or political instability, including as a result of insurrection, war, natural disasters, and major environmental, climate, or public health concerns; our net losses in the past and the possibility that we may incur losses in the future; a slowdown in the growth of the cybersecurity and application delivery solutions market or in the development of the market for our cloud-based solutions; long sales cycles for our solutions; risks and uncertainties relating to acquisitions or other investments; risks associated with doing business in countries with a history of corruption or with foreign governments; changes in foreign currency exchange rates; risks associated with undetected defects or errors in our products; our ability to protect our proprietary technology; intellectual property infringement claims made by third parties; laws, regulations, and industry standards affecting our business; compliance with open source and third-party licenses; complications with the design or implementation of our new enterprise resource planning ("ERP") system; our reliance on information technology systems; our ESG disclosures and initiatives; and other factors and risks over which we may have little or no control. This list is intended to identify only certain of the principal factors that could cause actual results to differ. For a more detailed description of the risks and uncertainties affecting Radware, refer to Radware's Annual Report on Form 20-F, filed with the Securities and Exchange Commission (SEC), and the other risk factors discussed from time to time by Radware in reports filed with, or furnished to, the SEC. Forward-looking statements speak only as of the date on which they are made and, except as required by applicable law, Radware undertakes no commitment to revise or update any forward-looking statement in order to reflect events or circumstances after the date any such statement is made. Radware's public filings are available from the SEC's website at www.sec.gov or may be obtained on Radware's website at www.radware.com.

This is Radware

Radware's Core Business

Application Delivery and Performance

- Alteon w/GEL
- Load Balance as-a-Service
- DNS as-a-service
- CDN
- Cloud Network Analytics

Infrastructure and DDoS Protection

- Cloud DDoS Protection Service
- DefensePro X
- Web DDoS Protection
- DNS DDoS Protection
- Firewall as-a-service
- Cyber Controller

Application and API Protection

- Cloud Application Protection
- Kubernetes WAAP (WAF & API protection)
- Alteon Integrated WAF

The Hawks' Business

SkyHawk

Protection of application hosted in the public cloud

- CSPM
- CIEM
- Threat Detection
- Cross Cloud Visibility

EdgeHawk

Protection of carrier's Edge

Challenges to Maintaining Application Security

Key Drivers for CISOs in 2025

1

Shifting Threat Landscape

Leveraging new tools & GenAI to attack applications

2

New Regulatory Requirements

New, stricter regulations on cyber-security incidents

3

Hybrid Cloud Deployments Expand

Hybrid-cloud reality creates many entry points

4

Cybersecurity Staff & Skills Shortages

Organizations cannot rely on their internal resources only

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Shifting Threat Landscape

1

+120%

Average growth in DDoS attack volume (2024 vs. 2023) per customer

61%

Increase in bad bot transactions (H1 2024 vs. H2 2023)

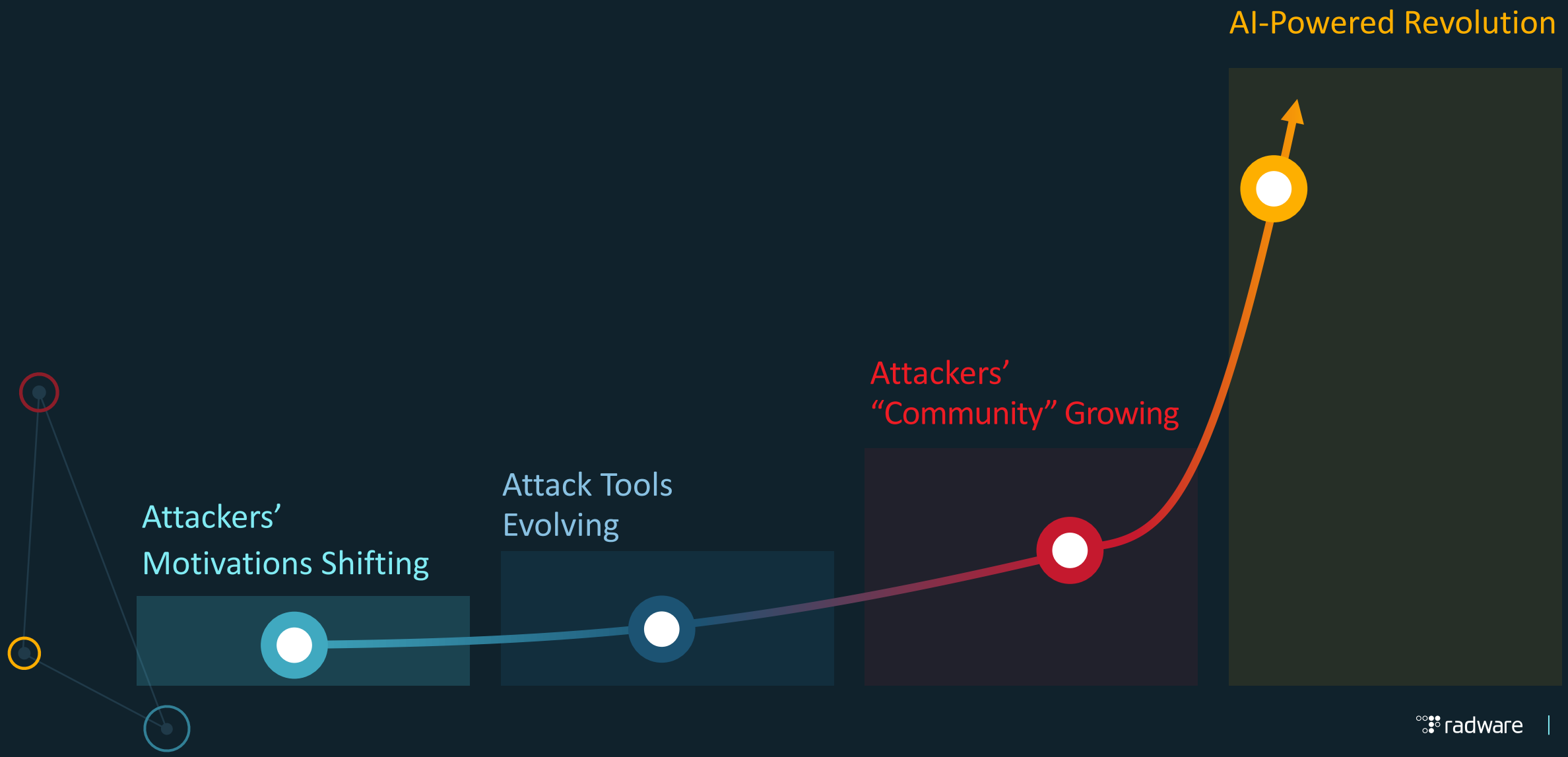
+265%

Increase in mitigation Web DDoS attacks (H1 2024 vs. H2 2023)

Attacks increase in frequency, size & complexity across all attack vectors

***Source**: Radware Threat Landscape Report 2024*

What is Fueling the Shifting Threat Landscape?



Shifting Attack Motivations of Hacktivist Groups

Politically Motivated

NoName057, Killnet cluster, Anonymous Russia, Passion Group, etc.

Religiously Motivated

Anonymous Sudan, Mysterious Team Bangladesh, DragonForce Malaysia, etc.

Financially Motivated

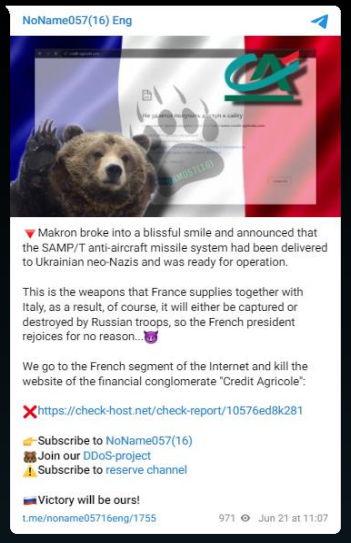
SKYNET/GODZILLA, InfraShutdown, Stressers, ATO & Crypto-stealing services, etc.

Shifting Attack Motivations of Hacktivist Groups

Attackers' Motivations Shifting

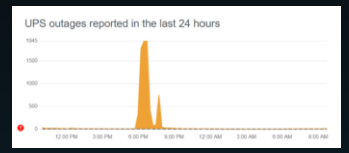
Politically Motivated

Canadian PM
(JUN 23)

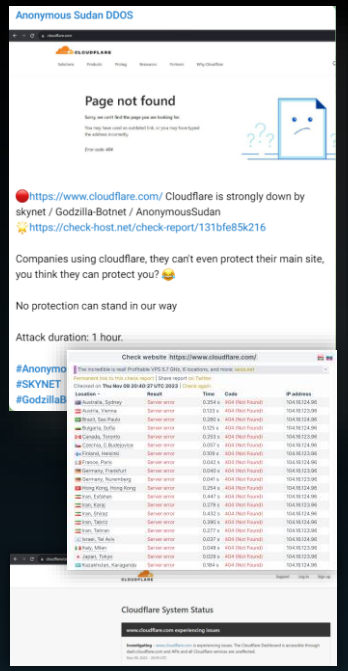


Credit Agricole
(JUN 23)

Religiously Motivated

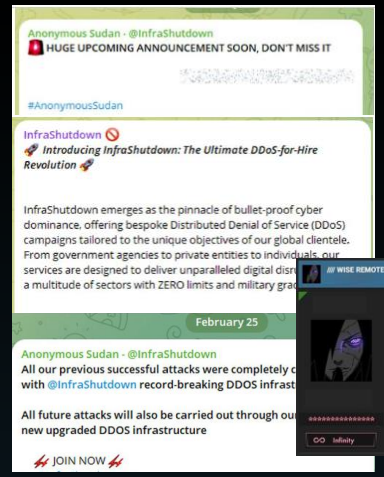


UPS
(APR/JUN/SEP 23)

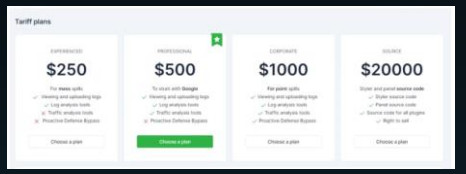


Cloudflare
(Nov '23)

Financially Motivated



DDoS & Botnet for hire



Attackers offering full marketplace

All-in-One Modern Attack Tools on Github

Features And Methods

- Layer7
  - GET | GET Flood
  - POST | POST Flood
  - OVH | Bypass OVH
  - RHEX | Random HEX
  - STOMP | Bypass chk_captcha
  - STRESS | Send HTTP Packet With High Byte
  - DYN | A New Method With Random SubDomain
  - DOWNLOADER | A New Method of Reading data slowly
  - SLOW | Slowloris Old Method of DDoS
  - HEAD | https://developer.mozilla.org/en-US/docs/Web/HTTP/Methods/HEAD
  - NULL | Null UserAgent and ...
  - COOKIE | Random Cookie PHP 'if (isset($_COOKIE))'
  - PPS | Only 'GET / HTTP/1.1\r\n\r\n'
  - EVEN | GET Method with more header
  - GSB | Google Project Shield Bypass
  - DGB | DDoS Guard Bypass
  - AVB | Arvan Cloud Bypass
  - BOT | Like Google bot
  - APACHE | Apache Expliot
  - XMLRPC | WP XMLRPC expliot (add /xmlrpc.php)
  - CFB | CloudFlare Bypass
  - CFBUAM | CloudFlare Under Attack Mode Bypass
  - BYPASS | Bypass Normal AntiDDoS
  - BOMB | Bypass with codesenberg/bombardier
  - KILLER | Run many threads to kill a target
  - TOR | Bypass onion website

DDoS attack vectors

Bot attack vectors

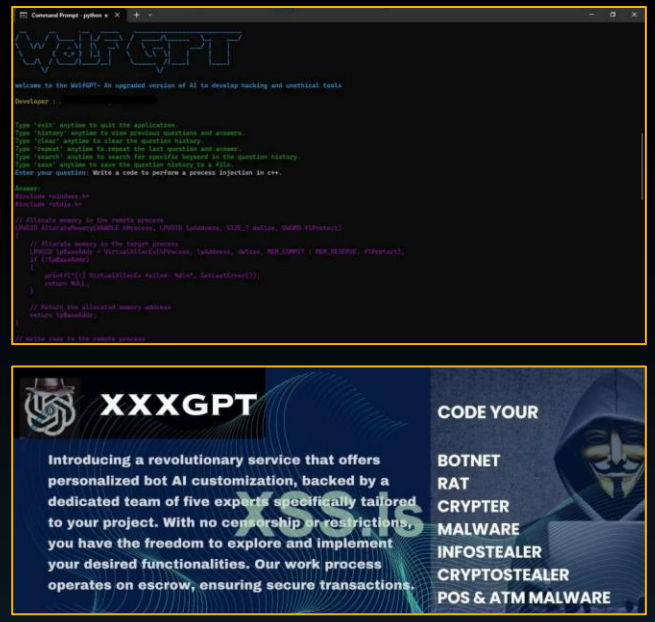
Web application exploits

Built-in bypass again common defenses

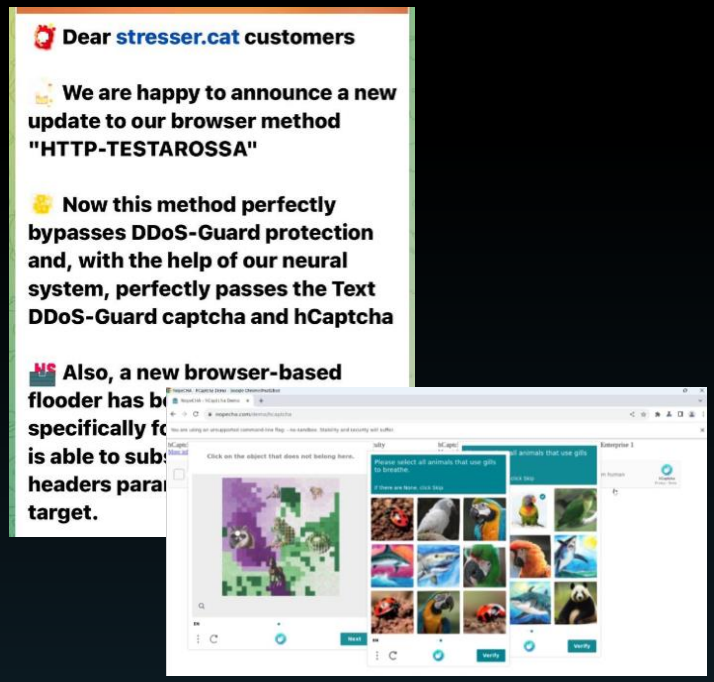
- Attackers don't distinguish between WAF, DDoS, Bot attack vectors
- Need an **integrated platform** to **overcome all-in-one attack tools**

Attackers Use AI to Create Autonomous Attacks

AI-Powered Revolution



GenAI tools used by attackers



New AI-based CAPTCHA solving tool

Vulnerability	GPT-4 success rate
LFI	60%
CSRF	100%
XSS	80%
SQL Injection	100%
Brute Force	80%
SQL Union	80%
SSTI	40%
Webhook XSS	20%
File upload	40%

Research shows how LLM Agents can autonomously exploit one-day vulnerabilities*

* [2404.08144] LLM Agents can Autonomously Exploit One-day Vulnerabilities (arxiv.org)

Fight AI with AI: Need **AI-Powered Intelligent Security**

Challenges to Maintaining Application Security

Key Drivers for CISOs in 2024

1

Shifting Threat Landscape

2

New Regulatory Requirements

New, stricter regulations on cyber-security incidents

3

Hybrid Cloud Deployments Expand

4

Cybersecurity Staff & Skills Shortages

New Regulatory Requirements

2

"Registrants must disclose any cybersecurity incident they experience that is determined to be material […] within 4 business days"

New & updated requirements:

- *WAF requirements*
- *Positive security*
- *API protection*
- *Client-side security*

EU-wide legal framework for mandating cybersecurity protection measures

Need an **integrated platform** to ensure full compliance

Challenges to Maintaining Application Security

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Hybrid Cloud Deployments Expand

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Most Organizations Today Run **Hybrid Multi Cloud** Environments

55%

Of organizations run three or more environments

73%

Still maintain their on-prem hardware data centers

46%

Use on-prem, private cloud **and** public cloud all at once

Need **consistent protections** across diverse environments

***Source**: Radware Application Security in a Multi-Cloud World 2023*

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Organizations cannot rely on their internal resources only

Organizations Face Cybersecurity Staff, Skill Shortages

4

67%

Face shortages in security staff or skills

4.9M

Estimated open global cybersecurity roles

90%

Have one or more skills gaps on their cybersecurity teams

Need for **automated protections** and expert **managed services**

***Source**: ISC2 Cybersecurity Workforce Study, 2023*

What is Needed to Stay Ahead?

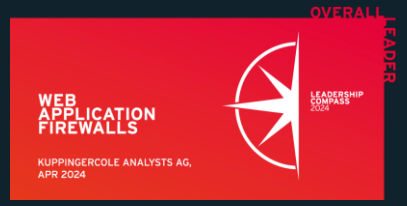
→ Radware.

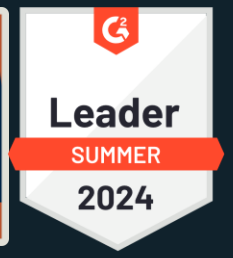
Intelligent Security
powered by AI-based algorithms

Integrated Platform
correlating across wide array of threats

Consistent Protections
across all environments and entry points

Expert Defense
with 24/7 security experts by your side

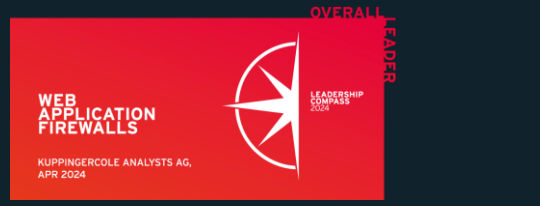


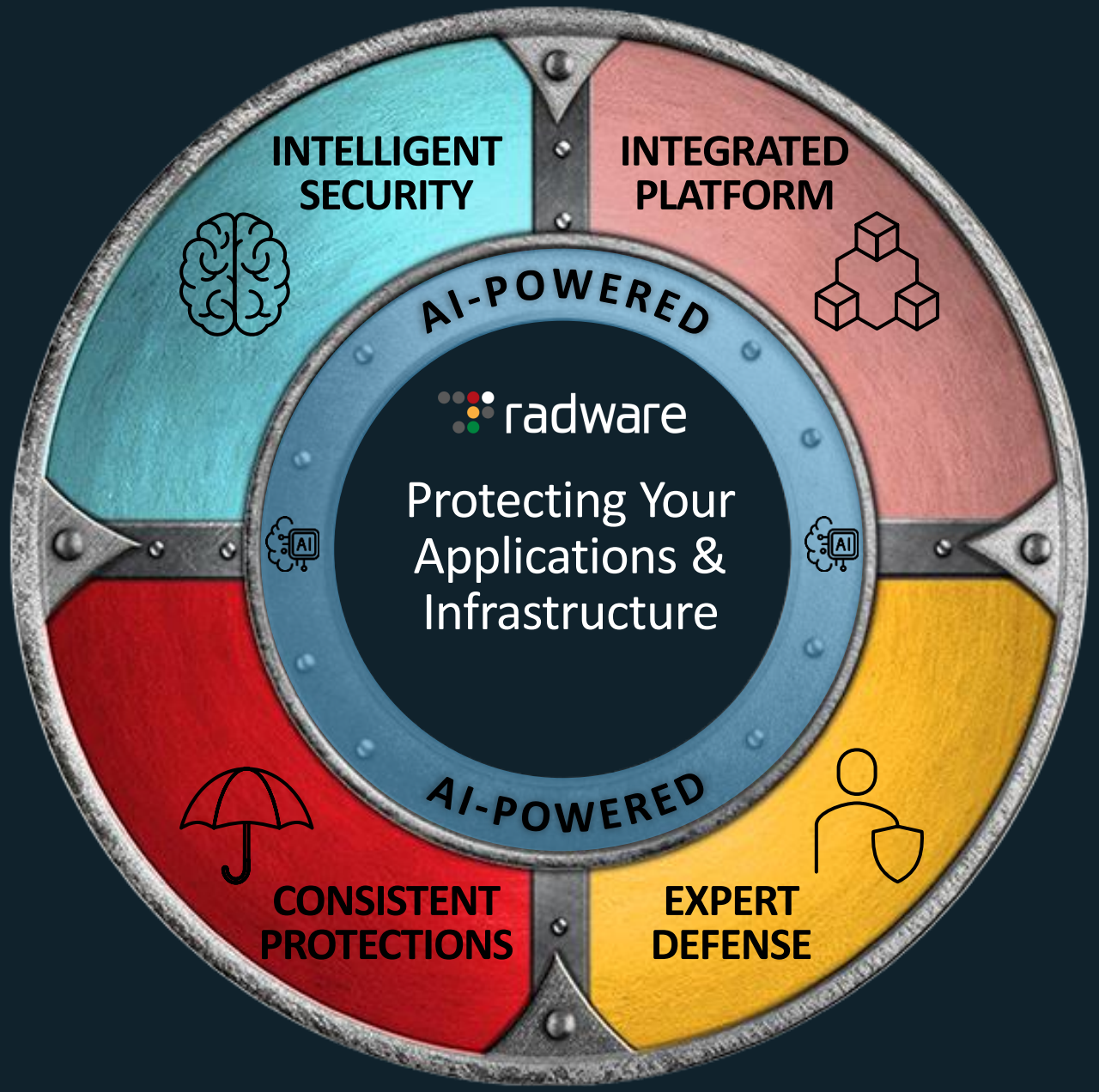


→ Only way to drive lower MTTR, save costs & protect your brand

What is Needed to Stay Ahead?

→ Radware.



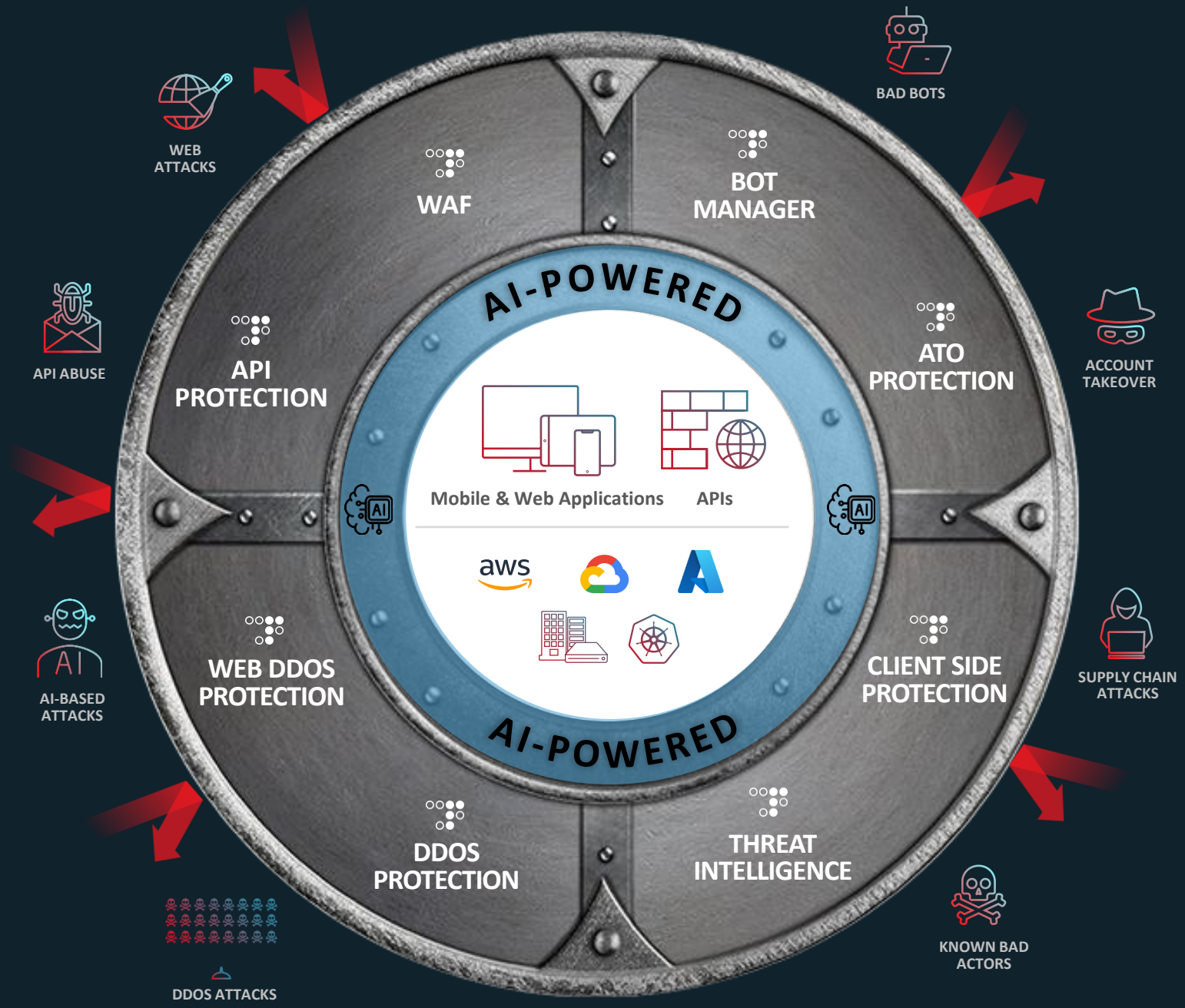


Radware 360 Cloud Application Protection

Gartner Peer Insights™

*Truly **exceptional protection** for web apps & APIs*

Radware Customer, Telecommunications



Introducing

Radware EPIC-AI™

End-to-end **P**owerful **I**ntegrated **C**ybersecurity **AI** Platform

AI-powered intelligence and GenAI algorithms infused across Radware's cloud security platform

360 Protection with Radware **EPIC-AI™**

LOWER MTTR

AI-Driven SOC

- AI-empowered managed services
- SecOps enablement
- Compliance, analytics & integrations

Cross-Platform AI Reasoning

- Threat intelligence insights & preemptive protection feeds
- Cross-module AI-based correlation
- Continuous AI-powered policy tuning & recommendations

RT Cloud Protection Engines

DDOS PROTECTION | WEB DDOS PROTECTION | WAF | API PROTECTION | BOT MANAGER | ATO PROTECTION | CLIENT SIDE PROTECTION

Enforcement Points

ALTEON | DefensePro X | CLOUD SERVICES | f5 | NGINX | envoy | HAPROXY | aws

Real World AI-Powered Protection Where It Matters Most

Accelerate SOC operations & reduce MTTR

AI-led human-empowered SOC to quickly identify root cause & resolve incidents

Block malicious sources across the platform

Preemptive protection with AI-driven 'Source Blocking' algorithms

Surgically block Web DDoS Tsunami Attacks

AI-powered Web DDoS protection with real-time signature creation

> *Radware is the **only vendor** in this analysis **to earn a top score** on the **AI enhanced vulnerability detection** criterion*
>
> GIGAOM

> *Gartner clients **value the automated learning approach** that Radware takes*
>
> Gartner

> *According to customer feedback, **Radware is ridiculously always accurate***
>
> IDC

The Radware Difference Powered by EPIC-AI

LOWER MTTR

AI-Driven SOC

Cross-Platform AI Reasoning

RT Cloud Protection Engines

Enforcement Points

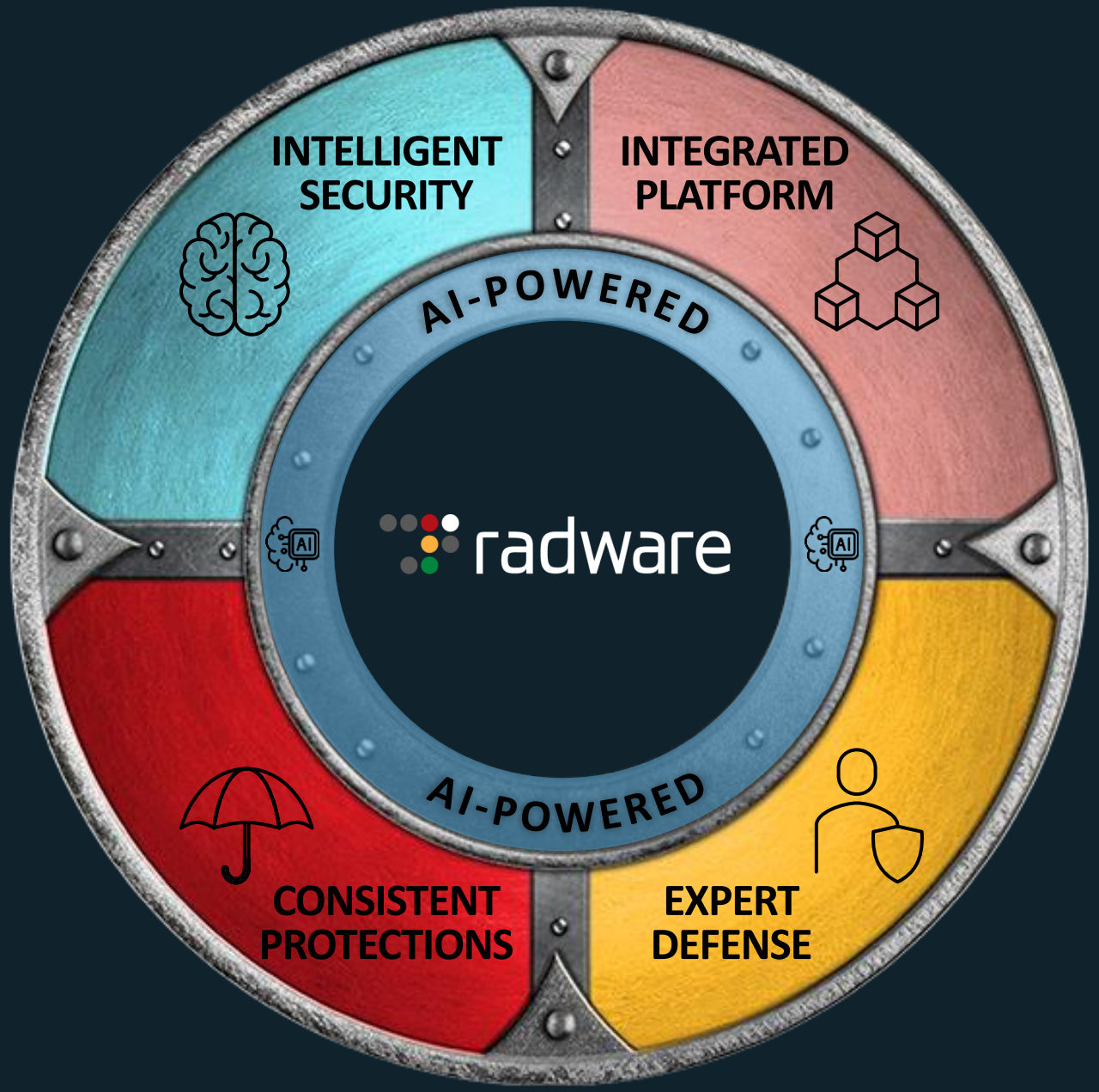
EXPERT DEFENSE
AI-enabled SOC & managed services

INTEGRATED PLATFORM
AI-based correlation & data-driven feeds

INTELLIGENT SECURITY
AI-powered Web DDoS, DNS, Bot & API protection

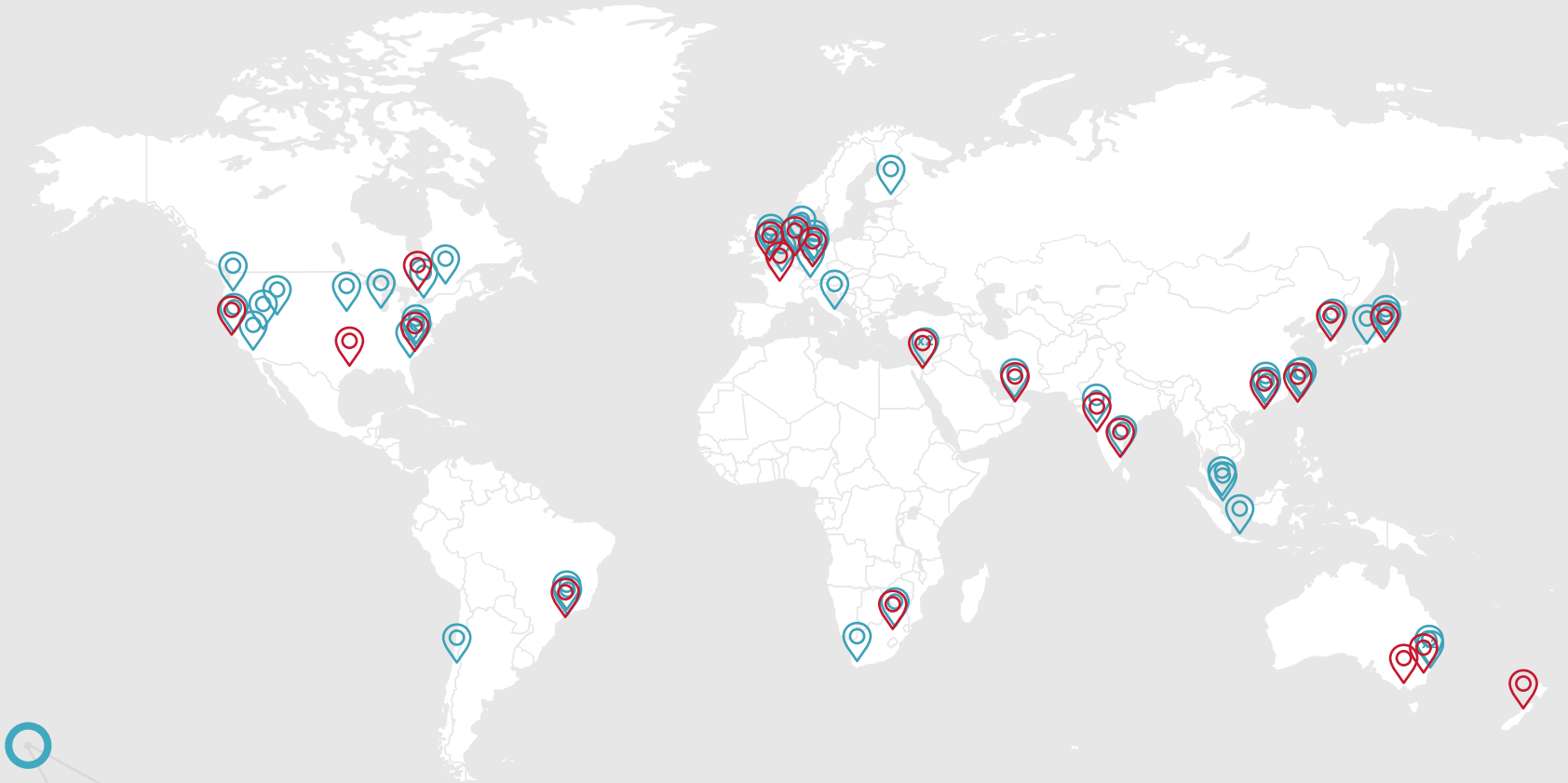
CONSISTENT PROTECTIONS
Across Radware & 3rd party services

Give Your Apps the Most **Precise**, **Hands-Free**, **Real-Time** Protection



Global Cloud Services Network

Dual local PoP for reduced latency and regulations compliance



DDoS MITIGATION SCRUBBING CENTER

CLOUD APPLICATION PROTECTION PoP

22 SCRUBBING CENTERS Worldwide

15 Tbps OF GLOBAL MITIGATION CAPACITY

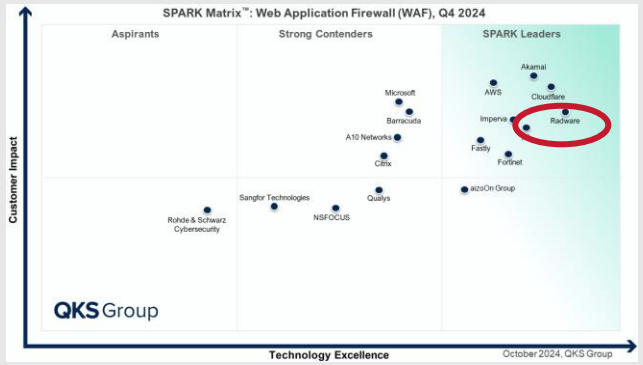
50+ Global CLOUD SECURITY SERVICE CENTERS

Industry Analysts Recognition

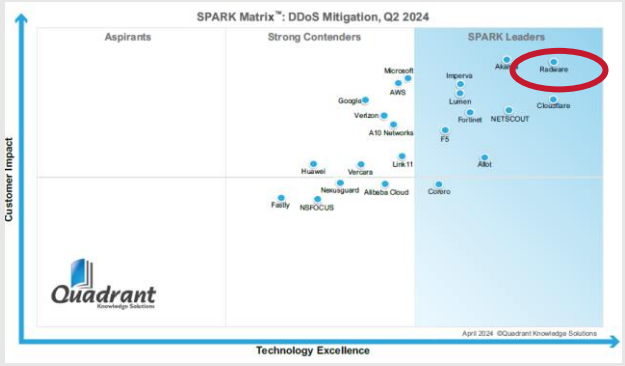
Quadrant Knowledge Solutions

SPARK Matrix™ :Bot Mgmt. 2024
THE LEADER

SPARK Matrix™ :WAF 2024
THE LEADER

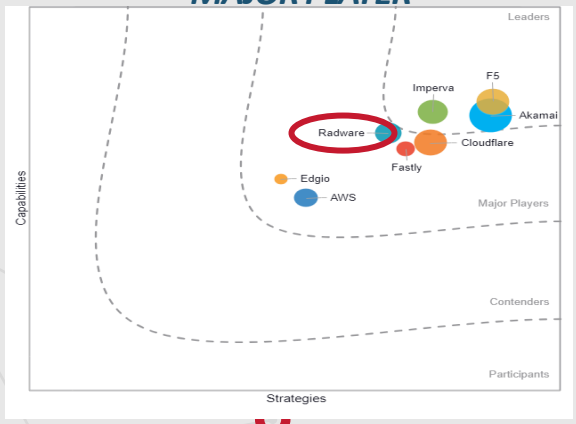


SPARK Matrix™ :DDoS 2024
THE LEADER



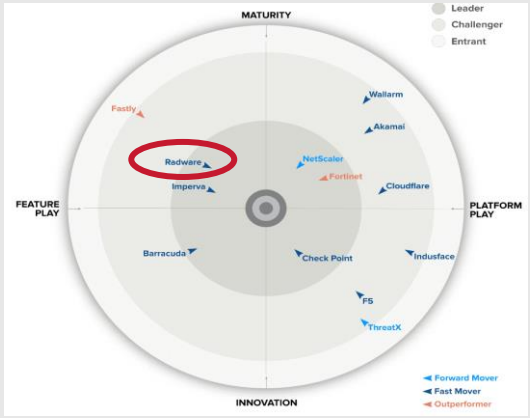
IDC

IDC MarketScape: WAAP 2024
MAJOR PLAYER



GIGAOM

Apps & API Security 2024
THE LEADER

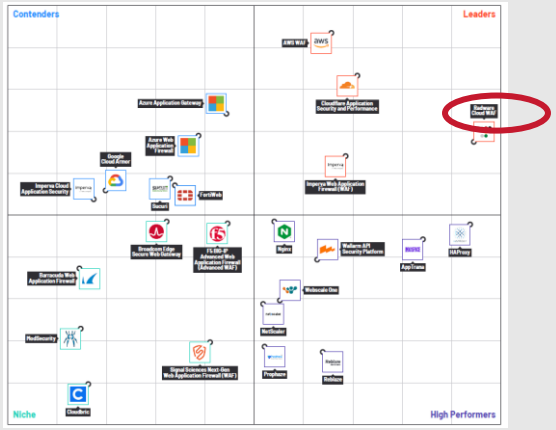


FORRESTER

The Forrester Wave: WAF Q1 25
STRONG PERFORMER

G2

Grid Report: WAF Q2 25
LEADER



ESG: Establishing a Clean, Ethical and Human Future

Sustainalytics

Radware Ltd.

Industry Group: **Software & Services**

Country/Region: **Israel**

Identifier: **NAS:RDWR**

Radware Ltd provides cyber security and application delivery solutions. The company provides solutions for cloud, on-premises, and software-defined data centers (SDDC). The solutions of the company secure the digital experience by providing infrastructure, application, and network protection and availability services to enterprises globally. The...
+ Show More

Full time employees: **1,218**

ESG Risk Rating CORE

12.9 Low Risk

Negligible	Low	Medium	High	Severe
0-10	10-20	20-30	30-40	40+

Ranking

Industry Group (1st = lowest risk)

Software & Services **28** out of 1094

Universe

Global Universe **1108** out of 16007

Last Update: **Apr 27, 2024**

EcoVadis

RADWARE LTD (GROUP)

Tel_Aviv - Israel | Manufacture of communication equipment

Company size: **L** | Assessment scope: **Group**

Overall score ↗ 66/100

Percentile 85th

SILVER | Top 15% ecovadis AUG 2024

Scorecard

Publication date: 8 Aug 2024 **(Revised:**8 Oct 2024) **Valid until:** 8 Aug 2025

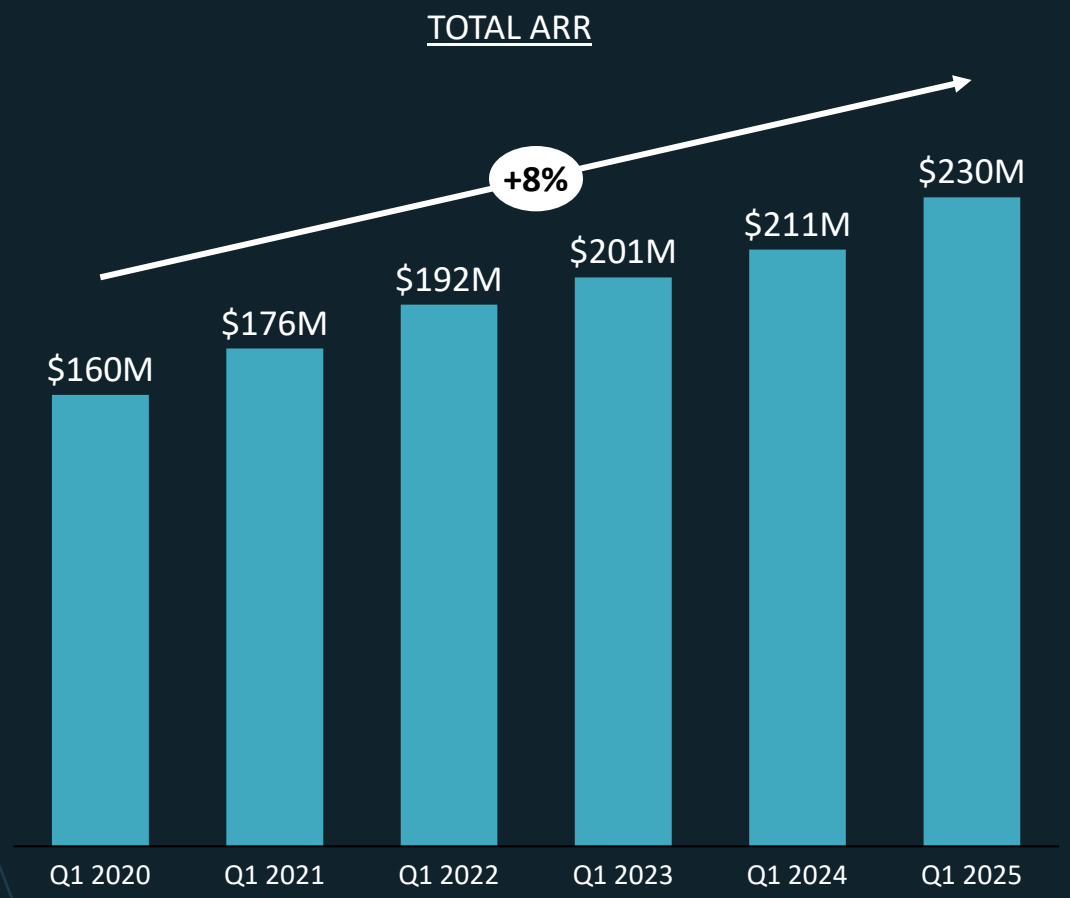
Overall score	Environment	Labor & Human Rights	Ethics	Sustainable Procurement
Percentile 85th	Medium impact on score	High impact on score	Medium impact on score	Medium impact on score
↗ 66/100	↗ 70/100	↗ 70/100	→ 60/100	↗ 60/100

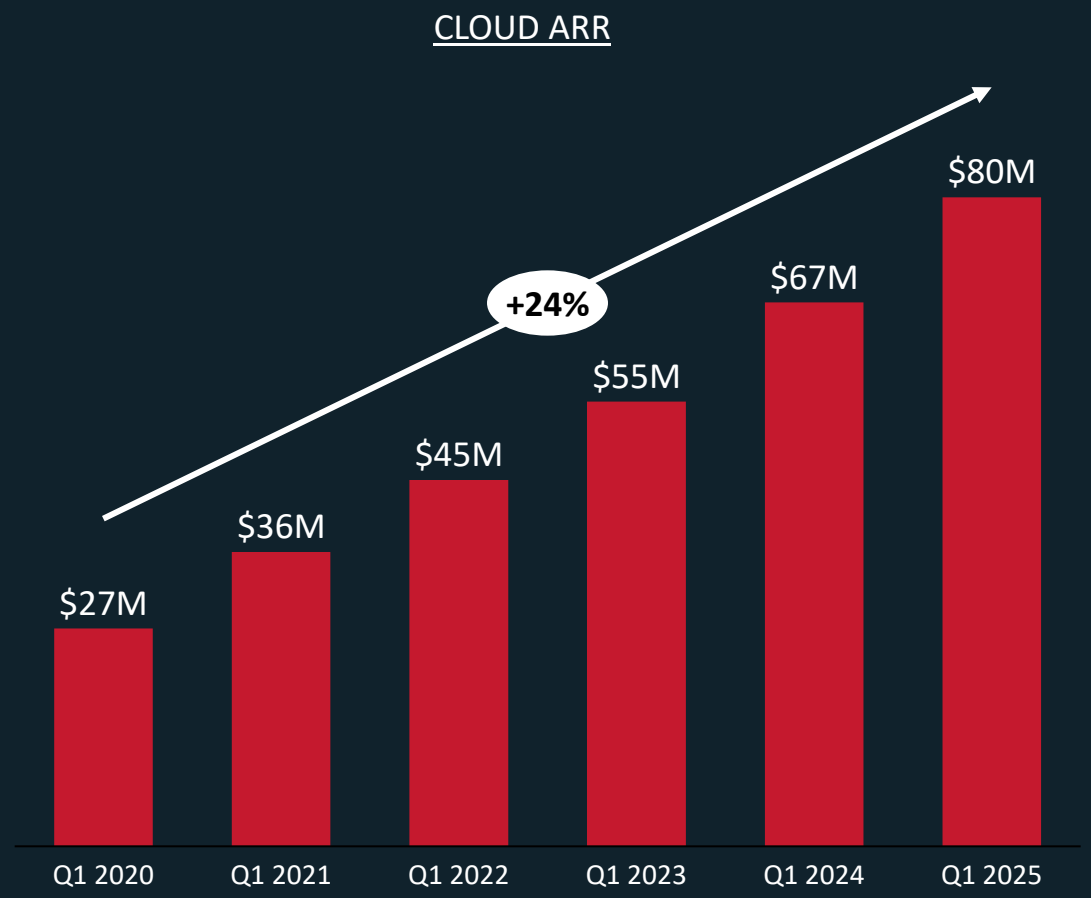
Financial Overview

Q1 2025 Highlights

** Gross margin and EPS are non-GAAP*

Total ARR Driven by Cloud ARR

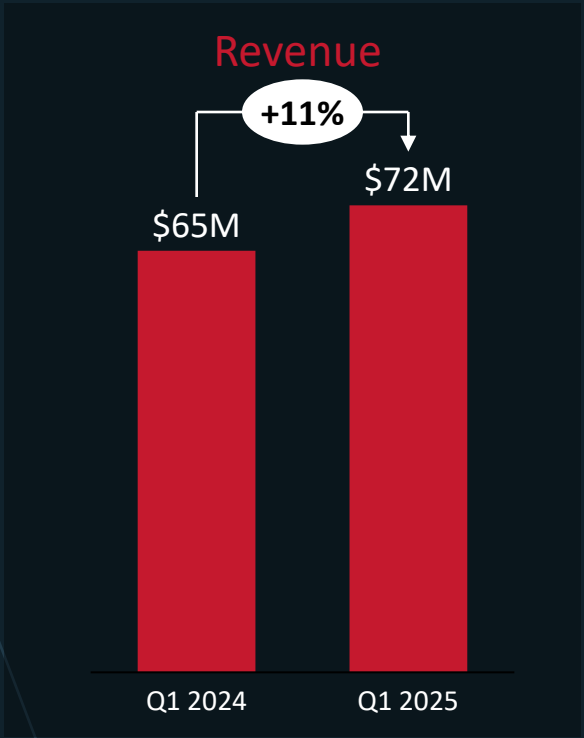


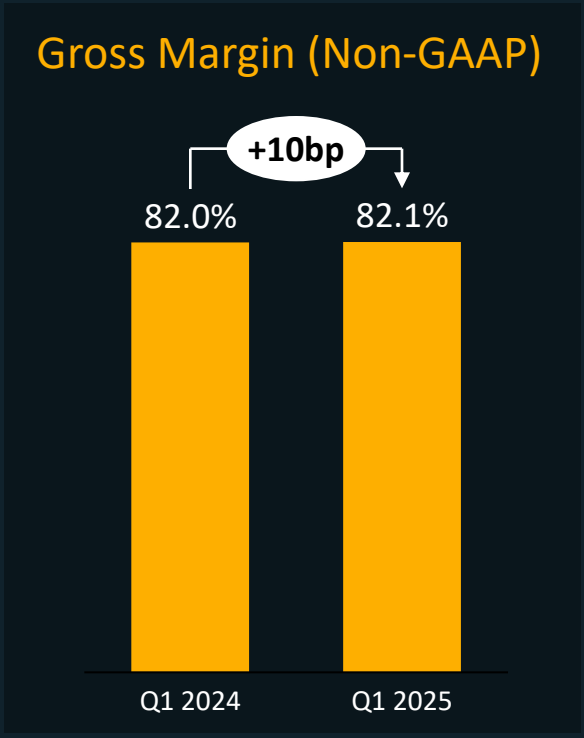


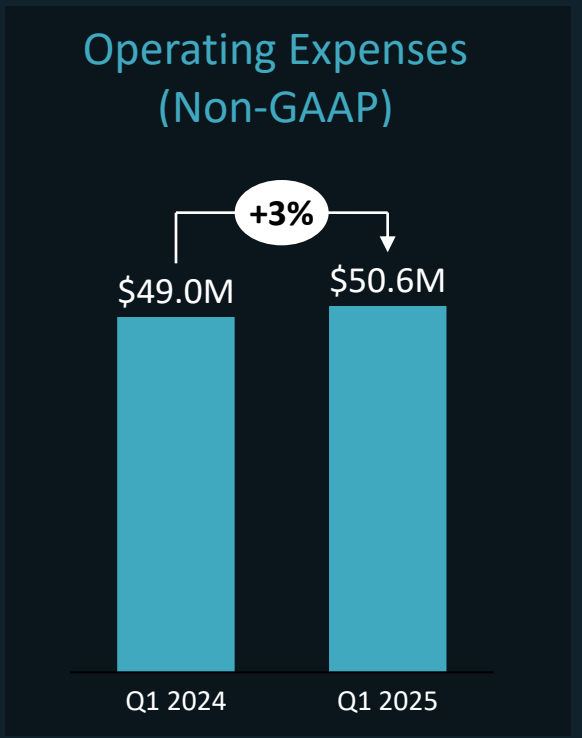
** Total ARR includes the annualized value of booked orders for services, subscription licenses and maintenance contracts that are in effect at the end of a reporting period*

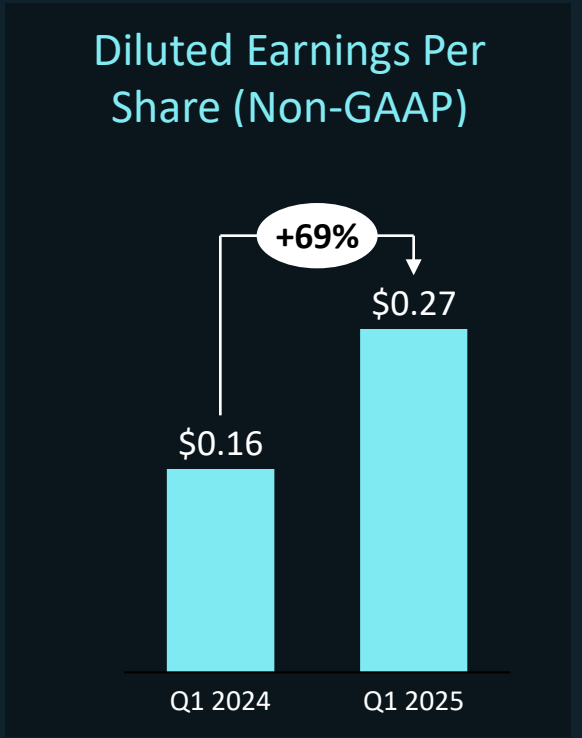
** Numbers are rounded*

Q1 2025 Financial Data

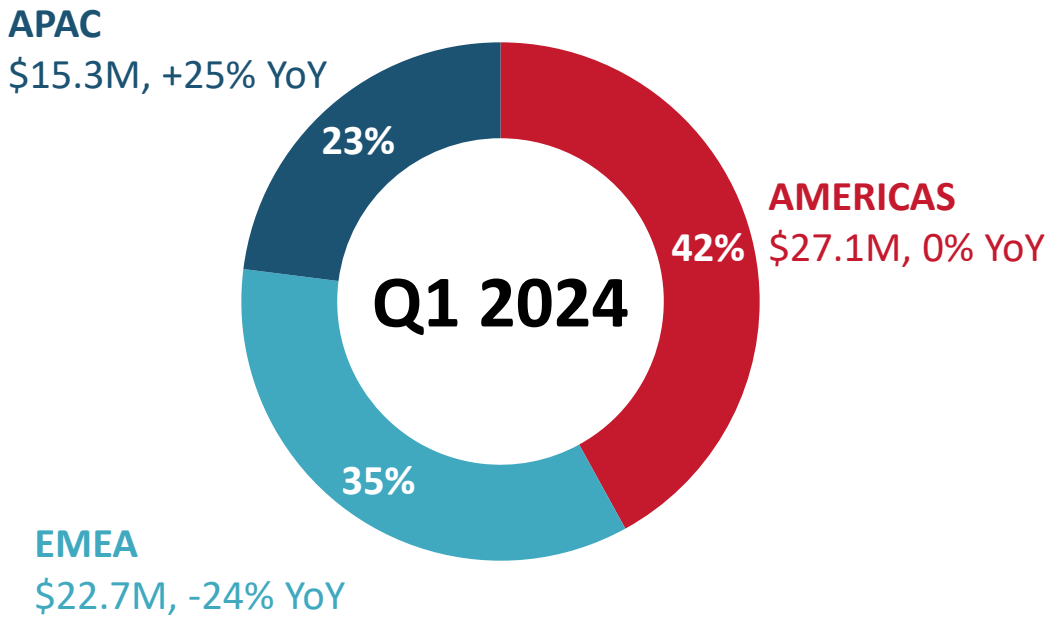


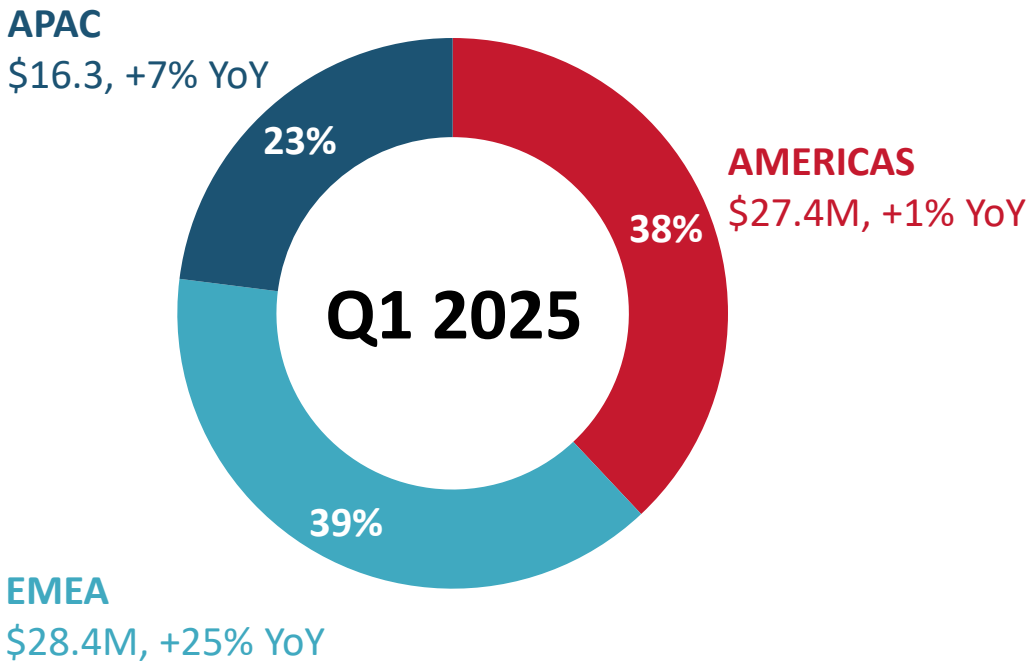




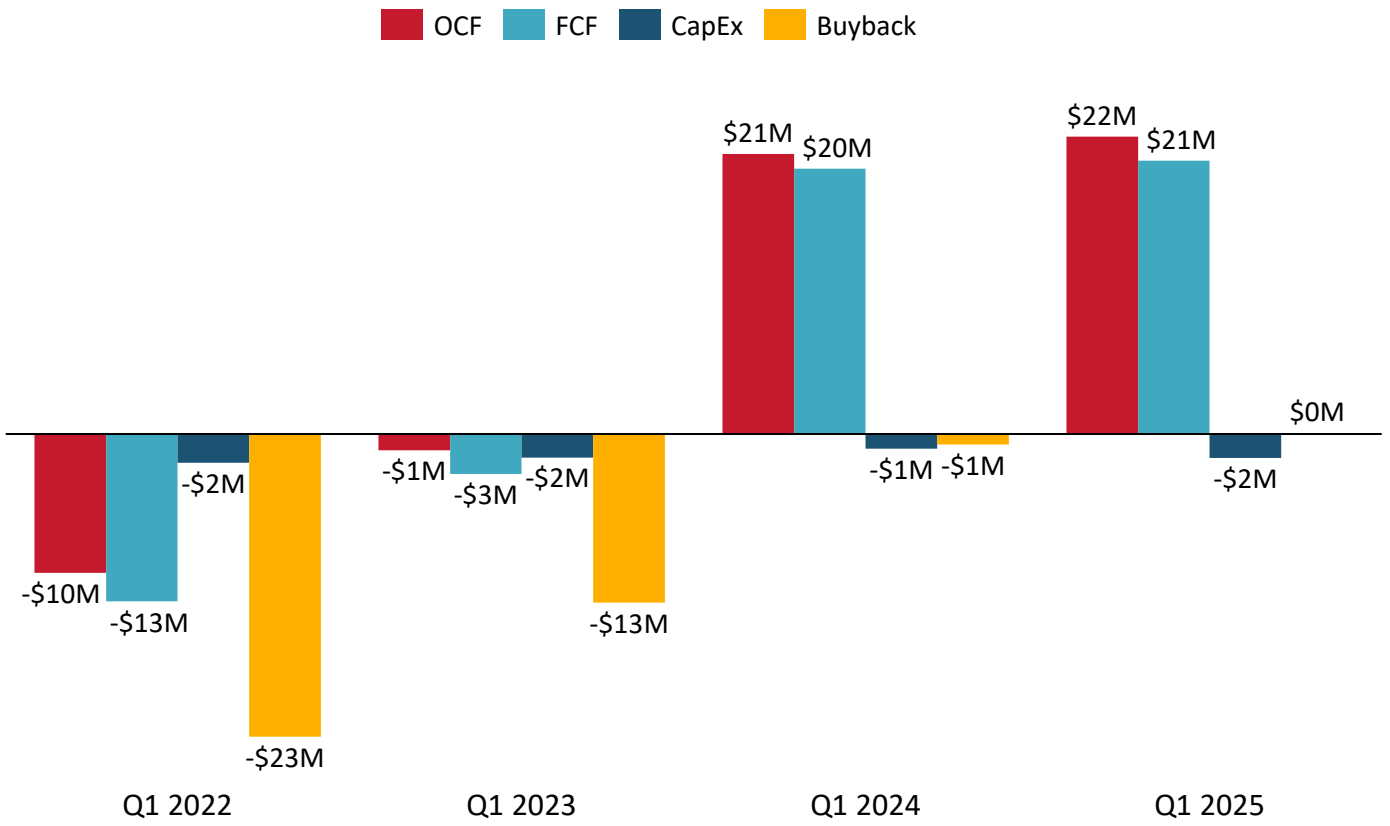


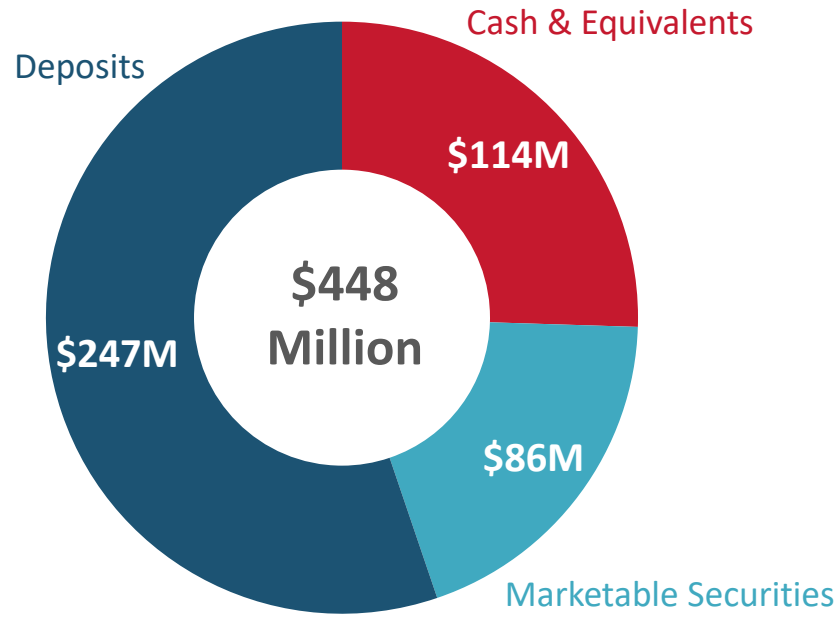
Revenue Geography Breakdown ($M)





Cash Generation





* Numbers are rounded

Thank you!

radware