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

	June 30, 2023 (Unaudited)	December 31, 2022 (Unaudited)
Assets	(Onauditeu)	(Offaddited)
Current assets		
Cash and cash equivalents	42,644	46,185
Available-for-sale marketable securities	77,222	44,180
Short-term bank deposits	222,769	207,679
Trade receivables, net	16,820	17,752
Other receivables and prepaid expenses	9,815	7,196
Inventories	12,323	11,428
	381,593	334,420
Long town investments		
Long-term investments	FO 27F	00.440
Available-for-sale marketable securities	59,375 0	90,148
Long-term bank deposits Severance pay funds	2,092	43,765 2,146
Severance pay runus	61,467	136,059
Property and equipment, net	20,224	21,068
Intangible assets, net	17,702	19,686
Other long-term assets	41,168	41,269
Operating lease right-of-use assets	20,776	23,078
Goodwill	68,008	68,008
Total assets	610,938	643,588
Liabilities and shareholders' equity		
Current Liabilities		
Trade payables	7,847	6,464
Deferred revenues	111,309	108,243
Operating lease liabilities	4,633	4,685
Other payables and accrued expenses	36,391	44,643
	160,180	164,035
Long-term liabilities		
Deferred revenues	70,369	72,219
Operating lease liabilities	17,210	19,461
Other long-term liabilities	18,809	19,430
	106,388	111,110
Chaushaldaud aguitu		
Shareholders' equity Share capital	733	722
Additional paid-in capital	733 514,743	732 498,168
Accumulated other comprehensive loss, net of tax	(4,680)	498,168 (4,844)
Treasury stock, at cost	(336,953)	(303,299)
Retained earnings	132,513	141,402
Total Radware Ltd. shareholder's equity	306,356	332,159
	·	
Non-controlling interest	38,014	36,284
Total shareholders' equity	244 270	260 442
Total shareholders' equity	344,370	368,443
Total liabilities and shareholders' equity	610,938	643,588

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

(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,	
	2023	2022	2023	2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues	65,607	75,114	134,648	148,822
Cost of revenues	12,742	13,888	26,048	26,829
Gross profit	52,865	61,226	108,600	121,993
Operating expenses, net:				
Research and development, net	21,141	21,623	42,291	41,993
Selling and marketing	31,917	32,290	63,836	62,573
General and administrative	8,307	5,737	16,554	12,264
Total operating expenses, net	61,365	59,650	122,681	116,830
Operating income (loss)	(8,500)	1,576	(14,081)	5,163
Financial income, net	3,419	2,986	6,910	4,684
Income (loss) before taxes on income	(5,081)	4,562	(7,171)	9,847
Taxes on income	727	1,410	1,718	2,925
Net income (loss)	(5,808)	3,152	(8,889)	6,922
Basic net earnings (loss) per share	(0.13)	0.07	(0.20)	0.15
Weighted average number of shares used to compute basic net earnings (loss) per share	43,400,635	44,914,427	43,725,443	45,288,463
Diluted net earnings (loss) per share	(0.13)	0.07	(0.20)	0.15
Weighted average number of shares used to compute diluted net earnings (loss) per share	43,400,635	45,835,440	43,725,443	46,476,687

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,

	June 30,	
·	2023	2022
-	(Unaudited)	(Unaudited)
GAAP gross profit	52,865	61,226
Share-based compensation	•	•
•	113	94
Amortization of intangible assets	992	1,256
Non-GAAP gross profit	53,970	62,576
GAAP research and development, net	21,141	21,623
Share-based compensation	2,177	1,635
Non-GAAP Research and development, net	18,964	19,988
GAAP selling and marketing	31,917	32,290
Share-based compensation	3,537	3,043
Non-GAAP selling and marketing	28,380	29,247
<u> </u>		
GAAP general and administrative	8,307	5,737
Share-based compensation	3,068	876
Litigation costs	5,000	-
-	545	_
Acquisition costs		4.064
Non-GAAP general and administrative	4,694	4,861
GAAP total operating expenses, net	61,365	59,650
Share-based compensation	8,782	5,554
Litigation costs	-	-
Acquisition costs	545	
Non-GAAP total operating expenses, net	52,038	54,096
GAAP operating income (loss)	(8,500)	1,576
Share-based compensation	8,895	5,648
Amortization of intangible assets	992	1,256
	332	1,230
Litigation costs	-	-
Acquisition costs	545	
Non-GAAP operating income	1,932	8,480
GAAP financial income, net	3,419	2,986
Exchange rate differences, net on balance sheet items included in fina	(32)	(1,920)
Non-GAAP financial income, net	3,387	1,066
GAAP income before taxes on income (loss)	(5,081)	4,562
Share-based compensation	8,895	5,648
Amortization of intangible assets	992	1,256
Litigation costs	-	-
Acquisition costs	545	_
Exchange rate differences, net on balance sheet items included in final	(32)	(1,920)
Non-GAAP income before taxes on income	5,319	9,546
Non-GAAF III.come before taxes on iii.come	3,319	3,340
CAAD	727	1 110
GAAP taxes on income	727	1,410
Tax related adjustments	61	61
Non-GAAP taxes on income	788	1,471
GAAP net income (loss)	(5,808)	3,152
Share-based compensation	8,895	5,648
Amortization of intangible assets	992	1,256
Litigation costs	-	-
Acquisition costs	545	-
Exchange rate differences, net on balance sheet items included in fina	(32)	(1,920)
Tax related adjustments	(61)	(61)
Non-GAAP net income	4,531	8,075
=		
GAAP diluted net earnings (loss) per share	(0.13)	0.07
Share-based compensation	0.20	0.12
Amortization of intangible assets	0.02	0.03
	0.02	0.00
Litigation costs		
Acquisition costs	0.01	0.00
Exchange rate differences, net on balance sheet items included in fina	(0.00)	(0.04)
Tax related adjustments	(0.00)	(0.00)
Non-GAAP diluted net earnings per share	0.10	0.18
_	_	

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

Part		For the three months ended		For the six months ended	
Cash flow from operating activities: (Unaudited) (Unaudited) (Unaudited) Cash flow from operating activities: (5,808) 3,152 (8,889) 6,922 Adjustments to reconcile net income to net cash provided by operating activities: 3,113 3,229 6,191 5,717 Share-based compensation 8,895 5,648 17,892 10,064 Amortization of premium, accretion of discounts and accrued interest on marketable securities, net (11) (11) 24 (60) Increase (decrease) in accrued interest on bank deposits 229 39 (1,525) 72 Increase (decrease) in accrued interest on bank deposits 229 39 (1,525) 72 Increase (decrease) in accrued interest on bank deposits 229 39 (1,525) 72 Increase (decrease) in increase decrease) in decree devenues on trade payables, net 1,937 7,203 932 1,349 Increase (increase) in inventories (1,044) (148) (895) 177 Increase (decrease) in trade payables 3,020 (713) 1,383 3,130 Increase (decrease) in corte pay		June 30.		June 30,	
Net income (loss)		2023	2022	2023	2022
Net income (loss) Adjustments to reconcile net income to net cash provided by operating activities: Depreciation and amortization Share-based compensation 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 Loss (decrease) in accrued interest on bank deposits Lorease (decrease) in accrued interest on bank deposits Lorease (decrease) in accrued severance pay, net Loss (decrease) in the receivables and prepaid expenses and other long-term Loss (decrease) in the receivables and prepaid expenses and other long-term Loss (decrease) in the receivables and prepaid expenses and other long-term Loss (decrease) in the receivables and prepaid expenses and other long-term Loss (decrease) in the receivables and prepaid expenses and other long-term Loss (decrease) in trade payables Loss (lincase) (lincase) Loss (lincase) (lincase) (lincase) (lincase) Loss (lincase) (lincase) (lincase) (lincase) (lincase) Loss (lincase) (lincase) (lincase) (lincase) (lincase) (lincase) (lincase) (lincase) Loss (lincase)		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Adjustments to reconcile net income to net cash provided by operating activities: Depreciation and amortization 3,113 3,229 6,191 5,717 Share-based compensation 8,895 5,648 17,892 10,064 Amortization of premium, accretion of discounts and accrued interest on marketable securities, net 718 798 955 1,386 Loss (gain) related to securities, net (1) (1) 244 (60) Increase (decrease) in accrued interest on bank deposits 229 39 (1,525) 72 Increase (decrease) in accrued severance pay, net 1,937 7,203 932 1,349 Increase (decrease) in order deseverance pay, net 1,937 7,203 932 1,349 Increase (decrease) in order receivables, net 1,937 7,203 932 1,349 Increase (decrease) in order receivables and prepaid expenses and other long-term 532 (509) (2,326) (4,325) Becrease (increase) in inventories (1,044) (148) (895) 1,77 Becrease (increase) in inventories (1,044) (148) (895) 1,77 Becrease in other payables and accrued expenses 470 18,064 1,216 20,500 Becrease in other payables and accrued expenses (6,544) (3,850) (11,442) (22,182) Decrease in other payables and accrued expenses (6,544) (3,850) (11,442) (22,182) Decrease in operating lease liabilities, net (215) (1,335) (1) (1,772) Net cash provided by operating activities: (1,595) (2,333) (3,363) (4,497) Proceeds from investing activities: (1,595) (2,333) (3,363) (4,497) Proceeds from other long-term assets, net (1,595) (2,338) (3,987) (3,981) Proceeds from other long-term assets, net (1,595) (3,387) (3,987) (3,981) Proceeds from investing activities (1,594) (1,595) (1,881) (4,640) Proceeds from investing activities (1,593) (1,594) (1,881) (1,640) Proceeds from investing activities (1,593) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594	Cash flow from operating activities:				
Adjustments to reconcile net income to net cash provided by operating activities: Depreciation and amortization 3,113 3,229 6,191 5,717 Share-based compensation 8,895 5,648 17,892 10,064 Amortization of premium, accretion of discounts and accrued interest on marketable securities, net 718 798 955 1,386 Loss (gain) related to securities, net (1) (1) 244 (60) Increase (decrease) in accrued interest on bank deposits 229 39 (1,525) 72 Increase (decrease) in accrued severance pay, net 1,937 7,203 932 1,349 Increase (decrease) in order deseverance pay, net 1,937 7,203 932 1,349 Increase (decrease) in order receivables, net 1,937 7,203 932 1,349 Increase (decrease) in order receivables and prepaid expenses and other long-term 532 (509) (2,326) (4,325) Becrease (increase) in inventories (1,044) (148) (895) 1,77 Becrease (increase) in inventories (1,044) (148) (895) 1,77 Becrease in other payables and accrued expenses 470 18,064 1,216 20,500 Becrease in other payables and accrued expenses (6,544) (3,850) (11,442) (22,182) Decrease in other payables and accrued expenses (6,544) (3,850) (11,442) (22,182) Decrease in operating lease liabilities, net (215) (1,335) (1) (1,772) Net cash provided by operating activities: (1,595) (2,333) (3,363) (4,497) Proceeds from investing activities: (1,595) (2,333) (3,363) (4,497) Proceeds from other long-term assets, net (1,595) (2,338) (3,987) (3,981) Proceeds from other long-term assets, net (1,595) (3,387) (3,987) (3,981) Proceeds from investing activities (1,594) (1,595) (1,881) (4,640) Proceeds from investing activities (1,593) (1,594) (1,881) (1,640) Proceeds from investing activities (1,593) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594) (1,594	Nat income (loss)	(5.808)	2 152	(8 889)	6 922
Depreciation and amortization 3,113 3,229 6,191 5,717 5,71	, ,	(3,000)	3,132	(8,885)	0,322
Share-based compensation Share-based compensation Amortization of premium, accretion of discounts and accrued interest on marketable securities, net 718 798 955 1,386		2 112	3 220	6 101	5 717
Amortization of premium, accretion of discounts and accrued interest on marketable securities, net 718 798 955 1,386 Loss (gain) related to securities, net (1) (1) 244 (60) Loss (gain) related to securities, net (1) (1) 244 (60) Increase (decrease) in accrued interest on bank deposits 229 39 (1,525) 72 Increase (decrease) in accrued severance pay, net (36) (53) (100) 94 Increase in trade receivables, net 1,937 7,203 932 1,349 Increase (decrease) in other receivables and prepaid expenses and other long-term 532 (509) (2,326) (4,325) Becrease (increase) in inventories (1,044) (148) (895) 1,77 Increase in deferred revenues 470 18,064 1,216 20,500 Decrease in other payables and accrued expenses (6,944) (3,850) (11,442) (22,182) Decrease in other payables and accrued expenses (1,591) (1,335) (1) (1,772) Net cash provided by operating activities (2,150) <td>·</td> <td>•</td> <td>•</td> <td>•</td> <td>•</td>	·	•	•	•	•
Securities, net 10.00 10	·	0,055	3,040	17,032	10,004
Loss (gain) related to securities, net 1 1 1 1 244 160 Increase (decrease) in accrued interest on bank deposits 229 39 (1,525) 72 Increase (decrease) in accrued severance pay, net 360 (36) (35) (105) 94 Increase (decrease) in accrued severance pay, net 1,937 7,203 932 1,349 Increase in trade receivables, net 1,937 7,203 932 1,349 Increase (decrease) in other receivables and prepaid expenses and other long-term 532 (509) (2,326) (4,325) assets 10,044 (148) (895) 177 Increase (increase) in inventories 3,020 (713) 1,383 3,130 Increase (increase) in inventories 470 18,064 1,216 20,500 Decrease in other payables and accrued expenses (6,944) (3,850) (11,442) (22,182) Decrease in other payables and accrued expenses (6,944) (3,850) (11,442) (22,182) Decrease in other payables and accrued expenses (6,944) (3,850) (11,442) (22,182) Decrease in other payables and accrued expenses (6,944) (3,850) (11,442) (22,182) Decrease in other payables and accrued expenses (1,772) (1,772) Net cash provided by operating lacetivities (1,772) (1,772) Net cash provided by operating activities (1,772) (2,333) (3,363) (4,497) Proceeds from investing activities (1,595) (2,333) (3,363) (4,497) Proceeds from (investment in) bank deposits, net 1 92 48 37 Proceeds from (investment in) bank deposits, net 21,000 (42,550) 30,200 (20,201) Proceeds from sale, redemption of and purchase of marketable securities, net (3,857) (9,196) (1,881) (4,640) Payment for the business acquisition of SecurityDAM Ltd. 0 0 0 (30,000) Net cash provided (used in) investing activities (1,941) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary (1,963) (1,717) (32,175) (5,085) Proceeds from issuance of Preferred A shares in subsidiary (1,963) (1,963) (1,717)	•	718	798	955	1,386
Increase (decrease) in accrued interest on bank deposits 229 39 (1,525) 72 Increase (decrease) in accrued severance pay, net (36) (53) (105) 94 Increase in trade receivables, net (1,937 7,203 932 1,349 Increase (decrease) in other receivables and prepaid expenses and other long-term 532 (509) (2,326) (4,325) assets (509) (1,348) (4,388) assets (509) (2,326) (4,325) assets (509) (1,383) (3,383) (3,313) assets (6,944) (3,850) (11,442) (22,182) becrease in other payables and accrued expenses (6,944) (3,850) (11,442) (22,182) becrease in operating lease liabilities, net (215) (1,335) (1) (1,772) betrase in operating lease liabilities, net (215) (1,335) (1) (1,772) betrase provided by operating activities (1,595) (2,333) (3,363) (4,497) betrase of property and equipment (1,595) (2,333) (3,363) (4,497) proceeds from investing activities (1,595) (1,381) (4,500) proceeds from sale, redemption of and purchase of marketable securities, net (1,595) (3,857) (3,967) (3,000) proceeds from sale, redemption of and purchase of marketable securities, net (1,595) (3,857) (3,987) (3,987) (3,987) proceeds from financing activities (1,595) (1,881) (4,640) proceeds from financing activities (1,595) (1,595) (1,881) (4,640) proceeds from financing activities (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595) (1,595)	·	(1)	(1)	244	(60)
Increase (decrease) in accrued severance pay, net 1,937 7,203 932 1,349 Increase in trade receivables, net 1,937 7,203 932 1,349 Increase (decrease) in other receivables and prepaid expenses and other long-term 532 (509) (2,326) (4,325) assets 1,044 (148) (895) 1,77 Increase (decrease) in inventories (1,044) (148) (895) 1,77 Increase (decrease) in trade payables 3,020 (7,13) 1,383 3,130 Increase in deferred revenues 470 18,064 1,216 20,500 Decrease in other payables and accrued expenses (6,944) (3,850) (1,442) (22,182) Decrease in other payables and accrued expenses (6,944) (3,355) (1) (1,7772) Net cash provided by operating lease liabilities, net (215) (1,335) (1) (1,7772) Net cash provided by operating activities (1,595) (2,333) (3,363) (4,497) Proceeds from investing activities: 1 92 48 37 Proceeds from other long-term assets, net 1 92 48 37 Proceeds from dependent (1,595) (2,333) (3,363) (4,497) Proceeds from sale, redemption of and purchase of marketable securities, net 21,000 (42,550) 30,200 (20,201) Proceeds from sale, redemption of and purchase of marketable securities, net (3,857) (9,196) (1,881) (4,640) Payment for the business acquisition of SecurityDAM Ltd. 0 0 0 0 (30,000) Net cash provided (used in) investing activities (19,741) (18,060) (32,483) (40,866) Proceeds from searcise of stock options 88 239 308 801 Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Increase (decrease) in cash and cash equivalents 762 (5,284) (4,6185) 92,513 Increase (decrease) in cash and cash eq		, ,	, ,		, ,
Increase in trade receivables, net 1,937 7,203 932 1,349 Increase (decrease) in other receivables and prepaid expenses and other long-term assets 1,044 1,448 (148 895 177 Increase (decrease) in inventories 1,044 1,448 (148 895 177 Increase (decrease) in trade payables 3,020 (713 1,383 3,130 Increase in deferred revenues 470 18,064 1,216 20,500 Decrease in other payables and accrued expenses (6,944 3,850 (11,442 22,182 Decrease in other payables and accrued expenses (6,944 3,850 (11,442 22,182 Decrease in operating lease liabilities, net (215 1,335 1) (1,772 Net cash provided by operating activities (215 1,335 3,630 21,072 Proceeds from investing activities 2	•			, , ,	
Increase (decrease) in other receivables and prepaid expenses and other long-term assets (1,044) (148) (895) 177 (1791) (179	· · · · · · · · · · · · · · · · · · ·	, ,			
SSSETS SSSETS SSSETS CLOSED C	·	-			•
Name		532	(509)	(2,326)	(4,325)
None	Decrease (increase) in inventories	(1,044)	(148)	(895)	177
Decrease in other payables and accrued expenses (6,944) (3,850) (11,442) (22,182) Decrease in operating lease liabilities, net (215) (1,335) (1) (1,772) Net cash provided by operating activities 4,866 31,524 3,630 21,072 Cash flows from investing activities: Purchase of property and equipment (1,595) (2,333) (3,363) (4,497) Proceeds from other long-term assets, net 1 92 48 37 Proceeds from (investment in) bank deposits, net 21,000 (42,550) 30,200 (20,201) Proceeds from sale, redemption of and purchase of marketable securities, net (3,857) (9,196) (1,881) (4,640) Payment for the business acquisition of SecurityDAM Ltd. 0 0 0 (30,000) Net cash provided (used in) investing activities 15,549 (53,987) 25,004 (59,301) Cash flows from financing activities Proceeds from exercise of stock options 88 239 308 801 R	Increase (decrease) in trade payables	3,020	(713)	1,383	3,130
Cash provided by operating activities Cash provided by operating activities Cash provided by operating activities Cash flows from investing activities Cash flows from other long-term assets, net Cash flow from (investment in) bank deposits, net Cash flow from sale, redemption of and purchase of marketable securities, net Cash flow from sale, redemption of securityDAM Ltd. Cash flow from financing activities Cash flows from financing activities Cash flows from financing activities Cash flows from exercise of stock options Cash flow from financing activities Cash flow from issuance of Preferred A shares in subsidiary Cash flow from issuance of Preferred A shares in subsidiary Cash flow from issuance of Preferred A shares in subsidiary Cash flow from issuance of Preferred A shares in subsidiary Cash flow from issuance of Preferred A shares in subsidiary Cash flow from issuance of Preferred A shares in subsidiary Cash flow from issuance of Preferred A shares in subsidiary Cash flow from issuance of Preferred A shares in subsidiary Cash flow from issuance of Preferred A shares in subsidiary Cash flow from issuance of Preferred A shares in subsidiary Cash flow flow flow flow flow flow flow flow	Increase in deferred revenues	470	18,064	1,216	20,500
Net cash provided by operating activities 4,866 31,524 3,630 21,072 Cash flows from investing activities: Purchase of property and equipment (1,595) (2,333) (3,363) (4,497) Proceeds from other long-term assets, net 1 92 48 37 Proceeds from (investment in) bank deposits, net 21,000 (42,550) 30,200 (20,201) Proceeds from (investment in) bank deposits, net (3,857) (9,196) (1,881) (4,640) Payment for the business acquisition of SecurityDAM Ltd. 0 0 0 0 30,000 Net cash provided (used in) investing activities 15,549 (53,987) 25,004 (59,301) Cash flows from financing activities: Proceeds from exercise of stock options 88 239 308 801 Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 Net cash provided by (used in) financing activities (19,653) <td>Decrease in other payables and accrued expenses</td> <td>(6,944)</td> <td>(3,850)</td> <td>(11,442)</td> <td>(22,182)</td>	Decrease in other payables and accrued expenses	(6,944)	(3,850)	(11,442)	(22,182)
Cash flows from investing activities: Purchase of property and equipment (1,595) (2,333) (3,363) (4,497) Proceeds from other long-term assets, net 1 92 48 37 Proceeds from (investment in) bank deposits, net 21,000 (42,550) 30,200 (20,201) Proceeds from sale, redemption of and purchase of marketable securities, net (3,857) (9,196) (1,881) (4,640) Payment for the business acquisition of SecurityDAM Ltd. 0 0 0 30,000) Net cash provided (used in) investing activities 15,549 (53,987) 25,004 (59,301) Cash flows from financing activities: 88 239 308 801 Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equiv	Decrease in operating lease liabilities, net	(215)	(1,335)	(1)	(1,772)
Purchase of property and equipment (1,595) (2,333) (3,363) (4,497) Proceeds from other long-term assets, net 1 92 48 37 Proceeds from (investment in) bank deposits, net 21,000 (42,550) 30,200 (20,201) Proceeds from sale, redemption of and purchase of marketable securities, net (3,857) (9,196) (1,881) (4,640) Payment for the business acquisition of SecurityDAM Ltd. 0 0 0 0 (30,000) Net cash provided (used in) investing activities 15,549 (53,987) 25,004 (59,301) Cash flows from financing activities: Proceeds from exercise of stock options 88 239 308 801 Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483	Net cash provided by operating activities	4,866	31,524	3,630	21,072
Proceeds from other long-term assets, net 1 92 48 37 Proceeds from (investment in) bank deposits, net 21,000 (42,550) 30,200 (20,201) Proceeds from sale, redemption of and purchase of marketable securities, net (3,857) (9,196) (1,881) (4,640) Payment for the business acquisition of SecurityDAM Ltd. 0 0 0 0 (30,000) Net cash provided (used in) investing activities 15,549 (53,987) 25,004 (59,301) Cash flows from financing activities: Proceeds from exercise of stock options 88 239 308 801 Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 <td>Cash flows from investing activities:</td> <td></td> <td></td> <td></td> <td></td>	Cash flows from investing activities:				
Proceeds from other long-term assets, net 1 92 48 37 Proceeds from (investment in) bank deposits, net 21,000 (42,550) 30,200 (20,201) Proceeds from sale, redemption of and purchase of marketable securities, net (3,857) (9,196) (1,881) (4,640) Payment for the business acquisition of SecurityDAM Ltd. 0 0 0 0 (30,000) Net cash provided (used in) investing activities 15,549 (53,987) 25,004 (59,301) Cash flows from financing activities: Proceeds from exercise of stock options 88 239 308 801 Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 <td>Purchase of property and equipment</td> <td>(1.595)</td> <td>(2.333)</td> <td>(3.363)</td> <td>(4.497)</td>	Purchase of property and equipment	(1.595)	(2.333)	(3.363)	(4.497)
Proceeds from (investment in) bank deposits, net 21,000 (42,550) 30,200 (20,201) Proceeds from sale, redemption of and purchase of marketable securities, net (3,857) (9,196) (1,881) (4,640) Payment for the business acquisition of SecurityDAM Ltd. 0 0 0 0 (30,000) Net cash provided (used in) investing activities 15,549 (53,987) 25,004 (59,301) Cash flows from financing activities: 88 239 308 801 Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 92,513				, , ,	
Proceeds from sale, redemption of and purchase of marketable securities, net Payment for the business acquisition of SecurityDAM Ltd. Net cash provided (used in) investing activities Cash flows from financing activities: Proceeds from exercise of stock options Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary Net cash provided by (used in) financing activities Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period	e e e e e e e e e e e e e e e e e e e	21,000	(42,550)	30,200	(20,201)
Payment for the business acquisition of SecurityDAM Ltd. 0 0 0 (30,000) Net cash provided (used in) investing activities 15,549 (53,987) 25,004 (59,301) Cash flows from financing activities: Proceeds from exercise of stock options 88 239 308 801 Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 92,513		(3.857)		•	
Net cash provided (used in) investing activities 15,549 (53,987) 25,004 (59,301) Cash flows from financing activities: 88 239 308 801 Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 92,513	· · · · · · · · · · · · · · · · · · ·				, , ,
Proceeds from exercise of stock options 88 239 308 801 Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 92,513	Net cash provided (used in) investing activities	15,549	(53,987)	25,004	
Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 92,513	Cash flows from financing activities:				
Repurchase of shares (19,741) (18,060) (32,483) (40,886) Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 92,513	Proceeds from exercise of stack entions	00	220	308	901
Proceeds from issuance of Preferred A shares in subsidiary 35,000 35,000 Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 92,513	·				
Net cash provided by (used in) financing activities (19,653) 17,179 (32,175) (5,085) Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 92,513	•	(13,741)		(32,403)	
Increase (decrease) in cash and cash equivalents 762 (5,284) (3,541) (43,314) Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 92,513	•	(19.653)		(32 175)	
Cash and cash equivalents at the beginning of the period 41,882 54,483 46,185 92,513	net eash provided by (ased iii) illianting activities	(12,033)	17,173	(32,173)	(3,083)
· · · · · · · · · · · · · · · · · · ·	Increase (decrease) in cash and cash equivalents	762	(5,284)	(3,541)	(43,314)
Cash and cash equivalents at the end of the period 42,644 49,199 42,644 49,199	Cash and cash equivalents at the beginning of the period	41,882	54,483	46,185	92,513
	Cash and cash equivalents at the end of the period	42,644	49,199	42,644	49,199

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

	June 30,		
	2023 20		
	(Unaudited)	(Unaudited)	
GAAP net income (loss)	(5,808)	3,152	
Exclude: Financial income, net	(3,419)	(2,986)	
Exclude: Depreciation and amortization expense	3,113	3,229	
Exclude: Taxes on income	727	1,410	
EBITDA	(5,387)	4,805	
Share-based compensation	8,895	5,648	
Litigation costs	-	-	
Acquisition costs	545		
Adjusted EBITDA	4,053	10,453	

For the three months ended

	June 3	June 30,		
	2023	2022		
Amortization of intangible assets	992	1,256		
Depreciation	2,121	1,973		
	3,113	3,229		

For the six months ended

June 30,

2023	2022
(Unaudited)	(Unaudited)
(8,889)	6,922
(6,910)	(4,684)
6,191	5,717
1,718	2,925
(7,890)	10,880
17,892	10,064
-	288
558	1,142
10,560	22,374

For the six months ended June 30,

Julie 30,		
2023	2022	
1,984	1,720	
4,207	3,997	
6,191	5,717	