

CRNT Earnings Call Transcript

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Quarter: 3

Operator: Ladies and gentlemen, thank you for standing by. Our call will begin shortly. Ladies and gentlemen, thank you for standing by, and welcome to Ceragon Networks Ltd.'s Third Quarter 2025 Earnings Call. Our presentation today will be followed by a question and answer session. On your telephone keypad. And wait for your name to be announced. I must advise you that this call is being recorded today. I would now like to hand over the call to our first speaker, Rob Fink, Head of Investor Relations. Rob, please go ahead.

Rob Fink: Thank you, operator, and good morning, everyone. Hosting today's call is Doron Arazi, Ceragon Networks Ltd.'s Chief Executive Officer and Ronen Stein, Chief Financial Officer. Before we start, please note that today's discussion includes forward-looking statements within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and the safe harbor provisions of the Securities Litigation Reform Act of 1995. Ceragon Networks Ltd. intends forward-looking terminology such as may, plans, anticipates, believes, estimates, targets, expects, intends, potential, or the negative of such assurance or other comparable terminology, although not all forward-looking statements contain these identifying words. Forward-looking statements are based on expectations that are subject to certain risks and uncertainties, which could cause actual results to differ materially. These results and uncertainties include, but are not limited to, the company's ability to execute strategic plans, marketing, product strategies on the forecast of evolution, market developments, such as market and territory trends, future use cases, business concepts, technologies, future demand, and necessary inventory levels. The effect of the geopolitical situation in Israel and the related regional conflicts, the effects of global economic trends including rising inflation, rising interest rates, commodity prices, increases and fluctuations, commodity shortages, and the exposure to economic slowdown, risks associated with integration and deployment of acquired businesses, risks associated with delays in the transition of 5G technologies and the 5G rollout, risks relating to the concentration of Ceragon Networks Ltd.'s business on a limited number of large operators and the fact that the significant weight of their ordering is important compared to the overall ordering by other customers coupled with inconsistent order patterns that could negatively affect the company, risk resulting from volatility in revenues, and working capital needs, disagreements with tax authorities, tax positions that have been taken as a result of increased tax liabilities, the high volatility in the supply chain of our customers, which from time to time lead to delivery issues, and may lead to the company being unable to fill order commitments. And other risks, uncertainties, and other factors that could affect operations as further detailed in Ceragon Networks Ltd.'s most recent annual report on Form 20-F as published on 03/25/2025, as well as other documents that may subsequently be filed by Ceragon Networks Ltd. from time to time with the Securities and Exchange Commission. Forward-looking statements relate to the date initially made and they are not predictions of future events or results, there can be no assurance that they will provide accurate and Ceragon Networks Ltd. undertakes no obligations to update them. Ceragon Networks Ltd.'s public filings are available on the Securities and Exchange Commission's website at [sec.gov](https://www.sec.gov), and may also be obtained from Ceragon Networks Ltd.'s website at [ceragon.com](https://www.ceragon.com). Also, today's call will include certain non-GAAP numbers. For a reconciliation between GAAP and non-GAAP results, please see the table attached to the press release that was issued earlier today, which is posted on the Investor Relations section of the company's website. With

that, I'll now turn the call over to Doron. Doron, the floor is yours.

Doron Arazi: Good morning, everyone. Ceragon Networks Ltd. delivered a solid third quarter reflecting the resilience of our operations, strengthening demand across key markets, and continued progress against our strategic roadmap. Visibility improved meaningfully during the quarter, with greater clarity around customer spending plans, and project timing. That visibility has continued to strengthen in recent weeks giving us confidence in our outlook for the remainder of this year and more importantly, optimism for growth in 2026. Revenue for the quarter was \$85.5 million, above our expectations. Non-GAAP gross margin of 35% remained high and non-GAAP EPS was \$0.02 but was negatively impacted by \$0.02 foreign exchange fluctuation related to a project in India. Excluding this effect, EPS would have been approximately \$0.04. Importantly, we generated free cash flow of \$3.3 million further demonstrating the strength and resilience of our business model. From a technology and market perspective, we are increasingly benefiting from the same structural forces reshaping communications networks globally. The investment in AI is growing, from data centers to 5G infrastructure and this is driving the need for high capacity low latency connectivity. This demand is cascading outward from the core to the metro and ultimately to the wireless edge. Our addressable market continues to grow driven by two key challenges: our customers face. Network capacity and network resiliency. These two factors are being amplified by the growth of AI and increasingly data-intensive applications. Ceragon Networks Ltd.'s capabilities, especially our E-band and innovative point-to-multipoint offerings, provide tangible solutions to address these challenges, and in our opinion, creating incremental opportunities for us and giving us durable tailwinds for future growth. Our carrier customers need to add capacity. Especially as data traffic continues to grow and as they attempt to gain market share in the fixed wireless access market. AI is also playing a major role in this increased demand. Predominantly for enterprise connectivity. Ceragon Networks Ltd.'s advanced E-band solutions enable operators to replace or significantly augment legacy microwave deployments to increase capacity in an efficient and cost-effective way. As we noted in a recent press release, we recently completed three proof of concept E-band deployments. With T1 operators and a leading ISP using auto-aligning antennas and E-stabilizers demonstrating our ability to boost network capacity. Extend reach beyond standard E-band solutions, accelerate deployments, and lower total cost of ownership. At the same time, operators are placing greater emphasis on network resiliency. Fiber alone cannot ensure continuity. Global operators are dealing with many fiber cuts and are looking for wireless transport to ensure flexibility and redundancy and to maximize network uptime. And finally, operators are also exploring ways to support more subscribers. This includes fixed wireless access in residential areas, and enterprise connectivity solutions requiring higher bandwidth. Some operators are conducting trials involving our 60 GHz technology, which provides fiber-like capacity over short distances with fast and economical deployment. Private networks face similar capacity and resiliency challenges. The use of AI industrial automation, and advanced video security applications all demand higher bandwidth and greater reliability. Ceragon Networks Ltd.'s 60 GHz point-to-multipoint addresses both requirements and is increasingly being used in smart city and enterprise environments. A notable example is the rollout of phase one of a large smart city project in Latin America which has the potential to generate approximately \$7 to \$8 million of recurring revenue over multiple years. Another example involves an industry-leading global e-commerce company in The US that is reevaluating its video security connectivity architecture. Its existing network is expensive, bandwidth-limited, and dependent on public infrastructure. That cannot meet its reliability and latency requirements. Ceragon Networks Ltd.'s 60 GHz solution offers a cost-efficient rapidly deployable and secure alternative that delivers fiber-like performance without the or expanse of fiber builds. We have already received an order for the initial deployment covering several dozen facilities and successful execution could pave the way for substantial expansion across hundreds of additional sites. Increasingly, our private network achievements are end-to-end solutions. Just recently, we were awarded as a prime contractor two projects in The US that involve deployments of private 5G and WiFi technologies to create comprehensive end-to-end solutions. On the managed services and digital twin front, yesterday, we announced a contract with a major Colombian mobile operator that showcases our ability to provide end-to-end managed services in multi-vendor environments. Using our network digital twin, for predictive maintenance. This win underscores Ceragon Networks Ltd.'s expanding capabilities in

network reliability and integration and our pipeline includes additional opportunities that can potentially increase our managed services business meaningfully. In general, our new innovative products and services offerings, which are driven by the convergence of our core and recently acquired open for us many new opportunities beyond traditional backhaul. I am also proud of our ability to generate positive cash flow even under top-line pressure. This underscores the resilience of our model and operational discipline. Importantly, our balance sheet remains solid. Enabling us to the flexibility to pursue additional potential acquisitions. Supported by the continued confidence and long-term relationship with our bank consortium. Turning to a regional overview. North America again led our growth delivering record revenue and booking of orders in the quarter, including E2E. This was primarily driven by accelerating deployments of a major Tier one customer. Additionally, we see growing engagement across carriers ISPs, and private networks. In India, revenue was flat compared with Q2. Importantly, visibility has increased as order flow from a major carrier whose purchasing activity had previously been paused has resumed. We are optimistic that this renewed activity with this carrier will continue and potentially accelerate once their debt issue is resolved. We also see other opportunities that can potentially drive significantly higher revenue than current levels in 2026. For example, we are pursuing a sizable RFP from another major carrier in India and if successful, this could provide meaningful incremental revenue in 2026. Outside North America and India, results were generally stable and increased opportunities in EMEA and Latin America give us higher confidence for 2026 even if revenue and bookings were modestly softer for the quarter in some regions. In summary, the third quarter marked continued progress in executing our strategy with increasing opportunities in both CSPs and private networks segments. As near-term visibility has improved, we feel more confident about our \$340 million revenue projection for 2025. With business volumes recovering and a mixed shift toward more active North American market we see continued opportunity for profitability expansion. Our financial discipline combined with ongoing investment in our strategic initiatives, positions us to translate future top-line growth into meaningful EPS improvement as we move into 2026. With that, I'll now turn the call over to our CFO, Ronen Stein, to review the financial results in greater detail.

Ronen Stein: Thank you, Doron, and good morning, everyone. As Doron described, we delivered solid revenue in the third quarter. Particularly North America. We continue to translate incremental revenue into higher profitability and sustainable cash generation, demonstrating the earnings power of our business model. To help you understand the results, I will be referring primarily to non-GAAP financials. For more information regarding our use of non-GAAP financial measures, including reconciliations of these measures, we refer investors to today's press release. Let me now review the third quarter results. Revenue for the third quarter was \$85.5 million, down 16.7% from \$102.7 million in 2024. North America was the strongest region in terms of revenue and contributed \$36 million including E2E. India contributed \$24.4 million in Q3 2025 and was the second strongest region. We had two customers in the third quarter that contributed at least 10% of our revenue. Gross profit in the third quarter on a non-GAAP basis was \$29.9 million which was down 15.1% from \$35.2 million in Q3 2024. Our non-GAAP gross margin was 35%. Up slightly from the prior year period. The gross margin strength was mainly attributable to our success in North America. Moving on to operating expenses. I'd again note that we have consolidated E2E into our results since February 2025, impacting also total operating expenses. Research and development expenses in Q3 2025 on a non-GAAP basis were \$6.8 million down from \$8.6 million in Q3 2024. As a percentage of revenue, R&D; expenses on a non-GAAP basis were 7.9% in the third quarter versus 8.4% in the prior year period. Sales and marketing expenses on a non-GAAP basis in the third quarter were \$12 million up from \$10.4 million in Q3 2024. As a percentage of revenue, sales and marketing expenses on a non-GAAP basis were 14.1% in the third quarter as compared to 10.1% in 2024, mainly due to our increased business in North America and our continuous strategic investments. General and administrative expenses on a non-GAAP basis for the third quarter were \$5.8 million as compared to \$400,000 in Q3 2024. Keep in mind, that our G&A; last year included the impact of a \$5.1 million benefit related to an initial collection from a \$12 million debt settlement agreement reached with the South American customer for which we accounted a credit loss at the 2022. As a percentage of revenue, G&A; expenses on a non-GAAP basis were 6.8% in Q3 2025, versus 0.4% in the year-ago period. Operating income on a non-GAAP basis for the third quarter was \$5.3 million versus operating income of \$15.8 million in Q3 2024. The decline in operating income year

over year was impacted by the absence of the \$5.1 million credit loss recovery benefit along with a reduction in gross profit as mentioned before. Financial and other expenses on a non-GAAP basis in the third quarter were \$2.8 million compared to \$1.2 million in the third quarter last year. As mentioned by Doron, the increase was negatively impacted mainly by a \$1.5 million foreign exchange fluctuation related to a project in India. However, the quarterly average foreign exchange fluctuation impact in 2025 is currently lower than the 2024 average. Our tax expenses on a non-GAAP basis for the third quarter were \$700,000. Non-GAAP net income for Q3 2025 was \$1.7 million or \$0.02 per diluted share versus non-GAAP net income of \$141 million or \$0.16 per diluted share in Q3 2024. Without the negative impact of the foreign exchange rate, Q3 2025 non-GAAP EPS would have been \$0.02 higher or \$0.04 per diluted share. Moving over to our balance sheet. Our cash position on 09/30/2025, was \$43 million up from \$35.3 million at the end of 2024. Short-term loans were \$31 million at the end of the third quarter, compared to \$25.2 million at the end of 2024. Thus, our net cash position was approximately net \$12 million as opposed to \$10.1 million on 12/31/2024, reflecting strong free cash flow in Q2 and Q3 partially offset by the acquisition of E2E. We believe we have cash and facilities that are sufficient for our operations and working capital needs. I'd note that we generated \$3.3 million in free cash flow in the third quarter. This speaks to the progress we have made in our business model. Inventory at the end of the third quarter was \$58.4 million down slightly from \$59.7 million at the end of 2024. Continue to carefully monitor our inventory levels. Our trade receivables at the end of the third quarter were \$111.9 million versus \$149.6 million at the December 2024. Our DSO now stands at 112 days. Looking at our statement of cash flow, Net cash flow generated by operations and investing activities in Q3 2025 was \$3.3 million. I'd like to now turn the call back over to Doron to provide a summary and review our outlook. Doron?

Doron Arazi: Thanks, Ronen. I'm encouraged by the continued progress we are making strategically. The combination of our innovation and the capabilities gained through prior acquisitions has strengthened Ceragon Networks Ltd.'s competitive edge. Our solutions deliver high throughput and low latency that are crucial for today's AI-driven environment demand. Our strong financials enable continued cash generation, investments in R&D; and sales and marketing, and funding strategic acquisitions. We are well-positioned for continued success. Turning now to our outlook. With improving visibility, we have greater confidence today in our ability to achieve our target of \$340 million in full-year revenue for 2025. Importantly, our momentum is increasing and we are looking to 2026 with even greater optimism. With that, I'll now open the call for questions.

Operator: Using your mobile or desktop application or press 9 on your telephone keypad and wait for your name to be announced. Our first question comes from Scott Searle from ROTH Capital. Scott, please go ahead.

Scott Searle: Hey, good morning. Thanks for taking the questions. Good afternoon. Doron, maybe to just start initially on the, the for the fourth quarter. You're maintaining the \$340 million guidance and implies basically flat to sequentially down, but it sounds like the tone of business is improving on that front. I wonder if you could give us some expanded thoughts in terms of what you're seeing sequentially and what are the drivers. Is it still tier ones in North American private networks? Are you seeing India come back to drive that? And maybe as well, give us a quick preview of your thoughts as we enter 2026. Does 2026 look like a year where we should be getting back to growth given a lot of the drivers and vectors you're talking about?

Doron Arazi: Thanks, Scott. I will start with the first question. So we usually don't give a specific guidance for a specific quarter, and this is why we basically gave the guidance the way we gave it. But I would say it very clearly. I'm very optimistic about Q4 on a standalone basis. Main drivers as we mentioned, are the, strengthening so to speak, visibility from India and from North America. This is for the very near term. In terms of 2026, we are very much encouraged by the, funnel of opportunities that we're able to build during the last six to nine months. And we see that all across regions, and that drives our optimism about our ability to grow in 2026. Many of the so to speak, use cases I found in to, mention. My prepared comments are actually indicating of a relatively new businesses that Ceragon Networks Ltd. has not experienced in the past. And, obviously, this drives the optimism. People may question, obviously, okay, is India going to be a major factor in your growth? Yes or no? The answer to that would be we think that we can grow in India relative to the current annual run rate but, we definitely

build on growth in all other regions.

Scott Searle: Very, very helpful. And if I could just to follow-up a clarification on North America. And the immediate outlook and early read on '26. It was up I believe it's about 30% sequentially in the September. Is that a comfortable and sustainable level? And then in your prepared remarks, you're talking a lot about AI, which is not something I've heard you refer to in the past. So obviously, it's been a derivative driver in terms of capacity utilization, and data traffic in general. But are you seeing direct links then to vendors, data centers, and otherwise that are actually driving your direct business, or these indirect drivers? Thank you.

Doron Arazi: Okay. So, so first, in terms of North America, indeed, we mentioned an acceleration in the, deployment, coming from a tier one operator as the major driver for the increased visibility. Would that particular T1 operator continue with the same pace? We're not that sure. But, still, our optimism about the growth in 2026 is not just built on this operator. As we mentioned a few times in the past, we are seeing a stronger engagement with other T1 operators in North America and also with ISPs and private networks, And this funnel of opportunities assuming it will turn into bookings and revenue in the pace we believe it can will contribute to growth in '26 in North America as well. Now regarding the AI, look, we've been doing a lot of thorough analysis of the markets. As part of, obviously, looking on our strategy, and trying to, to align it with the, some trends that we are seeing in the markets. What we do see is that, first of all, at enterprise level, and also in areas of security more imminent. the usage of AI is becoming And more relevant, such as video analysis and automation, This is one example. And eventually, that immediately requires by by far, much more capacity with the ability to keep the level of latency at the minimal requirements. Just to give you an example, this opportunity that we started actually executing on, in Latin America They showed us how they use automation. Based on video analysis to create some, so to speak, command controls to give automatic commands to certain functions in the city. So it's their It's happening. We see that more in private networks slash enterprise business, And eventually, it runs much higher, capacity needs and, obviously, latency.

Scott Searle: Thanks so much. I'll get back in the queue.

Operator: Our next question is from Ryan Boyer Koontz from Needham. Ryan, please go ahead.

Ryan Boyer Koontz: Great. Thanks. Can you hear me now?

Operator: Yes. Thank you.

Ryan Boyer Koontz: Super. I wanted to ask about your tier one ramp up here in North America. Nice to see that. What do you think are their main drivers here? Is this mostly capacity upgrades from legacy microwave? Is it new coverage footprint for mobile? Is it fixed wireless? Any clues as to what's driving the strong uptick there? From your big customer?

Doron Arazi: If I need to answer a very short answer to your question, it's all of the above. What we are seeing is a constant demand for higher capacity that is either driven by the continued increasing capacity needs as part of 5G, this particular operator is also very successful in getting more and more subscription on a fixed wireless access. And eventually, that creates a bigger load in terms of capacity. And they are leveraging their very strong position in the market to cover some additional areas where it makes sense to them economically to build more coverage, either a part of their plans or as part of commitments that they have to the FCC.

Ryan Boyer Koontz: Right. Makes sense. Are you hearing any concerns in that regard about coverage of them using, you know, satellite, direct to device type technologies, to meet some of those FCC requirements?

Doron Arazi: I think that in terms of satellite or, to be more specific, LEO, our discussions with operators are just giving us I would say, the understanding that this is another technology that helps giving a better service to the customers wherever they are. If they are in the very rural areas, And, obviously, it's another augmenting technology that they use. In most cases, they are partnering. They are partnering. With the satellite companies and they don't see that as a necessary direct competition. And it is the same for our technology. The wireless technology, the more traditional, so to speak, wireless technology, has its place and its advantages. And before, I would say that LEO is just another technology to make the world more connected and, I would say, even evenly digitized.

Ryan Boyer Koontz: Makes sense. Great. And maybe just one more if I could about know, what's going on with end to end, maybe an update there. Are you, you know, pleased with, kind of commercial

activity on private networks? And what your outlook is as you look ahead into the next into '26?

Doron Arazi: Yeah. So first of all, end to end is meeting the plans that we took into account as part of 2025 plans. And I would even they're saying that if not for the administration strikes in The US, we would probably be ahead of our plan in terms of booking. There's a lot of traction. There's a lot of sizable opportunities on the plate, Some of them are, subject to some government approvals And due to the strike, the strikes, it has been delayed. So all in all, we are very satisfied with the progress of, E2E. And I would even they're saying that we have started seeing the synergies by bringing this knowledge into the company where in a way that we have some opportunities. In other regions that we would probably not seriously participate if not for the knowledge that is being brought, with the acquisition of E2E.

Ryan Boyer Koontz: Got it. Great. And maybe just want to wrap up. Any comments on supply chain as it relates to availability of parts and costs and any new concerns that we've heard other hardware vendors about, DRAM costs, ratcheting up pre significantly, but, any impact on your on your business?

Doron Arazi: So generally speaking, we have seen in certain areas a slight increase in components costs. The model and the strategy of, Ceragon Networks Ltd. in this respect is, I would say, a constant pressure and cost reduction efforts whether it's tactical talking with the vendors and trying to find a better commercial terms on whether it's more strategic by finding second sources and replacing certain components by other components that are cheaper. Generally speaking, we don't see this as a significant or significantly impacting our bond cost in general. But we monitor that very closely. Esther Esther to re component scarcity, I don't think there's any particular issue at this point that I can describe as a trend or epidemic but a hardware company, there's always every now and then, some shortages in components that I call them tactical, and this is part of the business. So at this point, I don't see any major concern. In this regard.

Ryan Boyer Koontz: Alright. Great. That's all I got. Appreciate that.

Operator: Our next question is from Christian David Schwab from Craig Hallum. Christian, please go ahead.

Christian David Schwab: Hi, Christian. Can you hear us? Yeah. Hey. Good morning. There are sorry about the unmute button I missed. I just have one one quick, you know, question. I know you don't provide specific guidance, but I'm just trying to bracket you know, what growth and optimism for '26 means. Should we broadly think about that as mid single digit growth or do you see an opportunity for top line growth? I'm just trying to gauge the expansion of visibility India coming back, and and and what that could potentially mean to to top line estimates for '26. Any directional clarity as broad as you could give would be great.

Doron Arazi: Yeah. So so, look, obviously, we are now in the midst of the annual operational planning for 2026. And we are are not done yet. It's it's difficult for me to give you something that is very concrete. At this point. I must tell you that we see many scenarios And, obviously, we'll eventually have to pick the the one that we believe that is the most probable scenario. At this point, just to be prudent, I would probably plan for mid single digit. I hope that we'll come with something that is better once we have finalized our AOP.

Christian David Schwab: Fantastic. Thank you for that color. No other questions. Thank you.

Operator: Thank you. Our next question comes from Theodore Rudd O'Neill from Hills Research. Theodore, please go ahead.

Theodore Rudd O'Neill: Oh, thanks very much. Doron, in your prepared remarks, you talked about the E-band validation. And I'm wondering what's the expectation following that validation step?

Doron Arazi: So I would say that with most of the cases that we have already done proof of concept, And, actually, we had another few of them that I didn't mention on the call. We are now in the process of finalizing the terms the commercial terms and the demand, and I hope to start seeing, orders either in this quarter or next quarter. So I'm quite optimistic about seeing more revenues coming out of these new products in 2026.

Theodore Rudd O'Neill: Okay. And in your prepared remarks, you also talked about network resilience where microwave takes out the risk of fiber being cut. Are there specific places or customers that are that are looking for that as a solution?

Doron Arazi: Yeah. So that's very interesting because I don't know opportunity to visit, some of our

customers, personally. Obviously, Maya Maya salespeople and region heads did the same. And we see that as a basically global phenomena. We see that coming as a as an an issue in North America. We see that coming as an issue in Asia Pac. And also in other regions. So I think that eventually it's not something that is very particular to a specific region. I would say that a solution which is basically building redundancy using wireless is one of the viable solutions that these operators are pursuing. There could be other solutions. The best thing or the the I would say the the reason why wireless transport solution is being looked at a very very intensely is, because it's relatively cheap, and it's relatively reliable, And it gives an immediate solution for fiber cuts.

Theodore Rudd O'Neill: Okay. And my last question, One of your competitors cited a possible 5% impact on their business if the US government shutdown continues. Well, it looks like it might pick up it might go away, but it might come back in January, is there a similar number that you're exposed to if the US government is shut down again?

Doron Arazi: Look. Up until now, For us. of the US government shutdown was not that significant. As I kind of hinted to in in my in in some of my comments, it it has actually impacted predominantly in areas of private network. This point, I don't see a very significant impact on Ceragon Networks Ltd. if that continues for longer term, but we are obviously following very closely on the the development in this respect.

Theodore Rudd O'Neill: Okay. Thank you very much.

Doron Arazi: Thank you.

Operator: Ask a question, please raise your hand using your mobile or desktop application or press 9 on your telephone keypad and wait for your name to be announced.

Gunther Kargan: Our next question is from Gunther Kargan. Gunther, please go ahead, Gunther. Gunther, please unmute.

Gunther Kargan: Can I be heard now? Yes. Oh, great. Thank you. Doron, is there any, comment available regarding defense, military, security type type business that's applicable to Ceragon Networks Ltd. worldwide?

Doron Arazi: Yeah. Look. Generally speaking, we see quite many opportunities around defense and security. Security is, excellent one of the areas where we put a lot of focus because we have this 60 gigahertz point to multipoint product that is very strong for for security use cases, predominantly video. But we're also working on opportunities that are for defense communication networks.

Gunther Kargan: Yep. Is this comment applicable, to regions or globally?

Doron Arazi: Look. When I'm trying to kind of scan in my head the the funnel of opportunities, I don't think that there is a particular region where I see much higher concentration. So generally speaking, it's it's all over the place. In terms of security, I would dare say that in some of the countries in Latin America, now that, they want to improve their level of, security maybe the list of opportunities is slightly longer. opportunities across the globe. But generally speaking, we see this kind of

Gunther Kargan: Thank you.

Doron Arazi: Sure. Thank you.

Operator: There are no further questions.

Doron Arazi: Okay. Thank you, everyone, and have a good day.