

The logo for RADCOM, featuring the word "RADCOM" in a bold, sans-serif font. The letter "A" is stylized with a blue triangle above it.

RADCOM

# RADCOM Ltd. (RDCM) CORPORATE OVERVIEW

# SAFE HARBOR

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In this presentation, management will be referring to certain non-GAAP financial measures, which are provided to enhance overall understanding of the company's financial performance. By excluding certain non-cash charges, non-GAAP results provide information that is useful in assessing RADCOM's core operating performance, and in evaluating and comparing our results of operations on a consistent basis from period to period. The presentation of this additional information is not meant to be considered a substitute for the corresponding financial measures prepared in accordance with generally accepted accounting principles. Investors are encouraged to review the reconciliations of GAAP to non-GAAP financial measures which are included in the "Appendix" section.

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# RADCOM (RDCM): EYES INTO THE OPERATOR'S NETWORK



- Operators want to manage their networks according to the customer experience
- RADCOM's solution enables this by monitoring all the packets that transverse the network
  - Understands the end-to-end customer experience and service quality
  - Automatically detects the network problems
  - Provides actionable insights to rapidly resolve issues
  - Deploys cutting-edge, cloud-native technology that uses machine learning and Artificial Intelligence
  - Leading cloud-based solution for large scale mobile networks
  - First to invest and most advanced solution for 5G assurance

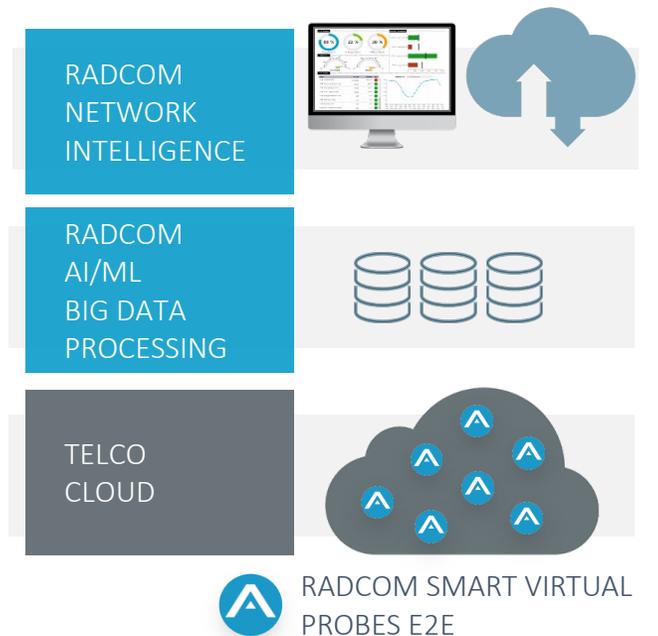
# OUR VALUE PROPOSITION



## RADCOM SOLUTION IN A NUTSHELL

### DELIVERS:

- AUTOMATED FEEDBACK TO TELCO CLOUD
- BUSINESS INTELLIGENCE



### BENEFITS AND CAPABILITIES:

- Assure availability of critical networks/services
- Proactively identify and resolve network issues
- Improve the customer experience
- Reduce customer churn
- Accelerate deployment of new services and migration to 5G
- Increase operational efficiency and lower CAPEX and OPEX costs

# MARKET TREND TO 5G

Built on a cloud-native network – 5G is expected to lead to the 4th Industrial Revolution in which technology is always connected and deeply embedded into society

“5G is different. It’s not just faster and more efficient; it’s a real-time network and therefore it’s a game changer.”

John Donovan, CEO, AT&T

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“5G is the promise of so much more than we’ve ever seen in wireless technology. 5G will change everything.”

Hans Vestberg, CEO, Verizon Inc

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Operators will invest up to \$1 trillion in 5G networks between now and 2025 (this will account for 17% of operator mobile revenue)\*

For operators to deliver on the promise of 5G they need to assure their network cloud is working in real-time and providing customers these exciting new services

\*Source: GSMA Intelligence Research — Investing in 5G

# THE PROMISE OF 5G: ALWAYS CONNECTED

- Voice
- Data Services
- Fast Data Services
- HD Voice (VoLTE)
- Video Streaming
- AR/VR
- Healthcare (remote diagnosis or surgery)
- Massive IoT (agriculture, environment, industrial, transport, utilities)
- Remote Control (construction, mining, surveying, oil drilling)
- Smart Cars
- Smart Cities (incl. FirstNet)
- Ultra HD video streaming



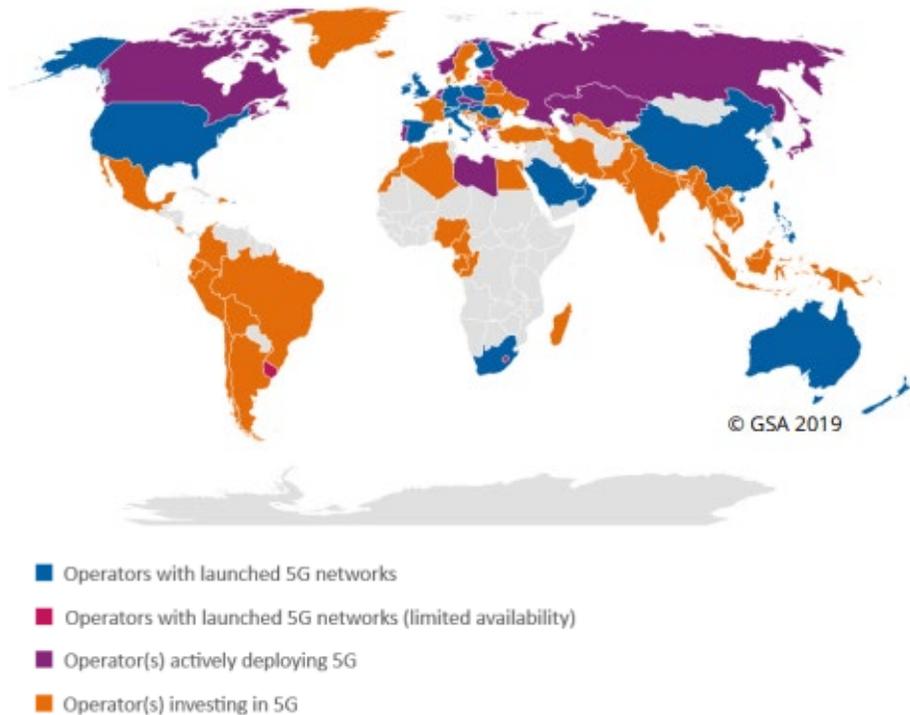
Built on a cloud-native network that enables:

- Speed and throughput
- Mobility & billions of connected devices
- Service deployment speed & energy efficiency
- Low latency & reliability

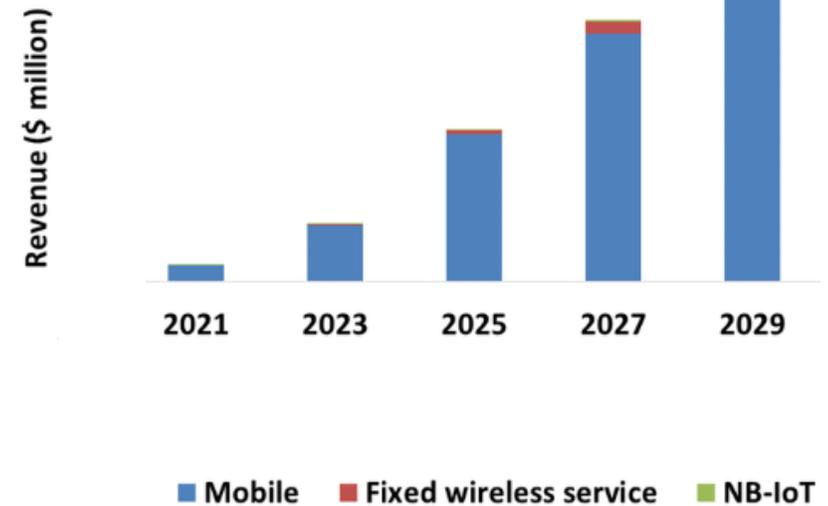
- Critical, always connected services will be delivered on 5G
- In previous generations, low network performance meant a dropped call
- Low network performance in 5G can mean the difference between a successful remote surgery or a drone/autonomous vehicle crashing
- RADCOM will be even more essential with billions of devices connected to the network (that can't contact support for help); the telco operator needs to know what's happening
- RADCOM provides cutting edge solutions that utilize AI and machine learning for automated insights into encrypted traffic (gaming, video streaming) and anomaly detection for IoT

# OPERATORS ARE INVESTING IN 5G

Status of 5G by country



5G market forecast



- At the start of 2020, 61 commercial 5G networks have rolled out in 34 countries
- By the end of 2019, 348 operators in 119 countries had announced they were investing in 5G

However, the main 5G transformation is ahead of us...

# RAKUTEN MOBILE: WORLD'S FIRST FULLY VIRTUALIZED NETWORK

- Rakuten, Inc. is a global leader in e-commerce, fintech, digital content and communications spanning 70+ businesses with 1.2 billion members worldwide
- Rakuten Mobile is launching a fourth mobile network in Japan that is 5G-ready and fully virtualized
- Aims to disrupt the market with an automated, 5G-ready network

*“Rakuten aims to revolutionize the way a mobile network is operated by focusing on the customer... RADCOM’s unique solution enables this on a highly dynamic, fully virtualized network. Integrating RADCOM’s solution into our telco cloud will increase the end-to-end user experience we deliver to our customers and reduce operational costs.”*

Tareq Amin, CTO **Rakuten**  
Mobile

- RADCOM signed a multi-year contract in May 2019 to provide our 5G-ready solution across Rakuten’s entire network



Rakuten’s drone delivery service



Sponsors of Golden State Warriors and FC Barcelona

# CASE STUDY: AT&T SELECTED RADCOM FOR ITS INDUSTRY-LEADING, INNOVATIVE SOLUTION

- Working with AT&T on their NFV transformation since 2015
- In April 2019, signed a new, multi-year contract that includes an initial purchase of RADCOM's 5G solution
- Continuing to work with them on cutting-edge technology, scaling to match their network capacity
- RADCOM's product portfolio continues to evolve, mature and gain a significant competitive advantage due to partnership with AT&T

“ We selected RADCOM because of its functional strengths, especially in virtualization, scalability, performance and efficiency. ”

Susan A. Johnson  
*Senior Vice President AT&T Global Supply*



AT&T Newsroom

# FIRST TO MARKET STRATEGY



# EXPERIENCED LEADERSHIP TEAM WITH EXTENSIVE DOMAIN KNOWLEDGE



**Heli Bennun**

*Executive Chairwoman  
of the Board of Directors*

- 25+ years industry experience
- CEO and Co-Founder of Arel Communications
- CEO and Co-Founder of ArelNet



**Eyal Harari**

*CEO*

- 15+ years experience at RADCOM
- Led the transition to software-based and then fully virtualized solution platform
- BA in Computer Science, and an LLM in Business Law



**Amir Hai**

*CFO*

- 15+ years experience as a CFO
- Previously, CFO at Shamir Optical Industry, Valor Computerized Systems, Bermad CS and several other publicly traded multinational companies
- BA degree in accounting and management



**Rami Amit**

*CTO*

- 25+ years industry experience
- Previously Director of Engineering, Cisco's NFV BU
- At Cisco's NFV BU was instrumental in the company's transition to virtualization and application delivery in the Broadband market



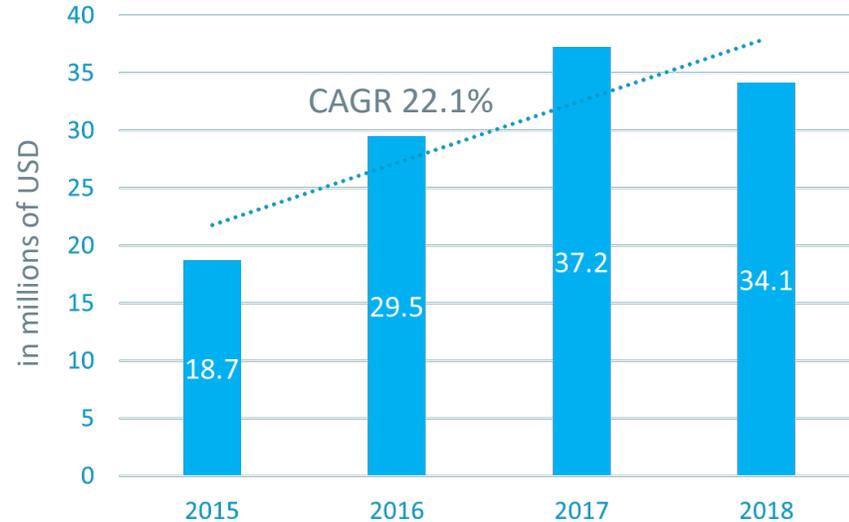
**Hilik Itman**

*COO*

- 20+ years experience at RADCOM
- Led the development team's transition to software-based and then fully virtualized solution platforms
- BA in Mathematics and Computer Science

# FINANCIAL HIGHLIGHTS

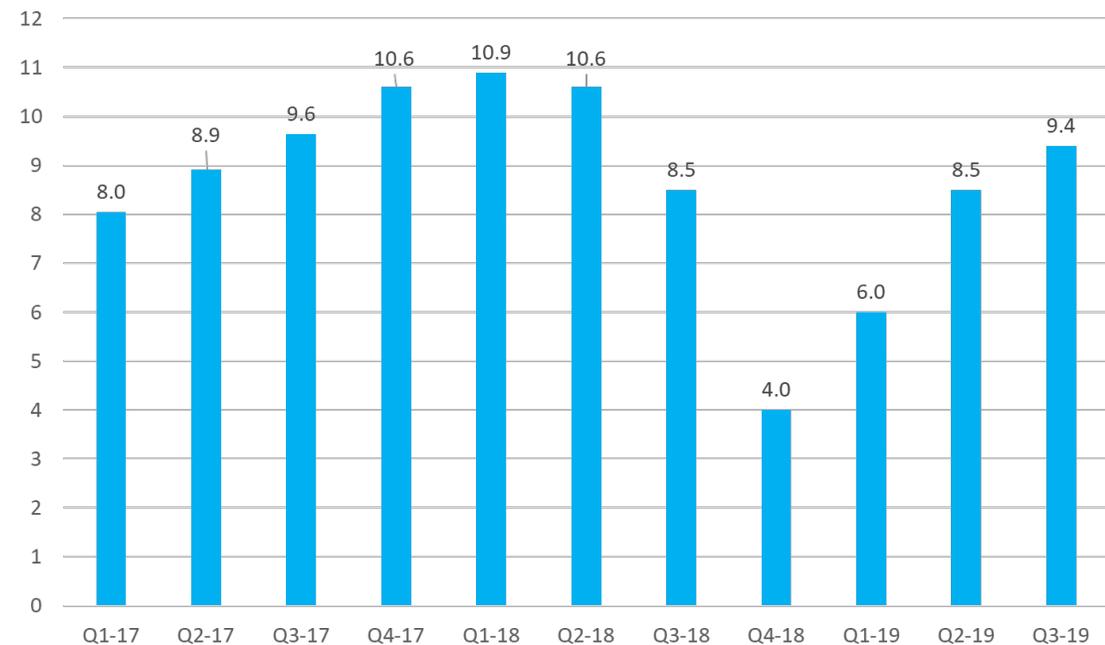
## Annual Revenue



## Strong Balance Sheet

- \$68.1M in cash
- Zero debt as of 09/30/19
- No capitalized costs

## Quarterly Revenue



# SUMMARY

- \$2.7b market opportunity for automated service assurance solutions
- First to market with a fully cloud-native product that is 5G-ready
- Utilize innovative AI and machine learning to enhance our offering
- Differentiated expertise and endorsement as part of
  - AT&T's industry-leading network transformation
  - Rakuten Mobile: first end-to-end fully virtualized 5G-ready network
- Experienced leadership team with extensive domain knowledge
- Top-tier operators chose RADCOM's solution for their network transformation delivering recurring revenue:
  - Working with AT&T on its pioneering NFV transformation for last three years
  - New three-year contract with AT&T signed in April 2019 with initial 5G spending
  - Signed a multi-year contract with Rakuten in Japan for the world's first fully virtualized, 5G-ready network
  - Entered a multi-year agreement with VimpleCom to enhance the customer experience to >50M subscribers across Russia
- Compelling growth opportunities with new and existing customers for 5G



# RADCOM

(RDCM)

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