

RADCOM



RADCOM Ltd. (RDCM) Corporate Overview

SAFE HARBOR PROVISION

Certain statements herein contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act and Section 21E of the Exchange Act. These forward-looking statements include, but are not limited to, those statements regarding expected revenues, being well positioned to capitalize on industry tailwinds and our NFV win, the market potential for NFV, expanding our direct presence in North America, Europe and Asia, investing in direct sales, our capital position, growth objectives and statements concerning assumptions made or expectations as to any future events, conditions, performance or other matters. In some cases, forward-looking statements are identified by terminology such as "may," "will," "could," "should," "expects," "plans," "anticipates," "believes," "intends," "estimates," "predicts," "potential," "opportunity" or "continue" or the negative of these terms or other comparable terminology. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or performance to differ materially from those projected. These statements are only current predictions and are subject to known and unknown risks, uncertainties, and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from those anticipated by the forward-looking statements. In addition, past financial or operating performance is not necessarily a reliable indicator of future performance and you should not use our historical performance to anticipate results or future period trends. The forward-looking statements contained herein are subject to risks and uncertainties, including those described herein under "Risk Factors" and in our most recent Annual Report on Form 20-F, under Item 3.D. - "Risk Factors" and in our other filings with the SEC. You are cautioned not to place undue reliance on these forward looking statements, which speak only as of the date on which that statement is made. We cannot guarantee future results, levels of activity, performance, achievements or that any of the events anticipated by the forward-looking statements will occur or, if any of them do, what impact they will have on our results of operations and financial condition. Except as otherwise required by law, we are under no obligation to (and expressly disclaim any such obligation to) update or revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, after the date hereof.

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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FIND THE DIFFERENCE...

2005



2013



2017





RADCOM enables operators to realize the benefits of [network functions virtualization \(NFV\)](#) using [cutting edge, cloud-native technology](#) for service assurance and customer experience management

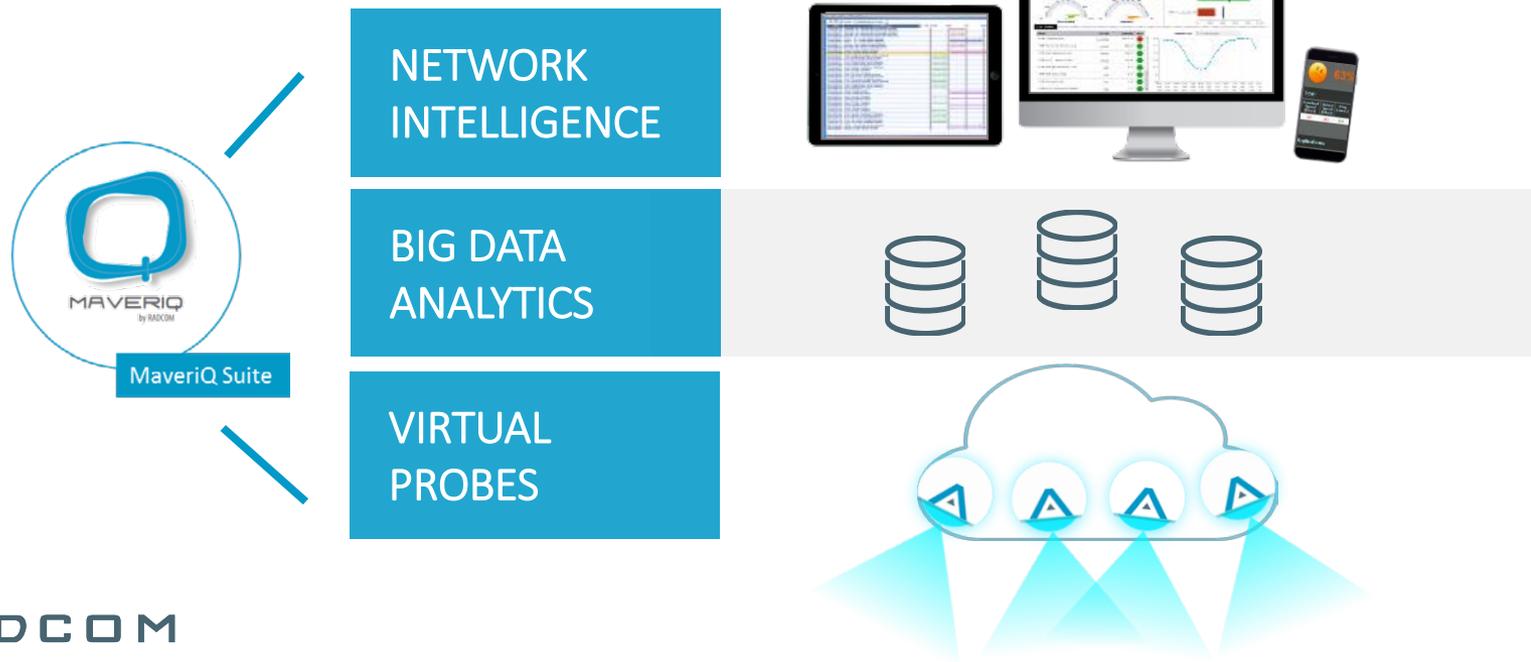
- [100% cloud-native](#) solution for service assurance and customer experience management
- [First-to-market](#) vProbe NFV disruptive technology
- [Selected by AT&T](#) for its industry-leading NFV transformation
- Recently [selected by another world-leading top-tier CSP](#) migrating to NFV
- [Engagement with other top-tier CSPs](#) evaluating NFV
- [Attractive growth opportunities](#)

RADCOM: OPERATORS EYES INTO THE NETWORK

First to market cloud-native NFV solution for service assurance and customer experience management

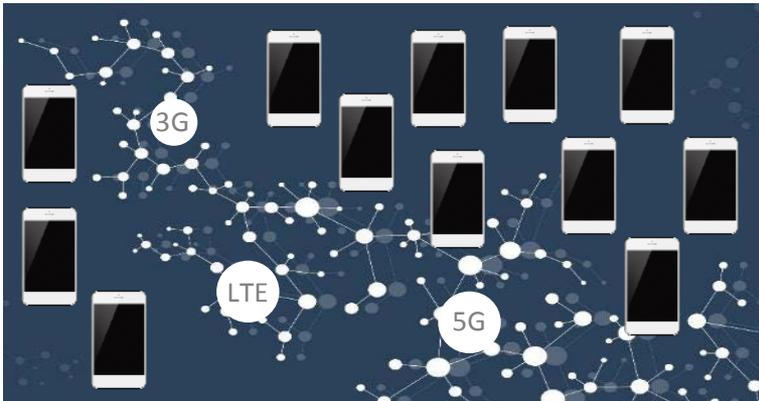
BENEFITS AND CAPABILITIES

- Assure availability of mission-critical CSP networks and services
- Pro-actively identify and resolve network issues
- Improve subscriber quality of experience
- Reduce customer churn
- Accelerate deployment of new services and migration to NFV
- Increase operational efficiency and lower CAPEX and OPEX costs



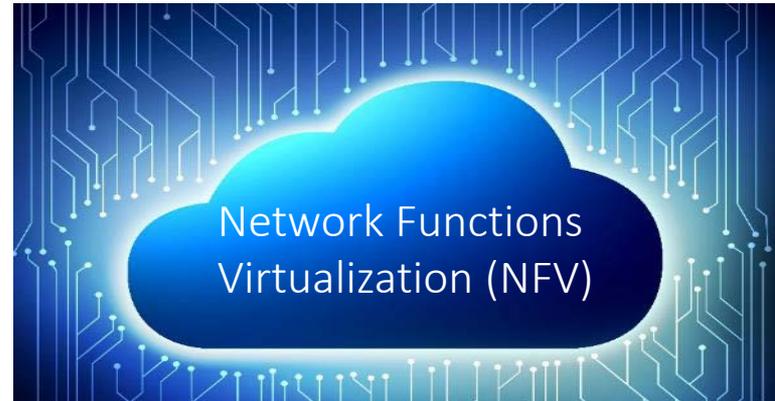
A TRANSFORMATION IS TAKING PLACE IN THE COMMUNICATIONS INDUSTRY

CSPs FACE MANY CHALLENGES



- Rapid increase in mobile data leading to **capacity surges**
- **Growing operational costs** and declining ARPUs
- Ongoing **technology advancement** NFV, LTE, VoLTE, IoT and 5G
- **Increasing competition** within and outside the industry
- Surging **proprietary hardware costs**
- Increased subscriber flexibility **increasing churn**

BENEFITS OF SOFTWARE-CENTRIC NETWORKING



- **Flexible capacity management** to support increasing data traffic
- Increase scalability and lower operating costs through **NFV automation**
- **Accelerate time to market** for new services
- **Agility to launch** new high value revenue services
- **Reduce CAPEX and OPEX** by replacing proprietary hardware with commodity hardware

AT&T SELECTED RADCOM FOR ITS INDUSTRY-LEADING NFV TRANSFORMATION



"We selected RADCOM because of its functional strengths, especially in [virtualization](#), [scalability](#), [performance](#) and [efficiency](#). We will use its [MaveriQ software](#) to deploy [vProbes](#) as virtual network functions running on the AT&T Integrated Cloud (AIC)."
AT&T Newsroom, August 2016

- AT&T was one of the [first in the industry](#) to pursue large-scale, [software-centric](#) network transformation
 - AT&T faced [exponential growth in data traffic](#) across its wireless and broadband networks
 - By migrating network functions to software, AT&T has been able to [better manage costs](#), [boost capabilities](#) and [increase scalability](#) of its network
- AT&T is well on its way to [virtualizing 55% of their network](#) functions by the end of 2017, up from 34% at the end of 2016, with a [target of 75% by 2020](#)
 - [AT&T selected RADCOM](#) to migrate its network probe functions to the cloud as part of this transformation
 - RADCOM was selected over competitors' offerings after [9 months of trials](#) and receiving a [100% test score](#)
 - RADCOM announced its [groundbreaking win with AT&T in January 2016](#)

AT&T has generated significant [follow on orders](#) since announcement

NEW NFV CONTRACT WITH ANOTHER TOP-TIER OPERATOR

- A world-leading top-tier CSP has recently selected RADCOM's NFV service assurance solution
- Contract represents the first phase of the CSP's NFV migration
- RADCOM selected based on its cloud-native solution, domain expertise and proven success in real-world, large scale deployments
- CSP performed rigorous testing of RADCOM's solutions in a proof of concept earlier this year
- RADCOM expects over \$5 million of revenue in 2018 for this initial phase
- Contract provides framework for potential follow on orders and opportunity to expand into other parts of the network as the CSP migrates to NFV

RADCOM

News

FOR IMMEDIATE RELEASE

RADCOM Announces a New NFV Contract with a World-Leading Top-Tier Operator

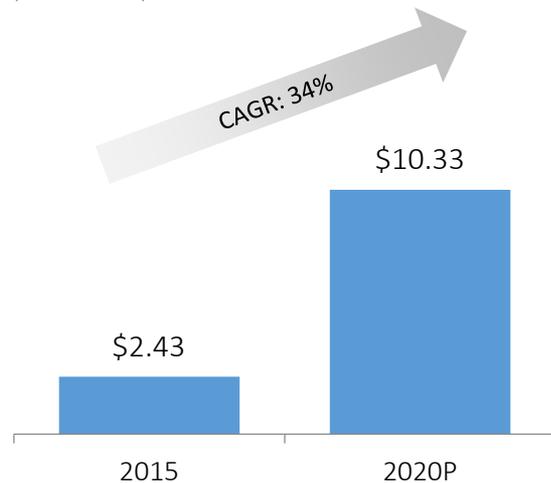
October 9, 2017 – RADCOM Ltd. (NASDAQ: RDCM), today announced that after a successful proof of concept with a world-leading top-tier operator, it has signed a new Network Functions Virtualization (NFV) contract for its fully virtualized, cloud-native MaveriQ solution.

The NFV contract covers assurance for a virtualized network domain and provides a framework for additional orders by the operator.

OPERATORS ARE ACCELERATING USE OF NFV AND SOFTWARE-CENTRIC NETWORKING

GLOBAL NFV MARKET

(\$ in billions)



Source: Infiniti Research, Inc.

MARKET DYNAMICS

- AT&T was the first, large-scale NFV transformation in the industry
- Other top-tier CSPs are now in various phases of NFV deployment
- CSPs are partnering to establish open source standards to simplify NFV adoption
- As CSPs migrate to NFV, they need to replace legacy service assurance solutions
- Most probe solutions do not support NFV or hybrid networks

LARGE CSPs AT VARIOUS STAGES OF NFV EVALUATION / DEPLOYMENT



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OPEN NETWORK AUTOMATION PLATFORM

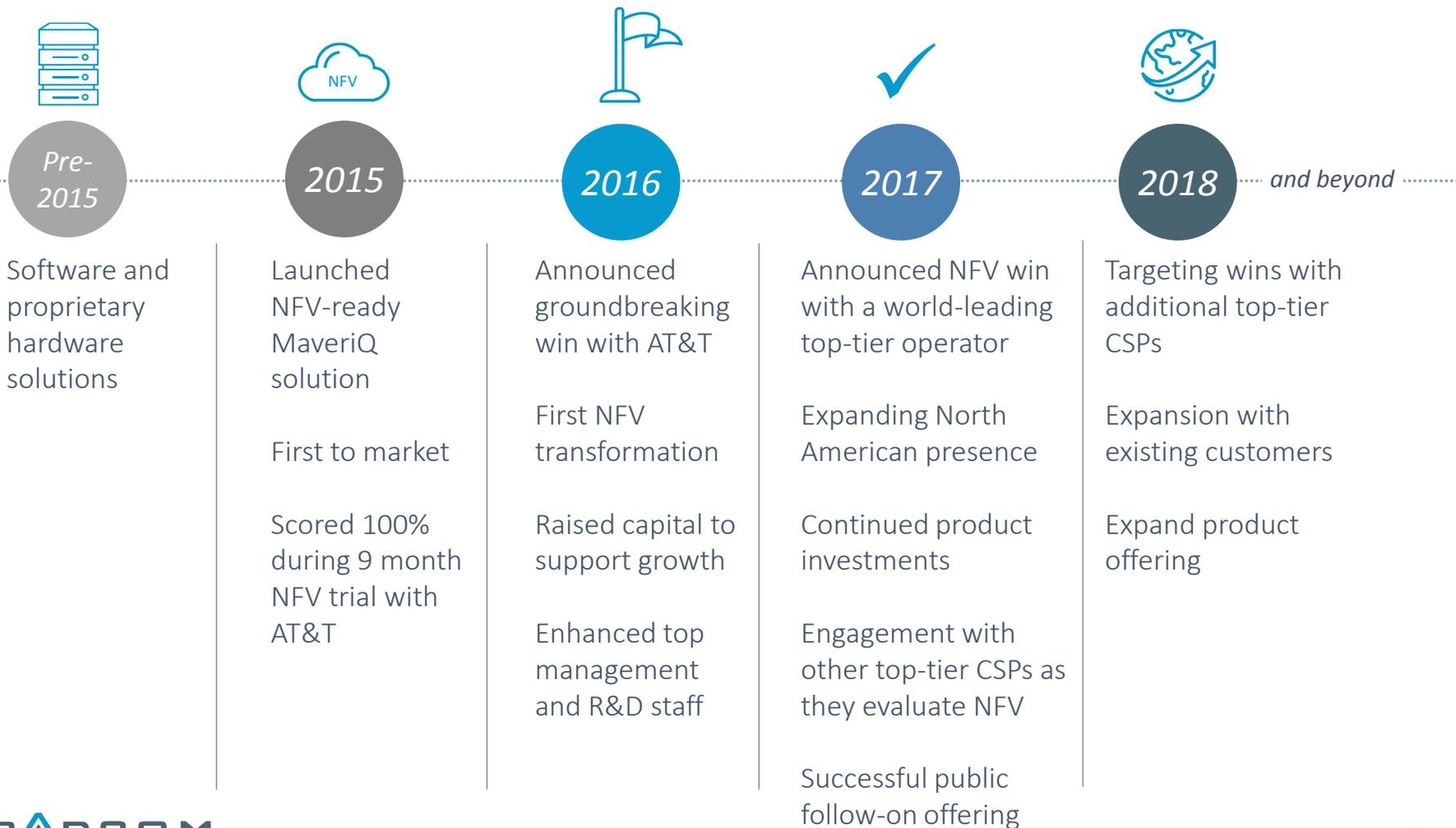
ECOMP and Open-O (two leading open source MANO efforts) merged into a single entity

- ECOMP merged with another leading MANO group - Open-O - to create the Open Network Automation Platform (ONAP) under the Linux Foundation (February, 23 2017)
- ONAP is the engine that powers AT&T's software-centric network
- RADCOM integrates with all key ONAP components
- Multiple large-scale, real-world deployments of our VNF done by AT&T using ONAP



OUR SUCCESS WITH NFV IS GENERATING STRONG RESULTS

First mover advantage with **top-tier customer wins** and real-world, large-scale deployments



GO-TO-MARKET STRATEGY

RADCOM is expanding its direct presence in North America and Europe

- Expansion to the **developed** markets and galaxies, while continue focusing in **developing** markets
- Specifically focus on **North America** and **Europe** NFV carriers
- Target **legacy** accounts
- Invest in **direct salesforce** and technical support to drive future large wins and scale deployments
- Ramp up **R&D resources** to leverage technology advantage



Developing and Expanding Strategic Partnerships

amdocs
Network Cloud Ecosystem




**Hewlett Packard
Enterprise**



All trademarks are property of their respective owners.

RADCOM has partnered with solution integrators, such as Amdocs and HP, as well as technology partners, such as Intel, ONAP and OSM to unlock further opportunities in the sales channel

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



Yaron Ravkaie

CEO

- 25+ years industry experience
- Prior leadership roles at Amdocs and RRMEDIA
- Previously served as President of the AT&T division at Amdocs with a \$1B P&L



Ran Vered

CFO

- 10+ years industry experience
- Prior finance and leadership roles at Amdocs and KPMG
- Certified CPA in Israel
- Previously served as Head of Finance for Amdocs' \$500 million EMEA Division from 2011-2016



Eyal Harari

*COO & Head of North
America*

- 15+ years experience at RADCOM
- Led the transition to MaveriQ, RADCOM's software-based platform



Harel Givon

CBO

- 15+ years industry experience
- Prior sales and leadership roles at Amdocs
- Previously at Amdocs led significant business expansion within EMEA and within the Vodafone accounts



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

FINANCIAL HIGHLIGHTS



Revenue

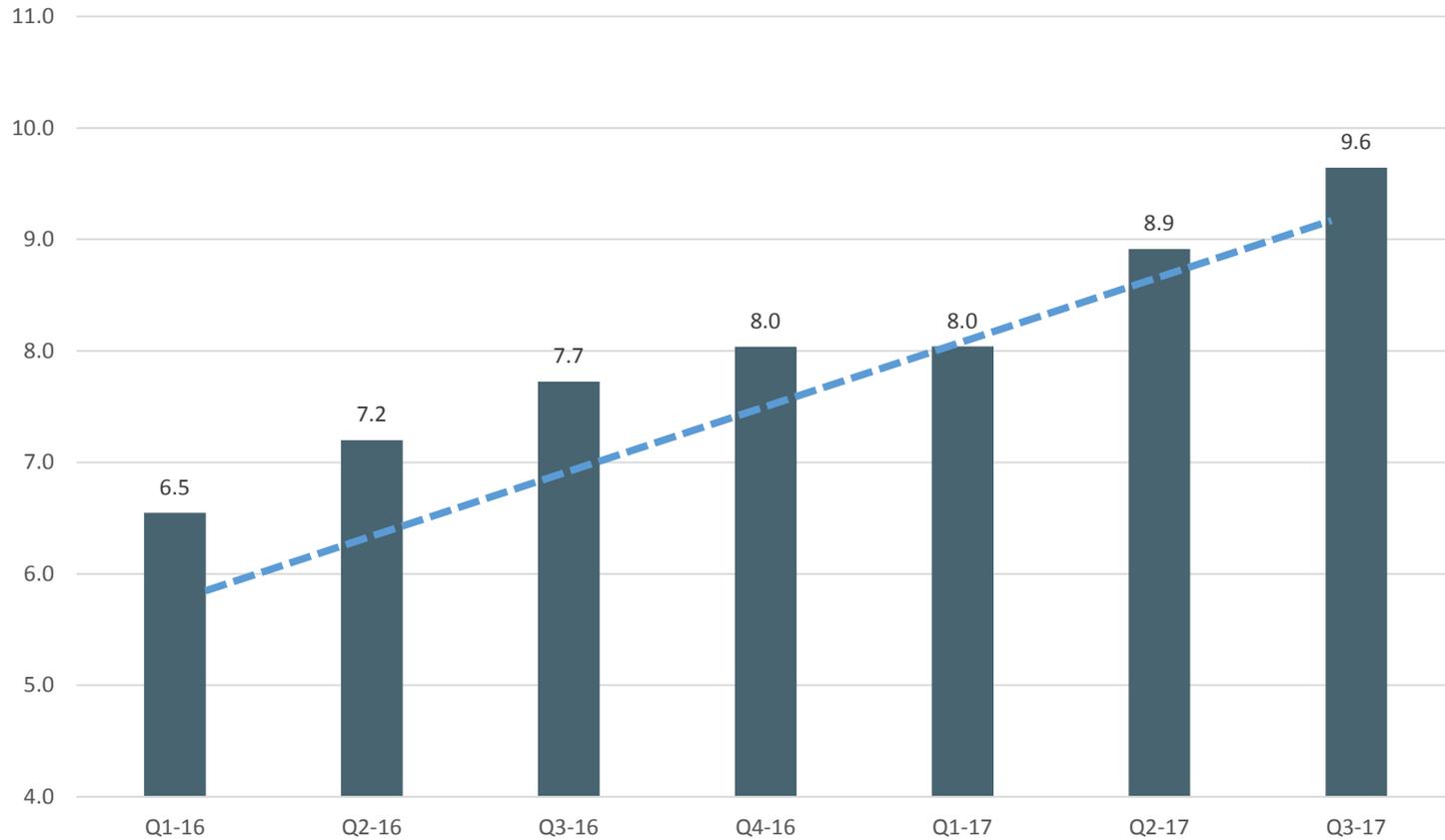
- 2015 - \$18.7M
- 2016 - \$29.5M

Strong Balance Sheet

- **\$33.6M** in cash, zero debt as of 09/30/17
- **+ \$30.2M** (from public follow-on offering in October-17)

REVENUE BY QUARTER

IN MILLIONS OF US DOLLARS



SUMMARY



RADCOM

Well positioned to capitalize on industry disruption from software-centric networking as the first mover in NFV service assurance and customer experience management

>\$1 Billion market opportunity for probe solutions⁽¹⁾ as CSPs accelerate NFV adoption

First to market with NFV probes and a cloud-native solution

Differentiated expertise and endorsement as part of AT&T's industry-leading NFV transformation

Recently selected by another world-leading Top-Tier CSP for its NFV migration

Compelling growth opportunities with new and existing customers

Strong revenue growth and highly scalable operating model

Experienced leadership team with extensive domain knowledge

(1) According to published sources.

RADCOM

A photograph of a business meeting. In the foreground, a person's hand is pointing at a tablet displaying a bar chart with a red trend line. In the background, other people are seated around a table, some looking at documents and others at their devices. The scene is brightly lit with a blue tint.

THANK YOU