

The background of the slide features a stylized representation of the Earth, showing continents and oceans in shades of blue. Overlaid on this is a complex network of white lines connecting various points, suggesting a global communication or data network. Some of these points are highlighted with bright orange or yellow lights, particularly concentrated in the lower half of the image, possibly representing major cities or data hubs.

RADCOM

# CORPORATE OVERVIEW

(Nasdaq: RDCM)

# SAFE HARBOR

Certain statements made herein that use words such as "estimate", "project", "intend", "expect", "believe", "may", "might", "predict", "potential", "anticipate", "plan" or similar expressions are intended to identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. For example, when the Company discusses its outlook for the fourth quarter of 2021, its ability to deliver another growth year in 2021 and the increase of this trend in 2022, the optimization of 5G services on the AWS cloud and Amazon EKS for on-premises implementations resulting from the integration with AWS, launching of the Rakuten 5G standalone network, the Company's sales pipeline, momentum, sales cycles, demand for its products and new requests, and potential expansion of opportunities, the Company's continued investment in technology and R&D, expectations regarding the 5G and AI market sizes and trends in industry, investments, demand and spending, the Company's cash position, potential and expected growth, the Company's expectations with respect to its relationships with Rakuten and AT&T the potential for additional grants from the Israel Innovation Authority, the potential for additional technology integrations and its revenue guidance. The Company does not undertake to update forward-looking statements. The full safe harbor provisions, including risks that could cause actual results to differ from these forward-looking statements, are outlined in the presentation and the Company's SEC filings.

# NON-GAAP FINANCIAL MEASURES

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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# **OUR VISION: EMPOWER THE JOURNEY TO AUTONOMOUS NETWORKS**

**Leverage the 5G cloud transformation to make mobile networks autonomous, dynamic and efficient.**

**RADCOM enables this with its leading 5G automated assurance technology, to monitor, analyze and deliver real-time network analytics.**



# **RADCOM**

**The operators' eyes into the 5G network**

# COMPANY OVERVIEW (RDCM)



**EMPLOYEES:** ~280



**MARKET:** Automated Assurance for telecom operators



**MARKET SIZE:** \$2.7b worldwide



**CUSTOMER FOCUS:** 5G Tier-1 Operators



**REGIONS:** North America, Asia, Europe, South America



**>\$50M IN NEW CONTRACTS IN 2022**

Sharply improves visibility and punctuates our strong technology advantage



**ANNUAL GROWTH:** FY 21 revenues of \$40.3M (CAGR of 11% over 3 years)



**CONSISTENT GROWTH:** 12th consecutive quarter of year-over-year growth and 16% growth vs. Q2-21



**ANNUAL GROSS MARGIN:** 72% (Non-GAAP)



**R&D INVESTMENT:** > 50% of our top-line for our long-term strategy

## SELECTED CUSTOMERS:



AT&T



Globe



kpn 5

# FINANCIAL HIGHLIGHTS

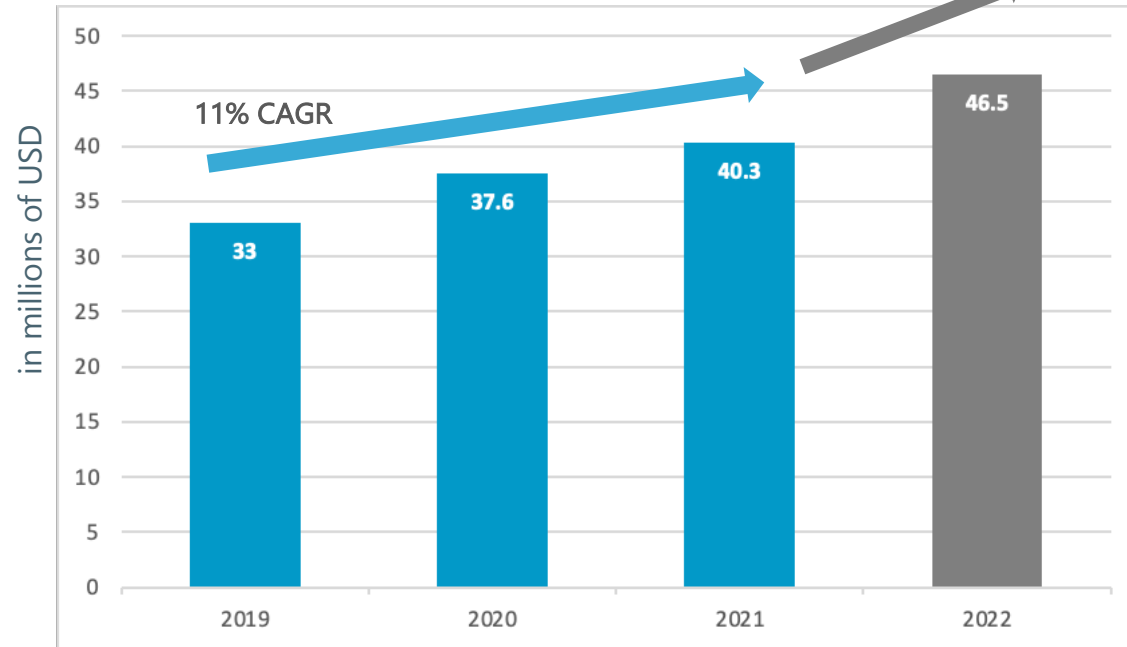
## Annual Revenue

FY 21 revenues were a new all-time full-year record

Mid-range of  
Revenue Guidance

15% CAGR

11% CAGR

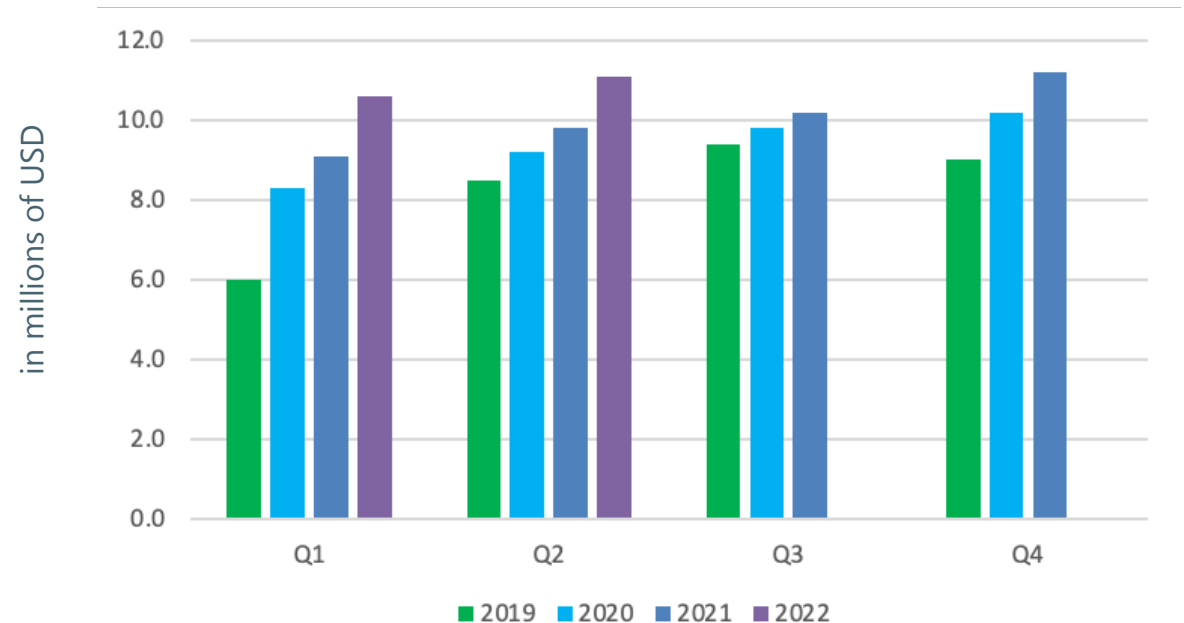


## Strong Balance Sheet

- \$73.1M in cash
- Zero debt as of 6/30/22
- No capitalized costs

## Quarterly Revenue

Q2-22: 12th consecutive quarter of year-over-year revenue growth



## 2022 Revenue Guidance\*

\$45-\$48 million

**\*Increased in August 2022**



# THE VALUE WE BRING



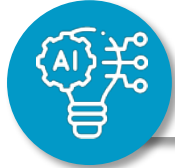
**Collect** billions of events from across the network



**Analyze** and **correlate** multiple inputs to E2E view



**Identify** in **real-time** network anomalies using artificial intelligence and machine learning



**Automate** assurance deployments, scaling and solution updates to ensure network monitoring 24/7

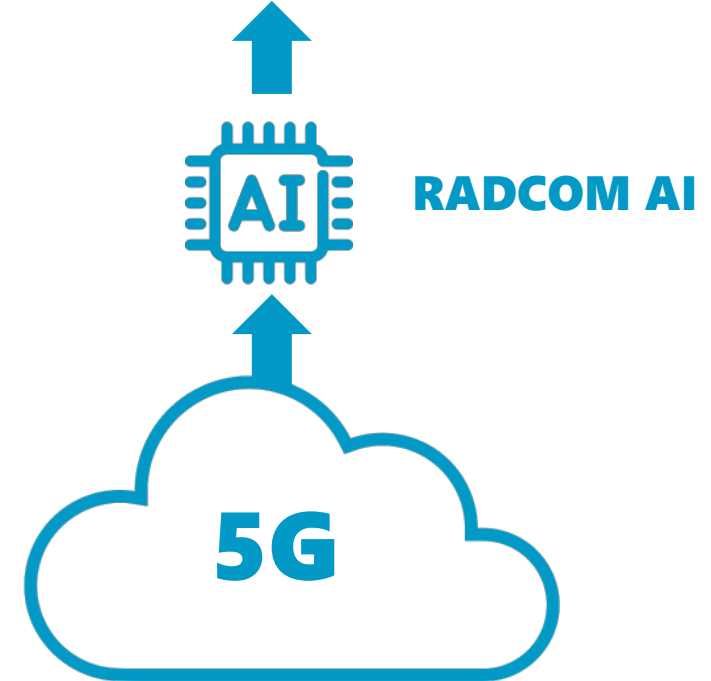


**Evaluate** the quality of all the network services and calculate the quality of experience



**Deploy** across multiple clouds to provide end-to-end monitoring

## REAL-TIME NETWORK ANALYTICS



***"Service Assurance is vital for launching new 5G networks."***

Tareq Amin, CEO, Rakuten Symphony

# SERVICE ASSURANCE IS VITAL FOR 5G

- In 5G degradations make the difference between **successful remote surgery** or a **drone crashing**
- Operators need to know in real-time what's happening in the network
- RADCOM has **invested significant R&D** in developing next-gen 5G assurance
- RADCOM ACE delivers **automated, AI-driven assurance** with **critical real-time insights** into cloud-based 5G networks

*5G will create complex networks, driving the demand for new assurance capabilities*

Automated assurance: 2021–2025  
Anil Rao and William Nagy, **Analysys Mason**





# OUR VALUE PROPOSITION

## 1) TELECOM MARKET

- At the initial stages of the 5G SA rollout
- All operators will rollout new 5G networks
- Assurance is a vital first component of a new network rollout
- Operators will need to swap out their legacy assurance solutions for 5G and the cloud

## 2) OUR UNIQUE OFFERING

- 1st to Market Expertise in cloud/5G
- Won 1st 5G standalone assurance contract (Rakuten Japan)
- Won DISH standalone contract (May 2022)
- Advanced, best in class solution, that provides critical insights for new 5G networks

## 3) OUR BUSINESS MODEL

- Transitioned from legacy assurance model to subscription-based software model
- Provides RADCOM with strong multi-year contracts
- Recurring revenue
- Offers operators significant ROI and long-term value

## 4) OUR ENDORSEMENTS

- Market Endorsement by Leading Operators



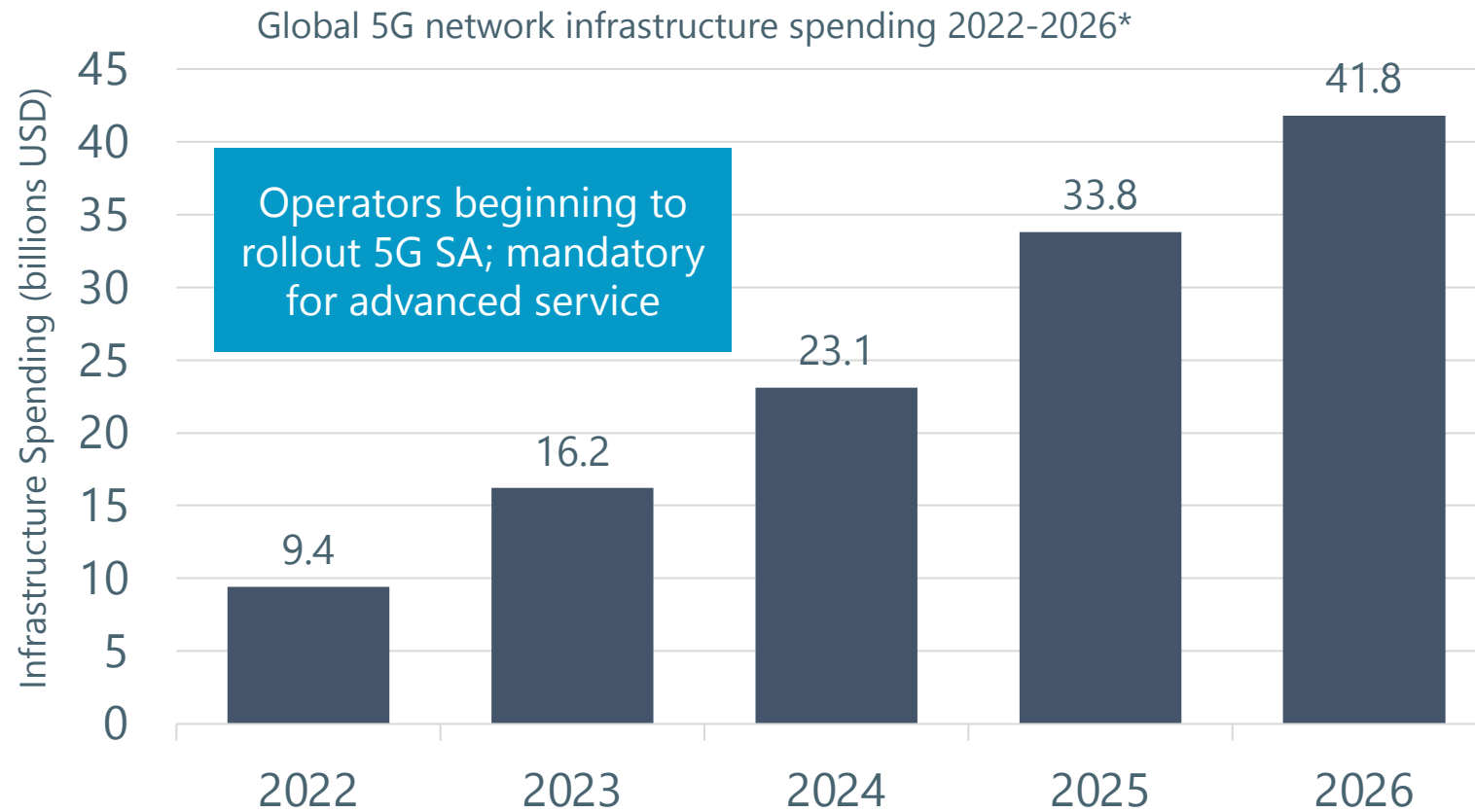
- Proven ability to execute
- Solution continues to mature across multiple deployments and our expertise increases

*\$2.7b Market Opportunity for Automated Assurance for 5G*

*Two main drivers for the expected acceleration in assurance spending are the need for **AI/ML-driven automation** for 5G and **cloud solutions**.*

# TELECOM MARKET

## OPERATORS ARE INVESTING IN 5G

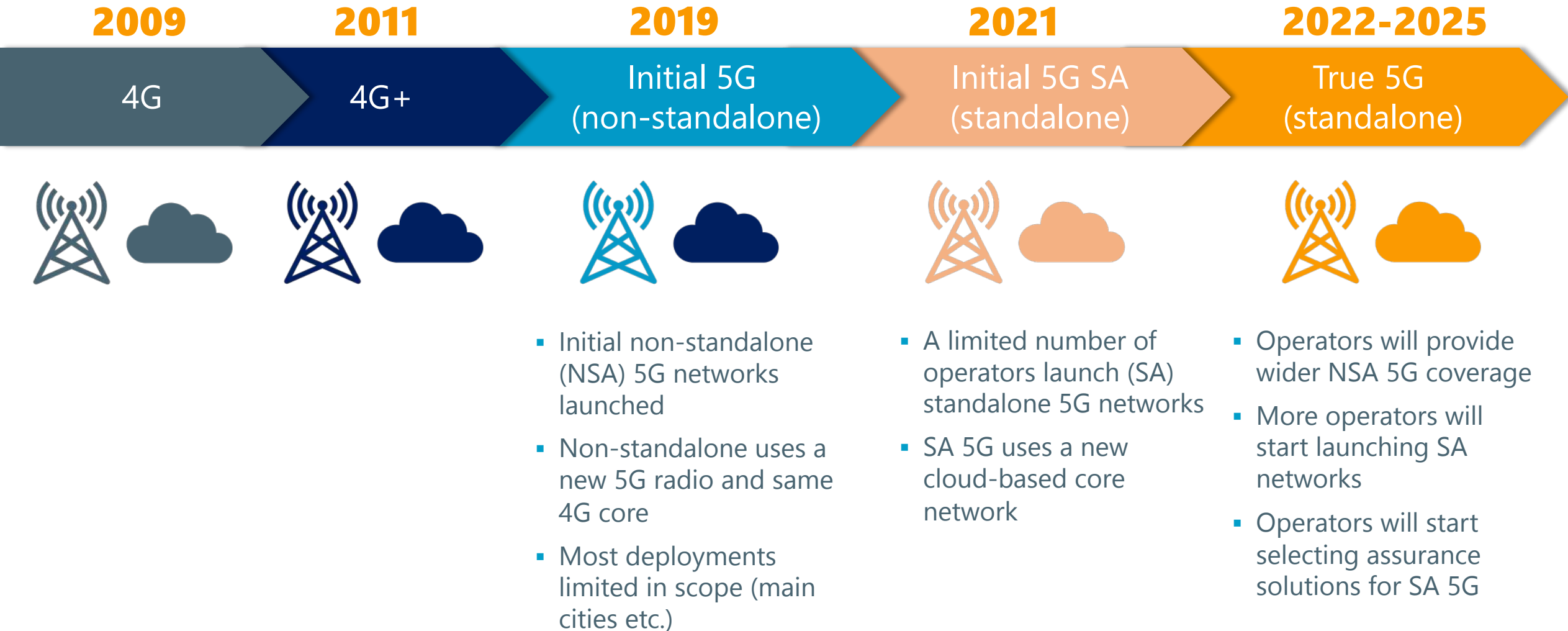


\*Source: The Edge of the Cloud - 5G Technology

- Increased standalone network rollouts
- Operators choosing assurance vendors
- Operators will need cloud-native solutions

# TELECOM MARKET (CONT'D)

## THE ROAD TO 5G





# TELECOM MARKET (CONT'D)

## SNAPSHOT OF OPERATORS' 5G STATUS

- A significant number of operators investing in 5G
- Most deployments are limited and based on non-standalone that uses 4G networks
- Standalone 5G is considered true 5G
- Standalone will see new use cases and will require real-time, automated assurance
- RADCOM won one of the 1<sup>st</sup> standalone 5G assurance contracts with Rakuten
- Won the DISH contract the first 5G SA network deployed on the public cloud (AWS)

- Today, there are **8.3b mobile** subscriptions
- By the end of 2027, forecast is there will **4.4b 5G** subscriptions globally

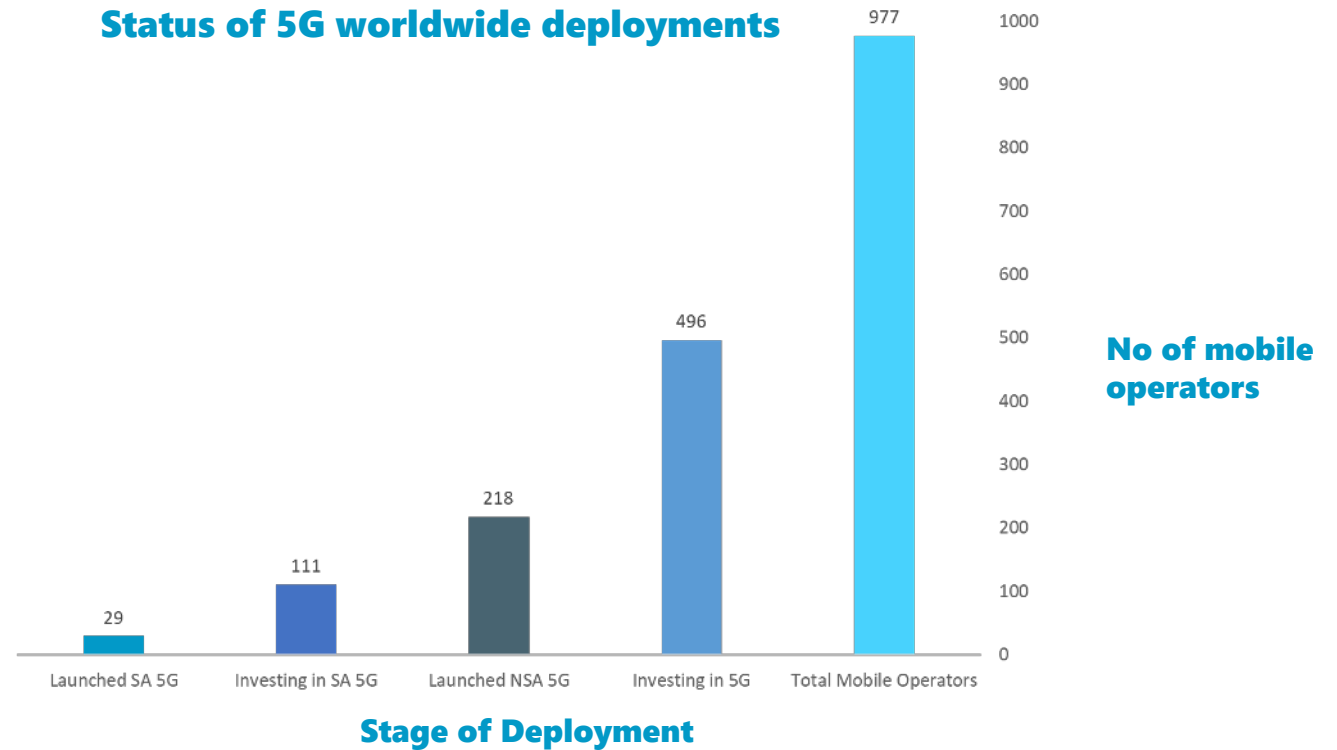
Source: Ericsson Mobility Report June 2022

Today there are **977** mobile operators:

- **496** operators are investing in 5G
- **111** investing in SA 5G
- Less than **25% of mobile operators** have launched NSA 5G

**SA 5G is cloud-native** and will require operators to deploy new assurance solutions that are cloud-native

**Status of 5G worldwide deployments**



Source: Global Mobile Suppliers Association, August 2022

# OUR UNIQUE OFFERING

## \*Customers report that RADCOM ACE can:

- **Improve** 5G network quality by up to 20%
- **Enhance** cell coverage and performance by up to 25%
- **Resolve** customer-affecting issues quicker by an average of 40%
- **Save** manual work hours by up to 35% using AI-based root cause analysis which helps make engineering more efficient and improve network quality
- **Automate** 30% of assurance and operational processes



## INNOVATION AWARDS

### BEST NEW 5G CORE PRODUCT



### OTHER CATEGORIES



*\*Data is based on customer testimonies and can vary depending on the network*

# OUR UNIQUE OFFERING (CONT'D)

- **1<sup>st</sup> mover advantage** (first assurance vendor) to transition to the cloud
  - AT&T, DISH and Rakuten expertise and endorsement
- **Fully-cloud native** for seamless integration into multiple clouds (private, public and hybrid clouds)
- **Automate** to deploy, scale and update assurance with zero-touch intervention and lean network operations
- **Cloud-agnostic** for integration into multiple cloud environments and providers
- **Optimize** the 5G quality of experience and overall quality of service across multiple clouds



## RECENT CLOUD ANNOUNCEMENTS



RADCOM announces automated 5G assurance integration with Microsoft Azure

March 10, 2021

*RADCOM ACE provides operators with a fully integrated, cloud-native 5G assurance solution in a public cloud.*

TEL AVIV, Israel – March 10, 2021 – RADCOM Ltd. (Nasdaq: RDCM) today announced the integration of its automated 5G assurance solution, RADCOM ACE, with Microsoft Azure. The integration enables operators to rapidly deploy and optimize 5G services in a carrier-grade cloud platform more dynamically and efficiently, while using automation and AI-driven insights to enhance the customer experience, reduce operational costs, and ensure 5G service quality.



RADCOM Launches Cloud-Native, Automated 5G Assurance on Amazon Web Services

August 31, 2021

TEL AVIV, Israel – August 31, 2021 – RADCOM Ltd. (Nasdaq: RDCM) today announced the launch of RADCOM ACE on Amazon Web Services (AWS), providing real-time subscriber analytics and advanced troubleshooting for telecom operators adopting cloud for rolling out 5G, Internet of Things, and edge services as well as operators already running 4G and VoLTE networks. RADCOM ACE helps operators enhance the Mobile Wireless CX (Customer Experience) and ensure service quality on a public cloud. The integration of RADCOM ACE with AWS enables operators to dynamically deploy an automated, cloud-native service assurance platform while utilizing AWS to scale efficiently and reduce time to market.

DISH Selects RADCOM to Monitor America's First 5G Smart Network™

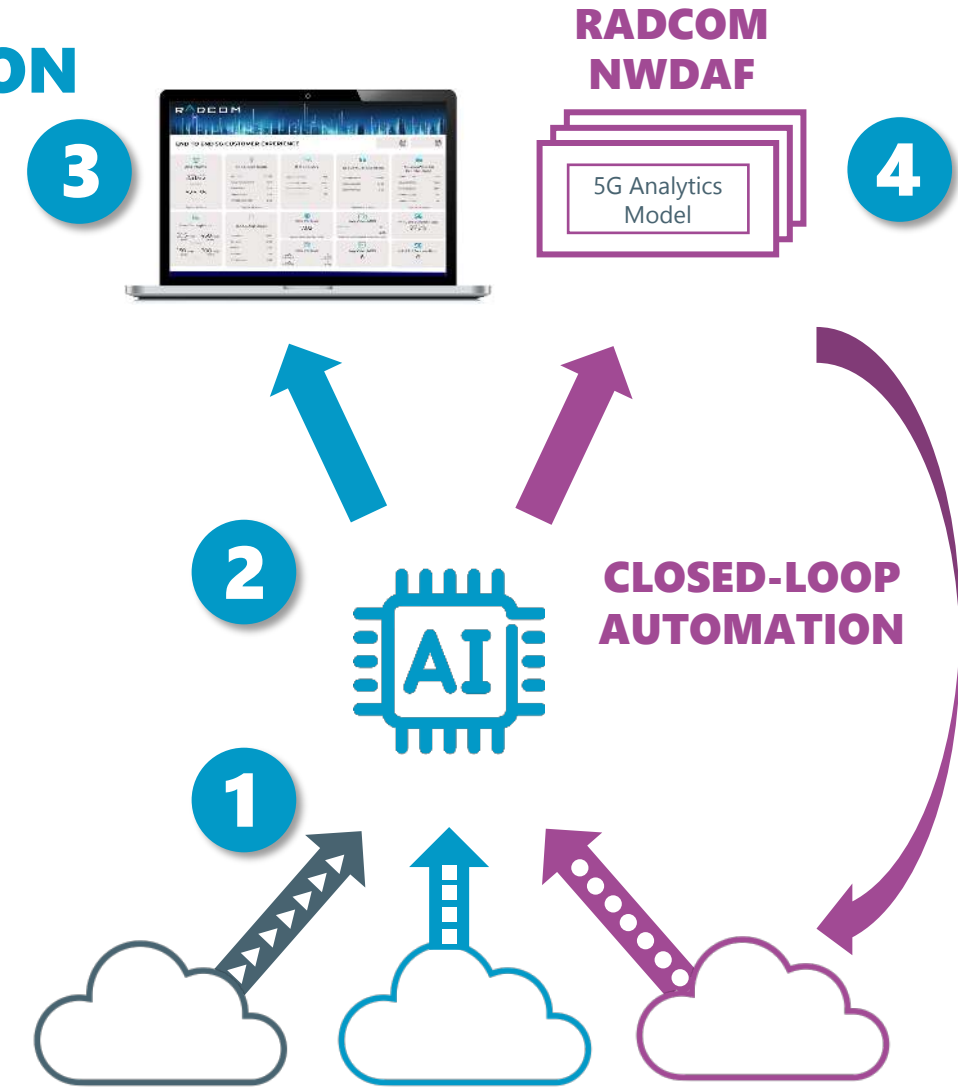
"Our standalone 5G network is the first to be fully deployed on the public cloud, and we needed an assurance market leader that shared our innovative vision," said Jeff McSchooler, Executive Vice President of Wireless Network Operations, DISH Wireless. "We selected RADCOM because its advanced cloud technology will ensure our customers have access to reliable network performance and a great user experience."



# OFFERING A RICH PRODUCT PORTFOLIO FOR 5G

## 4 NETWORK DATA ANALYTICS FUNCTION

Building the next-gen solution: closed-loop automation



## 3 REAL-TIME SUBSCRIBER ANALYTICS

Understand service quality, where there are problems, and how to fix them

## 2 CLOUD-NATIVE SERVICE ASSURANCE

Analyzes billions of data sessions across multiple clouds using built-in AI using patented technology for troubleshooting

## 1 CLOUD VISIBILITY

Efficiently filters and monitors only relevant data with minimal cloud resources using patented technology

# UNIQUE, PATENTED TECHNOLOGY FOR ASSURANCE

## US PATENT: 10050886 B2



Efficiently load balances traffic that is highly scalable for large-scale mobile networks

## US PATENT: 11153224 B2



Automates assurance deployments spins up all resources, dependencies and data flows

## US PATENT: 10757025 B2



Smartly distributes traffic while maintaining user sessions for advanced troubleshooting

## US PATENT: 10819650 B2



Dynamically adjusts resources to continuously monitor the network quality 24/7/365

## US PATENT: 11350295 B2



Efficiently stores data to save cloud resources while enabling advanced assurance capabilities

## PATENT: W2018042412A1



Smartly correlates call data with device IDs to enable network troubleshooting in cloud domains

# OUR BUSINESS MODEL

## MULTI-YEAR CONTRACTS

With top-tier operators such as AT&T, DISH, and Rakuten

## SUBSCRIPTION-BASED CLOUD MODEL

Provides long-term value to customers

## RECURRING REVENUE

~70% of annual revenue in 2021 was recurring

## GOOD VISIBILITY

Long-term visibility into 2022-2023 with recent wins and growing business

## STRONG PIPELINE

Uses the same multi-year business model





# OUR ENDORSEMENTS

- **Invested** over many years in cloud-native solutions for the transition to 5G
  - **Offer** our customers unique, advanced technology and deep expertise
  - **Deliver** on our customer commitments to provide innovative, cutting-edge technology for large scale deployments
- 



*"Our 5G network is the first to be fully deployed on the public cloud, and we needed an assurance market leader that shared our innovative vision. We selected RADCOM because its advanced cloud technology will ensure our customers have access to reliable network performance and a great user experience."*

Jeff McSchooler, Executive Vice President of Wireless Network Operations



*"RADCOM's automated assurance solution is an important component of the Rakuten Communications Platform... Deploying RADCOM ACE on our network helps us identify service issues in real-time and troubleshoot them, which are essential for smoothly migrating our customers to the new 5G network."*

Tareq Amin, CEO Rakuten Symphony



*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



# DISH SELECTS RADCOM TO MONITOR AMERICA'S FIRST 5G SMART NETWORK™

## RADCOM WINS ANOTHER STANDALONE (SA) 5G ASSURANCE CONTRACT

- May 2022, RADCOM signed a multi-year 5G contract to provide assurance for their nationwide deployment
  - DISH's 5G standalone network is the first to be fully deployed on the public cloud (Amazon Web Services)
  - Our solution uses built-in AI/ML to enable DISH to differentiate from its competition through automation
  - Our solution will help DISH
    - Launch 5G smoothly
    - Offer a superior customer experience
    - Gain real-time insights into network performance
- 24/7/365



*"Our 5G network is the first to be fully deployed on the public cloud, and we needed an assurance market leader that shared our innovative vision. We selected RADCOM because its advanced cloud technology will ensure our customers have access to reliable network performance and a great user experience."*

Jeff McSchooler, Executive Vice President of Wireless Network Operations

# RAKUTEN MOBILE PARTNERS WITH RADCOM

## RADCOM WON ONE OF THE 1ST STANDALONE (SA) 5G ASSURANCE CONTRACTS

- May 2019, RADCOM signed a multi-year contract to provide end-to-end service assurance
- October 2019, Rakuten launched 4G
- September 2020, Rakuten launched 5G
- November 2020, RADCOM signed an additional multi-year contract for 5G (including standalone)
- RADCOM is integrated with the Rakuten Communications Platform (RCP), which is sold under Rakuten Symphony
- Rakuten Symphony is an organization dedicated to selling RCP and other network solutions to operators worldwide
- July 2022, RADCOM selected by Rakuten Symphony to be their service assurance partner for Symworld™ worldwide

Rakuten, Inc. spans 70+ businesses with 1.2b members worldwide



Rakuten, Inc sponsors Golden State Warriors and FC Barcelona

*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



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

IN MAY 2022 AT&T RENEWED ITS MULTI-YEAR CONTRACT WITH RADCOM

- 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
- In April 2022, signed a new, multi-year contract



*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 AT&T Newsroom

## AT&T Renews its Multi-Year Assurance Contract with RADCOM

April 7, 2022

TEL AVIV, Israel – April 7, 2022 – RADCOM Ltd. (Nasdaq: RDCM), today announced that it has renewed its multi-year contract with AT&T Services, Inc. With this renewal, RADCOM will continue its relationship with AT&T, providing automated service assurance for its cloud network to ensure the network performance and service quality.

# SUMMARY

5G

Our vision is to make mobile networks more **autonomous, dynamic** and **efficient** using **artificial intelligence** and **automation**



5G is at the early stages, will grow significantly and **automated assurance is vital** for launching new SA 5G networks and managing new use cases



Our **business model** secures multi-year contracts that deliver significant recurring revenue and is market proven by delivering consistent growth



We are **endorsed** by top-tier operators like **AT&T, DISH, and Rakuten** to monitor cloud-based networks to ensure customers have a great user experience and operators can smoothly rollout 5G services



We believe that we are **well positioned** to capture additional **market share** and **deliver growth** leveraging our competitive advantage as a leading cloud-native assurance platform

# THANK YOU