RADCOM

Q3-25 Earnings

November 12, 2025

Benny Eppstein

CEO

Hadar Rahav

CFO

SAFE HARBOR PROVISION

This conference call will contain forward-looking statements. Forward-looking statements in the conference call involve several risks and uncertainties, including, but not limited, to the Company's statements about its commitment to delivering solutions that are transforming the assurance landscape, continued adoption and investment in AI and 5G as well as other favorable market trends, the resilience of the Company's operating model and the value its AI-driven assurance solutions provide in lowering total cost of ownership and enabling comprehensive observability across customer networks, converting the Company's robust pipeline into revenue, expanding the Company's current installed base, levels of investment, and advancing the Company's strategic partnerships, expectation for initial revenue from certain partnerships and timing thereof as well as its full-year 2025 revenue guidance, expectations with respect to margins and expenses and future growth, momentum, opportunities and profitability. 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 today's press release and the Company's SEC filings.

NON-GAAP FINANCIAL MEASURES

In this conference call, management will refer to certain non-GAAP financial measures, which are provided to enhance the user's overall understanding of the Company's financial performance. By excluding non-cash stock-based compensation that has been expensed in accordance with ASC Topic 718, financial income (expenses) related to acquisitions, and amortization of intangible assets related to acquisitions, non-GAAP results provide information helpful in assessing RADCOM's core operating performance and evaluating and comparing the results of operations consistently 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 included in the quarter's earnings release, available on our website, www.radcom.com.

AGENDA

1. **Business Performance and Company Strategy**
   Benny Eppstein
   Chief Executive Officer

2. **Financial Results and Performance**
   Hadar Rahav
   Chief Financial Officer

3. **Q&A**

TODAY'S SPEAKERS

Benny Eppstein

Chief Executive Officer

Hadar Rahav

Chief Financial Officer

Benny Eppstein

Chief Executive Officer

Business Performance and Company Strategy

Q3-25: 16.2% REVENUE INCREASE AND IMPROVED PROFITABILITY

Quarterly Revenue	Operating Margin (Non-GAAP)*	Cash Generation (No debt)
New Quarterly Revenue Record	Improved Profitability	Ended Q3-25 with Record-High Cash and Bank Deposits
$18.4M	**20.9% Operating Margin**	**$106.7M**
16.2% YoY increase	4.2% YoY increase	$5.1M Positive cash flow

* Non-GAAP. See reconciliation tables in slide 22.

STRONG DEMAND FOR AI-DRIVEN ASSURANCE

AI Demand & Trusted Data

AI is transforming the telecom industry:

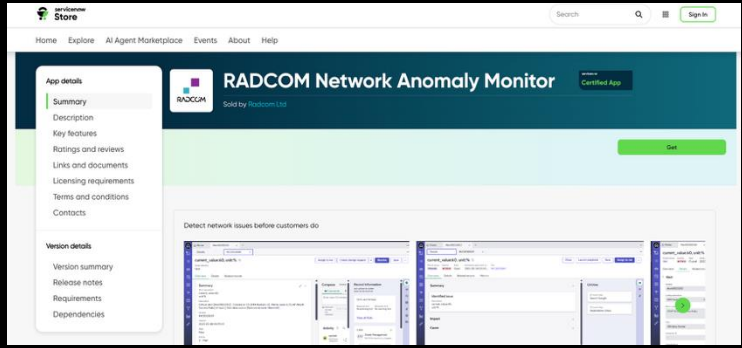
- The AI in telecom market is valued at $3.34 billion and is expected to grow at a 43.3% CAGR through 2032*
- AI drives superior customer experiences while enabling operators to reduce costs and optimize operations
- Trusted, high-quality data is the foundation for effective AI-driven transformation
- RADCOM's strategic focus: to be the leading provider of real-time user and service experience insights powering AI-native telecom networks

Source: AI in Telecommunication Market, Fortune Business Insights, October 2025

PARTNERSHIP WITH SERVICENOW

Advancing AI-Driven Operations with ServiceNow

- Completed integration of RADCOM AIM, our AIOps solution, with ServiceNow's Service Operations Management platform
- Certified and listed in the ServiceNow Store as an official connector
- Delivers continuous, real-time network monitoring and supports advanced AI-driven use cases such as intelligent anomaly detection and complaint validation



servicenow

PARTNERSHIP WITH NVIDIA

Next-Generation High-Capacity User Analytics

- Powered by NVIDIA BlueField-3 DPU, delivering real-time analytics at a fraction of the cost
- First vendor to capture 400 Gbps on a single server
- Up to 75% lower operational costs vs traditional probes
- Provides full network visibility and is in lab and field trials with key customers, showing strong momentum

NVIDIA

1GLOBAL: NEW MULTI-YEAR CONTRACT WIN

- Signed a multi-year agreement with 1GLOBAL, a global mobile communications provider with 43 million connections across Europe, North America, and Asia.
- RADCOM ACE selected as their AI-powered, cloud-native assurance platform to enhance customer experience and optimize network performance.
- Demonstrates growing demand for AI-driven assurance as operators modernize and expand to the cloud.
- Our solution delivers real-time analytics, significant cost efficiencies, and a future-ready foundation for agentic AI and closed-loop automation use cases.

TRUSTED BY LEADING OPERATORS WORLDWIDE

AT&T

- AT&T continues to grow its subscriber base, reflecting strong market performance
- RADCOM supports AT&T's growth by delivering real-time assurance for service quality and user experience

Rakuten Mobile

- Expanded 5G footprint, now exceeding 9 million subscribers in Japan
- Demonstrates strong growth momentum in a highly competitive, mature market
- RADCOM's assurance solution supports Rakuten's fully virtualized, cloud-native network, ensuring scalable, reliable, high-quality performance

GO-TO-MARKET ACTIVITIES

1. Telekom Campus Fair 2025
2. Innovate Americas
3. Network X, Paris, France

RADCOM PREDICTIVE COMPLAINT RESOLUTION

"This submission is exceptional, driven by ***impressive financial metrics and strategic partnerships****. It successfully frames the industry problem of customer dissatisfaction and engineer overload before* ***presenting its innovative solution****."*

FOCUSED ON SCALABLE, PROFITABLE GROWTH

1 Converting a strong pipeline into revenue while expanding our global customer base

2 Deepening strategic partnerships to accelerate innovation and broaden our market reach

3 Investing in AI and automation to strengthen our technology leadership and deliver a lower TCO for real-time network intelligence.

4 Driving consistent profitability and cash generation as we scale globally.

Hadar Rahav

Chief Financial Officer

Financial results and performance

Q3 2025 Financial Highlights

- Record revenue, representing 16.2% growth y-o-y, on-track for another year of double-digit growth in FY2025
- Achieved the highest operating profitability and EPS in years

* Non-GAAP. See reconciliation tables in slide 22.

Q3 2025 Results

Q3 Revenue
$18.4 Million

Q3 Non-GAAP Gross Margin
77.1%

Q3 Non-GAAP* Operating Profit
$3.8 Million

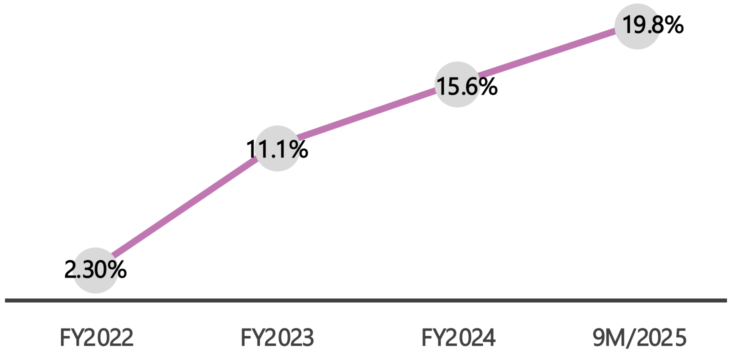
Q3 Non-GAAP Operating Margin
20.9%

Q3 GAAP Diluted EPS
$0.21

Q3 Non-GAAP Diluted EPS
$0.29

Q3 Revenue historical trend ($M)

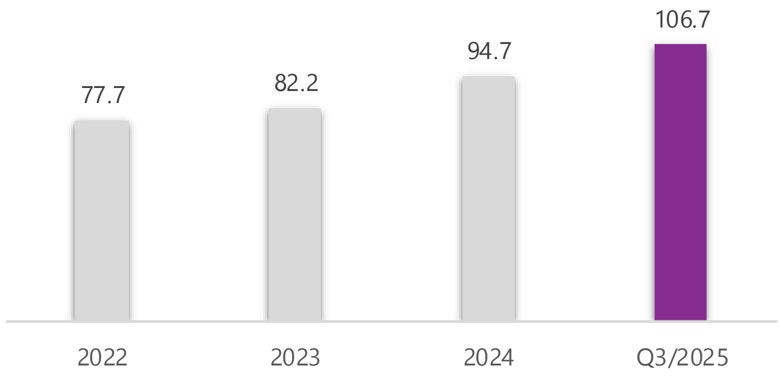
Non-GAAP Operating Margin historical trend (%)



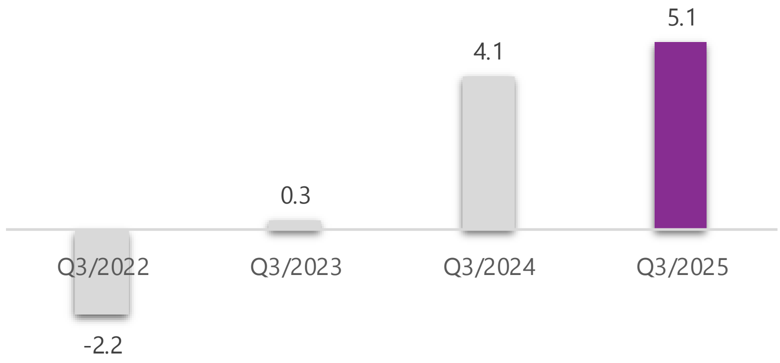
Balance Sheet & Cash Flow

- **Positive cash flow** of **$5.1M for Q3/25**
- **Ending Q3 2025** with the **Highest cash & bank deposits** of **$106.7M**
- **No Debt**

Cash and Bank Deposits
As of ($M)



Cash Flow historical trend
($M)

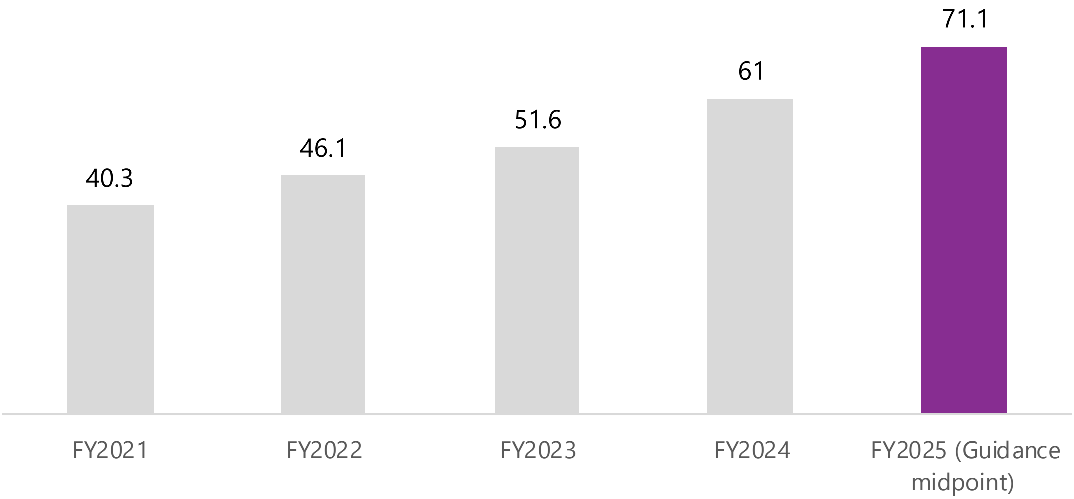


Slide 29

FY2025 Revenue Outlook

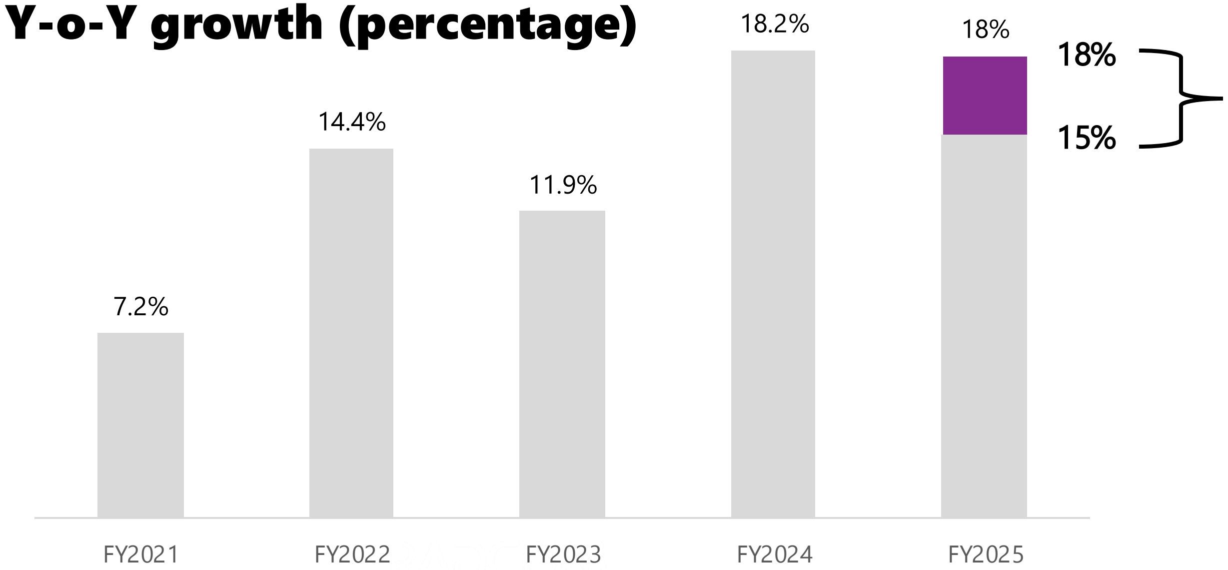
- Reaffirming FY 2025 revenue growth outlook of 15% - 18% YoY with midpoint of 16.5%
- Driven by a strong sales funnel, robust customer engagement, and ongoing market shifts toward intelligent, automated, real-time assurance

Five-year historical trend and FY2025 outlook ($M)



Revenue growth

Y-o-Y growth (percentage)



Expects 16.5% *guidance midpoint*

CONSOLIDATED STATEMENTS OF OPERATIONS (GAAP)

(In thousands of U.S. dollars, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Revenues	$ 18,388	$ 15,821	$ 52,637	$ 44,745
Cost of revenues	$ 4,364	$ 4,064	$ 12,823	$ 11,609
Gross profit	$ 14,024	$ 11,757	$ 39,814	$ 33,136
Gross profit %	76%	74%	76%	74%
Research and development, gross	$ 5,119	$ 4,696	$ 14,832	$ 13,910
Less - royalty-bearing participation	$ 189	$ 182	$ 214	$ 571
Research and development, net	$ 4,930	$ 4,514	$ 14,618	$ 13,339
Sales and marketing	$ 5,144	$ 4,552	$ 14,944	$ 13,162
General and administrative	$ 1,535	$ 1,484	$ 4,635	$ 4,858
Total operating expenses	$ 11,609	$ 10,550	$ 34,197	$ 31,359
Operating income	$ 2,415	$ 1,207	$ 5,617	$ 1,777
Financial income, net	$ 1,163	$ 1,076	$ 3,076	$ 3,035
Income before taxes on income	$ 3,578	$ 2,283	$ 8,693	$ 4,812
Taxes on income	$ (107)	$ (32)	$ (344)	$ (92)
Net income	$ 3,471	$ 2,251	$ 8,349	$ 4,720
Basic net income per ordinary share	$ 0.21	$ 0.14	$ 0.52	$ 0.30
Diluted net income per ordinary share	$ 0.21	$ 0.14	$ 0.50	$ 0.29

CONSOLIDATED STATEMENTS OF OPERATIONS (NON-GAAP)

(In thousands of U.S. dollars, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	NON-GAAP (1)			
Revenues	$ 18,388	$ 15,821	$ 52,637	$ 44,745
Cost of revenues	$ 4,209	$ 3,900	$ 12,357	$ 11,150
Gross profit	$ 14,180	$ 11,921	$ 40,280	$ 33,595
Gross profit %	77%	75%	77%	75%
Research and development, gross	$ 4,698	$ 4,208	$ 13,524	$ 12,360
Less - royalty-bearing participation	$ 189	$ 182	$ 214	$ 571
Research and development, net	$ 4,509	$ 4,026	$ 13,310	$ 11,789
Sales and marketing	$ 4,611	$ 3,995	$ 13,149	$ 11,558
General and administrative	$ 1,212	$ 1,260	$ 3,391	$ 3,593
Total operating expenses	$ 10,332	$ 9,281	$ 29,850	$ 26,940
Operating income	$ 3,848	$ 2,640	$ 10,429	$ 6,655
Financial income, net	$ 1,185	$ 1,116	$ 3,125	$ 3,146
Income before taxes on income	$ 5,033	$ 3,756	$ 13,554	$ 9,801
Taxes on income	$ (107)	$ (32)	$ (344)	$ (92)
Net income	$ 4,926	$ 3,724	$ 13,210	$ 9,709
Basic net income per ordinary share	$ 0.30	$ 0.24	$ 0.82	$ 0.62
Diluted net income per ordinary share	$ 0.29	$ 0.23	$ 0.79	$ 0.61

(1) Amounts exclude non-cash stock-based compensation expenses, financial income (expenses), acquisition-related expenses and amortization of intangible assets related to acquisitions.

RECONCILIATION BETWEEN GAAP & NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands of U.S. dollars, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
GAAP gross profit	14,024	11,757	39,814	33,136
Stock-based compensation	99	107	298	290
Amortization of intangible assets	57	57	168	169
Non-GAAP gross profit	**14,180**	**11,921**	**40,280**	**33,595**
GAAP Research and development, net	4,930	4,514	14,618	13,339
Stock-based compensation	421	488	1,308	1,550
Non-GAAP Research and development, net	**4,509**	**4,026**	**13,310**	**11,789**
GAAP Sales and marketing	5,144	4,552	14,944	13,162
Stock-based compensation	504	528	1,709	1,517
Amortization of intangible assets	29	29	86	87
Non-GAAP sales and marketing	**4,611**	**3,995**	**13,149**	**11,558**
GAAP general and administrative	1,535	1,484	4,635	4,858
Stock-based compensation	323	224	1,244	1,265
Non-GAAP general and administrative	**1,212**	**1,260**	**3,391**	**3,593**
GAAP total operating expenses	11,609	10,550	34,197	31,359
Stock-based compensation	1,248	1,240	4,261	4,332
Amortization of intangible assets	29	29	86	87
Non-GAAP total operating expenses	**10,332**	**9,281**	**29,850**	**26,940**
GAAP operating Income	2,415	1,207	5,617	1,777
Stock-based compensation	1,347	1,347	4,559	4,622
Amortization expenses	86	86	254	256
Non-GAAP operating income	**3,848**	**2,640**	**10,430**	**6,655**

RECONCILIATION BETWEEN GAAP & NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands of U.S. dollars, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
GAAP income before taxes	3,578	2,283	8,693	4,812
Stock-based compensation	1,347	1,347	4,559	4,622
Amortization of intangible assets	86	86	254	256
Financial expenses	22	40	49	111
Non-GAAP income before taxes	**5,033**	**3,756**	**13,555**	**9,801**
GAAP net income	3,471	2,251	8,349	4,720
Stock-based compensation	1,347	1,347	4,559	4,622
Amortization of intangible assets	86	86	254	256
Financial expenses	22	40	49	111
Non GAAP net income	**4,926**	**3,724**	**13,211**	**9,709**
GAAP Net income per diluted share	**0.21**	**0.14**	**0.50**	**0.29**
Stock-based compensation	0.07	0.08	0.27	0.30
Amortization of intangible assets	0.01	0.01	0.02	0.02
Financial expenses	(*)	(*)	(*)	(*)
Non GAAP Net income per diluted share	**0.29**	**0.23**	**0.79**	**0.61**
Weighted average number of shares used to compute diluted net loss per share	16,923,983	16,159,110	16,766,553	16,002,167

CONSOLIDATED BALANCE SHEETS

(In thousands of U.S. dollars, except per share data)

	As of September 30, 2025		As of December 31, 2024	
Cash and cash equivalents	$	15,941	$	19,243
Short-term bank deposits	$	90,744	$	75,429
Trade receivables, net	$	17,302	$	19,038
Inventories	$	294	$	1,667
Other accounts receivable and prepaid expenses	$	2,570	$	1,819
Total Current Assets	$	126,851	$	117,196
Severance pay fund	$	3,314	$	2,985
Other long-term receivables	$	2,597	$	3,484
Property and equipment, net	$	904	$	879
Goodwill and intangible assets, net	$	2,355	$	2,609
Operating lease right-of-use assets	$	3,128	$	3,421
Total Non-Current Assets	$	12,298	$	13,378
Total Assets	$	139,149	$	130,574
Trade payables	$	2,691	$	2,457
Deferred revenues and advances from customers	$	3,061	$	6,848
Employee and payroll accruals	$	5,490	$	7,175
Operating lease liabilities	$	1,061	$	966
Other liabilities and accrued expenses	$	10,482	$	10,463
Total Current Liabilities	$	22,785	$	27,909
Accrued severance pay	$	4,445	$	3,868
Operating lease liabilities	$	2,331	$	2,438
Other liabilities and accrued expenses	$	645	$	683
Total Non-Current Liabilities	$	7,421	$	6,989
Total Liabilities	$	30,206	$	34,898
Shareholders' Equity	$	108,943	$	95,676
Total Liabilities and Shareholders' Equity	$	139,149	$	130,574

THANK YOU