



**RADCOM First Quarter Financial Results
Conference Call
Management's Prepared Remarks**

May 19, 2026

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 momentum, strategic direction and goals, market position and trajectory, future execution and delivery of value to customers and stakeholders, expansion within its existing customer base and expansion of its footprint, development of and enhancing strategic partnerships and expected benefits and revenues from collaborations, the success of new technologies, including AI, to, among other things, enhance automation and efficiencies pipeline, opportunities and customer engagements and the timing thereof, the launch and reception of RADCOM Neura and its integration into agentic AI ecosystems, demand for its products and solutions and the ability to address new customer segments and expand its market reach, trends in the market, the expected benefits of its AI-driven assurance and other solutions, its expectations with respect to research and development and sales and marketing expenses, expectations regarding the growth of 5G and AI and related spending, and its full-year 2026 revenue guidance, future growth 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.

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.

Benny Eppstein, RADCOM's Chief Executive Officer

Slide 7 - Q1-26 Results

The first quarter marked a strong start to 2026, with sustained financial and operating momentum. We delivered revenue of eighteen-point six million dollars, representing 12 (twelve) percent year-over-year growth and extending the positive trajectory we have built over the past several quarters. Profitability also strengthened, with non-GAAP operating income increasing to three-point seven million dollars and operating margin expanding to 20.1 (twenty-point one) percent, up from 19 (nineteen) percent in the first quarter of 2025.

This performance reflects our operating discipline and our ability to efficiently convert top-line growth into higher profitability while investing in innovation and long-term initiatives.

Based on our current visibility, we are reaffirming our full-year 2026 revenue guidance of 8 (eight) percent to 12 (percent) percent year-over-year growth.

Slide 8 - Tier-1 renewal and RADCOM Neura launch

From an execution standpoint, we delivered financially and continued to strengthen our position within the evolving AI-native telecom ecosystem. During the quarter, we signed a multi-year renewal with one of our Tier-1 customers, expanding the deployment of RADCOM ACE into additional AI-driven use cases focused on automated, data-driven network operations.

The expanded scope includes enhanced automation capabilities designed to improve service assurance workflows, accelerate issue identification and resolution, and provide deeper real-time network insight across increasingly complex 5G environments.

This renewal not only confirms the strategic nature of our relationship with this operator but also reflects growing confidence in the measurable value we deliver: lower operating costs, faster issue resolution, and stronger service quality in 5G networks.

During the quarter, we also launched RADCOM Neura, our AI agent suite designed specifically for agentic telecom ecosystems. Neura represents an important milestone in our AI strategy and product roadmap. This suite turns real-time network and subscriber data into autonomous intelligence that

identifies issues, analyzes user behavior, and automates workflows across assurance, network operations, and customer care.

Neura integrates directly with existing service management systems, including ServiceNow, letting operators embed telecom intelligence into their broader IT and support environments.

As we broaden our agentic offerings, our AI strategy is receiving positive feedback from operators, ecosystem partners, and industry publications. Last quarter, our Predictive Complaint Resolution agent received the Best AI/ML Innovation award at the Global Connectivity Awards in London, highlighting growing industry recognition for our AI-native assurance capabilities.

Slide 9 - ServiceNow Network Case Validation

In March, we launched our second certified connector on the ServiceNow Store, RADCOM Network Case Validation and Verification, which extends deeper network intelligence directly into service management workflows.

The solution lets operators detect, validate, prioritize, and resolve network issues faster without leaving the ServiceNow platform, cutting manual work and improving efficiency.

These releases demonstrate our ability to rapidly translate our AI roadmap into deployable capabilities that operators can implement today.

AI is reshaping how operators run their networks, and the value it delivers will be defined by the quality of the data it receives. In telecom, the data that matters most is the data that reveals the real subscriber experience on the live network.

That is precisely what RADCOM produces. We capture data, correlate it, and transform it into the subscriber-level insights that drive the AI use cases our customers need to deliver real benefits and fuel network automation. If data is the new oil, RADCOM operates the refinery, the point where raw telecom data becomes the subscriber-level intelligence that AI use cases actually need.

Slide 10 - Ecosystem partnerships

This is also the value we bring to our work with key ecosystem partners, including NVIDIA, ServiceNow, AWS, and leading global system integrators such as Infosys, with whom we have recently partnered, to develop telco-specific AI agents and network use cases. These partnerships are increasingly important, as operators seek AI solutions built specifically for telecom environments rather than on generalized AI platforms that lack telecom-domain expertise.

For us, these partnerships amplify our reach, putting our technology in front of operators we might not have reached directly, carried by a trusted implementation partner. The right partner relationships don't just expand our reach, but they accelerate the sales cycle and lower the barrier to adoption.

Slide 11 - Partner-leveraged scale and telecom AI expertise

This partner-leveraged model is also why we can scale the pipeline efficiently, by extending our reach through trusted system integrators and ecosystem partners rather than through proportional growth in direct sales and marketing investment.

RADCOM has spent more than three decades inside Tier-1 operator networks, generating intelligence from live subscriber and service data — the edge cases, protocol expertise, and operational workflows that emerge only at scale. It's what general-purpose AI can't replicate.

A useful analogy is that of a fluent speaker versus a native speaker. General-purpose AI applied to telecom may understand the language, but it lacks the context to understand edge cases and service-impacting events. Combining AI with telecom-native expertise and product innovation is what turns automation into real customer outcomes, and that is what we bring.

Slide 12 - Total cost of ownership

Beyond AI capabilities, our technology also stands out for operators focused on lowering the total cost of ownership. During the quarter, ACG Research, a leading telecom research firm, independently reviewed our total cost of ownership against competing solutions. It found that RADCOM can lower an operator's total cost of ownership by up to 70%, even when run on the same hardware as competing solutions.

These savings come from our patented cloud-distributed architecture, which requires fewer servers, uses less datacenter space, consumes less power, and handles large-scale network datasets more efficiently. Exact savings vary by deployment, workload, and network setup, but the cost advantage held up across every customer environment ACG reviewed.

This combination of AI-native capabilities, telecom-domain expertise, and cost efficiency is shaping conversations with operators globally and is driving activity across our pipeline. Growing our Tier-1 footprint remains a top priority, and we are actively engaged in multiple sales opportunities, several of which are advancing through technical evaluations and proof-of-concept stages.

Ultimately, adoption of next-generation assurance moves at the pace each operator sets, shaped by a variety of variables from cloud maturity to AI readiness. That variability is why our pipeline is broad and multi-year by design, and why our partner-leveraged model is built to meet operators wherever they are on that curve.

Slide 13 - Installed base expansion

Alongside new opportunities, our installed base remains an important validation of our strategy and technology. During the quarter, we advanced deployment work with 1Global following its selection of RADCOM ACE to monitor 4G and 5G services supporting around 43 (forty-three) million subscribers.

We also expanded our relationship with a leading European operator through Rakuten Symphony for our Network Visibility Solution, thereby enhancing visibility and real-time insights across virtualized and cloud-native network environments. Both deployments are progressing well and further show how our solutions perform in large-scale production networks. We also continue to support AT&T and Rakuten Mobile, where our assurance solutions remain embedded in production networks supporting millions of subscribers.

Slide 14 - Market landscape

Stepping back, the broader market landscape is evolving in ways that align closely with our strengths. According to a recent Omdia report, 5G core spending increased 83 (eighty-three) percent in the fourth quarter of 2025 as operators accelerated 5G standalone deployments, expanded cloud-native architectures, and prioritized AI-driven efficiency initiatives.

Operators are increasingly focused on automating their networks, improving subscriber experience, and lowering operating costs while managing rapidly growing data consumption and network complexity. We believe these industry priorities directly drive demand for cloud-native, AI-enabled service assurance and network intelligence solutions such as RADCOM ACE and RADCOM Neura.

Looking ahead, the FIFA World Cup in June will push operator networks to increased capacity, with traffic levels as much as five times normal around event stadiums. High-density, high-stress events like this are where real-time assurance, subscriber analytics, and automated workflows matter most, and where solutions like RADCOM ACE deliver the clearest value.

Slide 15 - Go-to-market activity

From a go-to-market perspective, we also remained highly active during the quarter. We participated in NVIDIA GTC, the TM Forum Tour Tokyo, and Mobile World Congress Barcelona, showcasing solutions in collaboration with ServiceNow, AWS, and Infosys.

Customer and partner responses to our AI agent capabilities and AI-native assurance solutions were very encouraging, and we held productive meetings with operators and ecosystem partners that we believe can translate into additional sales opportunities over time.

Slide 16 - Q1-26 summary and outlook

Overall, this was a strong start to the year. Revenue grew 12%, operating margin expanded to 20.1%, and we reaffirm our full-year guidance of 8-12% revenue growth. The market is moving toward AI-native operations, and RADCOM produces the network and subscriber data that telco AI needs to run on.

We remain focused on disciplined execution, deepening our installed base, growing our Tier-1 footprint, and advancing AI-driven assurance for autonomous networks.

Looking ahead to the rest of 2026, we expect to expand the Neura agent suite with additional use cases across assurance, customer care, and network operations, and to continue translating our AI roadmap into deployable capabilities that our customers can run today.

Hod Cohen, RADCOM's Chief Financial Officer

Slide 18 - Financial Highlights

We grew revenue 12% year-over-year to \$18.6 million and managed expenses effectively, even as we increased strategic R&D investments, resulting in improved margins and profitability.

Gross margin in the first quarter was 76.5%. Operating income reached \$3.7 million, and the operating margin was 20.1%.

Net income was \$4.7 million, or \$0.28 per diluted share, compared with \$4.1 million, or \$0.25 per diluted share, last year.

Slide 19 - R&D and S&M expenses

Our gross R&D expenses for the first quarter totaled \$5.1 million, up 19.7% year-over-year. This growth reflects our focus on strengthening collaborations, fostering innovation, and expanding our product portfolio. We plan to continue strategic R&D investments to deliver advanced intelligent solutions, with a focus on agent-to-agent and multi-model workflows, while supporting our strategic partnerships and productization efforts.

Sales and marketing expenses for the first quarter totaled \$4.3 million, a 1.4% year-over-year increase. We continue to invest in our sales capabilities to support pipeline growth and expansion in high-value regions.

Slide 20 - GAAP results

On a GAAP basis, our net income for the first quarter of 2026 was \$3.1 million, a 26.1% year-over-year increase. GAAP earnings per diluted share were \$0.18, compared with \$0.15 last year.

We ended the first quarter of 2026 with 328 employees.

Slide 23 - Balance sheet

We closed the quarter with \$108.4 million in cash, cash equivalents, and short-term bank deposits, reflecting a \$1.5 million negative cash flow, mainly due to annual bonus payments.