



allot

**Q1 2026 Earnings**

May 12th, 2026

# Allot Q1-26 Earnings



**EYAL HARARI**  
Chief Executive Officer

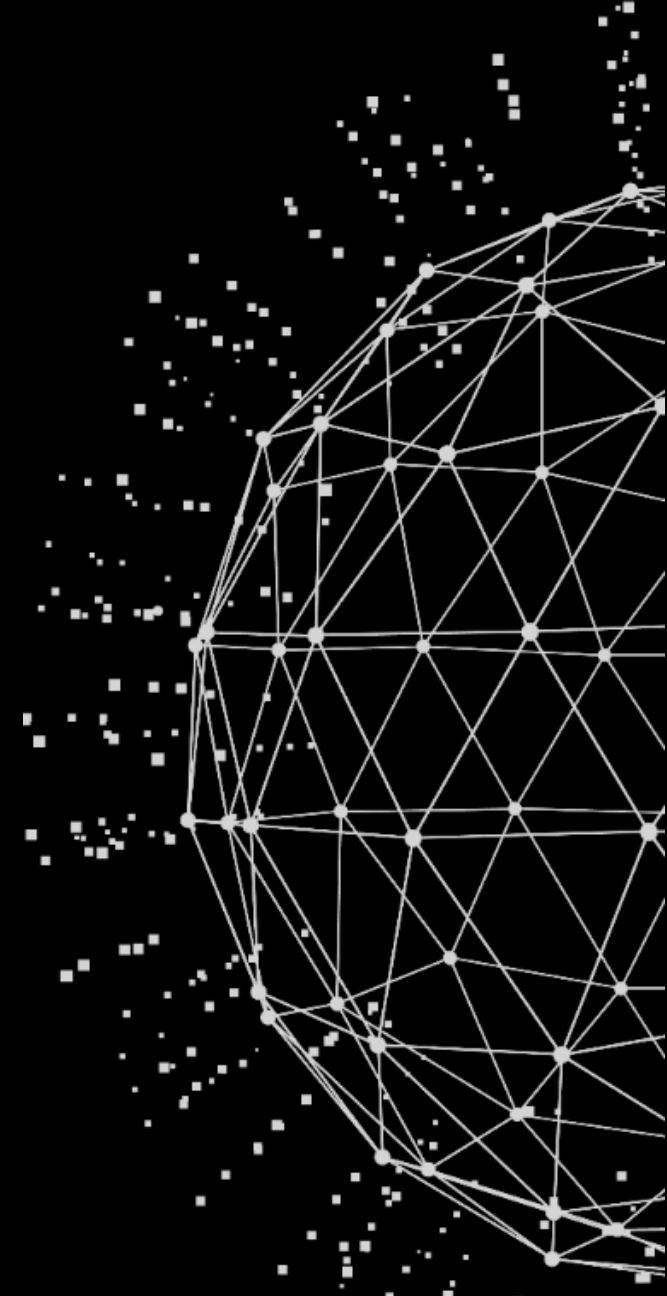


**LIAT NAHUM**  
Chief Financial Officer

# Forward Looking Statements

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This presentation contains forward-looking statements, which express the current beliefs and expectations of Company management. Such statements involve a number of known and unknown risks and uncertainties that could cause our future results, performance or achievements to differ significantly from the results, performance or achievements set forth in such forward-looking statements. Important factors that could cause or contribute to such differences include risks relating to: our ability to compete successfully with other companies offering competing technologies; the loss of one or more significant customers; the impact of government regulation on demand for our products; our failure to increase the functionality and features of our products; our ability to keep pace with advances in technology and to add new features and value-added services; the failure of our products adversely impacting customers' networks; managing lengthy sales cycles; greater operational risk associated with large projects; our dependence on third party channel partners for a material portion of our revenues; our failure to comply with regulatory requirements; our dependence on traffic management systems and network management application suites for the substantial majority of our revenues; the loss of rights to use third-party solutions integrated into our products; undetected errors in our products; our dependence on a single third-party subcontractor for a significant portion of our products; and other factors discussed under the heading "Risk Factors" in the Company's annual report on Form 20-F filed with the Securities and Exchange Commission. Forward-looking statements in this release are made pursuant to the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made only as of the date hereof, and the Company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.





# Business Performance Strategy

# Q1 2026: KEY HIGHLIGHTS

Strong start for 2026, Revenue Growth Accelerates to 14% YoY marked third consecutive quarter of double-digit revenue growth

Accelerated cybersecurity ARR growth, with 59% growth YoY

Improved gross margin and increased profitability

Record operating cash flow for the quarter

Recurring revenues to reach 67% of the total in the quarter

*“Looking ahead, we reaffirm our 2026 revenue guidance of \$113 million to \$117 million, with continued profitability improvements. In addition, following our strong first quarter with accelerated growth in SECaaS ARR, we now have strong visibility into SECaaS revenue growth exceeding 40% in 2026”*

# Cyber Security First Strategy Update

- 01** Our subscription-based cybersecurity offering-as-a-service generates YoY growth providing us with good visibility. The pipeline continues to be strong, and our offering is gaining broad traction
- 02** As cybersecurity threats continue to intensify, we remain focused on protecting the consumer and SMB markets—segments that we believe remain underserved by traditional security solutions
- 03** For consumers, our ambition is to evolve from providing 360-degree data protection to protecting the digital life of the consumer. With the OffNetSecure solution ensures end-users remain protected even when they are not on the network. The solution has already been sold to new and existing customers
- 04** Launched new solutions for SMBs – including Firewall-as-a-Service – already live with customers, DDoS Protection enabling protection of inbound traffic, and domain-level Identity-theft Monitoring, protecting the digital identities of all users across the organization
- 05** Compax Ventures selected Allot as its cybersecurity partner, enabling its brand and community-based MVNO customers built-in cybersecurity, powered by our solution

The background of the slide is a circular frame containing a blue-toned financial chart. The chart features a grid of horizontal and vertical lines. On the left side, there are several vertical bars of varying heights, some with thin lines extending above and below them, resembling a candlestick or bar chart. On the right side, there is a jagged line graph that trends upwards, also resembling a candlestick or line chart. The overall aesthetic is modern and data-driven.

**Q1 2026  
Financial Results**

# Q1 2026 Results

\$26.4<sup>m</sup>

Revenues up YoY 14%

71.3%

Gross Margin<sup>1</sup>

\$2.6<sup>m</sup>  
Operating profit<sup>1</sup> vs  
\$0.4M Q1 2025

\$3.1<sup>m</sup>  
Net income<sup>1</sup>  
vs \$0.8m Q1 2025

\$33.7<sup>m</sup>

SECaaS ARR at March 2026<sup>2</sup>

71%

SECaaS revenue up YoY  
to \$8.7m

\$10.6<sup>m</sup>  
Operating cash flow vs  
\$1.7m Q1 2025

1. Non-GAAP – please refer to the appendix for reconciliations to the most directly comparable GAAP measure.

2. SECaaS ARR – measures the current annual recurring of SECaaS revenues, which is calculated based on estimated revenues for the month of March 2025 and multiplied by 12.

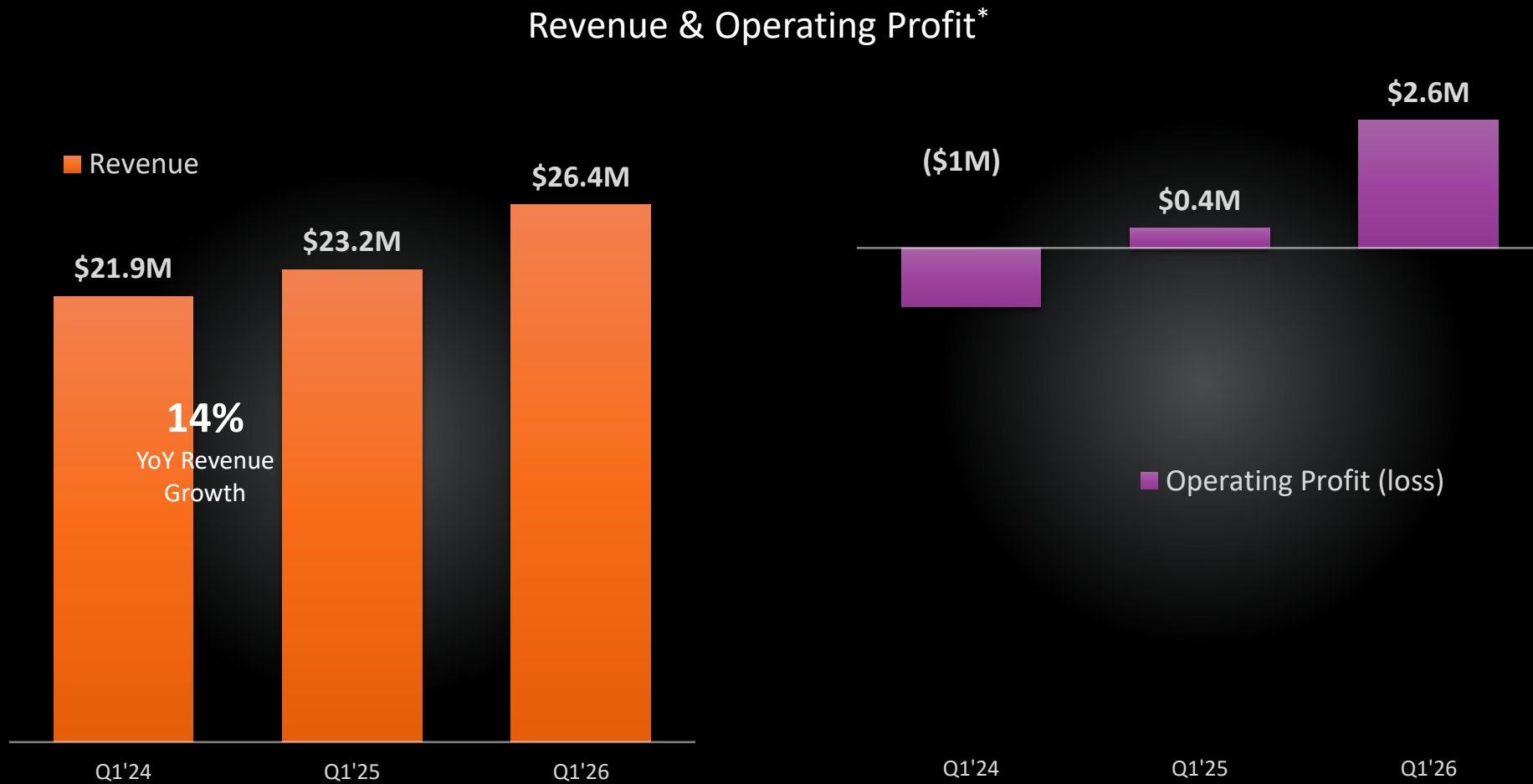
# Key Financial Highlights



- Recurring revenue engine accelerating – SECaaS ARR up 59% YoY to \$33.7M<sup>2</sup> as of Mar 2026
- Revenues growth 14% year-over-year, marking our third consecutive quarter of double-digit growth
- Operating profit<sup>1</sup> \$2.6M and \$10.6M in operating cash flow in Q1 2026
- Strengthening Balance sheet with \$98M cash balances as of Mar 31, 2026 and no debt
- Positioned for sustained growth – Expanding pipeline and recent customer wins lay foundation for continued momentum

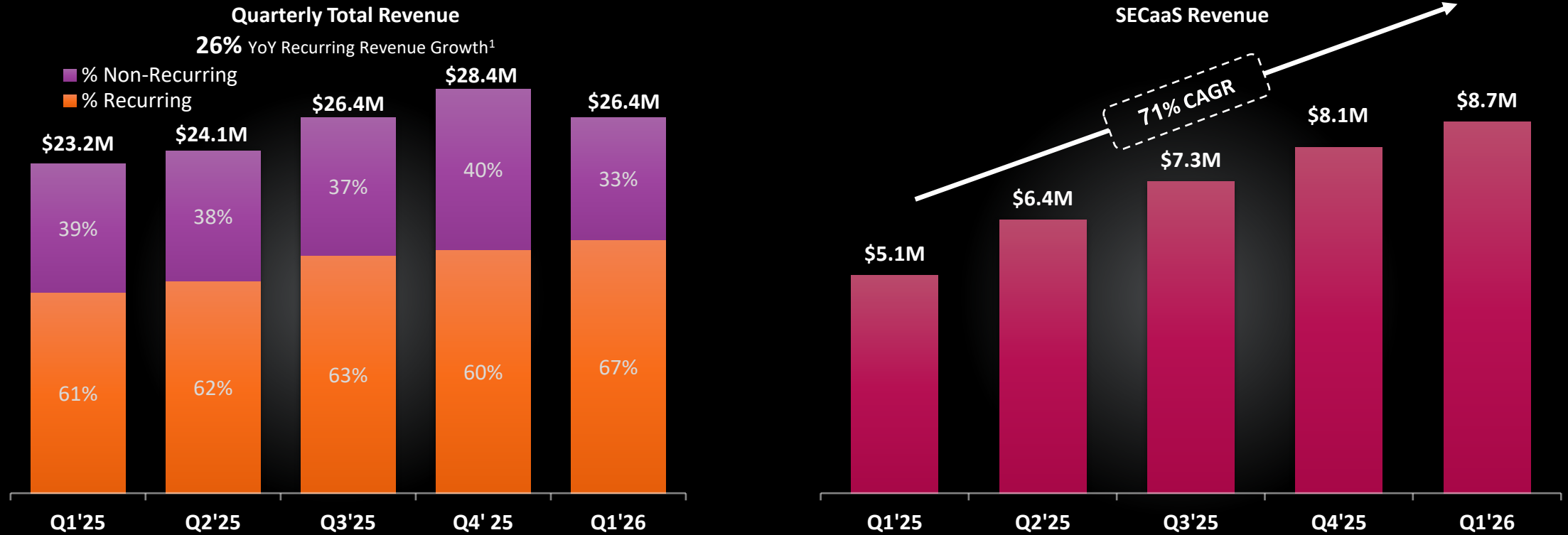
1. Non-GAAP – please refer to the appendix for reconciliations to the most directly comparable GAAP measure.
2. SECaaS ARR – measures the current annual recurring of SECaaS revenues, which is calculated based on estimated revenues for the month of March 2026 and multiplied by 12.
3. LTM refers to the results from the four consecutive quarters ending with the specified quarter.

# Achieving Growth and Profitability



\*Non-GAAP – please refer to the appendix for reconciliations to the most directly comparable GAAP measure.

# Growing Recurring Revenue<sup>1</sup>



1. Recurring revenue refers to the sum of support and maintenance revenues and SECaaS revenues.

\$M	2022	2023	2024	2025	Q1 2026
Revenues	123	93	92	102	26
Gross Margin	69%	60%	71%	72%	71%
OPEX	108	111	64	64	16
Operating Profit (Loss)	(23)	(55)	0.6	8.9	2.6
SECaaS revenues	7.2	10.6	16.5	26.8	8.7
SECaaS ARR (last month run-rate)	9.2	12.7	18.2	30.8	33.7

Non-GAAP

# Consolidated Balance Sheet

	<u>March 31,</u> <u>2026</u>	<u>December 31,</u> <u>2025</u>
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 13,116	\$ 17,107
Restricted deposit	3,199	3,573
Short-term bank deposits	21,800	15,100
Available-for-sale marketable securities	59,299	48,663
Trade receivables, net (net of allowance for credit losses of \$9,388 and \$9,611 on March 31, 2026 and December 31, 2025 , respectively)	20,544	17,451
Other receivables and prepaid expenses	10,105	9,906
Inventories	<u>15,756</u>	<u>13,180</u>
<b>Total current assets</b>	<u>143,819</u>	<u>124,980</u>
NON-CURRENT ASSETS:		
Severance pay fund	\$ 301	\$ 295
Restricted deposit	701	3,327
Operating lease right-of-use assets	5,237	5,518
Other assets	1,040	732
Property and equipment, net	5,736	6,014
Goodwill	<u>31,833</u>	<u>31,833</u>
<b>Total non-current assets</b>	<u>44,848</u>	<u>47,719</u>
<b>Total assets</b>	<u>\$ 188,667</u>	<u>\$ 172,699</u>

# Consolidated Balance Sheet (Cont.)

## LIABILITIES AND SHAREHOLDERS' EQUITY

### CURRENT LIABILITIES:

Trade payables	\$	1,440	\$	938
Employees and payroll accruals		7,907		9,254
Deferred revenues		38,085		24,700
Short-term operating lease liabilities		1,146		348
Other payables and accrued expenses		11,669		11,919
<b>Total current liabilities</b>		<u>60,247</u>		<u>47,159</u>

### LONG-TERM LIABILITIES:

Deferred revenues	\$	7,495	\$	5,912
Long-term operating lease liabilities		4,726		5,392
Accrued severance pay		863		886
<b>Total long-term liabilities</b>		<u>13,084</u>		<u>12,190</u>

### SHAREHOLDERS' EQUITY

		<u>115,336</u>		<u>113,350</u>
<b>Total liabilities and shareholders' equity</b>	\$	<u>188,667</u>	\$	<u>172,699</u>

# Consolidated Statement of Operations (Non-GAAP)

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
	<b>(Unaudited)</b>	
Revenues	26,425	\$ 23,150
Cost of revenues	<u>7,579</u>	<u>6,857</u>
Gross profit	<u>18,846</u>	<u>16,293</u>
Operating expenses:		
Research and development costs, net	6,091	5,749
Sales and marketing	7,426	7,033
General and administrative	<u>2,707</u>	<u>3,087</u>
Total operating expenses	16,224	15,869
Operating profit	2,622	425
Other income	-	-
Gain on sales of securities	-	-
Financial income (expenses), net	<u>763</u>	<u>612</u>
Profit before income tax expenses	3,385	1,037
Tax expenses (income)	<u>327</u>	<u>251</u>
Net profit	<u>3,058</u>	<u>786</u>
<b>Non-GAAP income (loss) per share</b>		
Basic	<u>\$ 0.06</u>	<u>\$ 0.02</u>
Diluted	<u>\$ 0.06</u>	<u>\$ 0.02</u>
<b>Weighted average shares outstanding</b>		
Basic	<u>48,777,078</u>	<u>39,620,521</u>
Basic	<u>50,966,541</u>	<u>42,880,655</u>

# Consolidated Statement of Operations (GAAP)

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
Revenues	\$ 26,425	\$ 23,150
Cost of revenues	7,684	7,103
<b>Gross profit</b>	<b>18,741</b>	<b>16,047</b>
Operating expenses:		
Research and development costs, net	6,282	5,991
Sales and marketing	7,823	7,338
General and administrative	3,108	3,427
Total operating expenses	17,213	16,756
<b>Operating income (loss)</b>	<b>1,528</b>	<b>(709)</b>
Financial income, net	785	673
<b>Income (loss) before tax</b>	<b>2,313</b>	<b>(36)</b>
Income tax expenses	370	296
<b>Net income (loss)</b>	<b>\$ 1,943</b>	<b>\$ (332)</b>
<b>Income (loss) per share</b>		
Basic	\$ 0.04	\$ (0.01)
Diluted	\$ 0.04	\$ (0.01)
<b>Weighted average shares outstanding</b>		
Basic	48,777,078	39,620,521
Diluted	49,893,370	39,620,521



**allot**  
Thank You!

# Contact Us

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