



Revolutionizing Consumer Cybersecurity

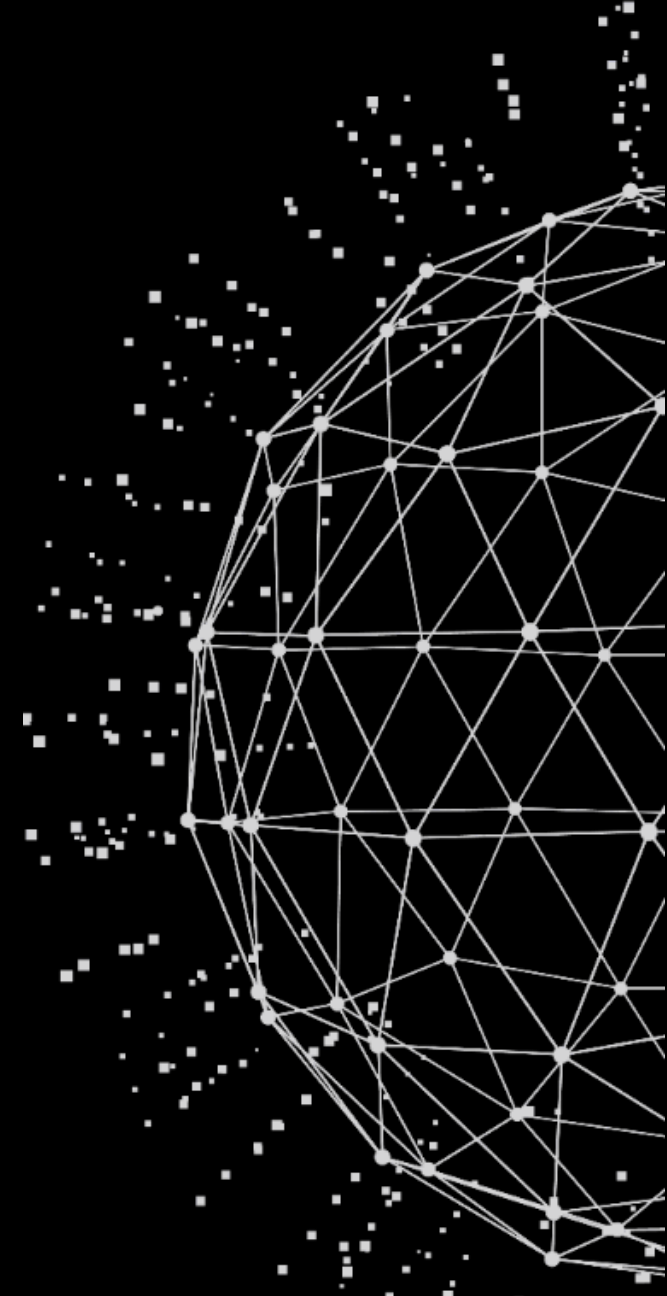
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May 2024

(NASDAQ & TASE: ALLT)



Forward Looking Statements

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.



Allot Overview



MARKET

Communication Service Providers (CSPs)

CUSTOMER BASE

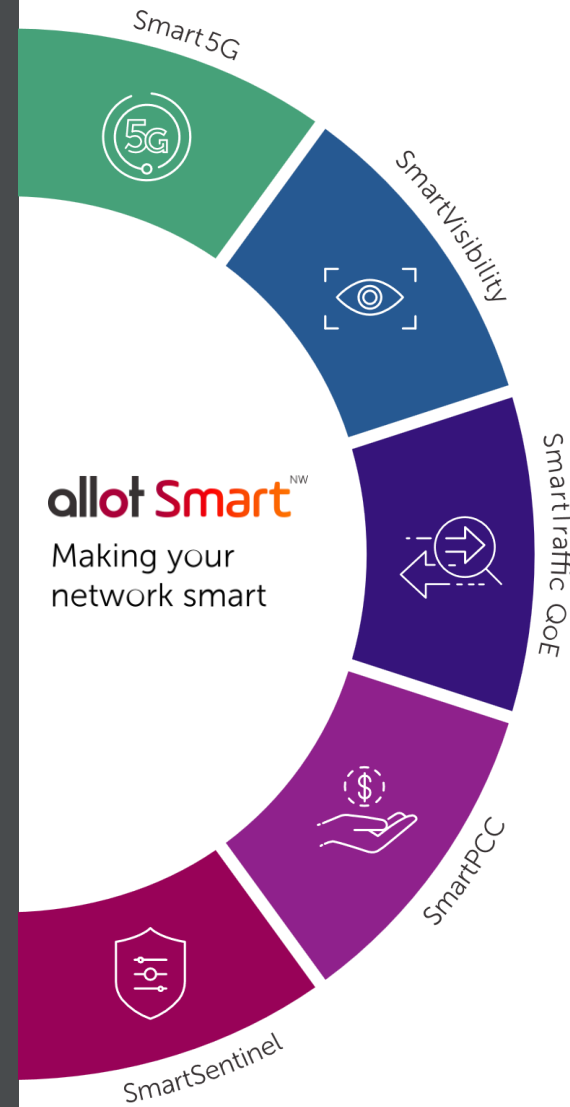
- Hundreds of CSPs globally
- Tier-1 operators

COMPANY HIGHLIGHTS

- ALLT (NASDAQ, TASE)
- 2023 revenue: \$93M

PROVEN MANAGEMENT TEAM

Decades of experience in CSPs and Cybersecurity



Allot Smart Technology Heritage

- Deployed with hundreds of CSPs worldwide
- Telco grade solutions
 - High Throughput
 - Multitenancy
 - Quality
- 5G, cloud native and Virtual
- AI technology



Allot Secure CSP Customers

Many millions of global subscribers protected
Tier-1 operators trust Allot

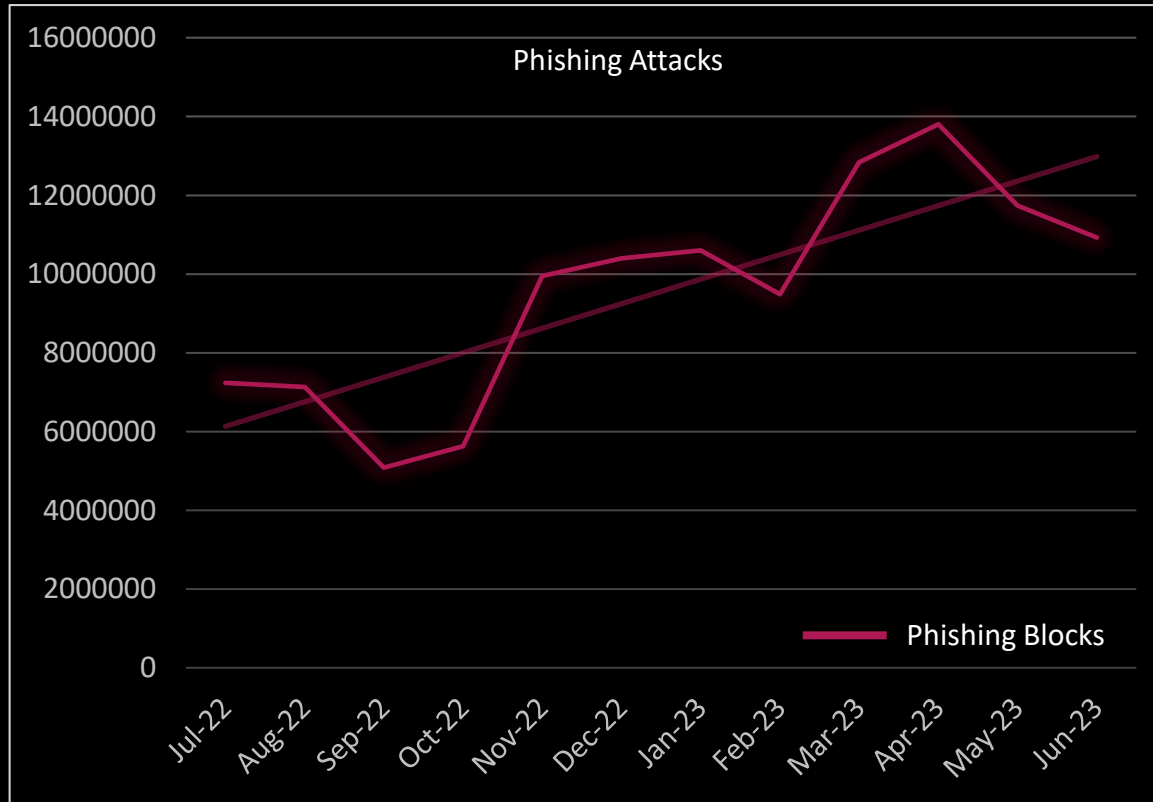


The Consumer & SMB Cybersecurity Challenge

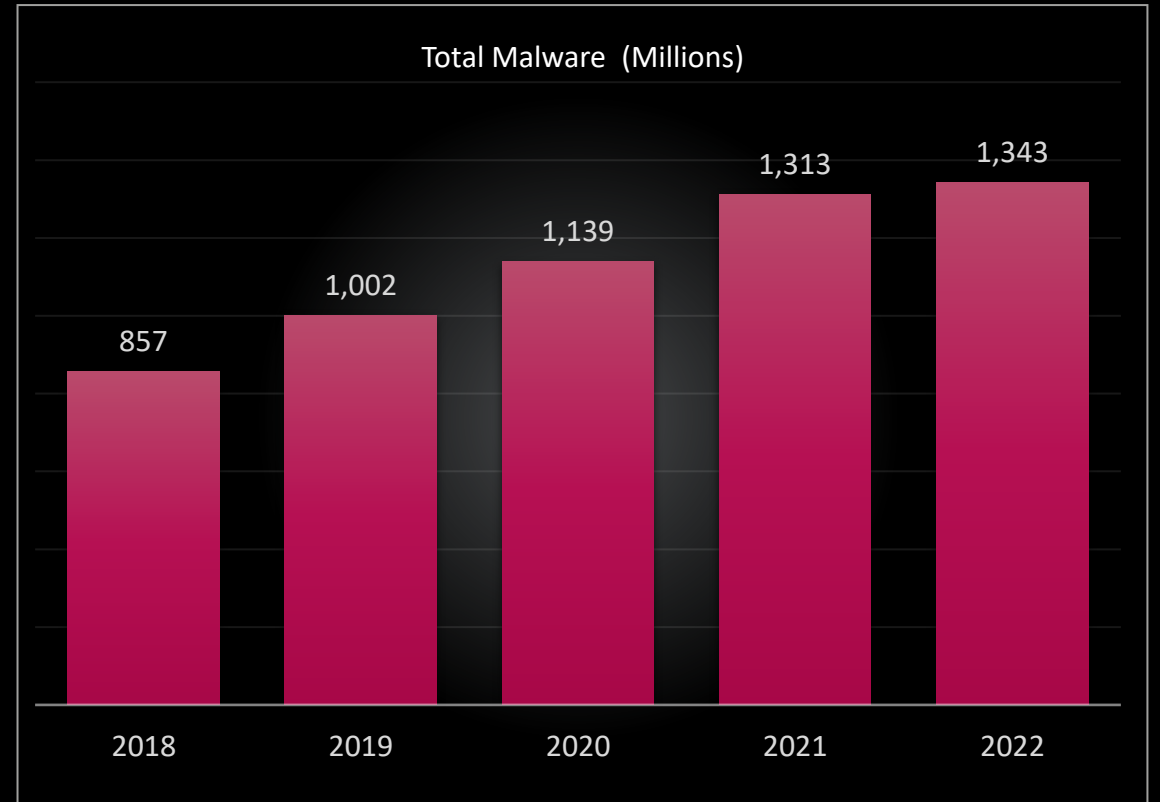


Consumer & SMB Cyberthreats Exponentially Growing

- Border between office and work has blurred
- COVID accelerated this change
- 5G will accelerate it further



Increase of Allot Blocked Phishing Attacks in Europe H2 2022-H1 2023
Source: Allot Customer Data



Global Increase in Malware 2018-2022
Source: AV-Test - [Malware Statistics & Trends Report](#) | AV-TEST, April 5, 2022

Security Apps Don't Protect the Mass Market



Consumers don't want to implement security apps on all their devices



Up to 5% of consumers actually download security apps



Security apps do not solve the problem

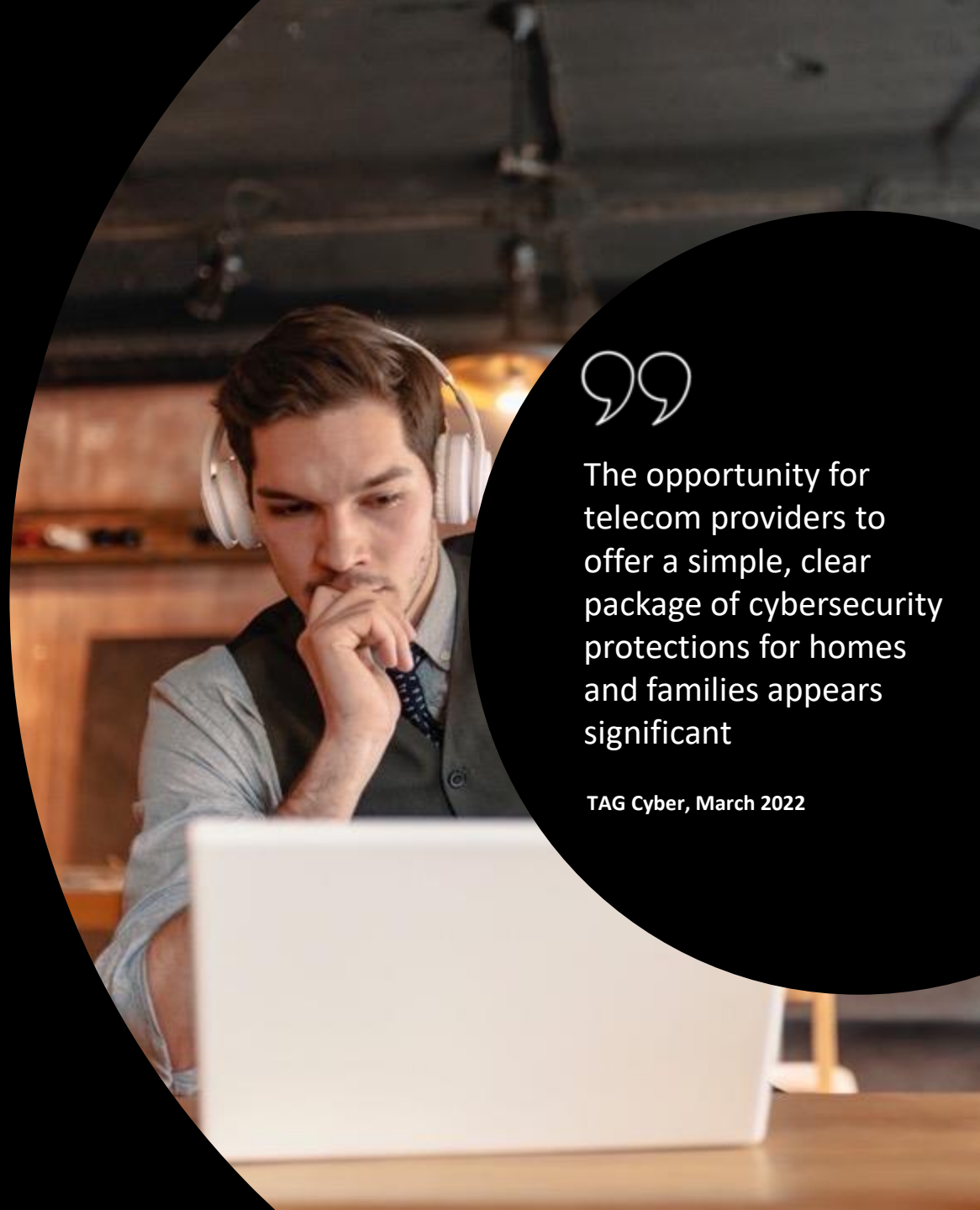
Consumers and SMBs cannot be their Own CISO!

* Based on conversations with CSPs



The opportunity for telecom providers to offer a simple, clear package of cybersecurity protections for homes and families appears significant

TAG Cyber, March 2022



The Opportunity



Consumers are Aware of Threats and Expect CSPs to Provide Solutions

70% of consumers expect the CSP to provide a security solution to protect them from malware attacks

68% of US consumers worry about being a victim of identity theft

63% of US consumers worry about unauthorized access into their bank accounts

Based on survey of 8,000 global participants in Consumer Security Survey, conducted by Coleman Parkes Research, London, January 2022

US Consumers are Willing to Pay to be Protected

MOBILE USERS

90% of US consumers are willing to pay for a security application that protects all their mobile devices

63% minimum of \$2 a month

38% minimum of \$4 a month

FIXED BROADBAND USERS

93% Of US consumers are willing to pay for a security application that protects their broadband connections

76% excess of \$3 a month

46% excess of \$5 a month

Based on survey of 4,000 global participants in Consumer Security Survey, conducted by Coleman Parkes Research, London, April 2020

CSPs Well Positioned to Provide Security Services



Sole provider of access to the network.



Capable of blocking attacks before they reach the customer



Multiple touch points with customers: trusted brand, billing, frequent interactions

Network-Based Cybersecurity is the “Next Big Differentiator” for CSPs

Coverage, Speed, Quality
are commoditized

Value #1

Brand
recognition

Value #2

New
revenues

Value #3

Churn
reduction



The Allot Secure Solution





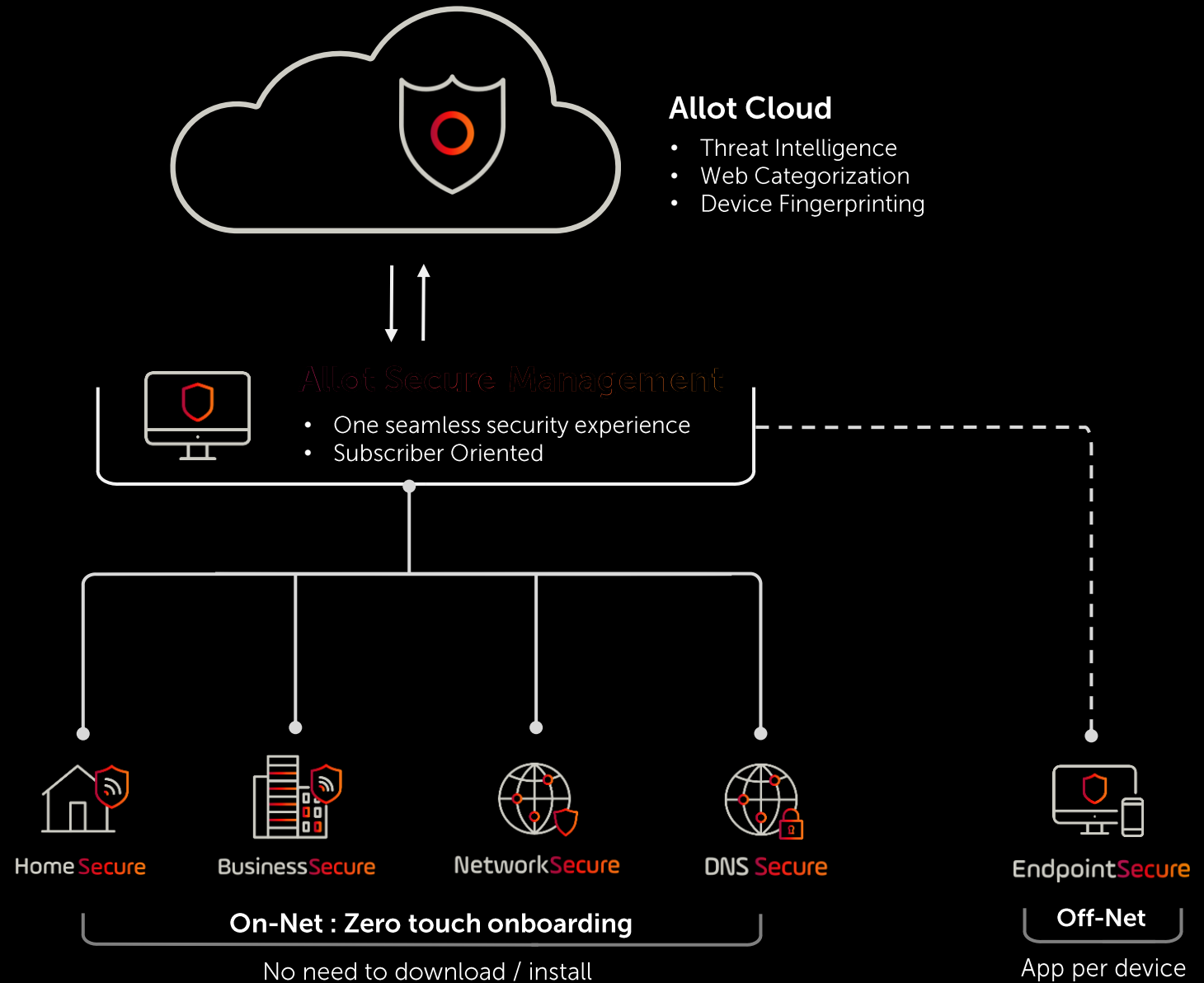
Allot Secure

Protecting consumers from threats/crime on the network

- Any threat
- Anywhere
- Any device

Allot Secure 360

The only company to offer a full unified "security blanket"



The Economics



Customers willing to pay 5% to 20% of price plan for Cybersecurity

Consumer

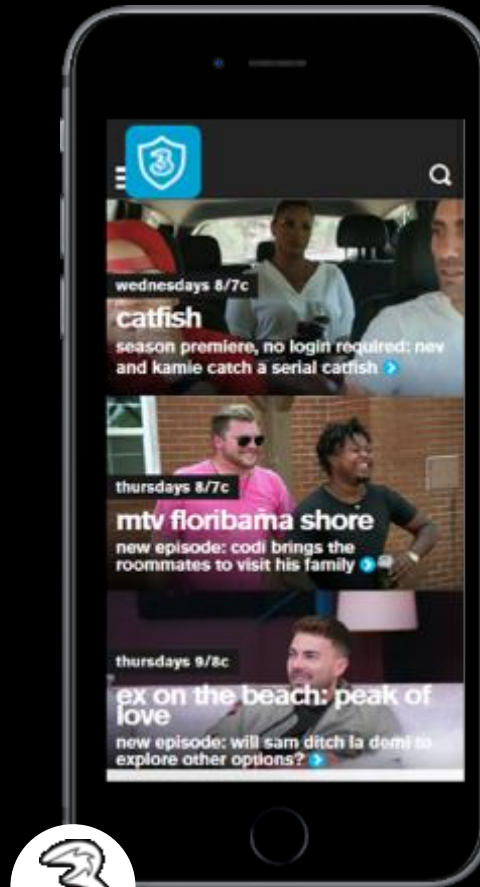
SMB



0.99€/m

~5% of average price plan

"...Vodafone Secure Net is a unique service that protects you simply and safely on your Vodafone connected devices."



1.5€/m

~8% of average price plan

"...The Drei Internet Protection protects Drei customers regardless of device..."

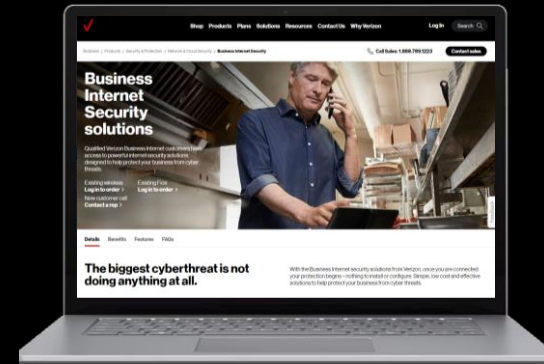


Telefonica SMB

10€/m

~20% of average price plan

"...Browse with complete peace of mind and configure the service according to your business needs"

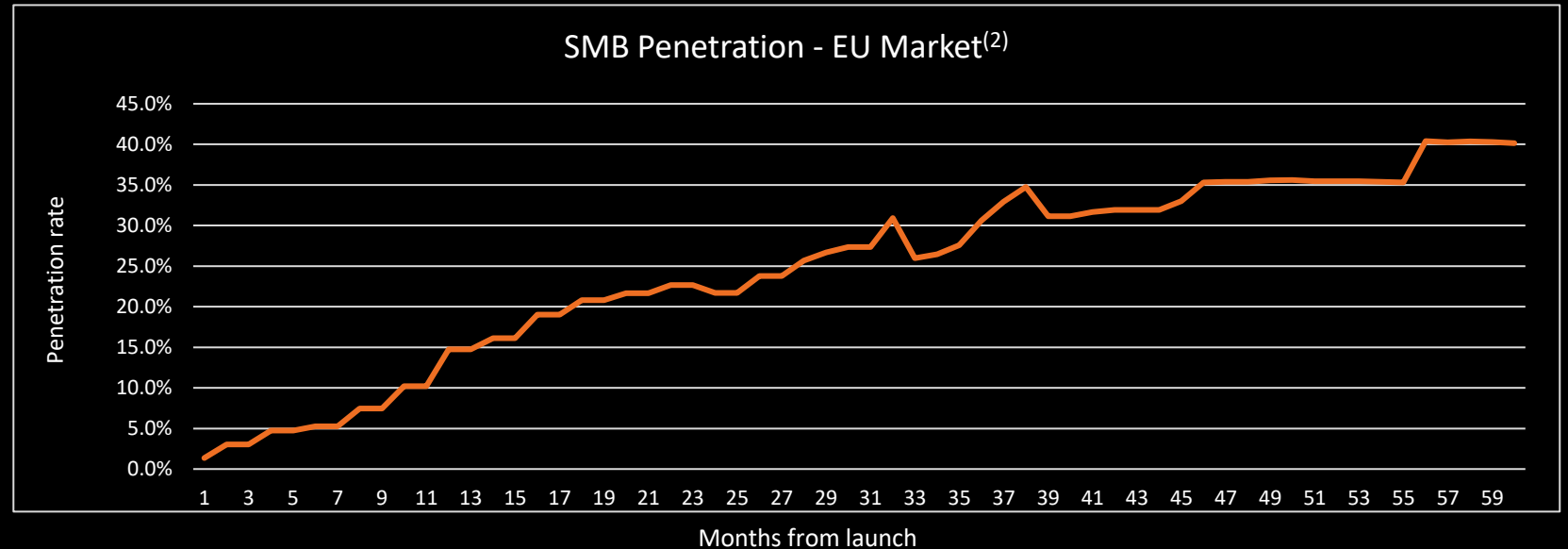
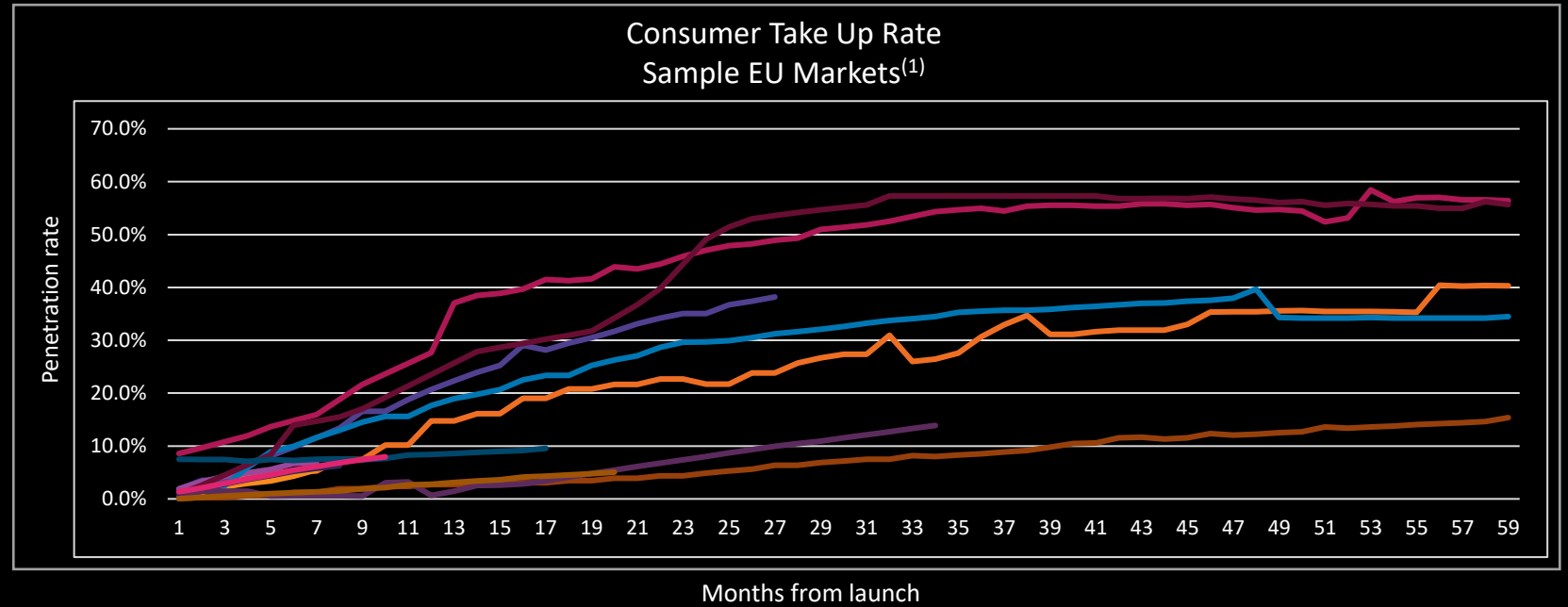


\$10-20/m

Two price plans

"...nothing to install or configure. Simple, low cost and effective solutions to help protect your business from cyber threats"

Extraordinary Take Up Rate by Consumers & SMBs*



* Examples of existing customers
⁽¹⁾ Data from several Tier 1 CSPs in EU
⁽²⁾ Data from a Tier 1 CSP in EU
 * Figures out of the TAM



We are facing attach rates of up to 80% of new customers.

Martin Westhoff
Strategy and Marketing Home
at Hutchison Drei Osterreich



Simple on-boarding provides a key factor as customers are happy to receive immediate protection with no hassle. Allot contributes to a higher NPS and boost to our brand.

Jason King
Telenor Bulgaria CEO



We see the huge potential of Telefónica to achieve very high penetration rates with this type of service.

Jose Luis Gilperez
Executive Director Public Administrations, Defense
and Security, Telefónica España



This offering paves the way for a network-based security portfolio that will simplify the customer experience and help provide peace of mind in today's ever evolving cybersecurity landscape

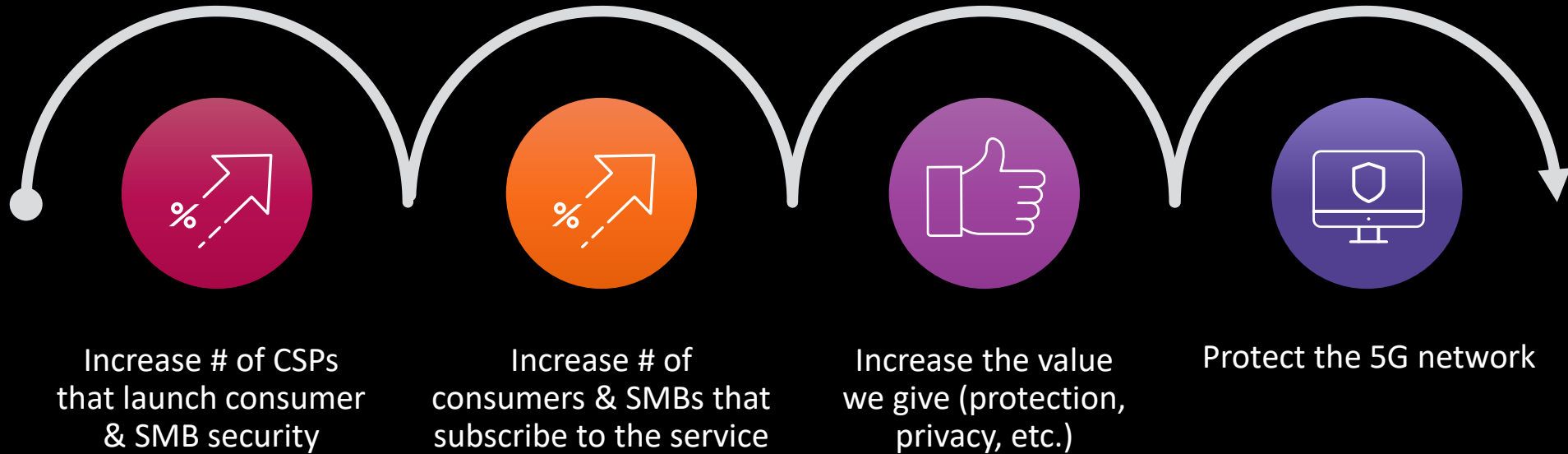
Steve Szabo
VP Business Products, Verizon



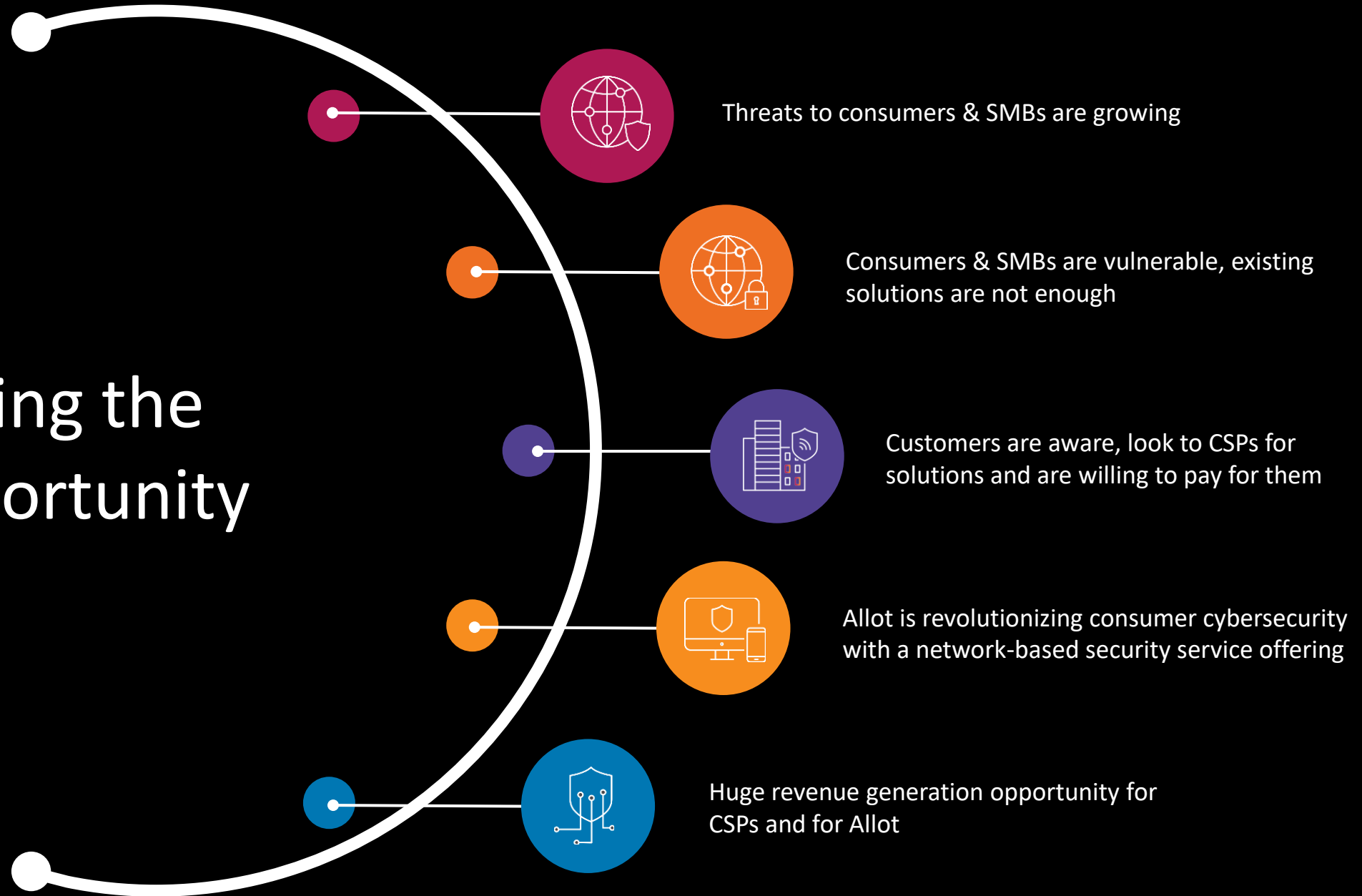
Positioned for Growth



4 Growth Vectors to the Future



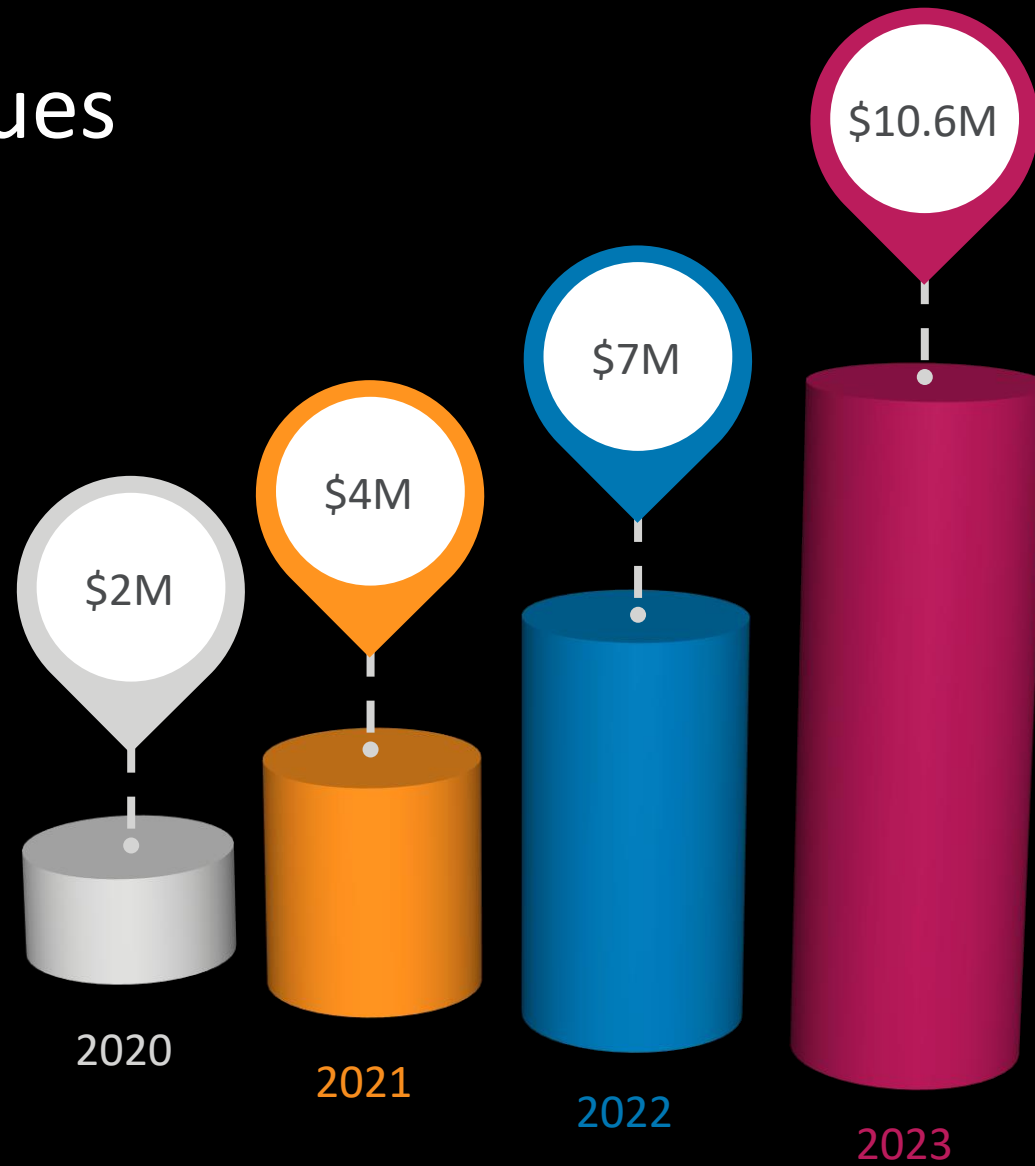
Seizing the Opportunity



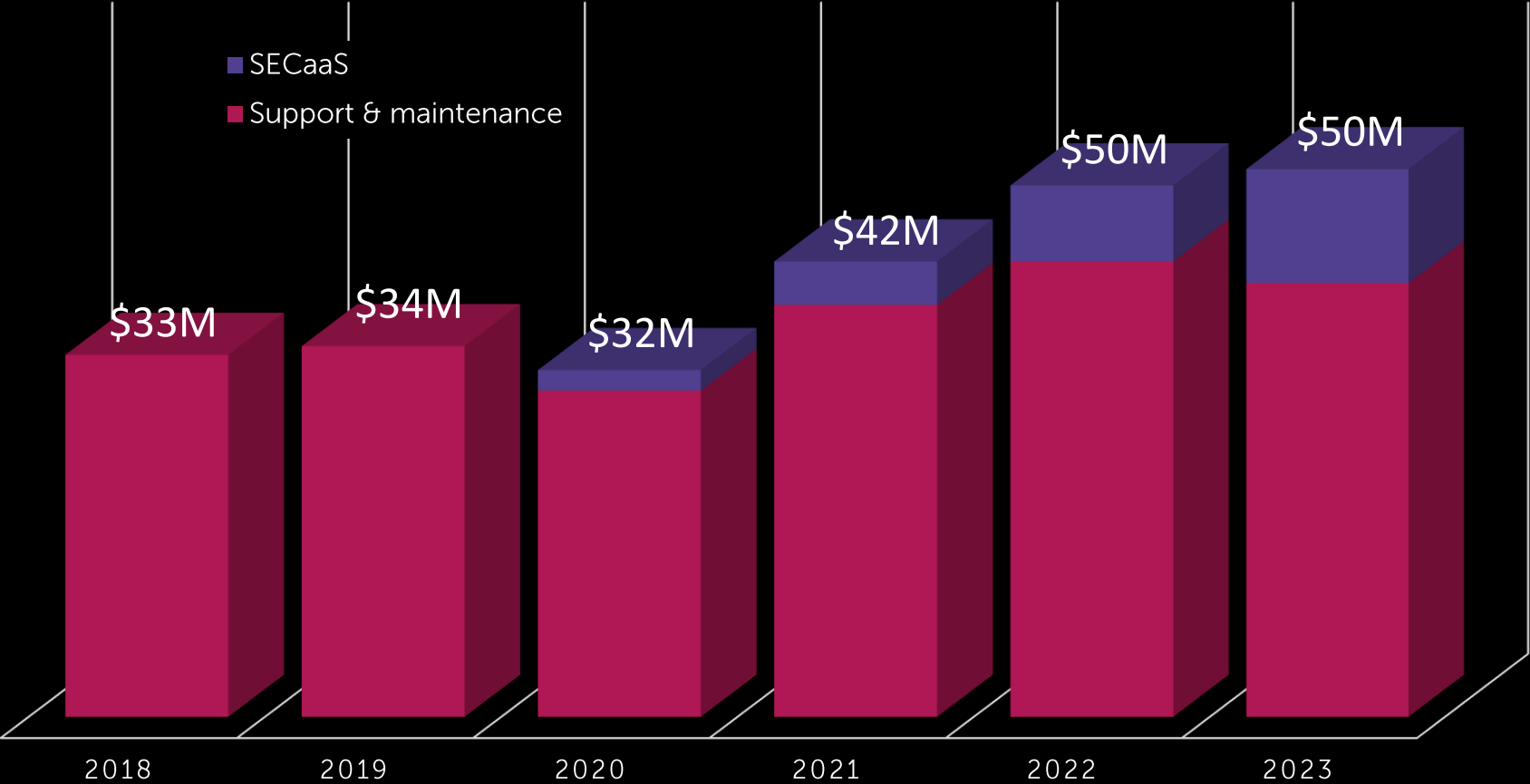


Financial Overview

SECaaS Revenues



Recurring Revenue



\$M	2019	2020	2021	2022	2023 *	Q1 2024
Revenues	110	136	146	123	93	22
Gross Margin	70%	71%	70%	69%	60%	70%
OPEX	85	100	108	108	111	17
Operating Profit (Loss)	(8)	(3)	(5)	(23)	(55)	(1)
SECaaS revenues	0.2	1.9	4.1	7.2	10.6	3.4
SECaaS ARR (last month run-rate)	0.5	2.7	5.2	9.2	12.7	13.7

Non-GAAP

2024 Target: Breakeven



allot

Thank You!