Revolutionizing Consumer Cybersecurity

November 2023

(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)
- 2022 revenue: $123M

**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
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

![Phishing Attacks and Total Malware Chart]

**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

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

- 63% of US consumers worry about unauthorized access into their bank accounts
- 68% of US consumers worry about being a victim of identity theft
- 70% of consumers expect the CSP to provide a security solution to protect them from malware attacks
US Consumers are Willing to Pay to be Protected

<table>
<thead>
<tr>
<th></th>
<th>MOBILE USERS</th>
<th>FIXED BROADBAND USERS</th>
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<tbody>
<tr>
<td><strong>90%</strong></td>
<td>of US consumers are willing</td>
<td>Of US consumers are willing</td>
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<tr>
<td></td>
<td>to pay for a security</td>
<td>to pay for a security</td>
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<td></td>
<td>application that protects all</td>
<td>application that protects</td>
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<tr>
<td></td>
<td>their mobile devices</td>
<td>their broadband connections</td>
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<tr>
<td><strong>63%</strong> minimum</td>
<td>$2 a month</td>
<td><strong>76%</strong> excess of $3 a month</td>
</tr>
<tr>
<td><strong>38%</strong> minimum</td>
<td>$4 a month</td>
<td><strong>46%</strong> excess of $5 a month</td>
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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
360° Security

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"

Allot Cloud
- Threat Intelligence
- Web Categorization
- Device Fingerprinting

Allot Secure Management
- One seamless security experience
- Subscriber Oriented

Home Secure
Business Secure
Network Secure
DNS Secure

On-Net: Zero touch onboarding
No need to download / install

Endpoint Secure
Off-Net
App per device
The Economics
Customers willing to pay 5% to 20% of price plan for Cybersecurity

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...”

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 cyberthreats”
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 attack rates of up to 80% of new customers.

Martin Westhoff
Strategy and Marketing Home at Hutchison Drei Österreich

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

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

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

- Increase # of CSPs that launch consumer & SMB security
- Increase # of consumers & SMBs that subscribe to the service
- Increase the value we give (protection, privacy, etc.)
- Protect the 5G network
Seizing the Opportunity

Threats to consumers & SMBs are growing

Consumers & SMBs are vulnerable, existing solutions are not enough

Customers are aware, look to CSPs for solutions and are willing to pay for them

Allot is revolutionizing consumer cybersecurity with a network-based security service offering

Huge revenue generation opportunity for CSPs and for Allot
Financial Overview
SECaaS Revenues

- 2020: $2M
- 2021: $4M
- 2022: $7M
- 2023 Target: ~$11M
Improving Revenue Visibility

- 2018: $33M
- 2019: $34M
- 2020: $32M
- 2021: $42M
- 2022: $50M
- 2023 Target: $50-52M
Improving ARR Visibility

2019: $37M
2020: $34M
2021: $47M
2022: $52M
2023 Guidance: $51-53M

SECaaS ARR
Support & maintenance ARR

2023 Guidance: (1)% - 3%
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<th></th>
<th>$M</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>Q3 2023</th>
<th>2023 Guidance</th>
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<td>Revenues</td>
<td>110</td>
<td>136</td>
<td>146</td>
<td>123</td>
<td>23</td>
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<td>89-94</td>
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<td>Gross Margin</td>
<td>70%</td>
<td>71%</td>
<td>70%</td>
<td>69%</td>
<td>48%</td>
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<td>OPEX</td>
<td>85</td>
<td>100</td>
<td>108</td>
<td>108</td>
<td>22</td>
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<td>Operating Profit (Loss)</td>
<td>(8)</td>
<td>(3)</td>
<td>(5)</td>
<td>(23)</td>
<td>(11)</td>
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<td>(38-44)</td>
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<td>SECaaS revenues</td>
<td>0.2</td>
<td>1.9</td>
<td>4.1</td>
<td>7.2</td>
<td>2.8</td>
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<td>SECaaS ARR (last month run-rate)</td>
<td>0.5</td>
<td>2.7</td>
<td>5.2</td>
<td>9.2</td>
<td>10.6</td>
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Non-GAAP
Thank You!