



Corporate Presentation

NASDAQ: AUDC | August 2022



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This presentation contains statistical data that we obtained from industry publications and reports generated by third parties. Although we believe that the publications and reports are reliable, we have not independently verified this statistical data and accordingly, we cannot guarantee their accuracy or completeness.

A leading provider of enterprise voice services for

UCC

Unified Communications & Collaboration

CX

Customer Experience



28

Years of Domain
Expertise

#1

Market Share in
Enterprise SBC

#1

Microsoft Teams
Voice Partner



65

Fortune 100
Enterprise
Customers

120+

Countries

We ended last year exceeding every key business performance metric



Organic Growth
Acceleration

13%

2021 Growth to
\$249M Revenue

Industry-leading
Profitability

22%

2021 Non-GAAP
Operating Margins

Software
Margins

69%

2021 Non-GAAP
Gross Margins

Strong FCFs and
Capital Returns

\$58M

2021 Non-GAAP FCFs
\$0.35 TTM DPS

Our software and services are deployed in the top global enterprises

9/10



FORTUNE TOP 10 ENTERPRISES

8/10



GLOBAL TOP TELECOM OPERATORS

4/10



TOP MULTINATIONAL BANKS



We are leading the industry by excellence, focus, and unparalleled products and partners



Technology Superiority

- Largest R&D in the industry for voice-related services



Product Superiority

- Most complete native voice infrastructure and applications



Key Strategic Partnerships

- Strategic partner for Microsoft, Zoom and Genesys



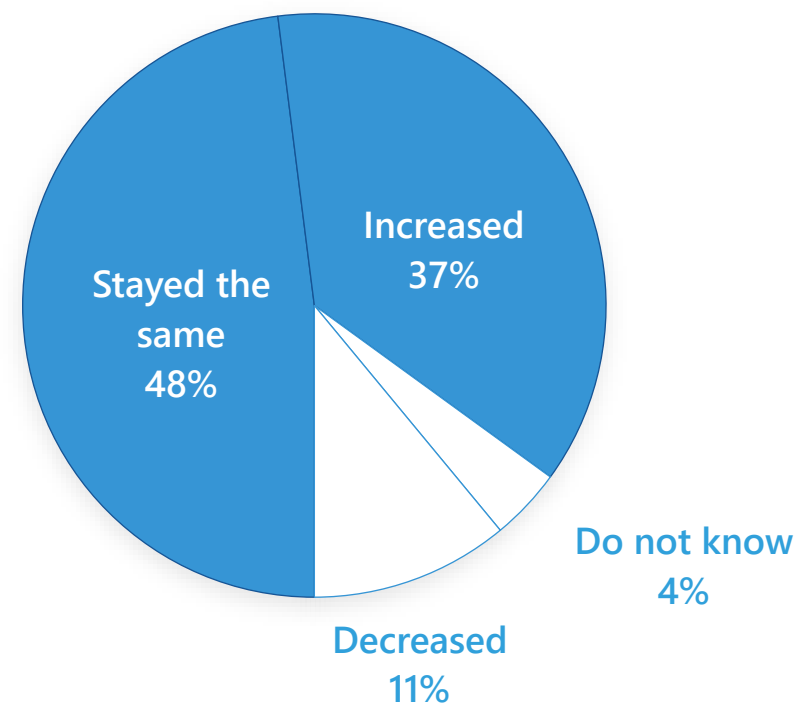
Unique One-stop shop

- For voice cloud, end user devices, and subscription services

Voice is a Top Interaction Channel in Digital Transformation

Voice is a high impact, high value interaction channel

How has the usage of Voice as an interaction channel changed over the last year?



Voice growth opportunity



Subscription-based Services



AI Driven Voice Revolution

Voice is a connective tissue



Unified Communications & Collaboration (UCC) and Customer Experience (CX)



Hybrid Work Environment

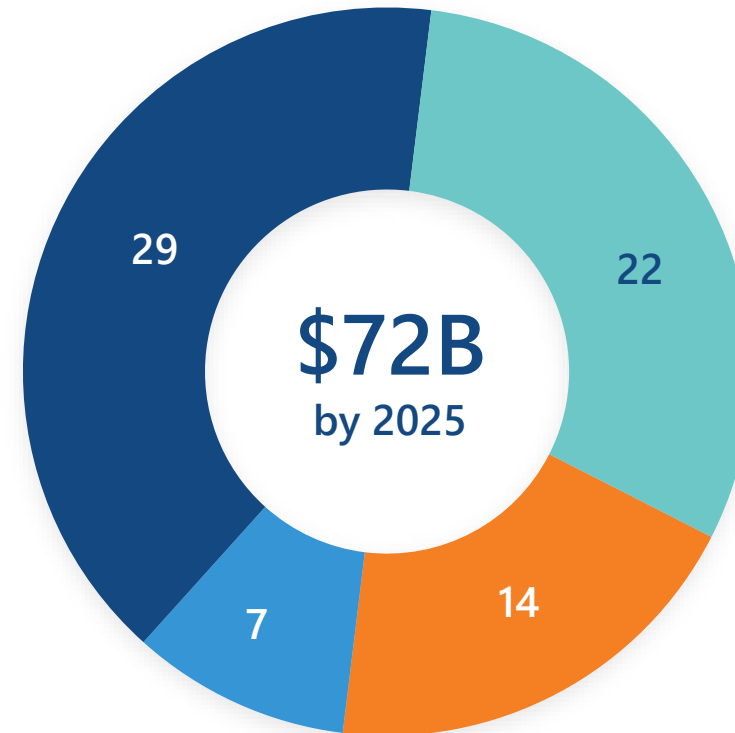
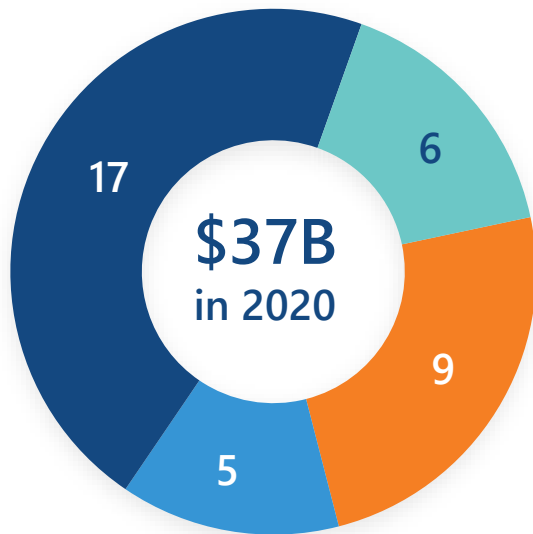
Next Stage in Evolution of Voice



“It is difficult for most consumers to describe their issues quickly and effectively in text and so **they prefer to communicate them via voice**...the ease and speed of using voice won't change much in the foreseeable future. What is changing is a shift to **highly effective and intelligent voice automation systems**”

AudioCodes Voice Platform is enabling voice transformation in a large addressable market

■ UCaaS ■ CPaaS ■ CCaaS ■ Conferencing



We Are The Voice Company



Voice CPaaS

Democratizing Voice and AI Connectivity Services

3rd Party Integrations



Microsoft



GENESYS

zoomphone

Voice Productivity Applications

Meeting
Assistant

IVA/Voice bots

Call Recording

Call Flow APIs

All-in-One Cloud Voice Platform – CPaaS

Session Border Controller

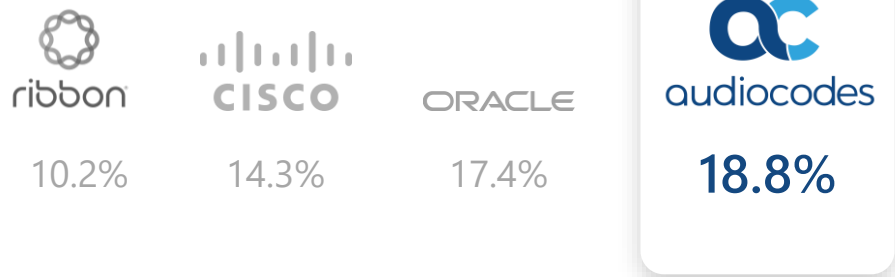
WebRTC



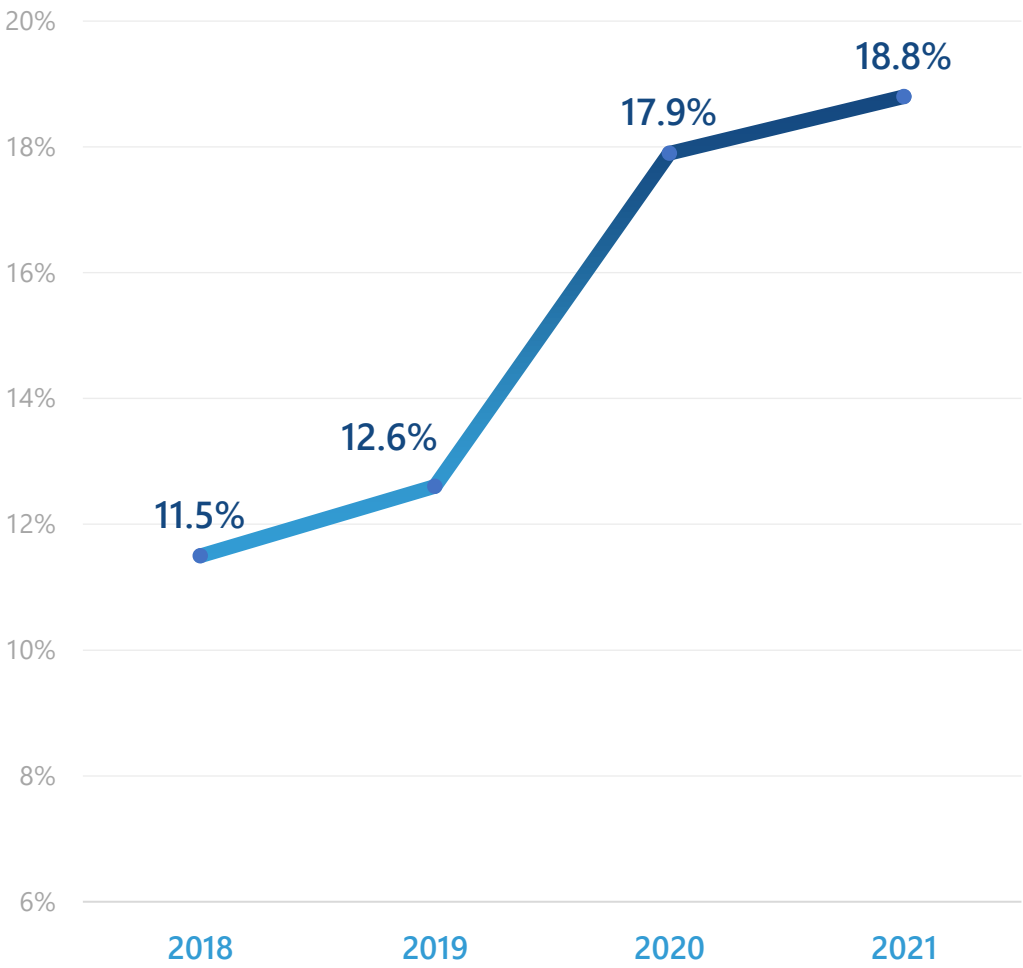
Telco & Enterprise Domain

Voice channels (analog/VoIP)

Cloud native and MS Teams Voice propelled AudioCodes to No. 1 revenue share in 2021



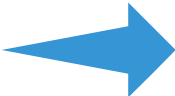
Enterprise SBC market share



Source: Omdia report "Enterprise SBCs and VoIP Gateways Market Tracker, March 2022

SBC is Cornerstone of “Land and Expand”

Acquisition tool



Upsell Opportunity



Most Scalable, Interoperable,
Cloud Native, and Secure
Enterprise SBC Portfolio

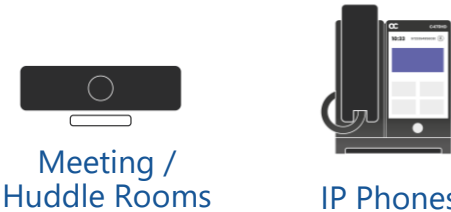
Cloud
Subscription
Services



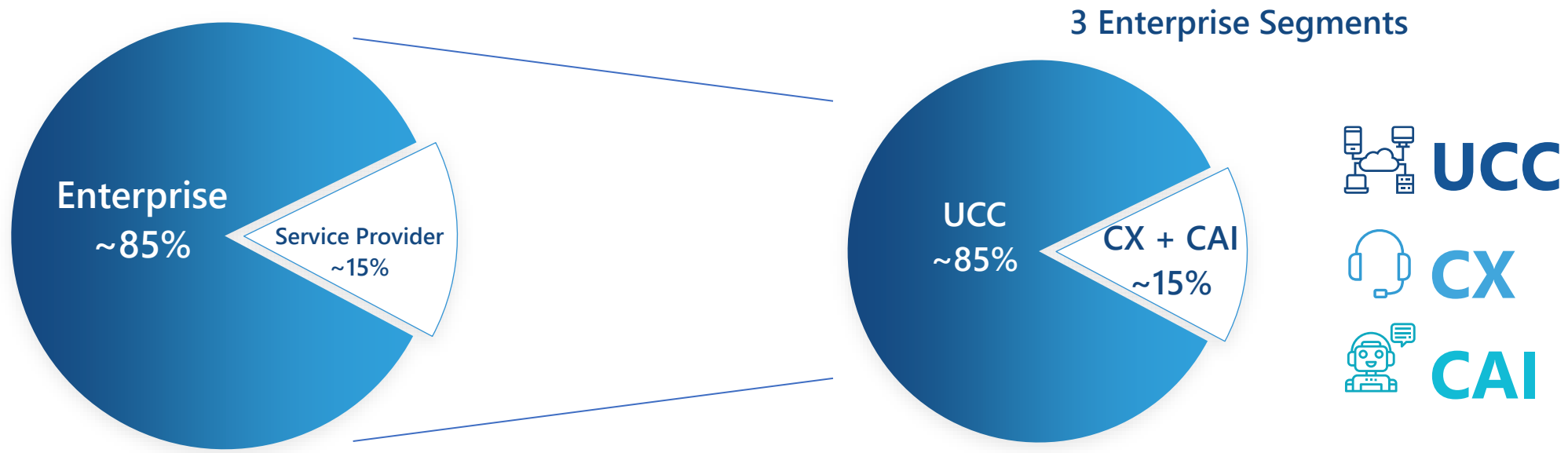
Voice
Applications



End User
Devices



2021 Revenue Performance by Segment

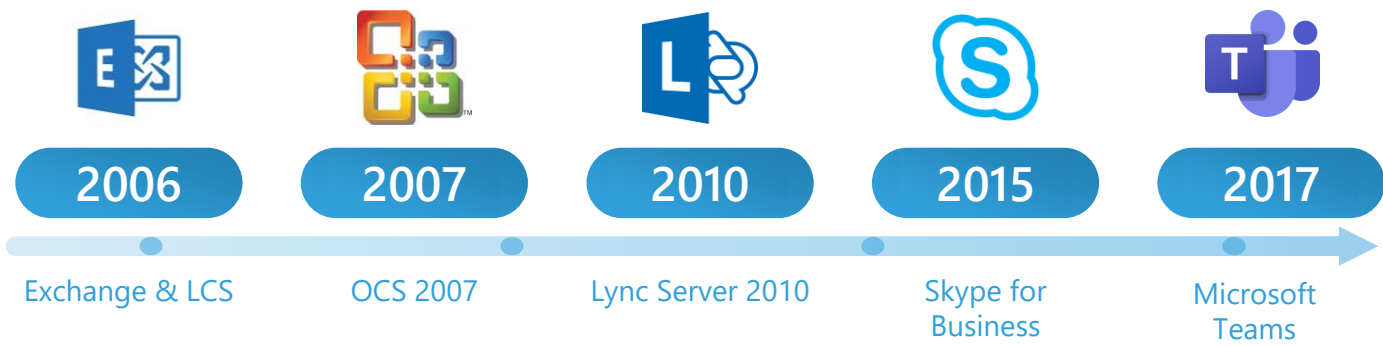


Enterprise grew >15% Year-on-Year

Microsoft Teams - Collaboration market leader



Years of Microsoft UC experience

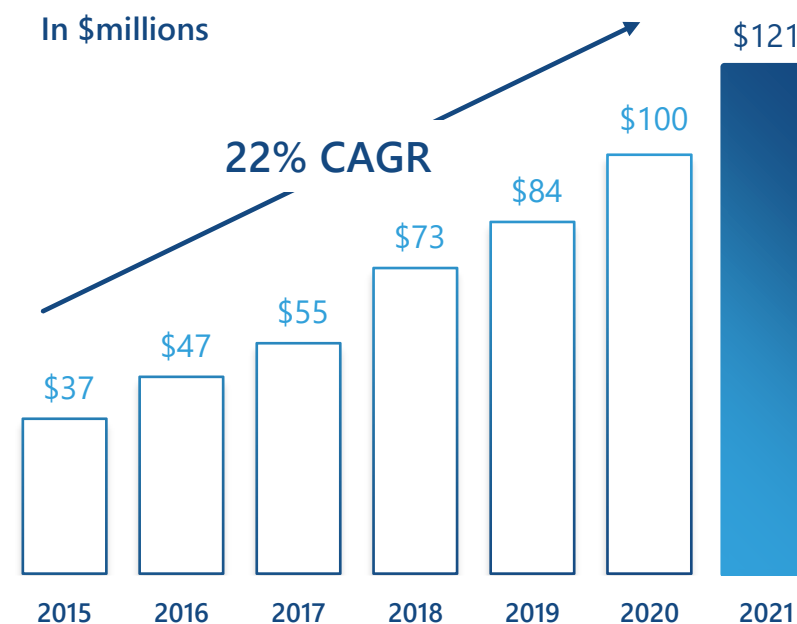


Microsoft Business grew
>20% YoY in 2021

AudioCodes has >50% share with
Microsoft Teams Voice*

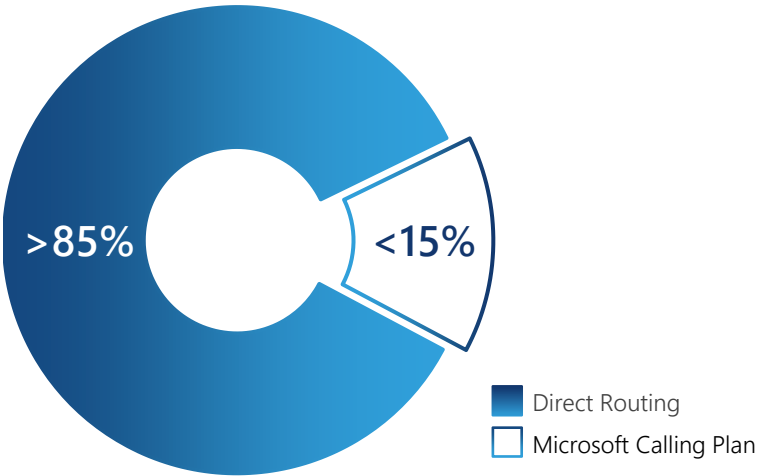
* Internal analysis: MS Teams Voice = MS Teams Phone with PSTN Calling

Microsoft-related Business



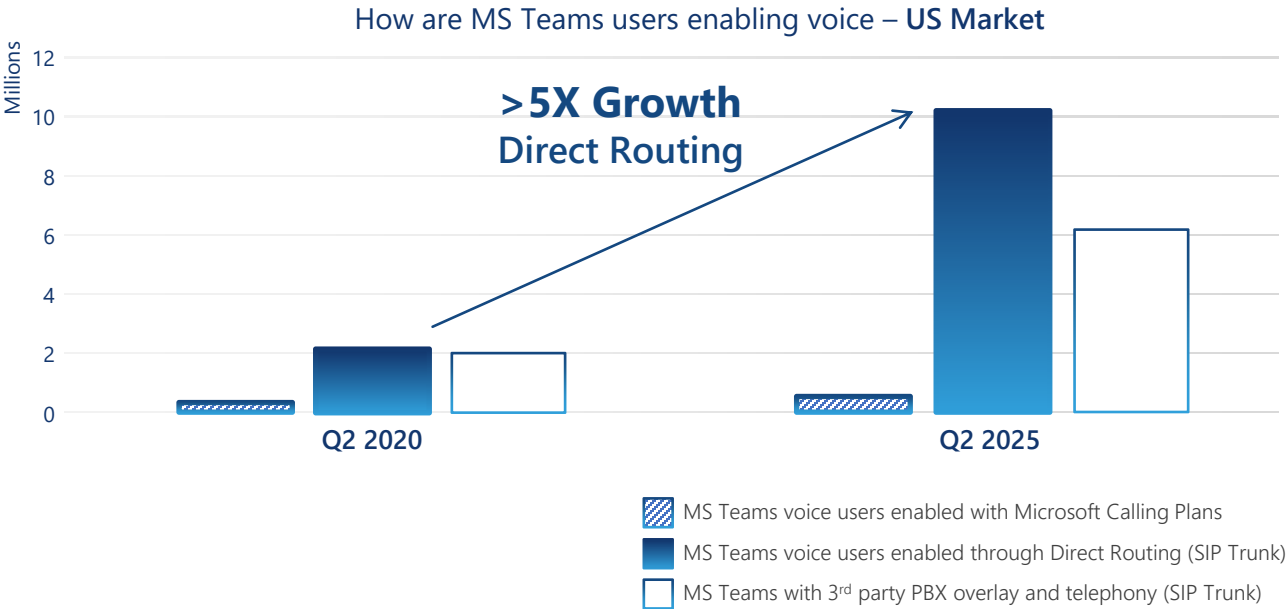
Source: Internal data, not audited

Direct Routing (BYOC*) comprises over 85% of MS Teams telephony



* BYOC = Bring Your Own Carrier

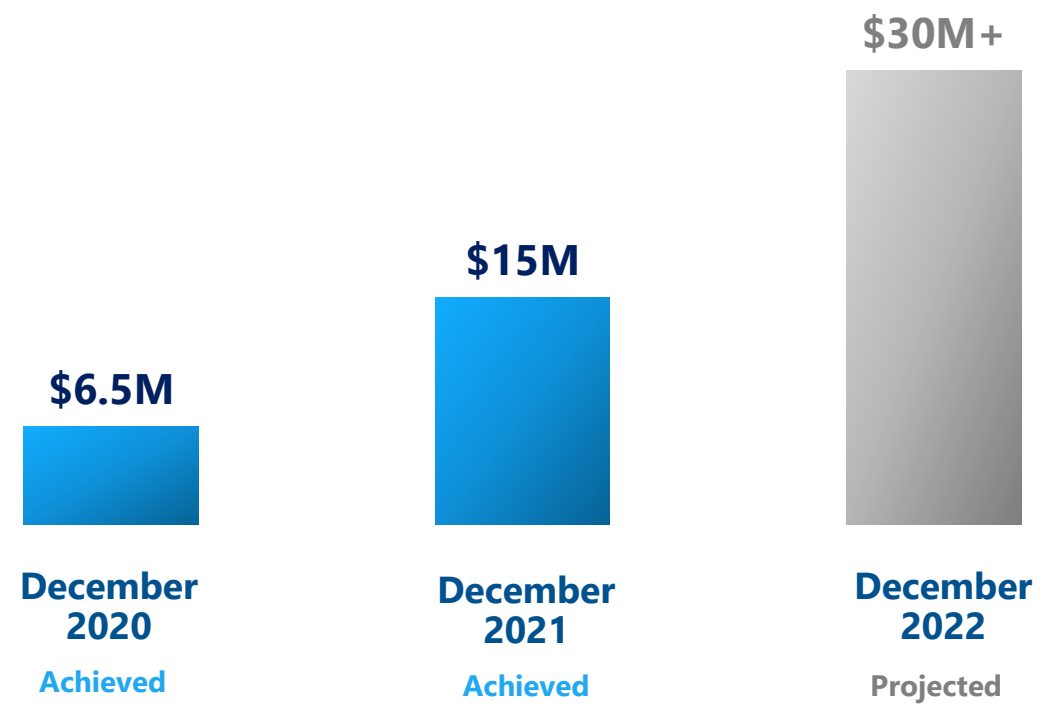
Direct Routing set for massive uptick





Subscription Revenue (ARR) Doubling Every Year

Partnership with MS Teams and Zoom Phone will keep on propelling subscription services revenue forward



AudioCodes *Live* Subscriptions Overview

Live for Teams

A portfolio of **managed services** for large enterprises

Dedicated infrastructure hosted by the customer or AudioCodes

Simplifies the integration of Microsoft Teams with the PSTN via **Direct Routing** enterprise telephony

AudioCodes **managed service**

Live Express

A **SaaS multitenant platform** for VAR / SIs / MSP partners

Shared infrastructure hosted by AudioCodes

Fast provisioning and onboarding business customers to Microsoft Teams Phone System via **Direct Routing** self-service portal

AudioCodes-branded solution

Live Cloud

A **SaaS multitenant platform** for service providers

Dedicated infrastructure hosted by the SP or AudioCodes

Enabling carriers to easily onboard customers to Microsoft Teams Voice via **Operator Connect** or Direct Routing

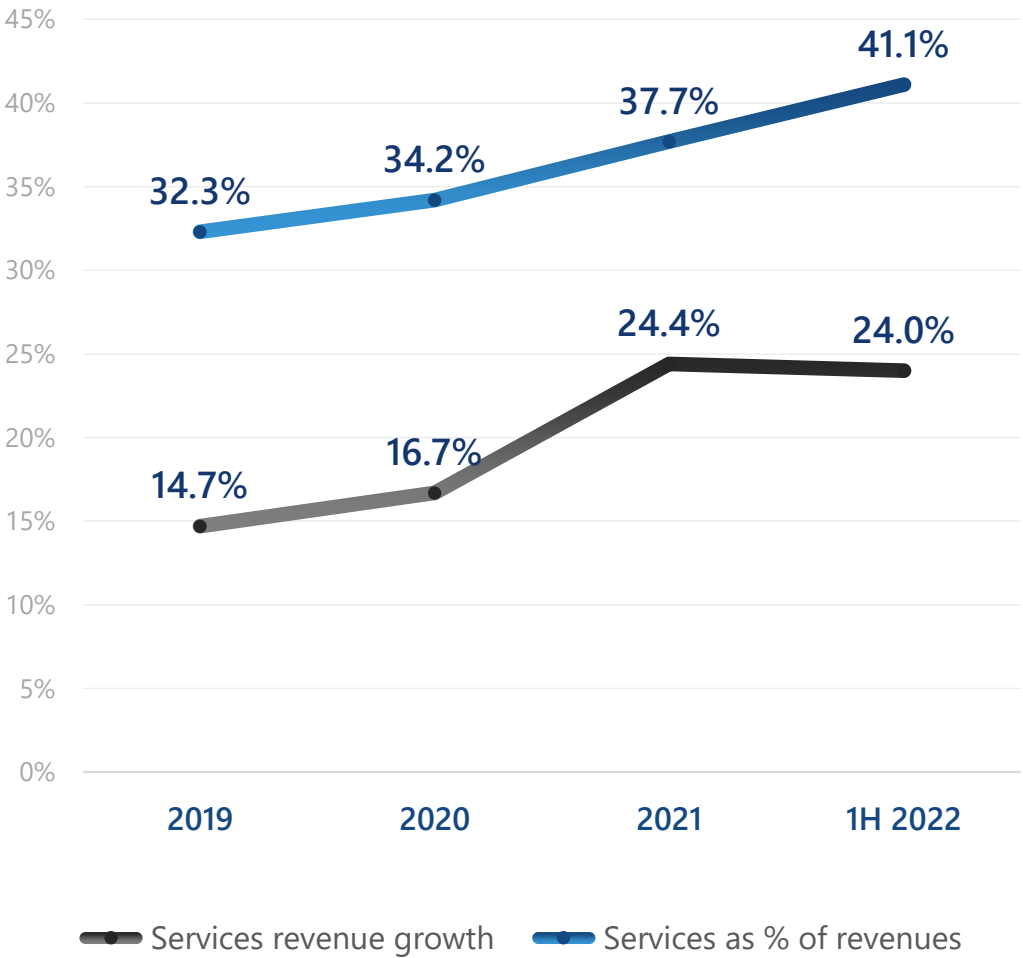
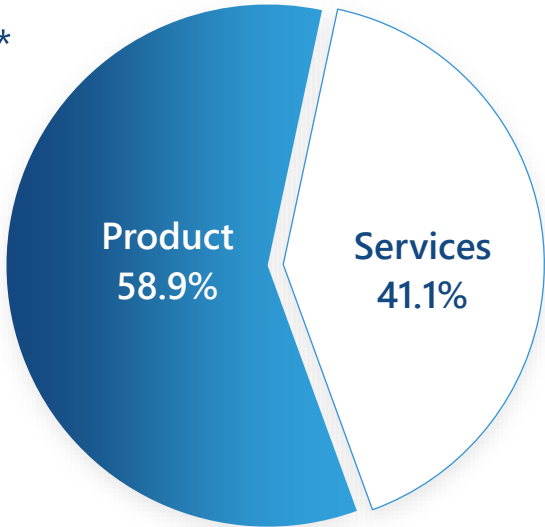
White-label, multi-tier solution

Delivered as a per-user-per month subscription plan

Transition to Services Accelerating

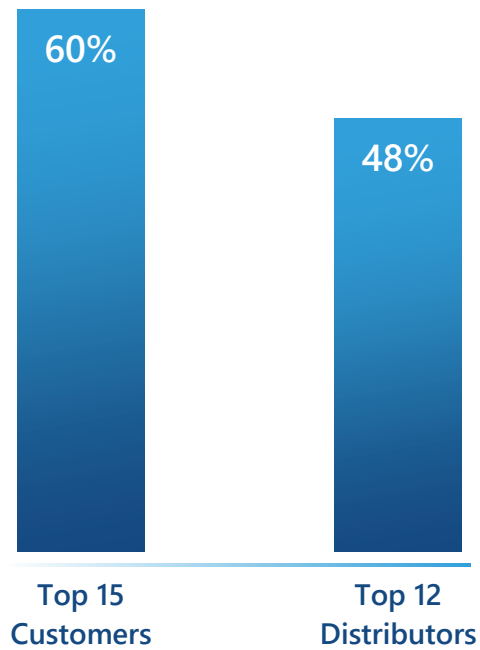
Improving gross and operating margins

1H 2022
Revenue Mix *

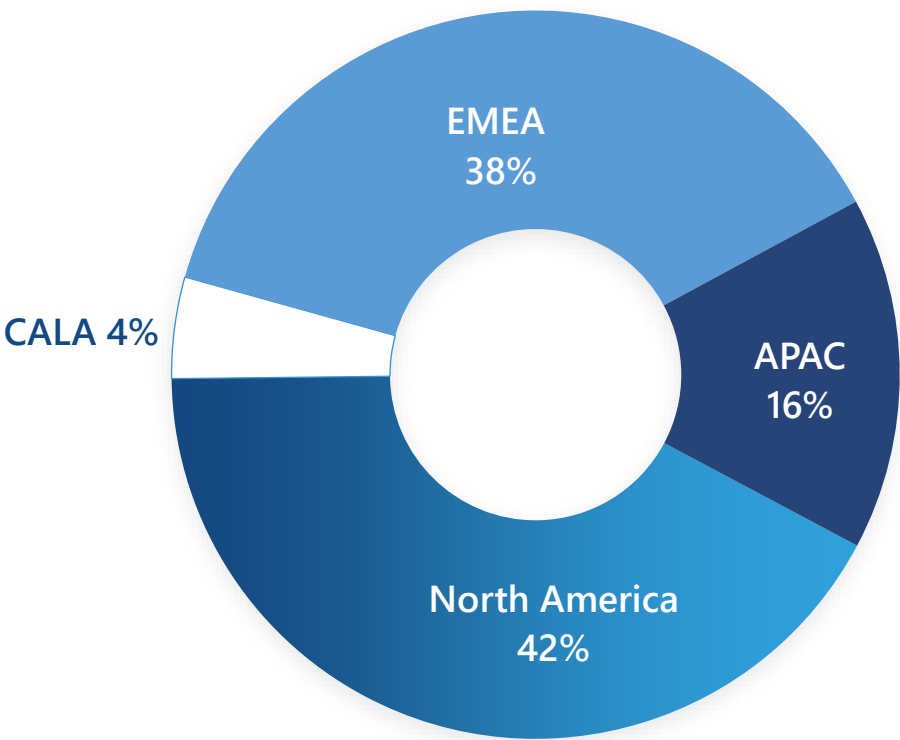


* Product segment comprised of hardware platforms, software platforms and voice apps; Services segment comprised of cloud subscriptions, managed services, professional services, support and maintenance.

2021 Revenue Breakdown by Sales Channel



2021 Revenue Breakdown by Region (\$M)



1

Leverage Partnerships

Extend penetration of Voice CPaaS in UCC and CX
Key partner focus: Microsoft, Zoom, Genesys

2

Land & Expand

Increase customer value via extended portfolio of voice services and apps

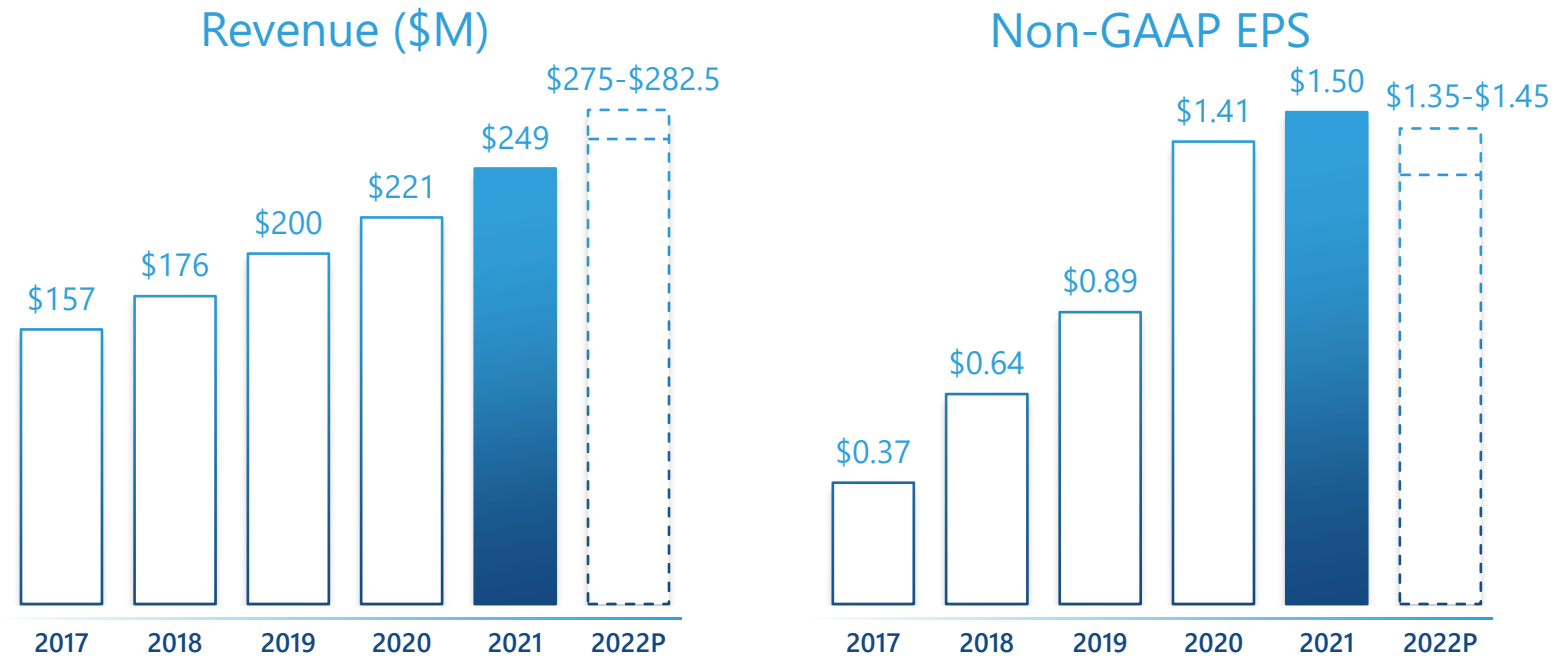
3

Recurring Revenue

Accelerate transition to software and subscription services (*AC Live*) organically and inorganically



Consistent track record of execution with steadily improving revenues and EPS





Thank You