

# Allot Ltd

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## Allot inks slew of new security deals, delivers products and supports customers remotely during coronavirus pandemic

Allot Ltd (NASDAQ:ALLT), the smart network intelligence solutions company, said Thursday that it has inked a slew of security deals, delivered new products, and supported customers remotely, which has boosted revenue substantially during the first quarter despite the coronavirus (COVID-19) pandemic.

For the first quarter ended March 31, 2020, management expects Allot to post revenue of around \$29 million, compared to \$25.3 million in the first quarter of 2019.

Allot hastened to add that it has not yet completed a full review of its first-quarter financials, therefore the number is "not final."

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During the first quarter, some deals were delayed as a consequence of the COVID-19 pandemic and are now expected to close during the second quarter, said Allot in a statement.

However, Allot did sign several new security deals during the first quarter, including two new recurring revenue deals with new operators - a small deal in the Asia Pacific region and a medium-sized deal in Latin America.

The group's management said it expects the second quarter to be a quarter of high "revenue growth" compared to the second quarter of 2019, and the first quarter of this year.

Allot CEO Erez Antebi emphasized that the company continues to focus on the "timely meeting of all its commitments" to customers.

"We are continuing remote support of our customers; delivery of products; remote installation of products ordered, and we are continuing with product development," he said.

"We are continuing to receive new orders and sign customer contracts. Across the company, we are continuing to work to achieve our goals per our annual workplan," Antebi added.

### Sharp uptick in network traffic volume

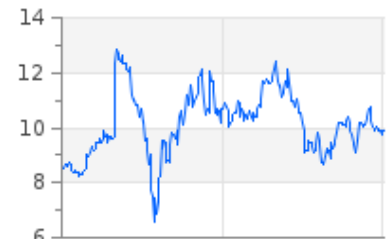
The Allot boss said that across communications service provider (CSP) networks the company was seeing several changes, including a sharp uptick in network traffic volume, with increases of as much as 30% to 40%.

"Our customers are also seeing an increase in cyber-attacks such as phishing attacks. Finally, people working or studying from home have significantly increased their use of communication applications such as Zoom, Microsoft

**Price:** 9.9

**Market Cap:** \$348.6 m

#### 1 Year Share Price Graph



December 2019 June 2020 December 20

#### Share Information

**Code:** ALLT

**Listing:** NASDAQ

**52 week High Low**  
13.05 6.45

**Sector:** Telecoms

**Website:** www.allot.com

#### Company Synopsis:

Allot is a leading provider of innovative network intelligence and security solutions that empower communications service providers (CSPs) and enterprises worldwide to enhance the value they bring to their customers. With over 20 years of proven success, our solutions turn network, application, usage and security data into actionable intelligence that make our customers' networks smarter and their users more secure.

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Teams and others," Antebi pointed out.

He continued: "As a result of the above changes, we are seeing new trends among some of our customers. All CSPs we work with continue to operate, although many of their staff are also working remotely, and all the work we do with them is now done remotely. Many CSPs require more bandwidth to support their customers and have requested expanded bandwidth licenses from Allot."

He said some CSPs were delaying less-critical tasks, while others are going ahead with the introduction of new services, such as security for their customers. Allot expects "overall demand" from customers continuing at rates that are similar to before the coronavirus pandemic and even increasing in some areas.

### **Positive outlook**

"We expect some delays in the signing of additional recurring security revenue deals, but we do expect to sign additional such deals during the remainder of 2020," the Allot boss added.

"Given the changes in the traffic many CSPs are experiencing, as well as taking into account our backlog and pipeline of new deals, we are currently reconfirming our full guidance for 2020, including annual revenues at \$135 to \$140 million, and new recurring security revenue contracts with an aggregate maximum annual revenue potential of \$140 million."

The company's multi-service platforms are used by over 500 mobile, fixed and cloud service providers and more than 1,000 enterprises.

Allot NetworkSecure is the world's largest deployed network-based security service for the mass market with over 20 million paying security customers.

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