



RADA

August 2021



This presentation contains certain statements that may be deemed to be “forward looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. Reference is made in particular to the descriptions of our plans and objectives for future operations, assumptions underlying such plans and objectives and other forward-looking terminology such as “will”, “would”, “may”, “should”, “estimates”, “expects”, “believes”, “anticipates”, “intends”, “projects”, “predicts”, “targets”, or similar terms, variations of such terms or the negatives of such terms. Forward looking statements are based on management’s current expectations. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect.

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- **Radar technology** company focused on “Tactical Radars for the Maneuver Force” for global defense industry
- Pursuing an early-stage and growing **TAM of \$6bn+**
- Investing in strong growth; radar YoY **revenues up 125% in 2019, 105% in 2020 and forecasted 70%+ in 2021**



2019 Geographic Revenue Breakdown









- Increasing small-UAS threat *driving need for solutions*
- Recent examples: drone attacks on shipping in Gulf of Oman, continuous attacks in Iraq and KSA
- RADA: *Critical enabler of counter drone* (C-sUAS) solutions
- *Technology leader* for tactical radars, the “go to” choice of global customers





YouTube

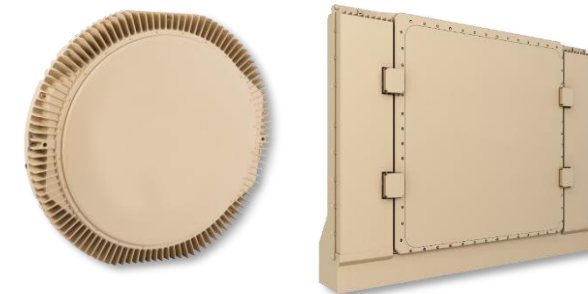
fox news US downed drones





\$6+ Billion

Mini-Tactical Radar Opportunity Over the Next Decade



Active Protection System (APS) Radar Market

~\$1.5B Current US TAM

~\$1.5B Current RoW TAM

Key RADA Awards



Bradley APS 1st Brigade



IMoD Eitan AFV

Nederland CV-90

Future Opportunities

US Army Stryker Brigades

US Army NGCV

Additional Bradley Brigades

Australian L-400

Air Defense / Short-Range Surveillance Radar Market

~\$1.5B Current US TAM

~\$1.5B Current RoW TAM

Key RADA Awards



Army IM-SHORAD

4 battalions, 144 vehicles



USMC GBAD

Future Opportunities

Additional IM-SHORAD Battalions

Additional GBAD Vehicles

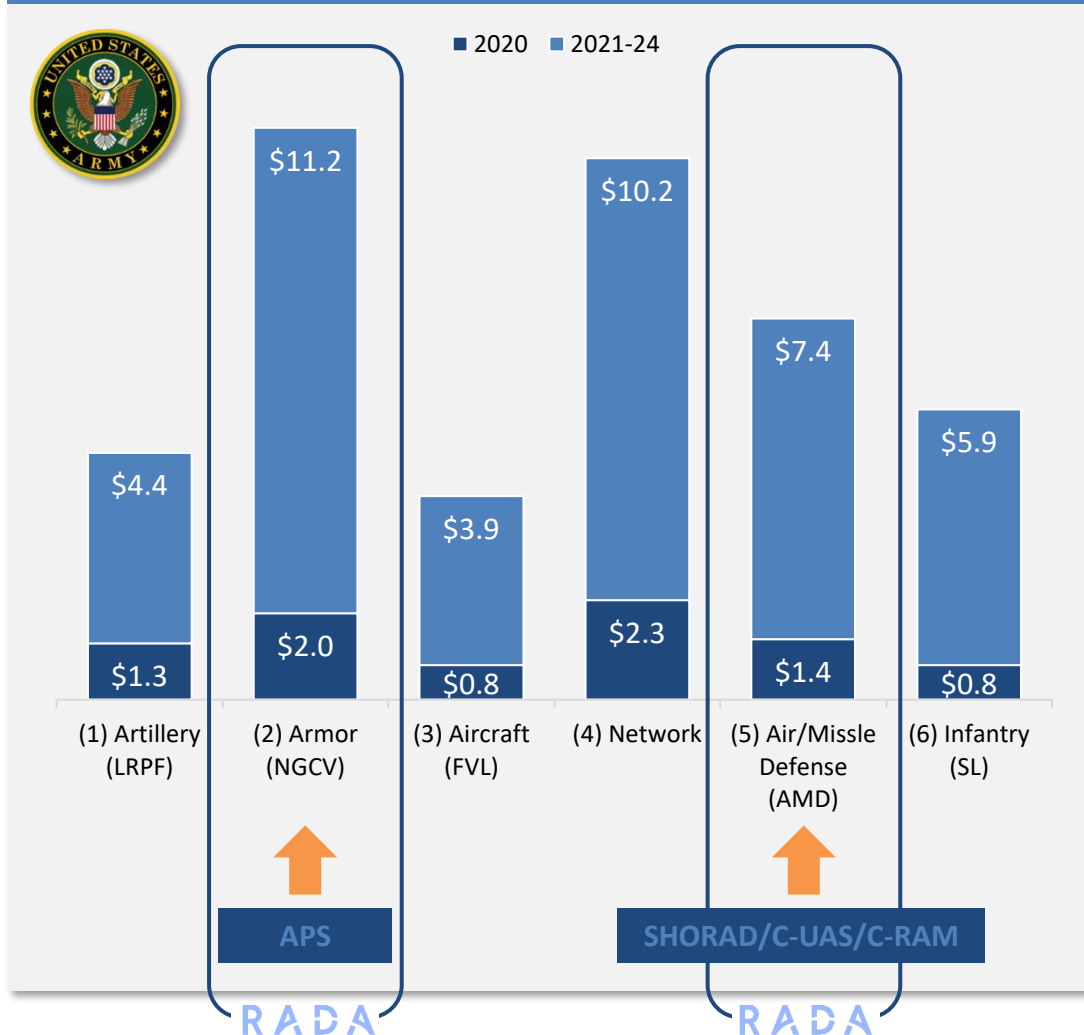
*Hundreds of fixed and mobile sites
across USAF, USN and SOCOM*

Strong US Budget Support on RADA's Active Areas

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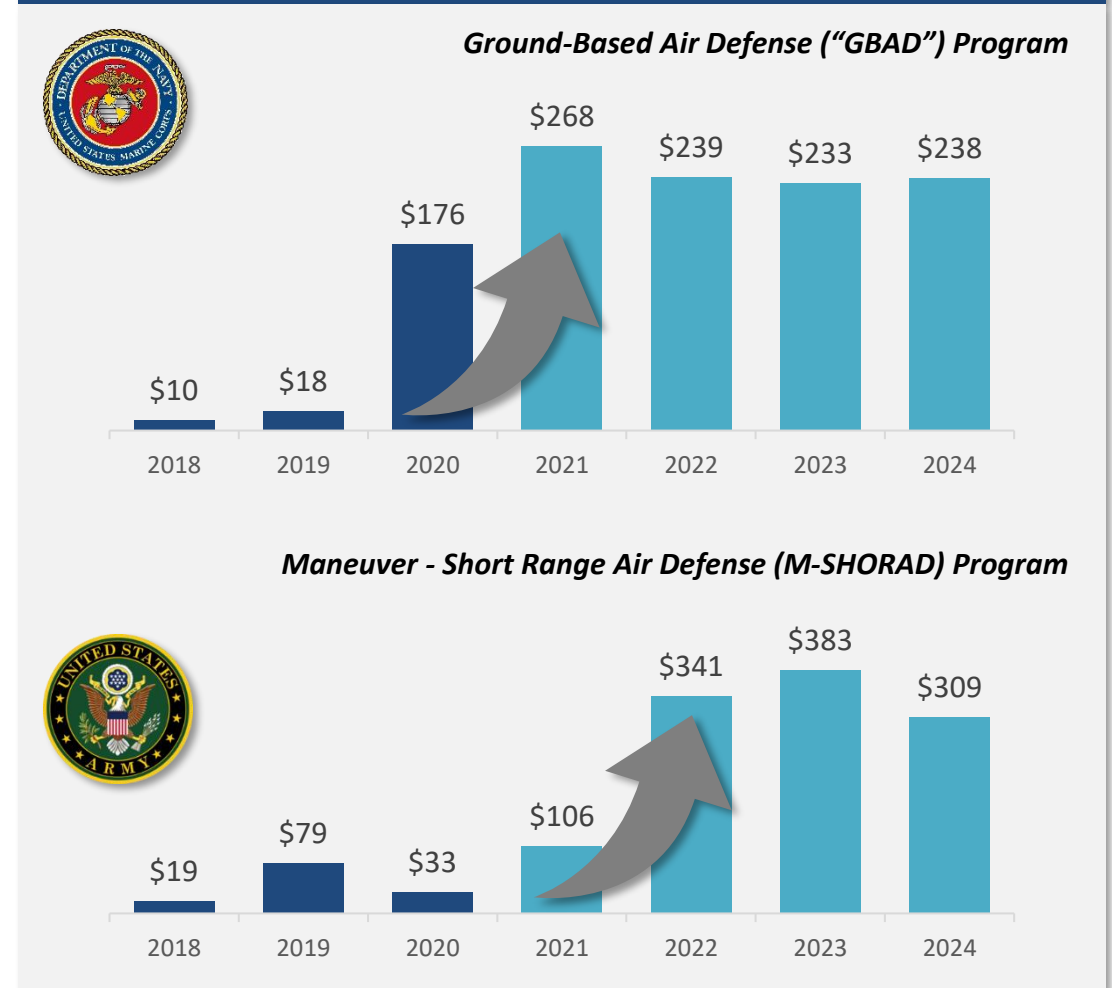
Army "Big Six" Modernization Priorities

2020-2024 (\$Billions)



Select Program of Record Funding

US DoD FYDP (\$Millions)



Delivering Exceptional Tactical-Grade Capabilities at Superior Performance / Price

TECHNOLOGY

- Proprietary, high-performance, fully operational, ahead of competition
- Software-defined radars: variety of customized solutions, utilizing common hardware platforms
- Products align with best-of-breed, Modular Open System Approach – MOSA (e.g., MAPS, GBAD/SHORAD, ...)
- Investing in AI-Driven radars (teamed with BeyondMinds)



CUSTOMER

- Strong partnerships and relationships
- Highly responsive solutions tailored to customer needs
- Contracts and deliveries to top military forces in the US and elsewhere
- Superior performance and high affordability





RADA USA

US Represents ~36% of \$1.8T Global Defense Spending

RADA's First and Foremost Market for Tactical Radars



US Facility in Germantown, MD, ~28K Sq. Ft.

RADA established two US Subsidiaries:

- Proxy company for classified development and SSA company for business development and production
- Technology transfer and Americanization
- US-based production, maintenance and customer support to fulfill the entire market demands

Select Customers and End-Users

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IDF



US Marines



US Navy



US Army



US Air Force



USSOCOM



US DHS



US Coast
Guard



ARMY
UK Army

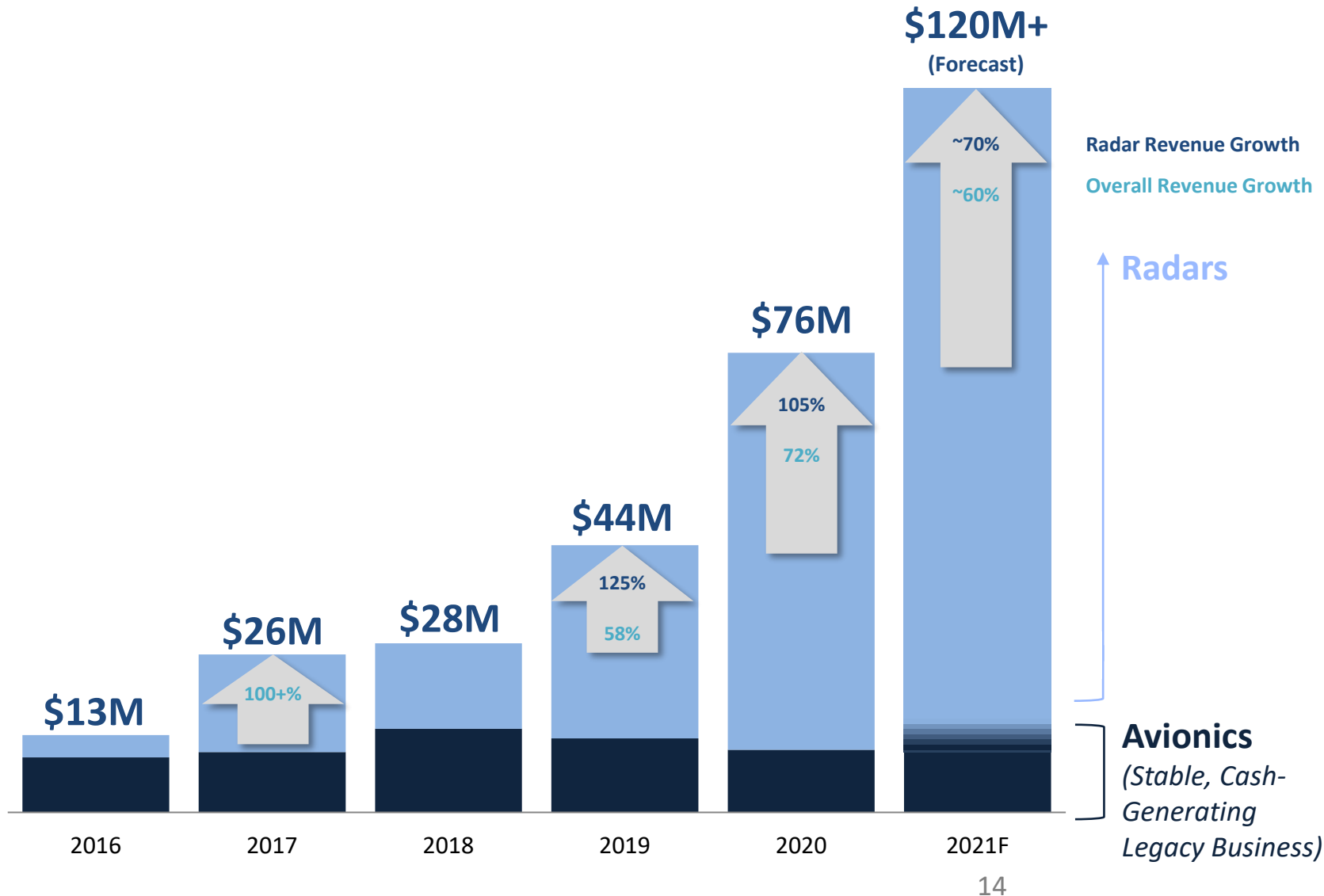


United Nations
UN Forces



Today's Strong Growth – Fruits of a Decade of Investments

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Profitability

- Stabilizing operating expenses → **operating leverage in the business model**
- **Gross margin** improvements: 36% (Q120) → 40% (Q121)
- **EBITDA margin** growth: 10% (Q120) → 22% (Q121)

- **TAM is \$6bn**
 - Only touched 10% of our addressable market so far
 - APS, which is 50% of the TAM, will start only in 2023
- **RADA is the technology leader**
 - With continued R&D investment, and
 - Accompanied by the  go-to-market strategy
- **Key current US programs**
 - Bradley APS (650+ radars)
 - IM-SHORAD (600+ radars)
 - GBAD (400+ radars)
- **Strong global growth in demand**
- **Aim to capture a lion's share of the TAM over the next 5-10 years**



Technology

- ✓ Proprietary, software-defined, fully operational
- ✓ Unique performance/price proposition
- ✓ Continued leadership via R&D investments
- ✓ Investing in leading-edge AI capabilities

Customers

- ✓ Addressing diversified \$6B+ market over next decade
- ✓ Initial orders delivered to key customers
- ✓ Robust pipeline
- ✓ US presence and capacity, gearing towards serial production

Performance

- ✓ Very strong growth in new and emerging markets
- ✓ 2021 projected \$120M+ revenues (60%+ YoY)
- ✓ Operating leverage in business model → improving margins
- ✓ Net cash \$96m



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WE MAKE SENSE