



RADA

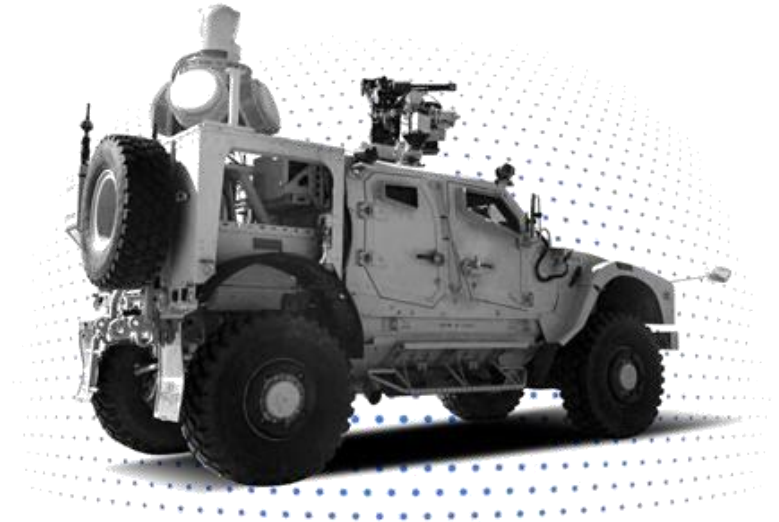
April 2021



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.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors including but not limited to those risks and uncertainties relating to difficulties or delays in development, testing, regulatory approval, production and marketing of the Company’s product candidate and those risks and uncertainties associated with the protection of the Company’s intellectual property rights. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these factors. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Other than as required under the securities laws, the Company does not assume a duty to update these forward-looking statements.

- **Global defense technology** company focused on “Tactical Radars for the Maneuver Force”
- 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**





RADA Electronic Industries Ltd.







- Increasing small-UAS threat *driving need for solutions*
- RADA: *Critical enabler of counter drone (C-sUAS) solutions*
- *Technology leader* for tactical radars, the “go to” choice of global customers

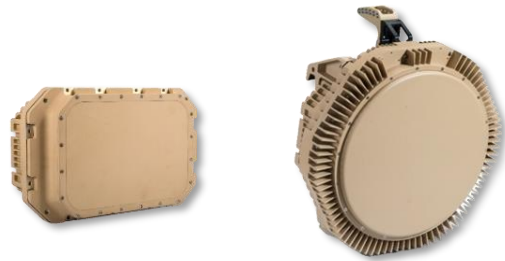




YouTube

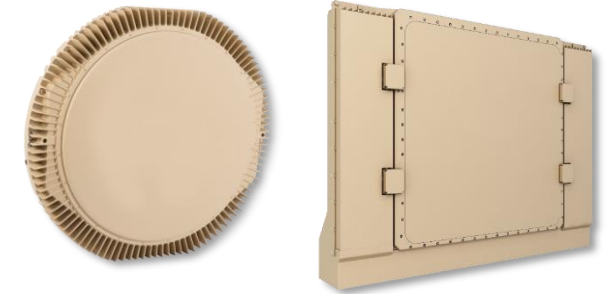
fox news US downed drones









\$6+ Billion

Mini-Tactical Radar Opportunity Over the Next Decade

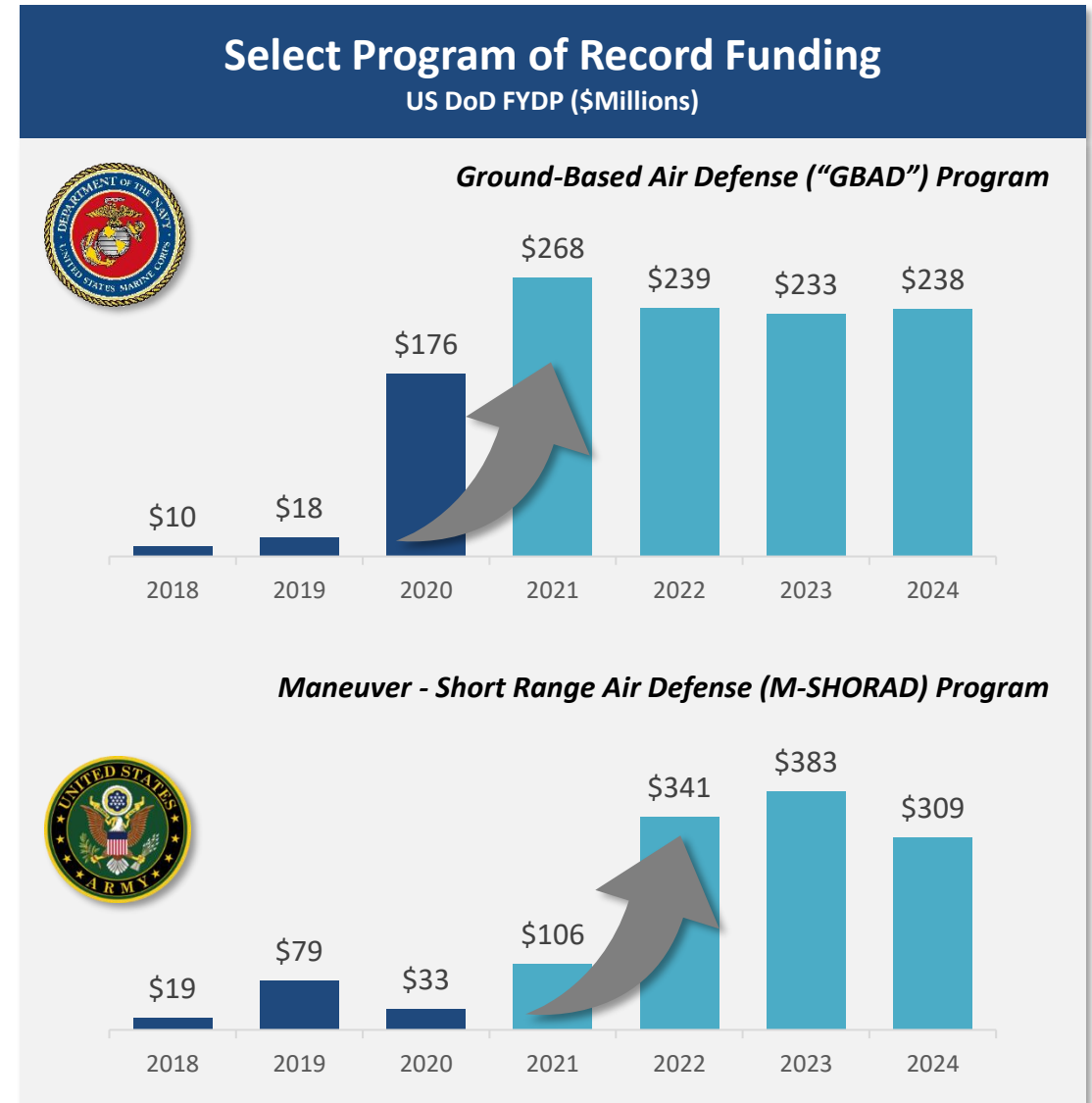
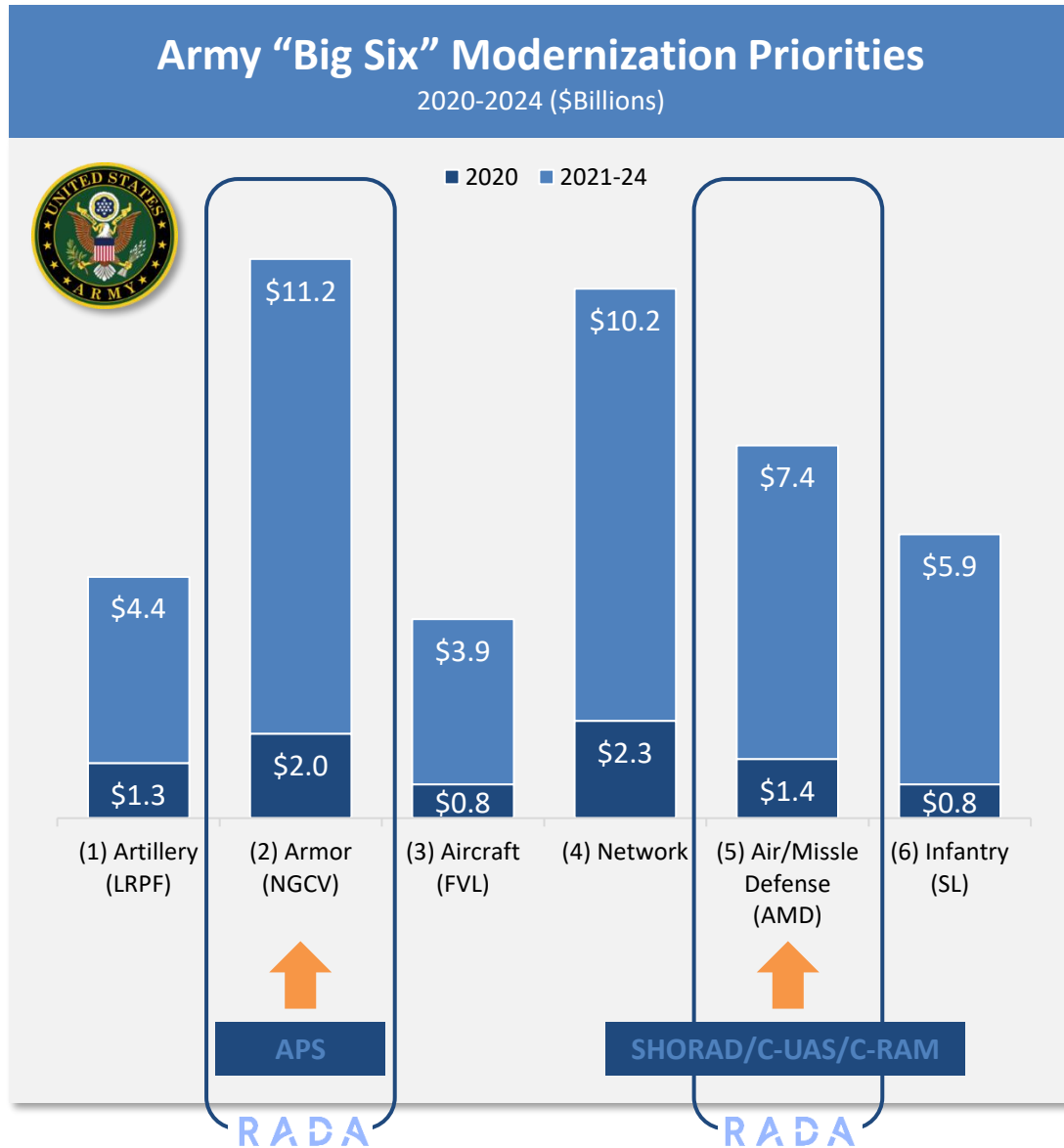


Active Protection System (APS) Radar Market	
~\$1.5B Current US TAM	~\$1.5B Current RoW TAM
<p>Key RADA Awards</p>  <p><i>Bradley APS 1st Brigade</i></p>  <p><i>IMoD Eitan AFV</i></p> <p><i>Nederland CV-90</i></p>	<p>Future Opportunities</p> <p><i>US Army Stryker Brigades</i></p> <p><i>US Army NGCV</i></p> <p><i>Additional Bradley Brigades</i></p> <p><i>Australian L-400</i></p>

Air Defense / Short-Range Surveillance Radar Market	
~\$1.5B Current US TAM	~\$1.5B Current RoW TAM
<p>Key RADA Awards</p>  <p><i>Army IM-SHORAD</i> <i>4 battalions, 144 vehicles</i></p>  <p><i>USMC GBAD</i></p>	<p>Future Opportunities</p> <p><i>Additional IM-SHORAD Battalions</i></p> <p><i>Additional GBAD Vehicles</i></p> <p><i>Hundreds of fixed and mobile sites across USAF, USN and SOCOM</i></p>

Note: TAMs represent Company estimates based on estimated vehicle count and RADA tactical radar prices.

Strong US Budget Support on RADA's Active Areas



Delivering Exceptional Tactical-Grade Capabilities at Superior Performance / Price

TECHNOLOGY

- Proprietary, high performance and mature; 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, ...)



CUSTOMER

- Strong partnerships and relationships due to responsive solutions tailored to customer needs
- Contracts and deliveries to major end-users
- Industry-leading solutions offer 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

RADA



IDF



US Marines



US Navy



US Army



US Air Force



USSOCOM



US DHS



US Coast
Guard



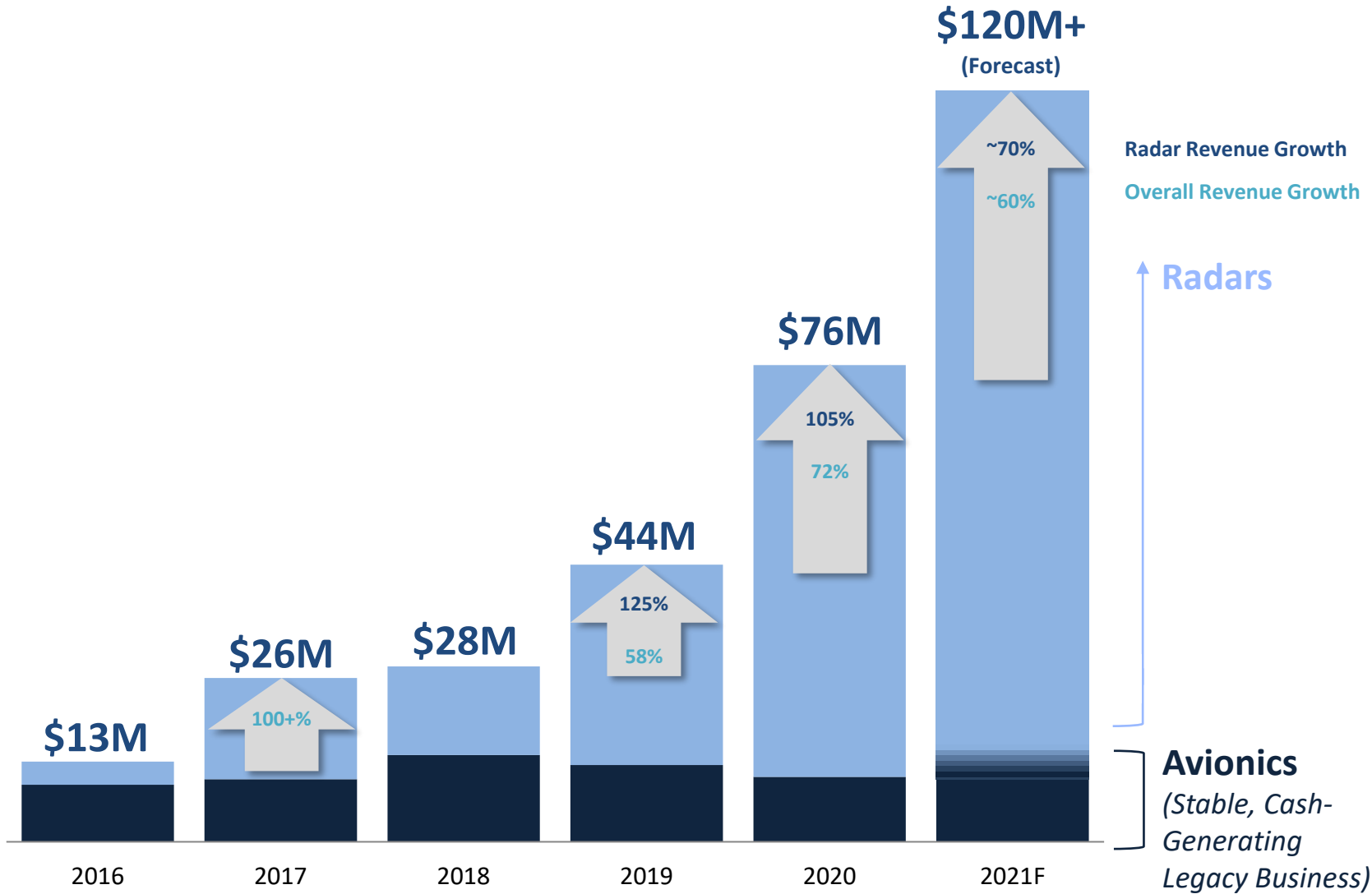
ARMY
UK Army



United Nations
UN Forces



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



Profitability

- Stabilizing operating expenses -> **operating leverage in the business model**
- **Gross margin** improvements: 36% (Q419) -> 39% (Q420)
- **EBITDA margin** growth: 4% (Q419) -> 17% (Q420)

- **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

- ✓ Mature, proprietary technology offerings
- ✓ Attractive price/performance proposition
- ✓ Continued leadership via R&D investments

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* \$100m

* Year-end net cash plus cash raised in secondary offering in March 2021



RADA

WE MAKE SENSE