



May 2022





## Experienced

Leader in water measurement  
for over 80 years



## Focused

High-end, full scale  
solution provider



## Global

Products sold in more than  
60 countries, 5 operation bases



## Innovative

6% of all revenues reinvested  
in R&D

# ARAD GROUP WORLDWIDE

## ARAD

Over 80 years of high quality water metering solutions

## ARAD TECHNOLOGIES

Leading the development of sophisticated AMI & AMR systems and IoT solutions

## MASTER METER

A Leading AMR/AMI solutions provider to the North American market

## WATERTECH

A proven Italian marketplace leader

## CONTAZARA

A proven Spanish marketplace leader

## CICASA

Mexico's leading water meter manufacturer and developer

## ARAD CHINA

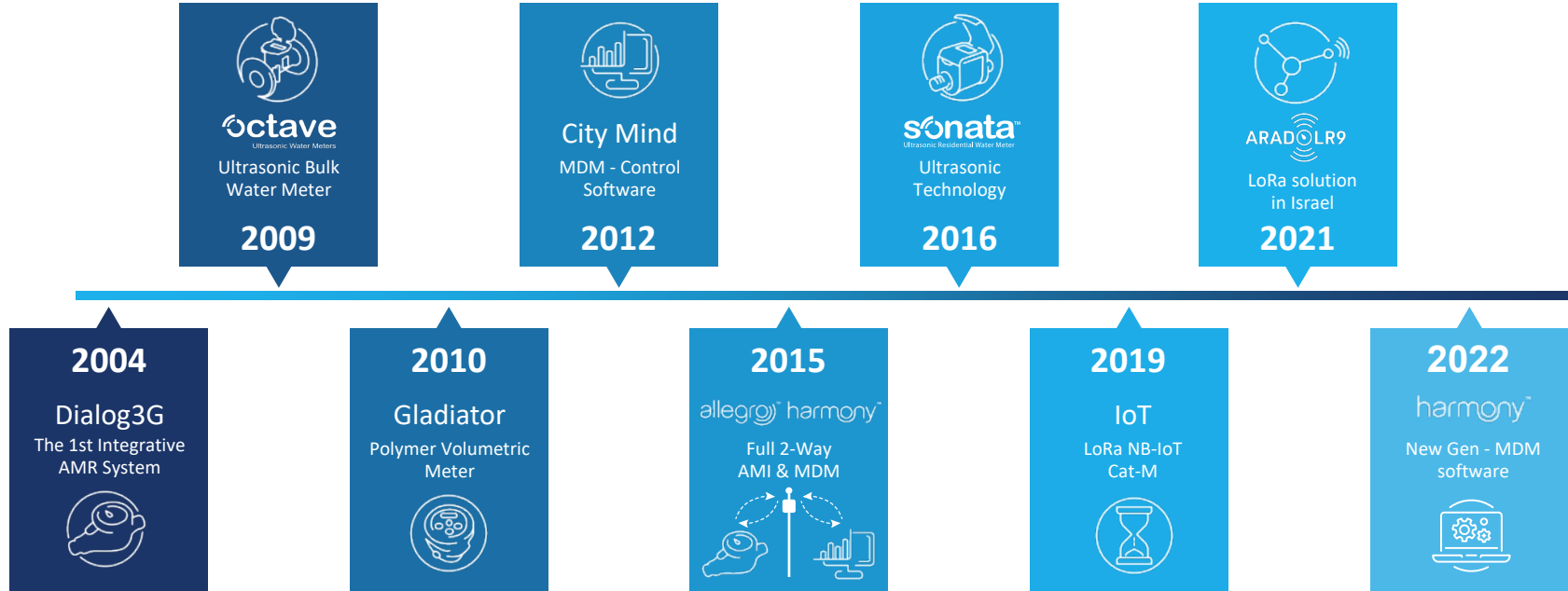
High-end product to the Chinese market

## INTERNATIONAL MARKETS (ROW)

Working in over 60 countries on 5 continents and through exclusive distributors in each country



# CONTINUOUS INNOVATION



# WATER AND THE GLOBAL CLIMATE CRISIS

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1

Extreme weather events and changes in water cycle patterns are making it more difficult to access safe drinking water, especially for the most vulnerable children.

2

Around 74% of natural disasters between 2001 and 2018 were water-related, including droughts and floods. The frequency and intensity of such events are only expected to increase with climate change.

3

By 2040, almost 1 in 4 children will live in areas of extremely high water stress.

4

Rising sea levels are causing fresh water to become salty, compromising the water resources millions of people rely on.

# WATER METER EXPANSION FUELED BY

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Water  
shortage



Increased  
demand



Severe droughts  
throughout the world



International regulations  
requiring water metering devices  
to be installed as standard



Water breaches  
and leaks



Significant worldwide water  
price increase



NRW (Non revenue water)  
estimated to 16 Billion \$ a year

# ARAD GROUP - FULL SCALE SOLUTION PROVIDER

## Water Metering and Management Systems

- > Develop
- > Design
- > Manufacture
- > Sales & Support
- > Smart Meters
- > AMI/AMR Infrastructure
- > IoT Compatible
- > Consumer Applications
- > MDM & Analytics

# TECHNOLOGY LEADERSHIP



IoT Compatible

## Water Meters



Revolutionary, precise and  
super reliable ultrasonic bulk  
water meter for utilities

**sonata**

Highly precise  
ultrasonic  
residential  
water meter





# TECHNOLOGY LEADERSHIP



## AMR/AMI Solutions



2-way AMI  
Fixed Network



AMR for Drive By

# TECHNOLOGY LEADERSHIP



## MDM & Analytics

harmony<sup>®</sup>encore<sup>™</sup>

- Varied collection of reports and statistical analyses
- Real-time location specific alerts on breaches, leaks and suspected theft
- Seamless interface with automated software systems

# TECHNOLOGY LEADERSHIP



IoT Compatible

## Consumer Applications



### Read Your Meter Pro\*

Extensive real-time information of personal water consumption:

- Web application
- Smartphone app

\*Available in Israel and USA

# THE NORTH AMERICAN MARKET



ONE OF THE  
**TOP 4**  
**WATER METER**

Manufacturers  
in the USA

**10%**  
**US**

Market share

# THE NORTH AMERICAN MARKET

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- Master Meter is based in Texas
- A skilled team of 150 employees
- Local production, customer support, quality, administration and sales
- Extensive distribution network over 40 states
- Technological leadership with premium products
- Strong and well-known brand names in the market: Allegro, Harmony, Octave



# THE ISRAELI MARKET



THE LEADING  
**WATER METER**

Provider in Israel

OVER  
**1.2 MILLION**

AMI METERS

PROMOTING  
**ADDITIONAL OFFERINGS**

to water utilities through  
IoT technologies

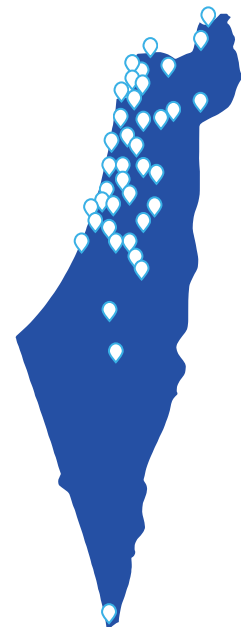


# THE ISRAELI MARKET



- Leader of AMI installation in Israel with significant market share
- Over 1.2 Million Arad AMI meters installed
- R&D center with more than 100 engineers developing state-of-the-art IoT technology for Arad group (LoRa, NB-IoT, Software solutions)
- LR9 AMI system, based on LoRa technology, developed to answer the utility's needs

## TOP 15 CUSTOMERS



# THE EUROPEAN MARKET

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- Currently focusing on Spain and Italy - Contazara in Spain, Watertech in Italy
- A significant trend to smart metering and digitalization
- Technology leadership – NB-IoT & LoRa solutions, customized for customers
- Partnership with Telefonica and Vodafone as operators for IoT
- Scaling opportunities with Smart Gas metering



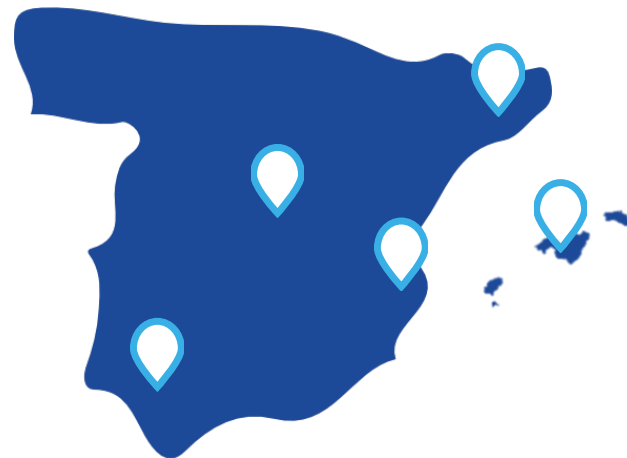
### Italy – Major customers

- Milano
- Torino
- Bologna
- Padova
- Bergamo
- Genova
- Venezia



### Spain – Major customers

- Madrid
- Barcelona
- Valencia
- Sevilla
- Palma



# ARAD GROUP STRATEGY AND DIRECTIONS

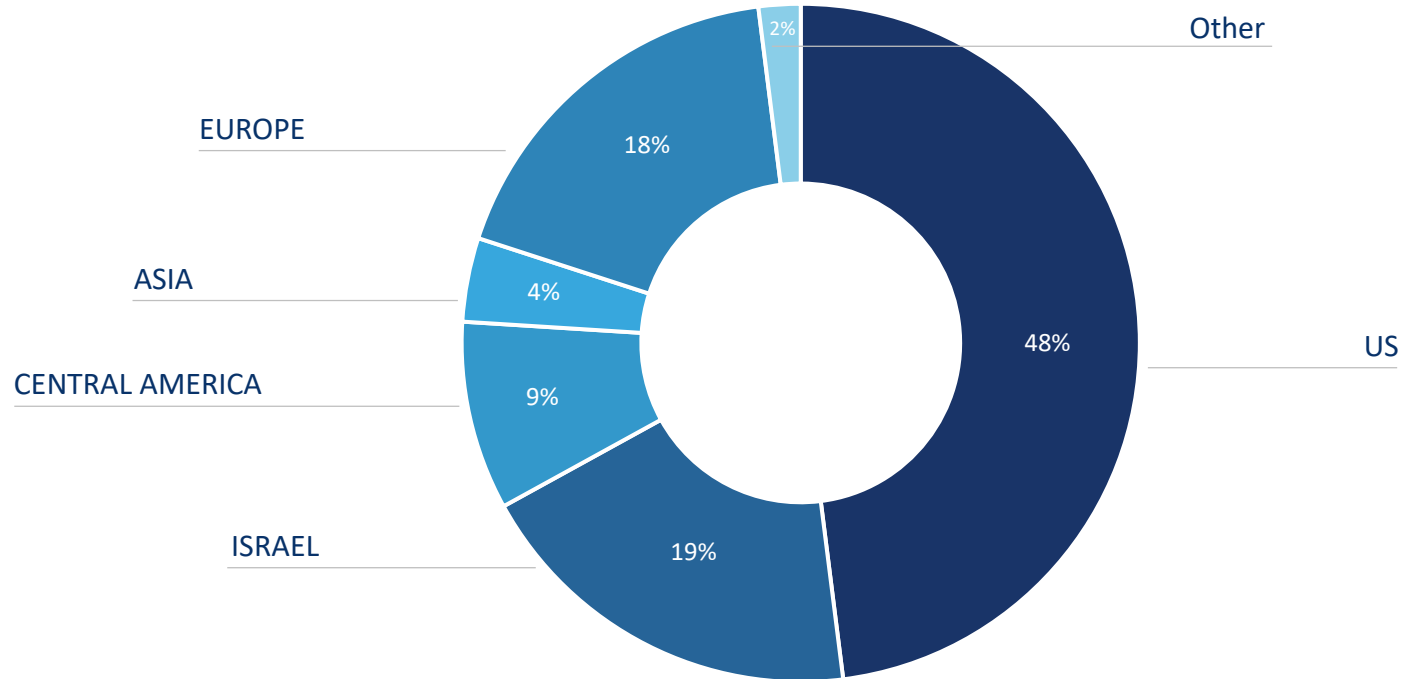
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- Focusing on AMR/AMI driven markets
- Focusing on technology leadership
- Focusing on high profitability territories
- M&A as additional growing engine

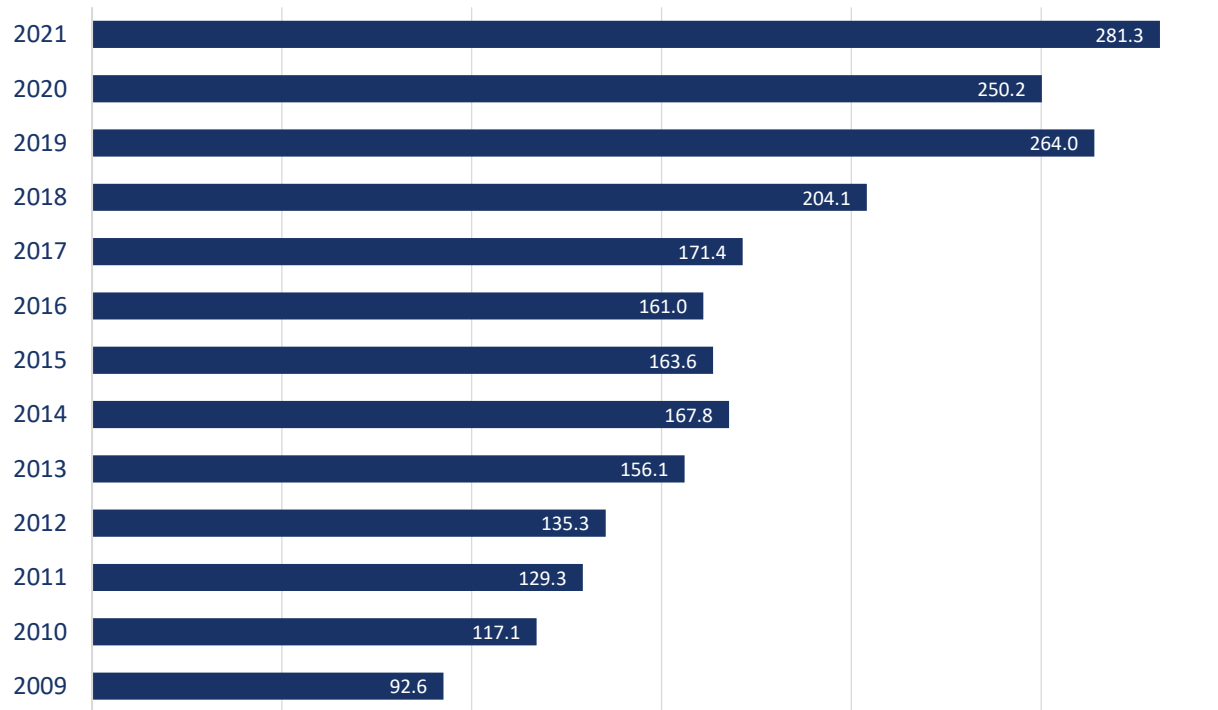
# FINANCIAL DATA



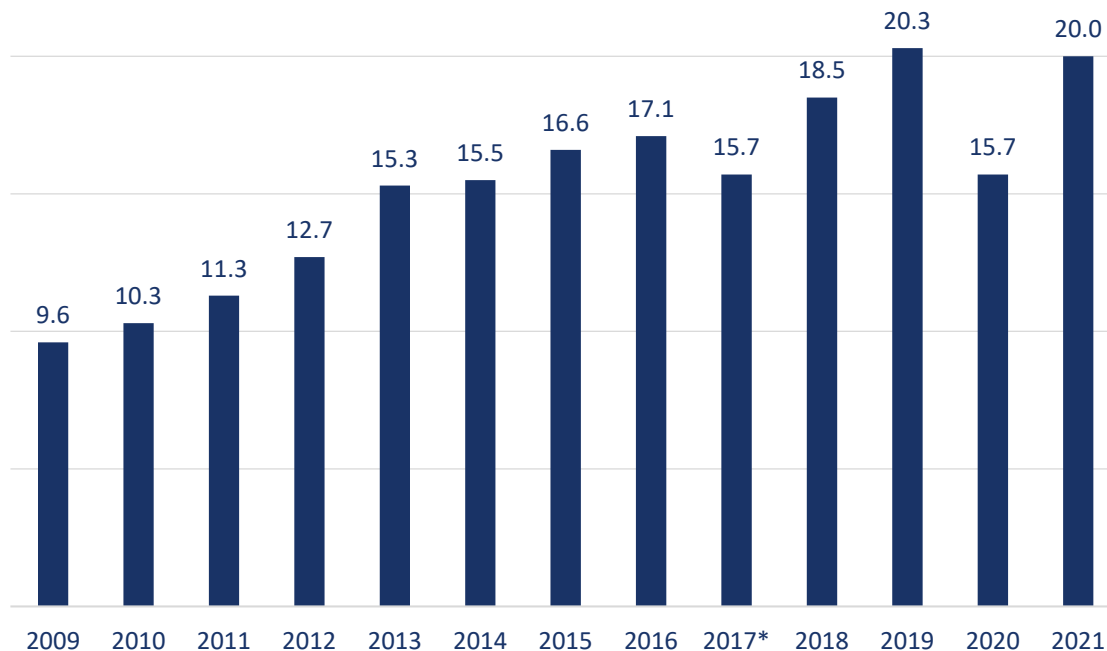
# SALES BY REGIONS - 2021



# SALES (M\$)

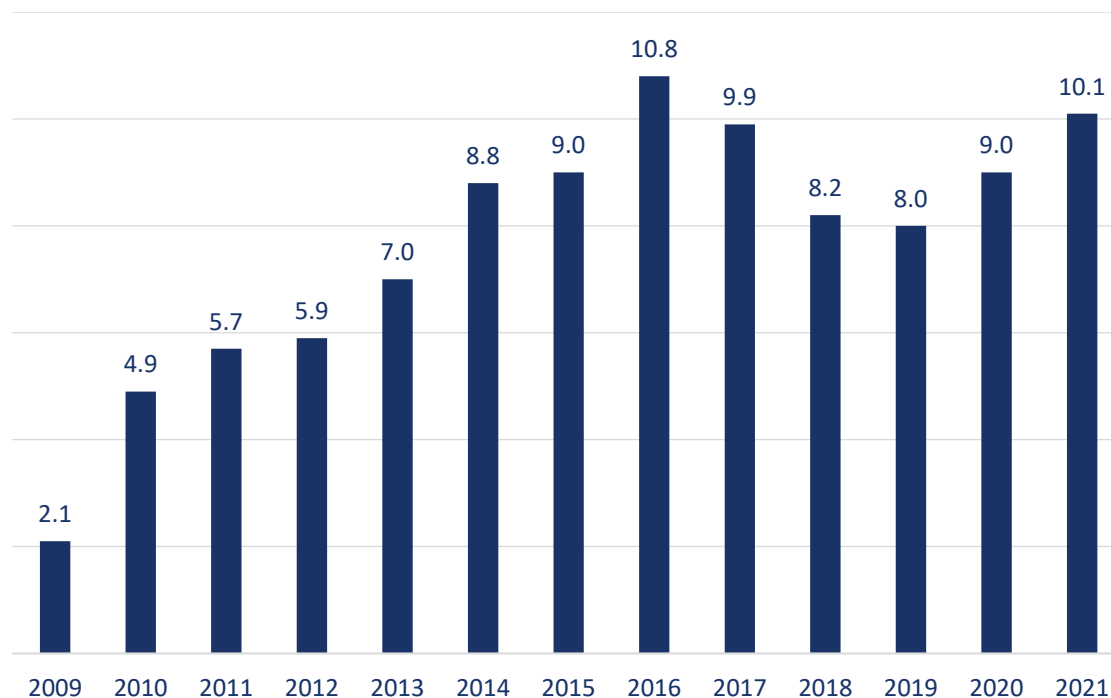


# NET PROFIT (M\$)

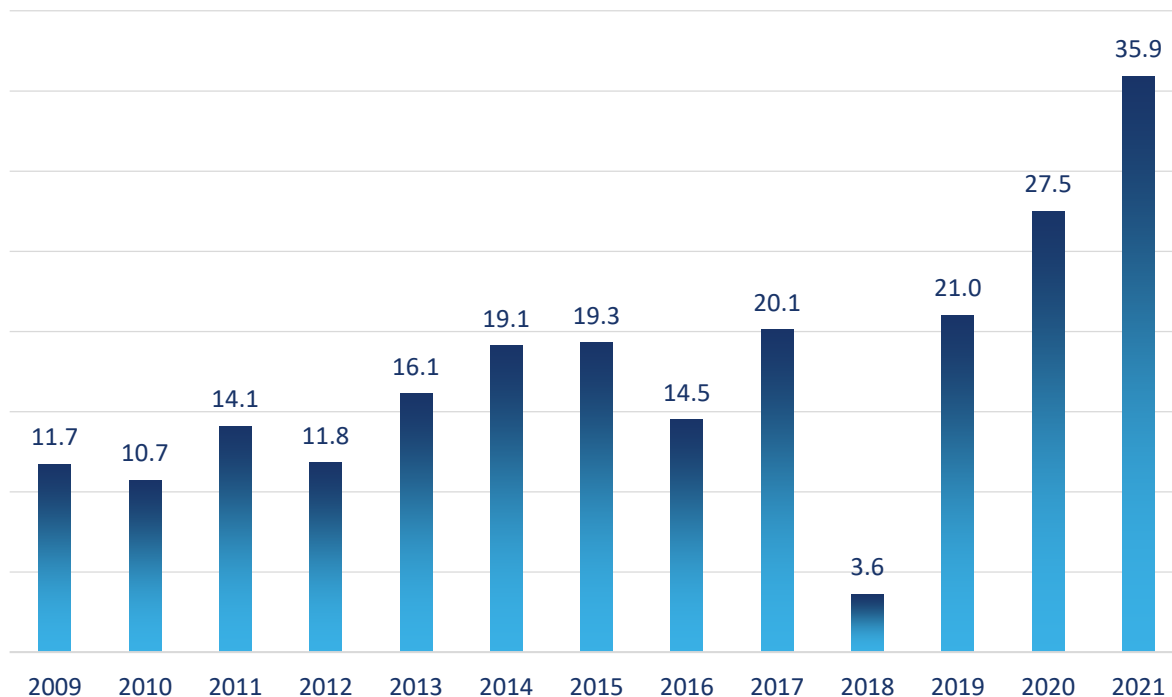


\*Year 2017 Adjusted Net Profit eliminating the 8.5 M\$, one-time event.

# DIVIDEND DISTRIBUTION (M\$)

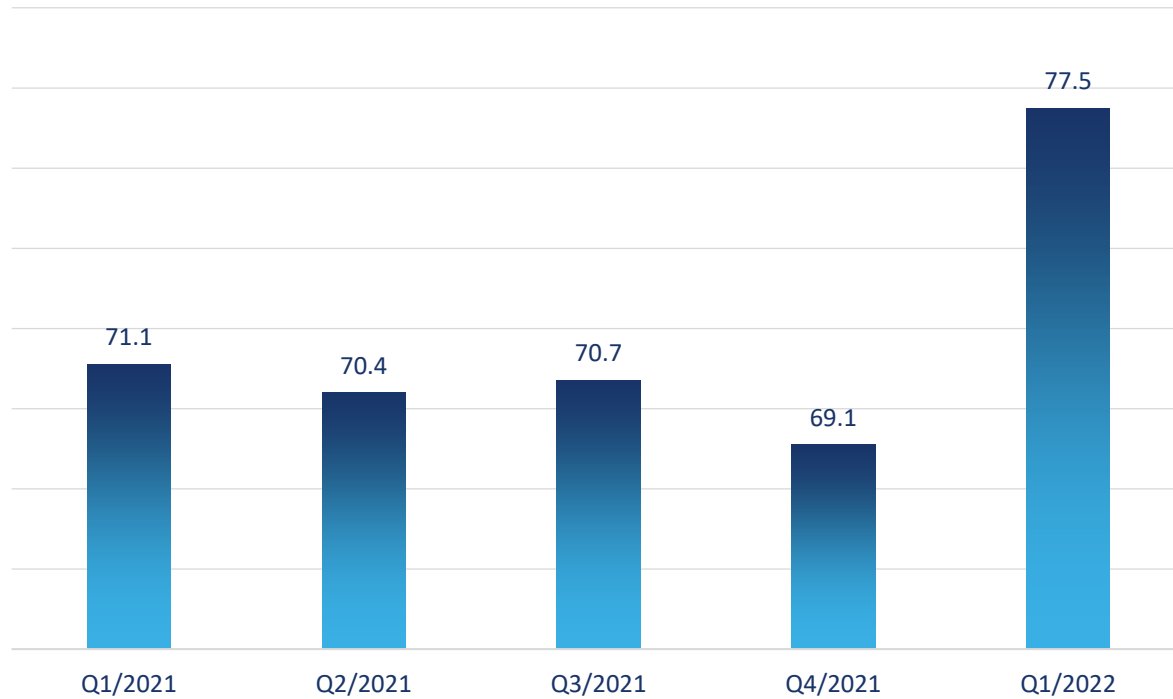


# NET CASH GENERATED BY OPERATING ACTIVITIES (M\$)

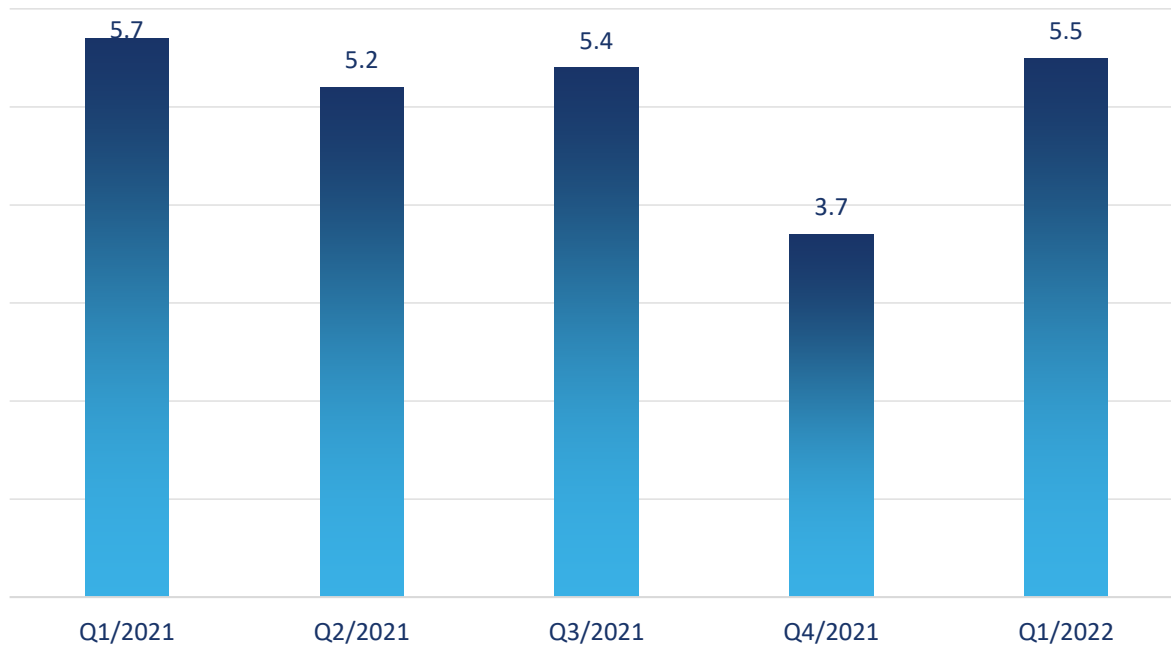




# QUARTERLY SALES (M\$)



# QUARTERLY NET PROFIT (M\$)



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THANK YOU.