



康迪 KANDI



# INVESTOR PRESENTATION

SEPTEMBER 2021

# SAFE HARBOR STATEMENT



This presentation contains “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended, which include all statements other than statements of historical facts, including, without limitation, any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or similar expressions or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements, including, among others, the achievement of anticipated levels of profitability, growth, cost and synergy of recent acquisitions, the impact of competitive pricing, the ability to obtain necessary regulatory approvals and licenses, the impact of developments in the economic, political and legal environment of the People's Republic of China and other jurisdictions, volatility in stock markets or in the price of the Company's shares, financial risk management and the impact of general business and global economic conditions.

Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These forward-looking statements speak only as at the date as of which they are made, and the Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. Forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Neither the Company, nor any of its agents, employees or advisors intends or has any duty or obligation to supplement, amend, update or revise any of the forward-looking statements contained in this presentation, whether as a result of new information, future events or otherwise.

Substantial uncertainties and restrictions with respect to the political and economic policies of the PRC government and PRC laws and regulations could have a significant impact upon the business that we may be able to conduct in the PRC and accordingly on the results of our operations and financial condition.

The information contained in this presentation is provided as at the date of this presentation and is subject to change without notice. The distribution of this presentation in other jurisdictions may be restricted by law, and persons into whose possession in this presentation comes should inform themselves about, and observe, any such restrictions.



# WHO IS KANDI?



- Products span the value chain of EV: parts, vehicles and services
- Founded and based in Jinhua China (~200km from Hangzhou)
- Sales in China and the U.S.



# NASDAQ-LISTED SINCE 2007



**4.4700** +0.0400 (+0.90%)

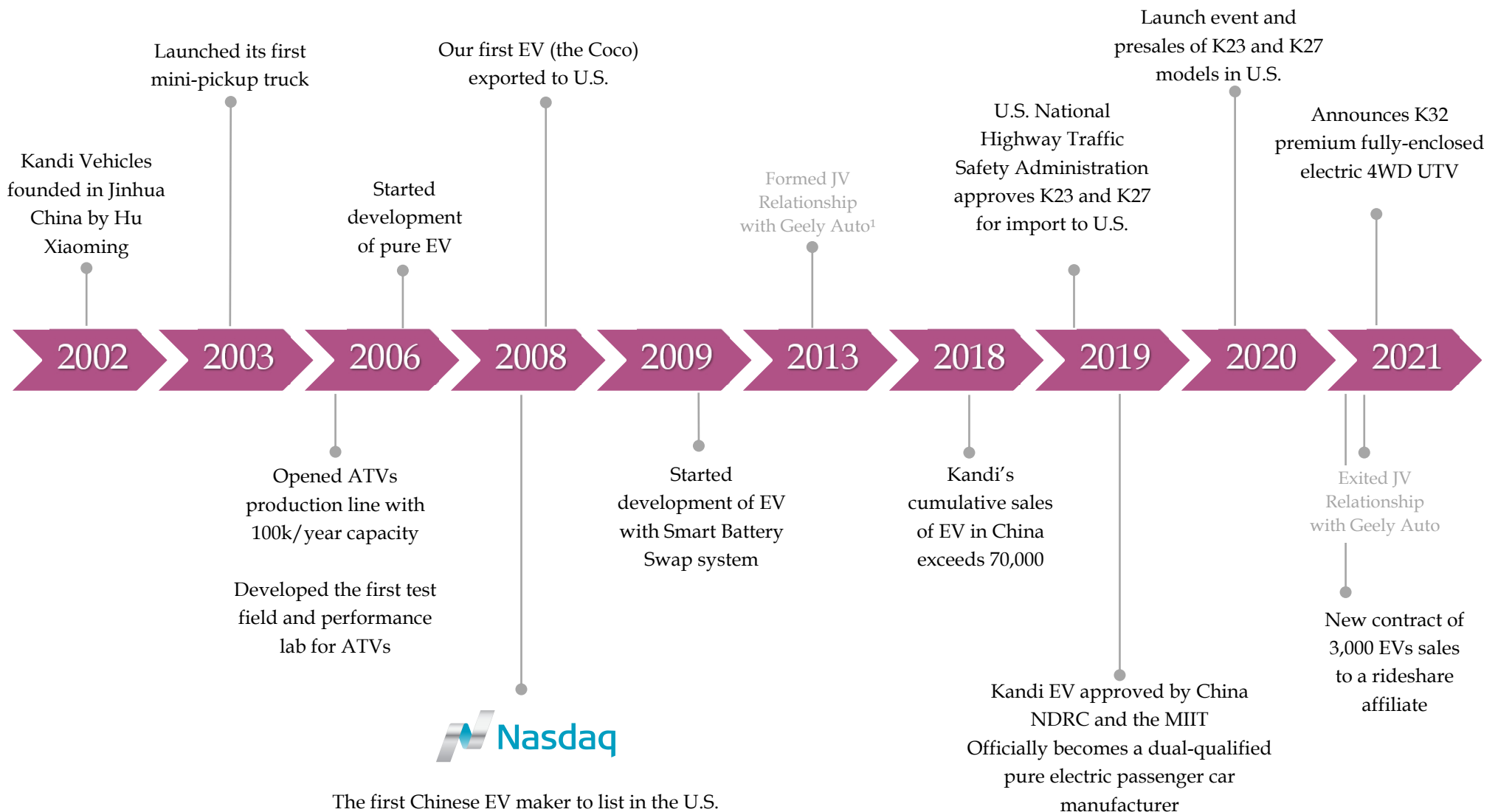
At close: September 22 4:00PM EDT

Previous Close	4.4300	Market Cap	339.317M
Open	4.4200	Beta (5Y Monthly)	2.07
Bid	4.4300 x 1300	PE Ratio (TTM)	13.88
Ask	4.7200 x 2900	EPS (TTM)	0.3220
Day's Range	4.4200 - 4.5581	Earnings Date	Nov 08, 2021 - Nov 12, 2021
52 Week Range	4.2900 - 17.4500	Forward Dividend & Yield	N/A (N/A)
Volume	638,951	Ex-Dividend Date	N/A
Avg. Volume	1,131,632	1y Target Est	N/A



Source: Yahoo Finance  
As of 4pm ET, Sept 22, 2021.

# HISTORY OF INNOVATION



<sup>1</sup> Kandi sold 22% equity interest in Fengsheng (JV) to Geely and exited the JV relationship. Please refer to 8-k filed on March 15, 2021 for more details.

# LEADERSHIP



**Hu Xiaoming**

*Chief Executive Officer*

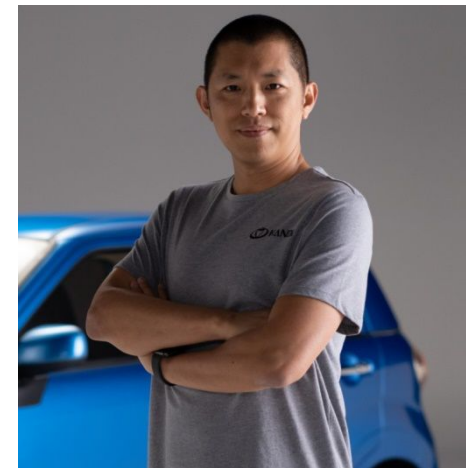
Mr. Hu Xiaoming was appointed as our Chief Executive Officer, President and Chairman of the Board in June 2007. Prior to joining the Company, from October 2003 to April 2005, Mr. Hu served as Project Manager (Chief Scientist) in the WX Pure Electric Vehicle Development Important Project of Electro-vehicle in the State 863 Plan. From October 1984 to March 2003, Mr. Hu served as: (i) Factory Director of the Yongkang Instrument Factory, (ii) Factory Director of the Yongkang Mini Car Factory, (iii) Chairman and General Manager of the Yongkang Vehicle Company, (iv) General Manager of the Wan Xiang Electric Vehicle Developing Center and (v) General Manager of the Wan Xiang Battery Company. Mr. Hu personally owned 4 invention patents and 7 utility model patents, which he transferred to the Company in fiscal year 2012.



**Alan Lim**

*Chief Financial Officer*

Mr. Lim brings over 15 years of financial management and advisory services in both public and private companies. Prior to joining Kandi, he served as CFO of Takung Art Co., Ltd. (NYSE American: TKAT) from February 2019 to May 2020. Before that, he spent six years as Managing Director at Albeck Financial Services, a financial consulting firm, where he was responsible for overseeing SEC reporting, GAAP technical consultation, financial statement audit preparation, due diligence, and internal controls compliance services. He started his career in the U.S. as an auditor at Ernst & Young, after graduating with High Honors from the University of California, Santa Barbara, with a Bachelor of Arts degree in Business Economics.



**Johnny Tai**

*CEO of Kandi America*

Mr. Tai joined Kandi America's SC Autosports in mid-2018 to accelerate Kandi's plan to sell EVs in the U.S. Before Kandi, Mr. Tai spent nearly a decade as CEO of Bennche, a leading manufacturer of ATVs and UTVs, with a market focus on Texas. Mr. Tai has an MBA from the University of Dallas and Bachelors Degree in International Business from Fu Jen Catholic University in Taipei.



# INVESTMENT HIGHLIGHTS

---



- Diverse Lines of Business
- Large Market Potential
- Kandi USA Wholly Owned Subsidiary
- Pioneer in Battery Swap
- Competitive in Ride-sharing Market
- Steadily Growing Revenue
- Strong Balance Sheet

# DIVERSE BUSINESS LINES



- Active across multiple parts of EV value chain
- Less dependence on/risk from any single segment of value chain
- Multiple opportunities to monetize technology innovations

1

## EVs

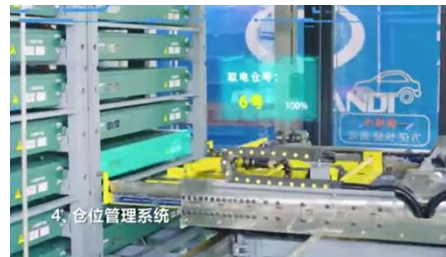
- Focus on entry-level mass-market vehicles



2

## Battery Swap system

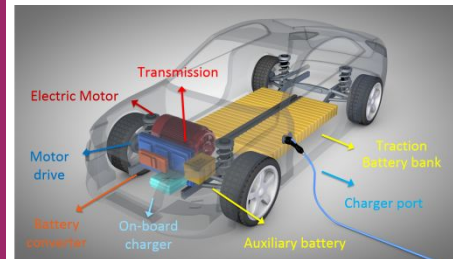
- Kandi invention
- Fully automated
- Highly efficient: one-click battery swap in 90 seconds



3

## EV Parts

- Sell a variety of parts to multiple OEMs
- Developing new markets like EVs that allow battery swap



4

## Off-road & ATVs

- Motor Day 2020 Best Off-Road Go-Karts: Kandi is "Top Pick"

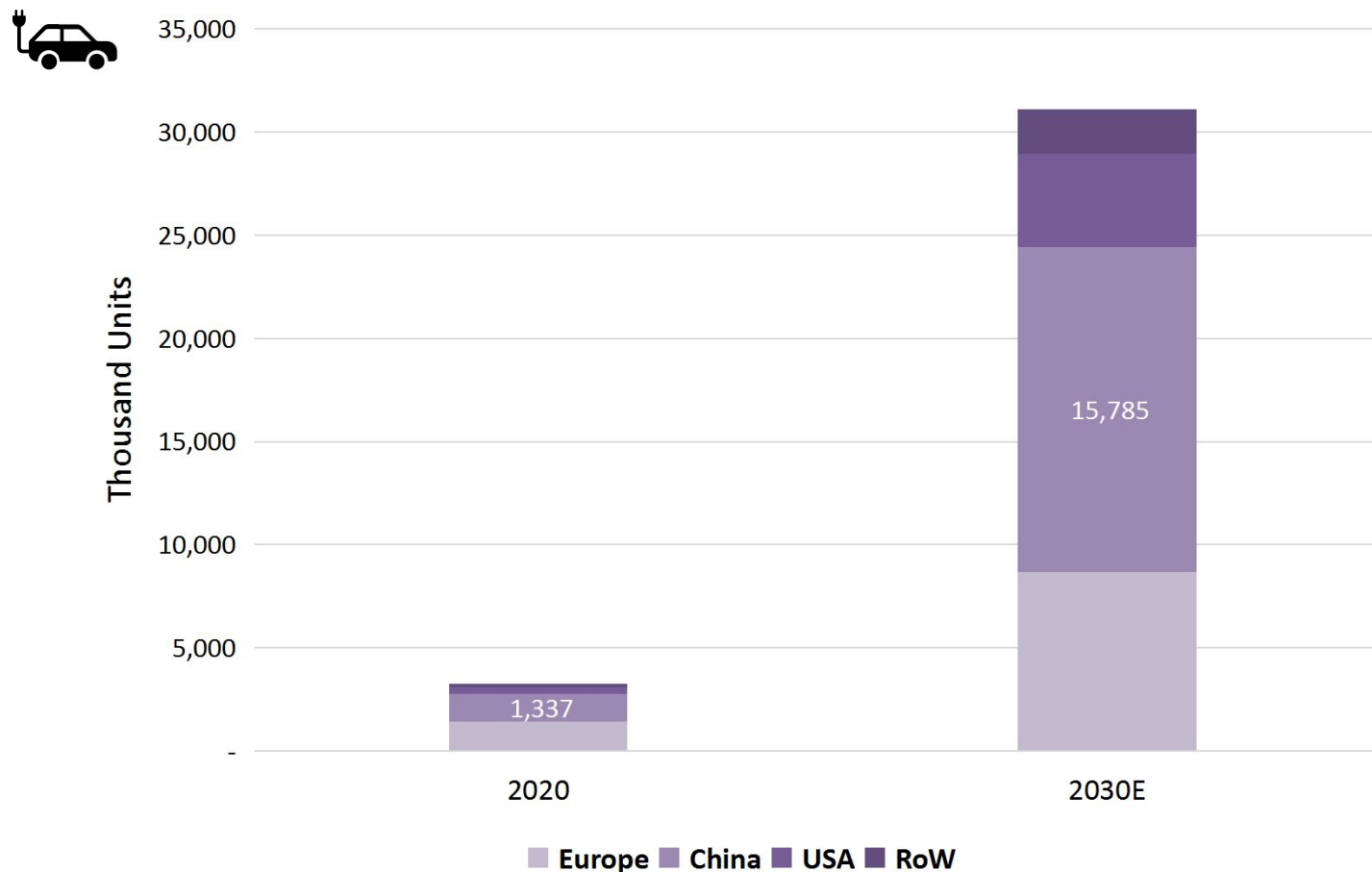




# EV MARKET OPPORTUNITY



- China is the largest EV market in the world (over 40%)<sup>1</sup>
- Projected 15.8 million units of electric vehicles sales in China by 2030<sup>2</sup>
- Approx. 28% annual growth projected in China 2020-2030<sup>3</sup>



Sources:

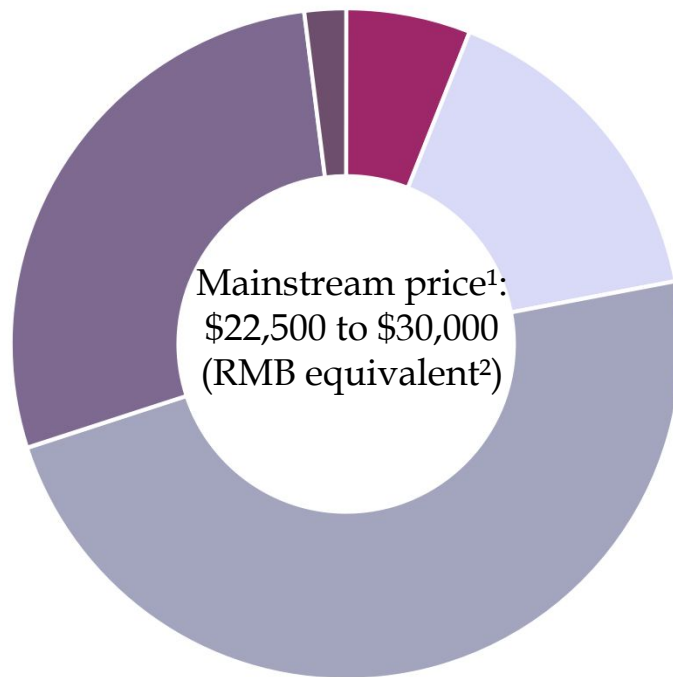
1. EV-Volumes.com

2. 3. Deloitte, HIS Markit, EV-Volumes.com

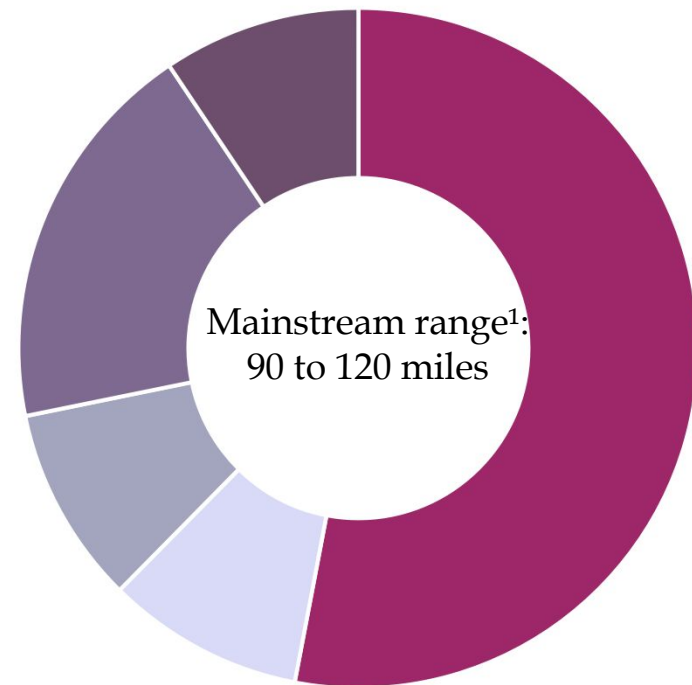
# EV MARKET OPPORTUNITY



- China market dominated by affordable entry-level and middle market vehicles
- Kandi specializes in entry-level EVs combined with value-added features



RMB ■ <100 ■ 100-150 ■ 150-200 ■ 200-300 ■ >300



■ 150-200km ■ 200-250km ■ 250-300km ■ 300-400km ■ >400km

1. Source: CPCA, China Auto Home  
2. Note: CNY 1 = 0.15 USD

# GROWING BATTERY SWAPPING MARKET



- Global EV battery swapping market is rapidly growing, especially in China<sup>1</sup>
- Favorable regulations around battery swapping technology and infrastructure construction<sup>1</sup>
- Chinese government created first safety standards in 2020<sup>2</sup>
- China battery swap market projected to grow 82% annually from 2020 to 2026<sup>1</sup>



1. Source: Qianzhan Industry Institute (前瞻产业研究院)

2. Source: State Administration for Market Regulation

3. Note: RMB equivalent, 1 CNY = 0.15 USD



# VEHICLES

---



- Initial models directed toward U.S. market
- Innovation continues:
  - Short-distance EVs in China market
  - Expected to launch in 2021
- Target: Size, functionality, price aimed at large mass market

## K27

- Positioned as urban short trip “run-about”
- Texas Commission on Environmental Quality (TCEQ) approved a \$2,500 rebate
- Certified by the California Air Resources Board (CARB) to meet the state’s stringent emissions standards
- Obtained clearance from the United States Environmental Protection Agency (EPA)

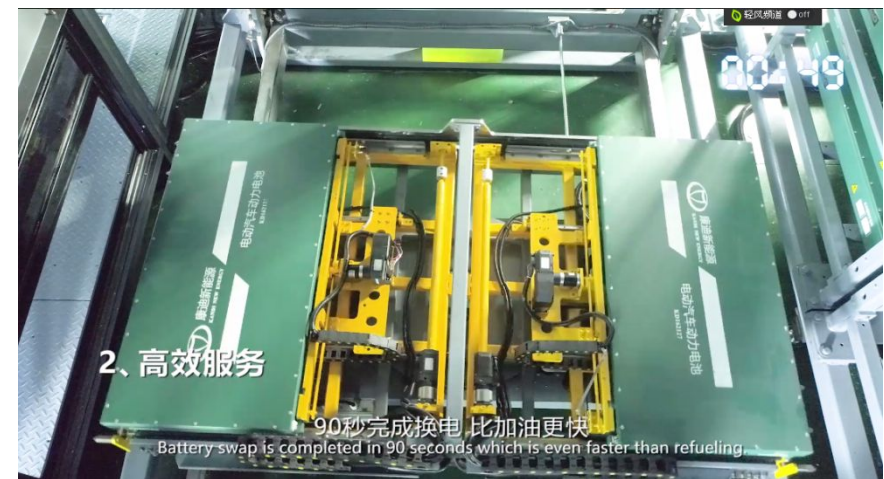
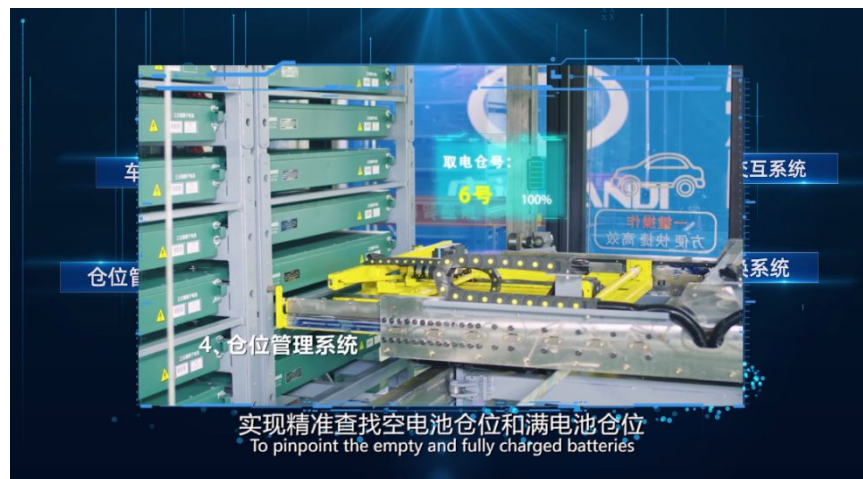
## K23

- Positioned as urban short trip family vehicle
- Texas Commission on Environmental Quality (TCEQ) approved a \$2,500 rebate
- Obtained clearance from the United States Environmental Protection Agency (EPA)

# BATTERY SWAP SYSTEM



- Invented by KANDI in 2009
- Fully automated one-click battery swap in 90 seconds
- To be deployed into multiple pilot programs across China



# OFF-ROAD AND ATVS



- Award winning and fun!
- Sold in China and the U.S.



## The Best Off-Road Go-Karts (2020 Reviews)



**Kieran Cunningham**  
Updated: June 9, 2020  
Scooters & Bikes

Off-road go-karts come in a wide variety of shapes and sizes. They all, however, have one very important factor in common: the ability to provide an incredibly fun way to get around in the great outdoors, whether you're using your machine for recreation away from the beaten path, on a circuit, or just scooting around the farm or yard. Buyers in the market for an off-road go-kart could be forgiven for being slightly overwhelmed by the vast variety of options out there, but in this article we aim to facilitate the selection process by introducing you to our selection of the 25 best models of off-road go-kart currently on the market in 2019.

We reviewed dozens of go-karts to identify the best of the best. We examined a range of factors, including type, engine size, handling, intended use, cost, and average customer reviews.

### Top Pick



#### Kandi 150cc 2-Seat Go-Kart

Meet the Kandi 150cc 2-Seat Go-Kart, the best go-kart out there for all your off-road adventures.

[Buy on Amazon](#)

Having considered a large number of off-road go-karts, we chose the Kandi 150cc 2-Seat Go Kart as our top pick. This very well-made go-kart packs plenty of power in a 150cc, air-cooled, single cylinder engine and can reach max speeds of 36 miles per hour. It also uses reassuringly robust roll bars, full suspension, and two seats equipped with dual four-point seat harnesses to maximize safety.





# WHAT'S NEW THIS YEAR



- **KANDI Powersports**
  - New product division of KANDI US
  - First products to market include electric ATVs and electric bikes, with additional models expected to be added over time
- **Two new products expected to launch:**
  - Affordable short distanced EV for the China market
  - UTV for the U.S. market
    - Announced prototypes of K32 premium, fully-enclosed electric 4WD utility terrain vehicle (UTV) in May 2021

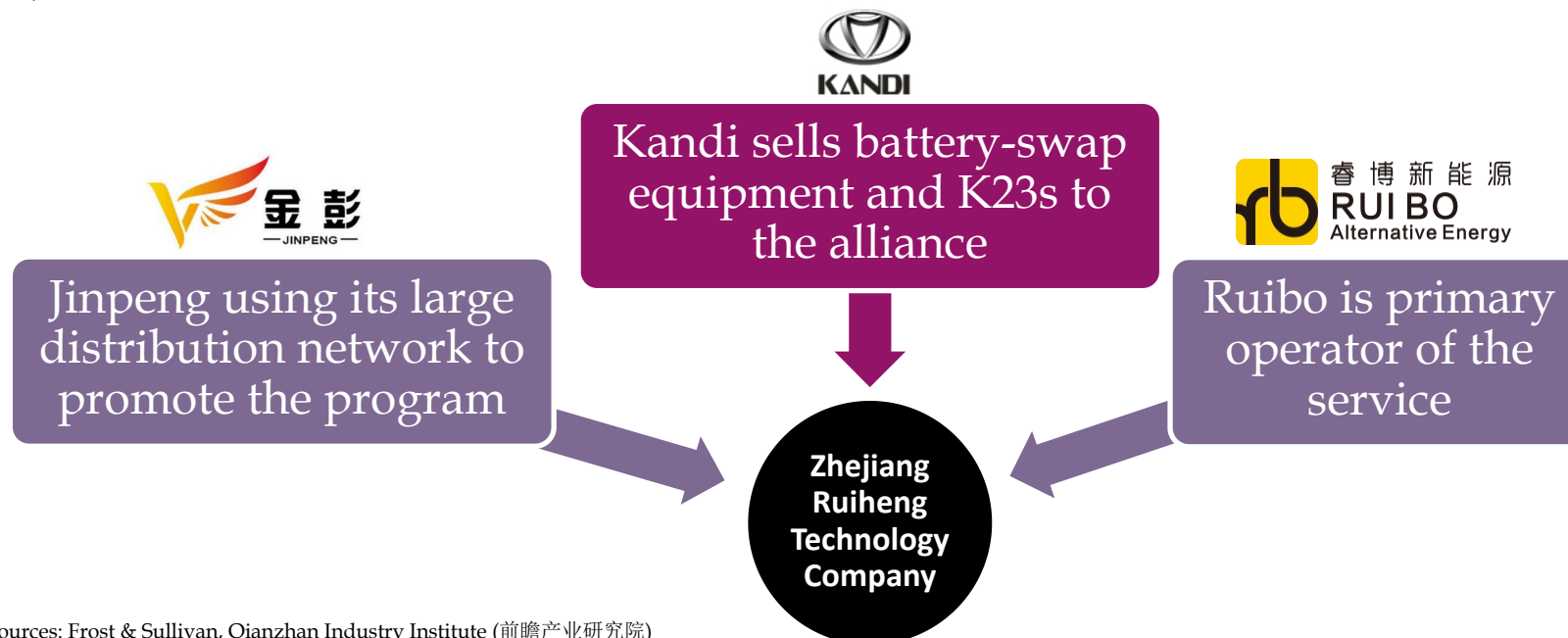
Prototypes: K32 4WD UTV



# RIDE-SHARING ALLIANCE



- Goal is to build ride-share platform in 3<sup>rd</sup> and 4<sup>th</sup> tier cities
- We believe that ride share is underpenetrated: 70% market to expand<sup>1</sup>
- Solves problems of safety, unlicensed vehicles, insufficient capacity
- Progress:
  - Pilot programs deployed in Haikou city in Hainan and Shaoxing city in Zhejiang provinces
  - Delivered the first fully automatic intelligent battery exchange system to the rideshare operator in Hainan
  - 3,000 EVs sales to a rideshare affiliate



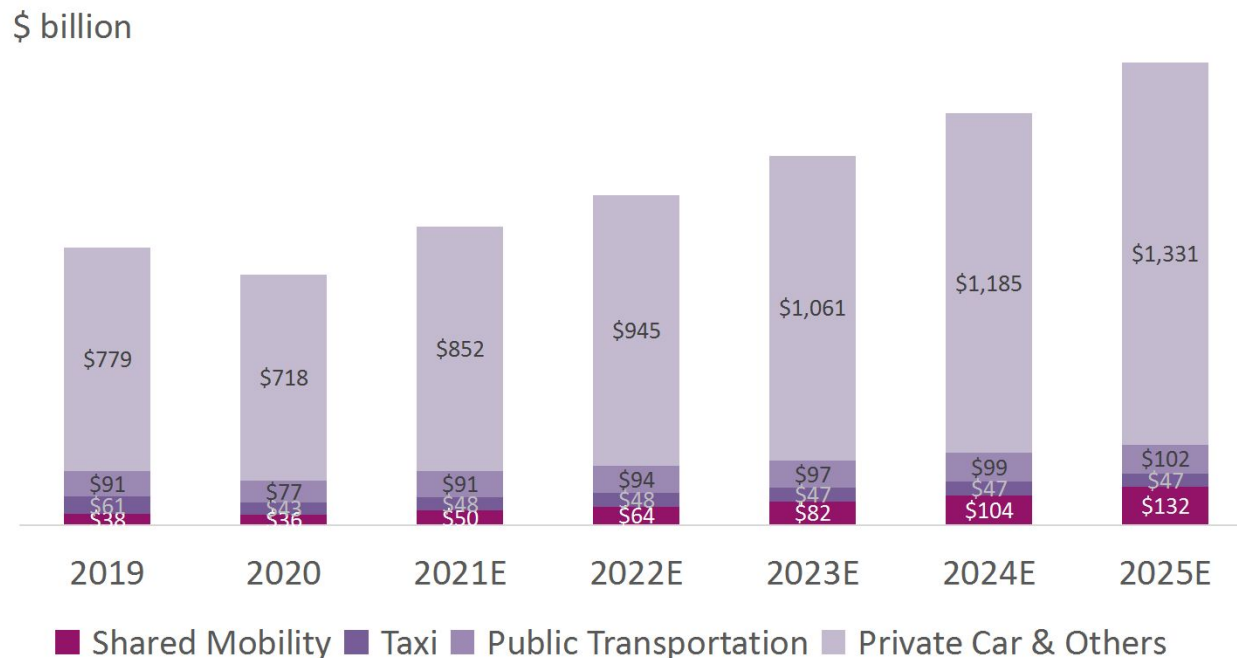
1. Sources: Frost & Sullivan, Qianzhan Industry Institute (前瞻产业研究院)

# RIDE-SHARING MARKET OUTLOOK

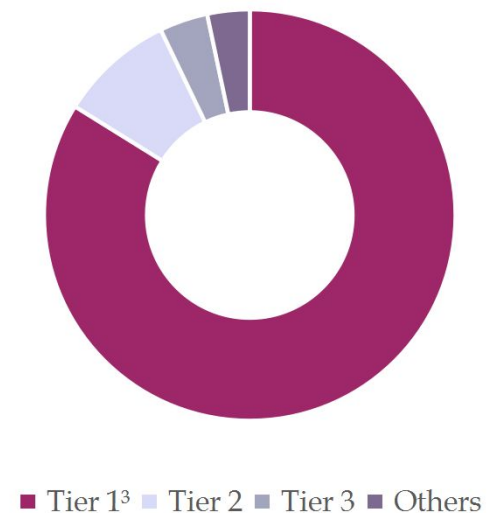


- China shared mobility market was ~\$36B<sup>1</sup> in 2020 and projected steadily growing
- As significant part of shared mobility, app-based ride sharing market is forecasted to grow at a CAGR of 32% to reach \$107B in 2025<sup>1</sup>.
- We believe that the less than 6% penetration<sup>2</sup> in the cities among tier three or lower signifies significant market potential for KANDI

2019-2025E Mobility Market Size in China<sup>1</sup>



Penetration Rate of Ride-sharing Market in China by City Tier (as of Q1 2019)<sup>2</sup>



1. Source: China Insights Consultancy (CIC), based on foreign exchange rate as of Dec 31, 2020, i.e. 1 USD = 6.5299 CNY

2. Source: Frost & Sullivan

3. Includes new tier 1 cities, such as Tianjin and Chengdu, etc.



# BATTERY INNOVATION

---



- **China Battery Exchange Technology Company**
  - Wholly owned subsidiary of Kandi
  - Build and operate battery exchange networks
- **Zhejiang State Grid Electric Vehicle Service Company**
  - Subsidiary of State Grid (largest state-owned public service enterprise in the world<sup>1</sup>)
- **Strategic cooperation agreement**
  - Focus on vehicle-battery separation and exchange
  - Promote development of EVs
  - Intensifying model innovation
  - Enhance competitiveness

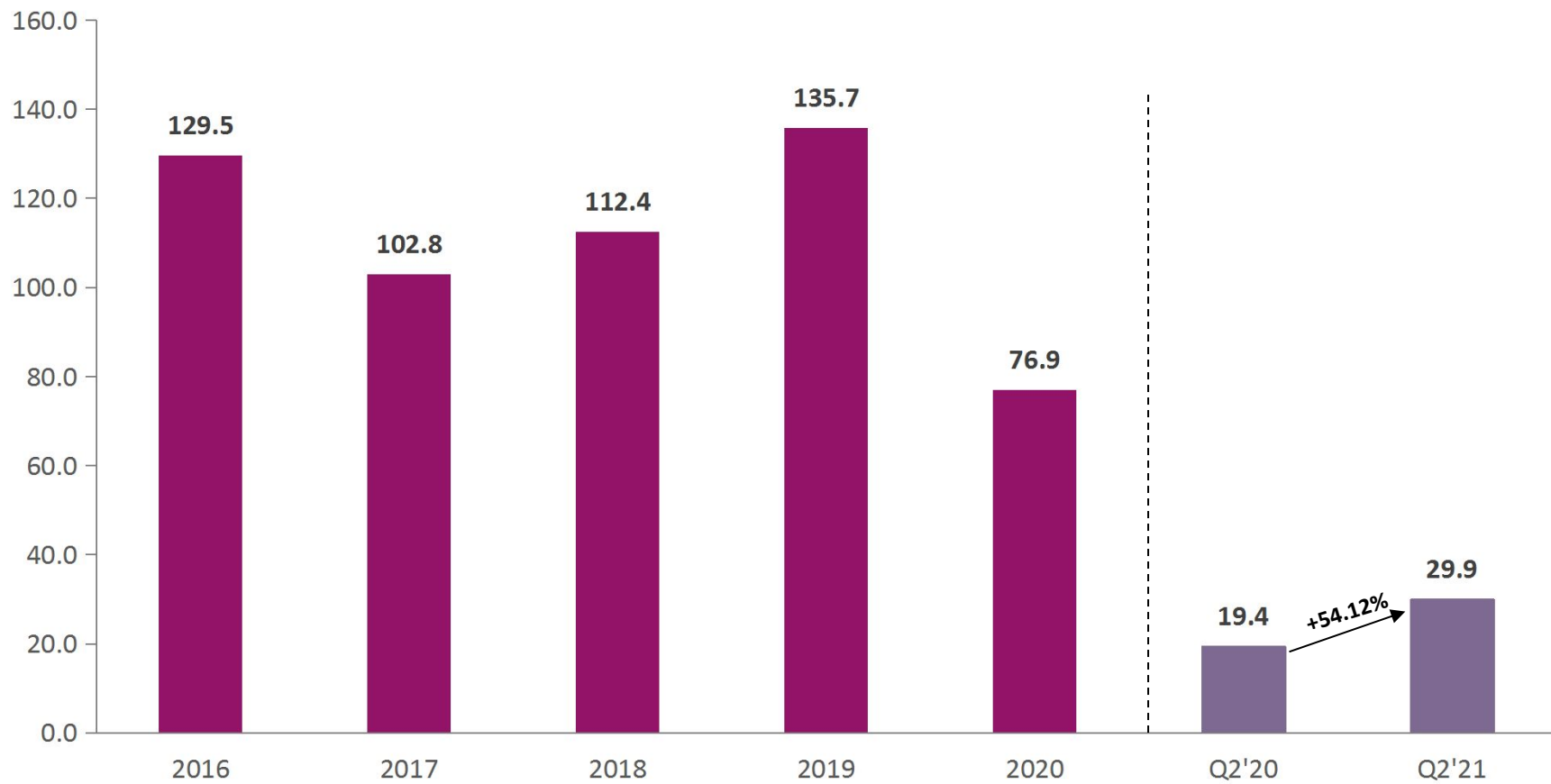


1. Source: <https://globalelectricity.org/members/state-grid-corporation-of-china/>

# REVENUE



\$ Million



# SALES BREAK DOWN

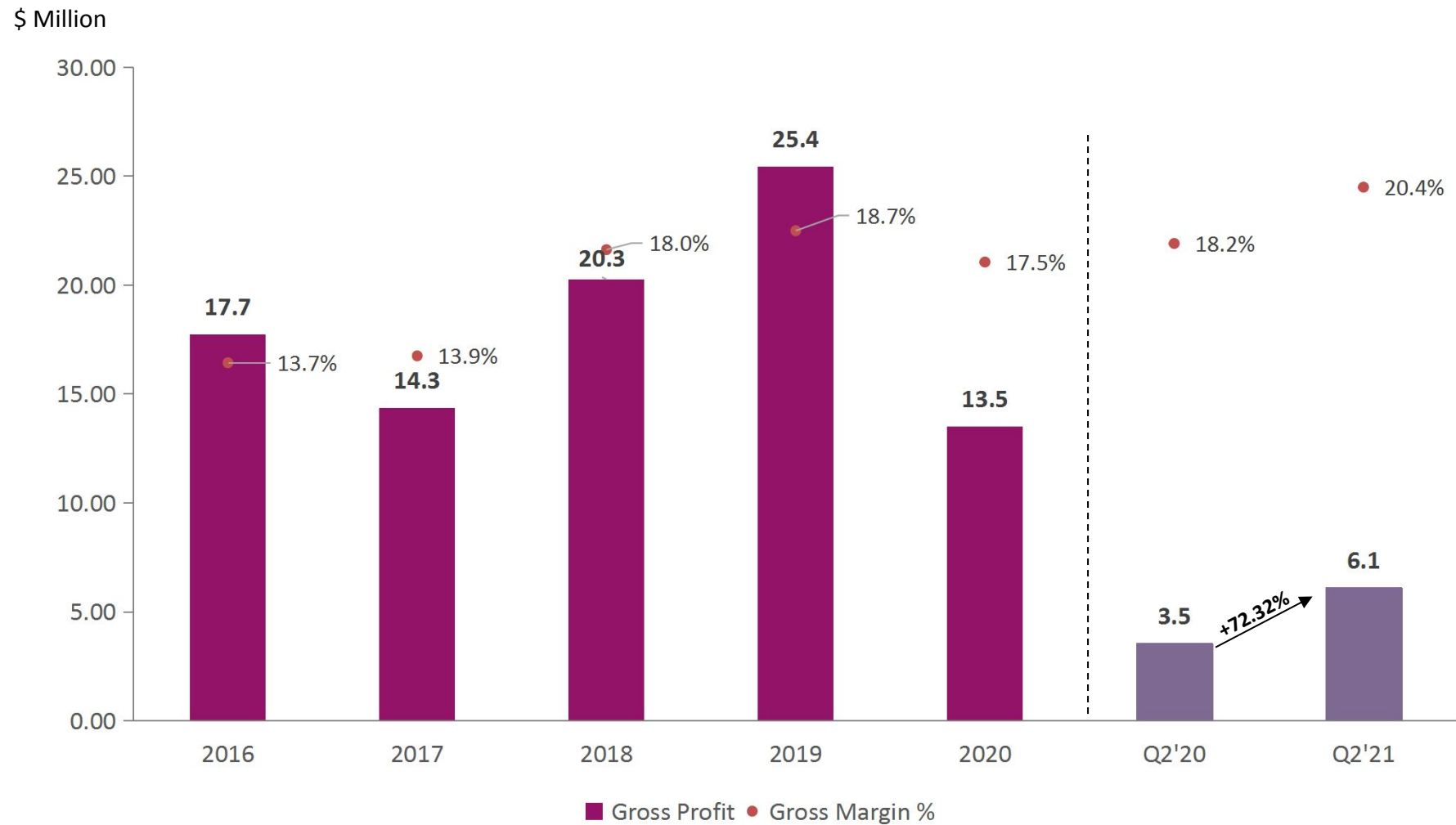


Notes:

1. The sales amount of EV products in Q2'20 was negative due to exchange rate difference.
2. There was no such revenue in 2020 and before.



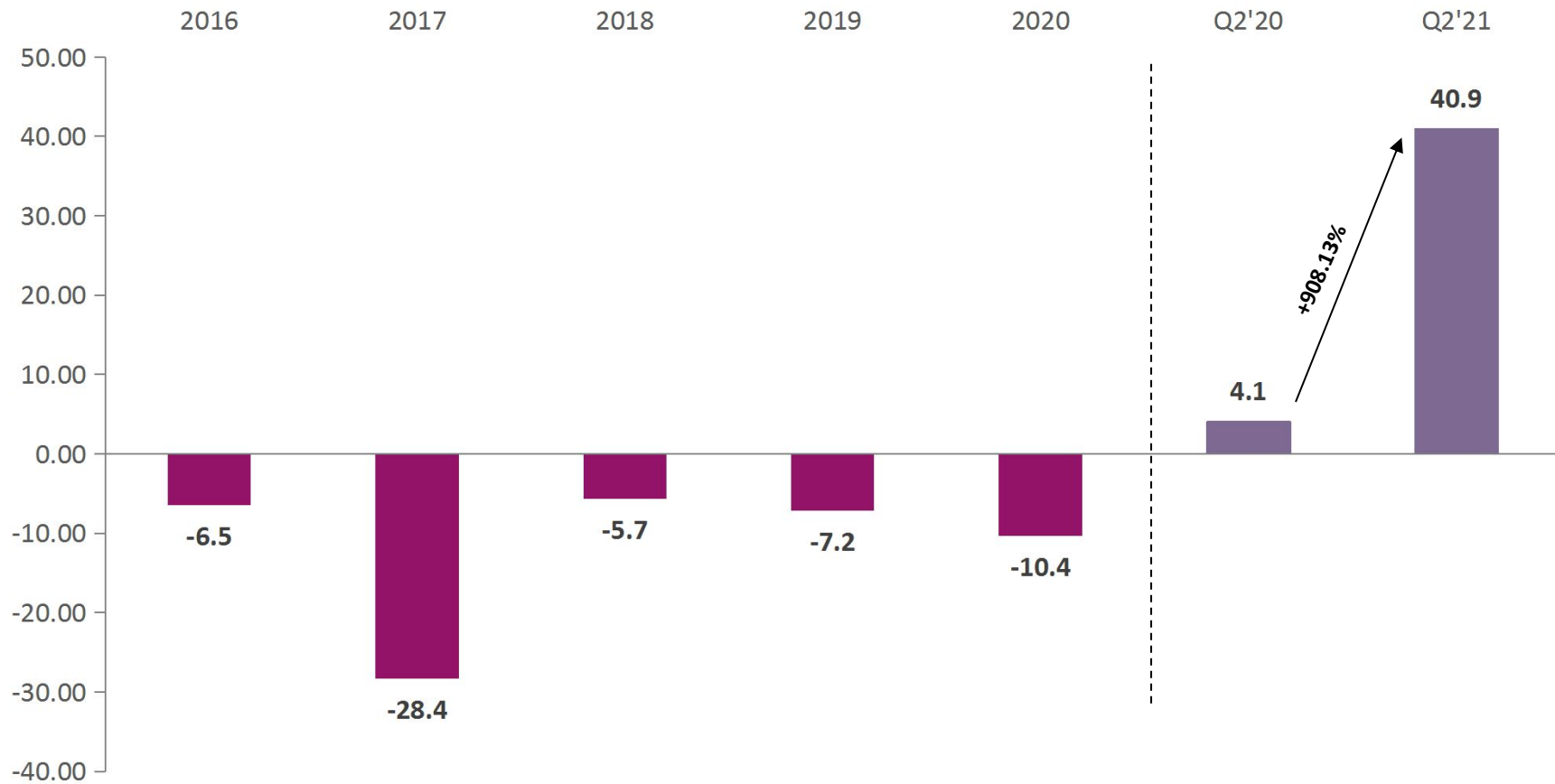
# GROSS PROFIT



# NET INCOME



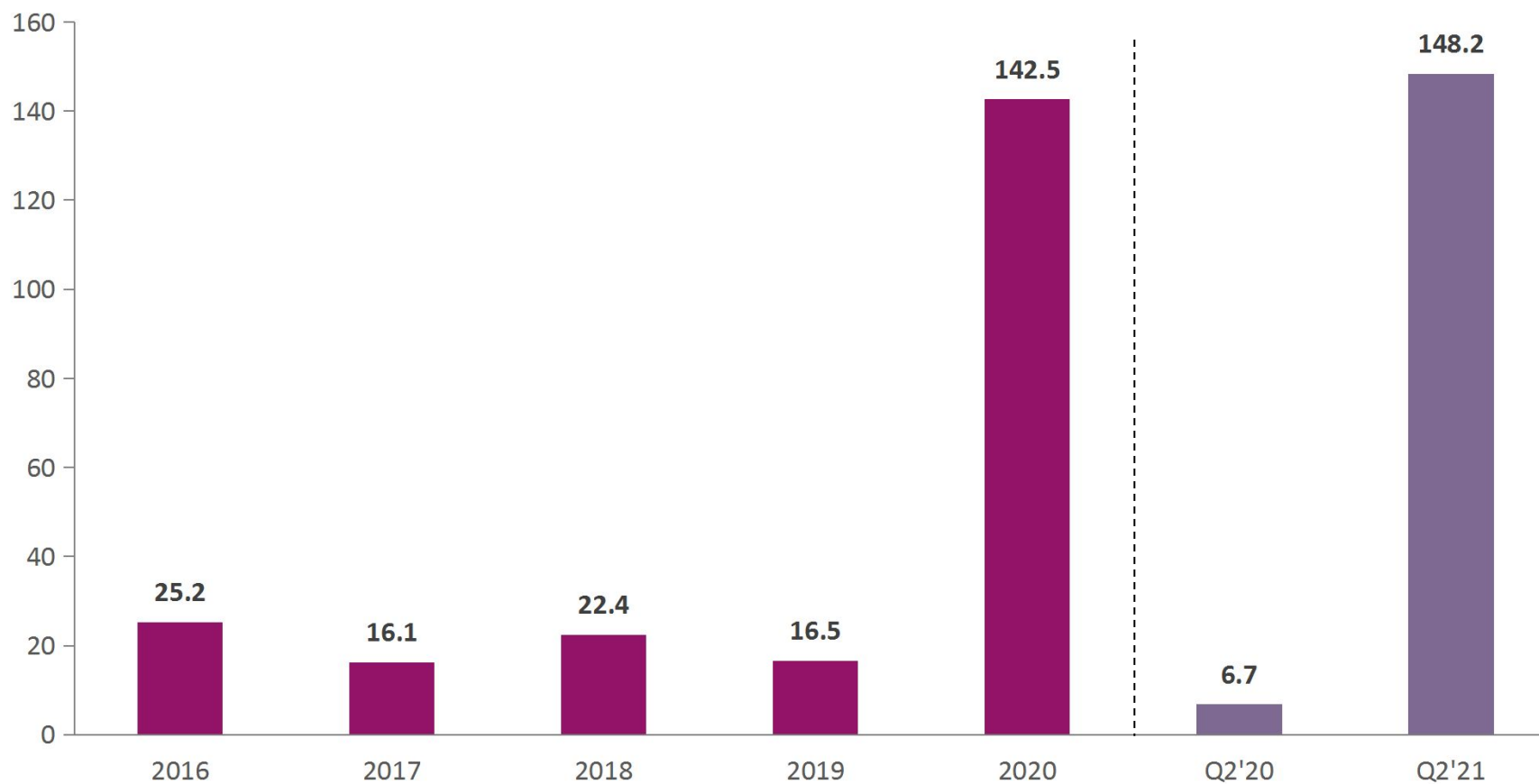
\$ Million



# CASH POSITION<sup>1</sup>



\$ Million

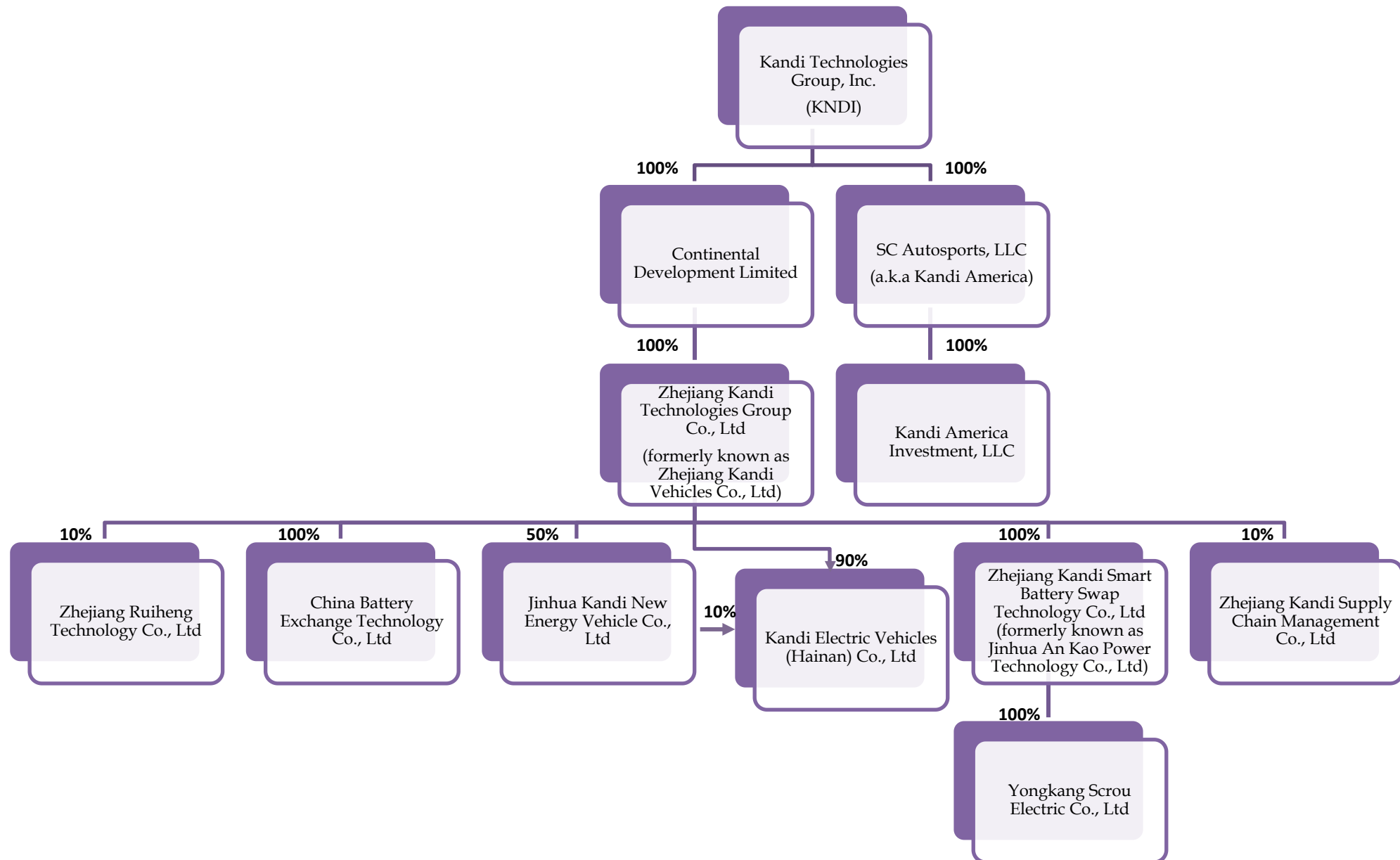


1. Note: Cash includes cash and cash equivalents, and restricted cash at end of period.

# APPENDIX



# ORGANIZATIONAL CHART



Source: 10-K annual report for year ending December 31, 2020.

# FINANCIAL HIGHLIGHTS



Fiscal Year Ending Dec 31					
\$ millions (excluding per share)	2016	2017	2018	2019	2020
Revenue	129.5	102.8	112.4	135.7	76.9
Gross Profit	17.7	14.3	20.3	25.4	13.5
Operating Income (Loss)	(31.0)	(26.1)	(1.6)	0.9	0.8
Net Income	(6.5)	(28.4)	(5.7)	(7.2)	(10.4)
Fully Diluted EPS	(0.14)	(0.59)	(0.11)	(0.14)	(0.19)
Select Balance Sheet Items					
Cash/cash Equivalent	12.2	4.9	15.7	5.5	142.1
Restricted Cash	13.0	11.2	6.7	11.0	0.4
Current Assets	264.0	238.3	167.4	195.6	307.1
Current Liabilities	177.7	184.6	164.8	131.9	83.8
Total Assets	439.7	438.3	428.8	371.2	495.3

Source: 10-K, 10-Q filed with SEC.



**康迪 KANDI**



### **For More Information**

Kandi Technologies Group, Inc.

Ms. Kewa Luo

Phone: +1 (212) 551-3610

Email: [IR@kandigroup.com](mailto:IR@kandigroup.com)

The Blueshirt Group

U.S.:

Mr. Gary Dvorchak, CFA

Email: [gary@blueshirtgroup.com](mailto:gary@blueshirtgroup.com)

**A PIONEER IN ELECTRIC VEHICLES**