



康迪 KANDI

# INVESTOR PRESENTATION

March 2023

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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.

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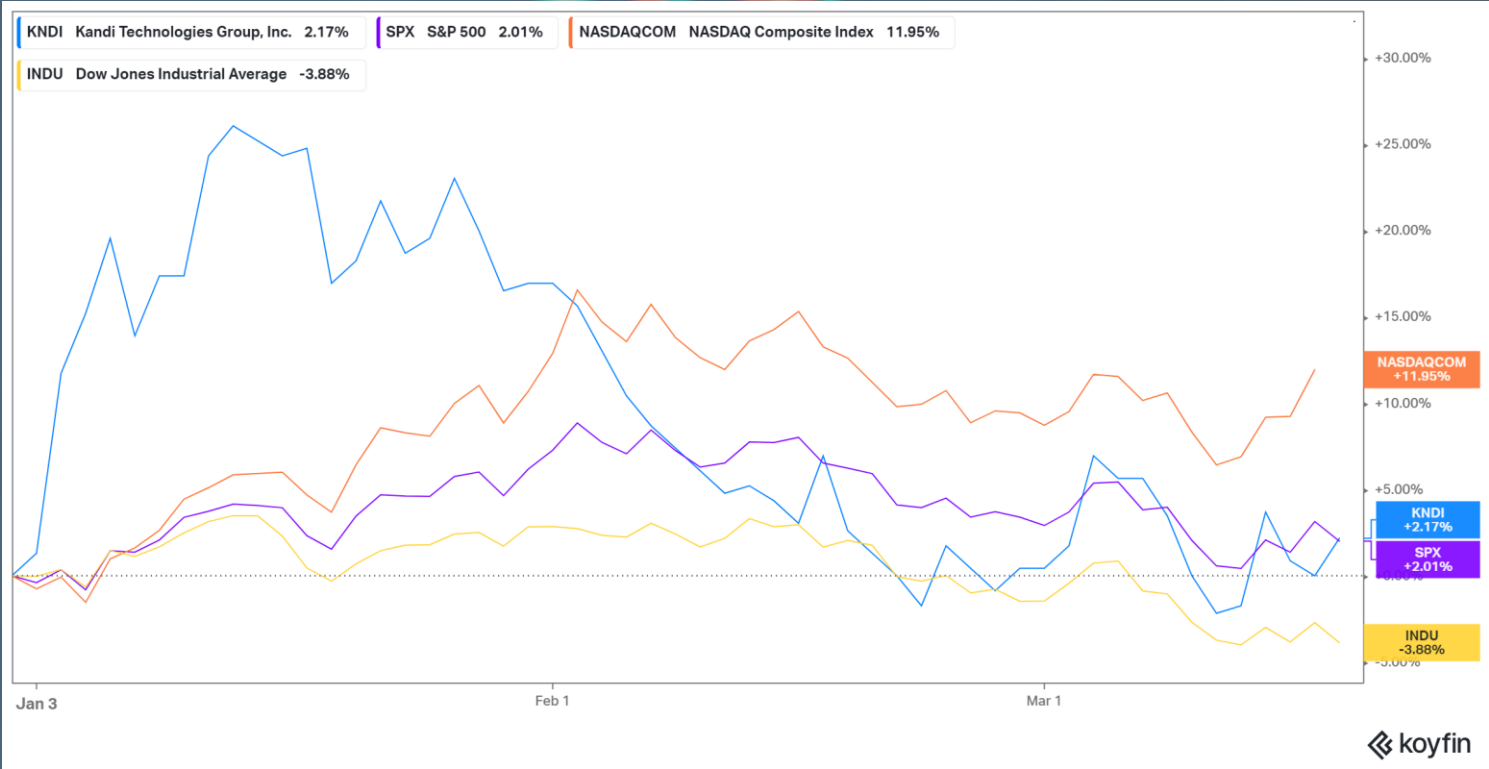


# Kandi Technologies Group

- Products span the value chain of EV parts, vehicles and services
- Based in Jinhua, Zhejiang Province in China



# Nasdaq-listed Since 2007



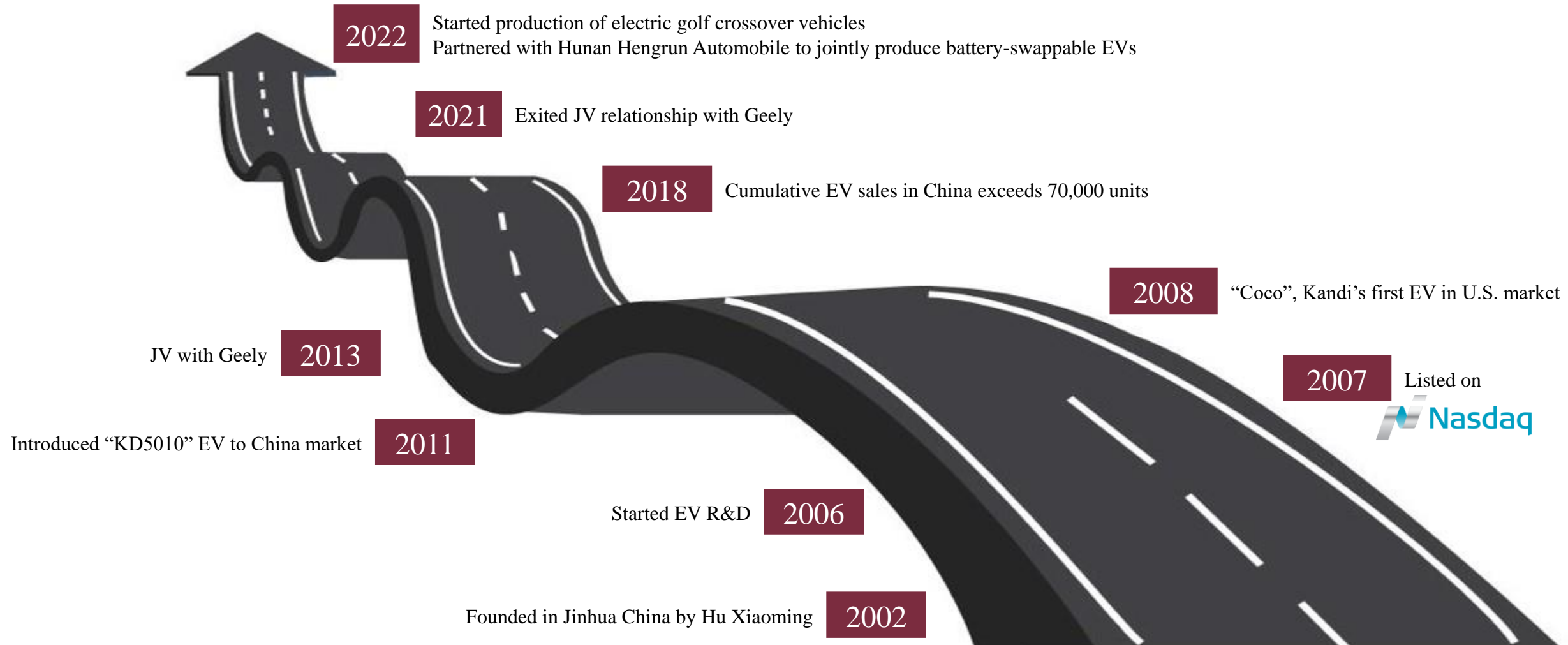
Open	2.28
Close	2.35
Prev. Close	2.30
Day High	2.38
Day Low	2.28
52 Week High	3.75
52 Week High Date	3/21/2022
52 Week Low	2.00
52 Week Low Date	09/26/2022
Market Cap	174.447M
Average 10D Volume	0.18M
Shares Outstanding	74.23M

Sources: Koyfin, CNBC.

As of 4pm EST, March 17, 2023.



# HISTORY OF INNOVATION







Mr. Hu Xiaoming was appointed as 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.

**Hu Xiaoming**  
Chairman of the Board



Dr. Dong was appointed as CEO in January 2023. He brings over 20 years of experience in automobile industry with a broad background managing teams in the vehicle design, engineering, and development, manufacturing, and commercialization of innovative products. Prior to joining Kandi, he was General Manager of Jiangsu Xingchi Electric Power Technology Co., Ltd. in charge of overall operation and management of the development, production, and sales of electric off-road vehicles. He owns more than twenty patents in automobile safety technology and electric vehicles. He earned his Doctor of Engineering degree in Vehicle Engineering from Shanghai Tongji University.

**Dong Xueqin**  
Chief Executive 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.

**Alan Lim**  
Chief Financial Officer



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.

**Johnny Tai**  
CEO of Kandi America

# INVESTMENT HIGHLIGHTS



Diverse Lines of Business



Large Market Potential



Pioneer in Battery Swap Technology



Leader in Off-road Electric Vehicle Market



Promoter of Rideshare in Battery Swapping Mode



Ability to Adapt to Rapid Changes in Market



Strong Balance Sheet

# DIVERSE BUSINESS

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



EVs

Focus on entry-level mass-market vehicles

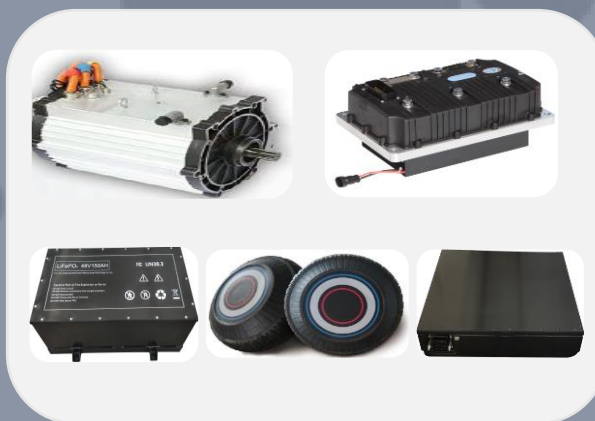


Battery Swap System

KANDI IP

100% Automated

Highly efficient: one-click battery swap in 90 seconds



EV Parts

Sell a variety of parts to multiple OEMs



Off-road EVs

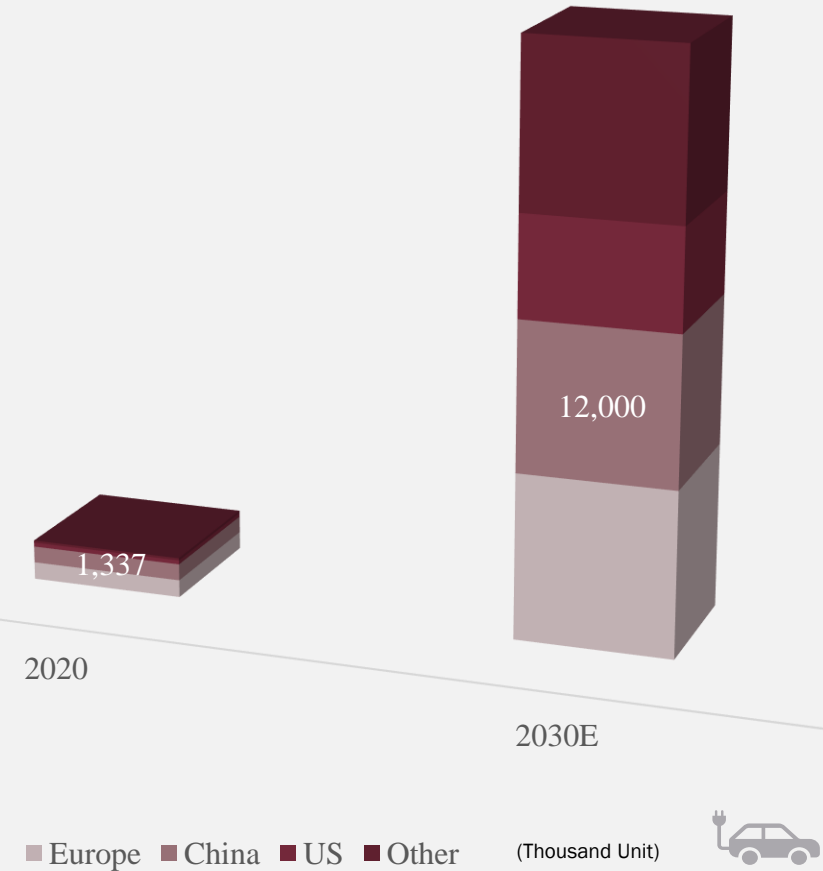
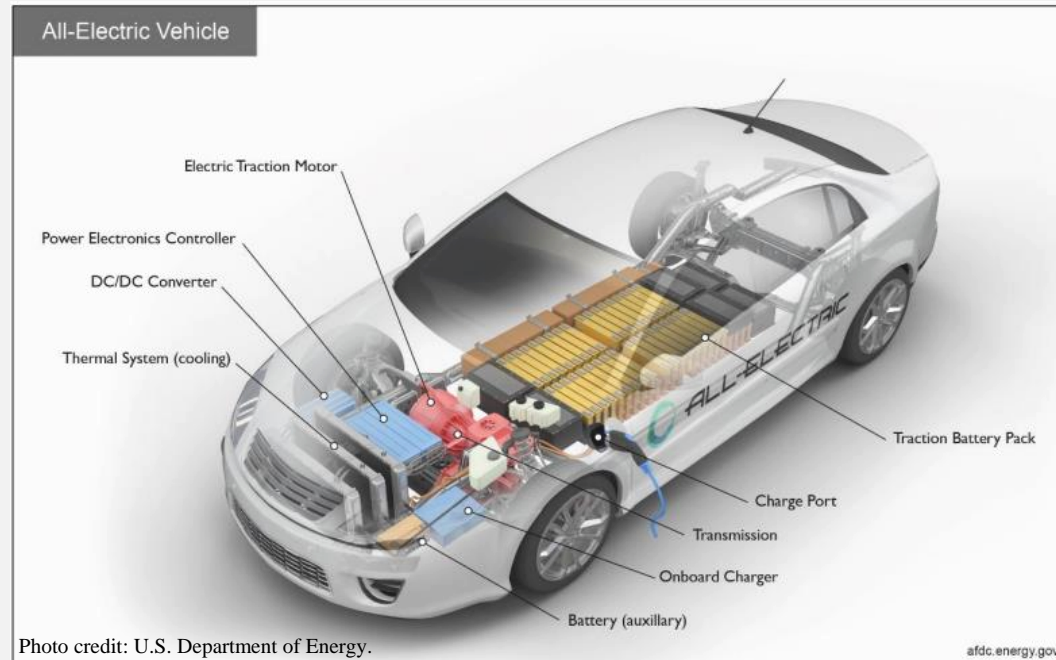
Develop and build off-road EVs:  
ATV, UTV, GO-Karts, Crossover  
Electric Golf Carts





# EV MARKET OPPORTUNITY

- China is the largest EV market in the world (over 50% global market share)<sup>1</sup>
- Projected 12 million units of EV sales in China by 2030<sup>2</sup>
- Approx. 25% annual growth projected in China 2020-2030<sup>2</sup>

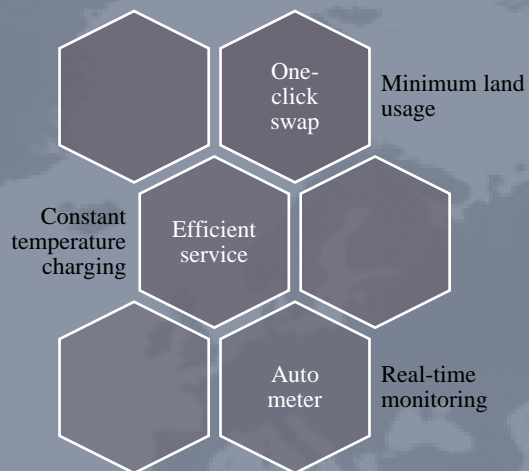


Source:

1. EV-Volumes.com
2. IEA analysis developed with the Mobility Model.

# BATTERY SWAP

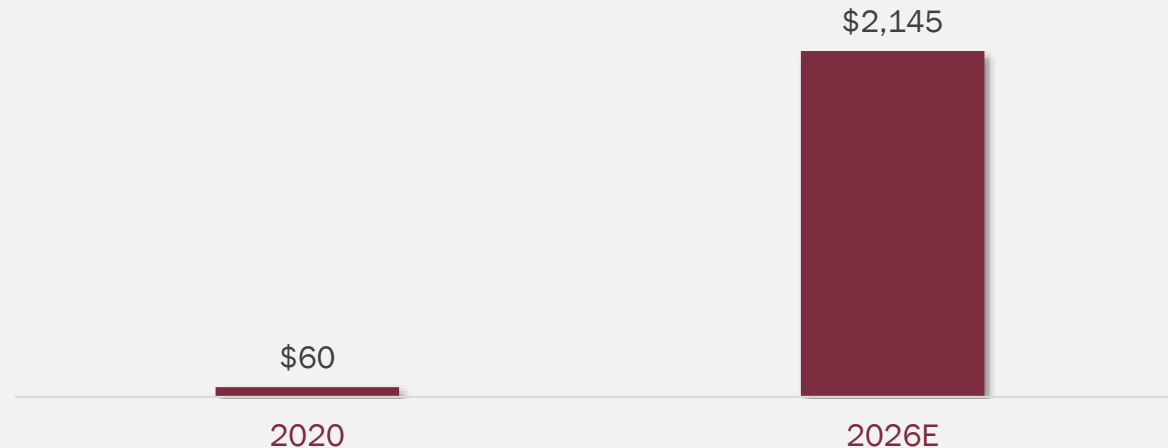
- Invented by KANDI in 2009
- Fully automated one-click battery swap in 90 seconds
- KANDI boasts over 10 patents in battery swap and a well-established smart battery swap system
- Swap station compatible with various vehicle models



# GROWING BATTERY SWAPPING MARKET

- Kandi focused on building a ride hailing fleet composed of battery-swapping EVs
- 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>

China Electric Vehicle Battery-Swapping Market Size  
(\$millions)



Source:

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

2. State Administration for Market Regulation

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





# 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](#)

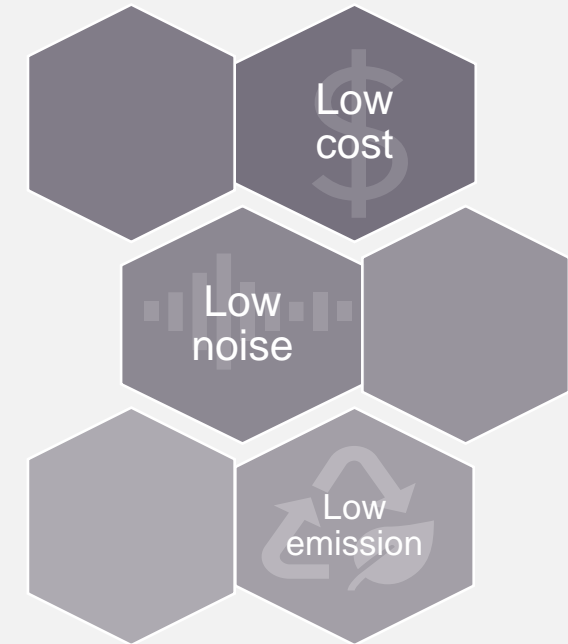
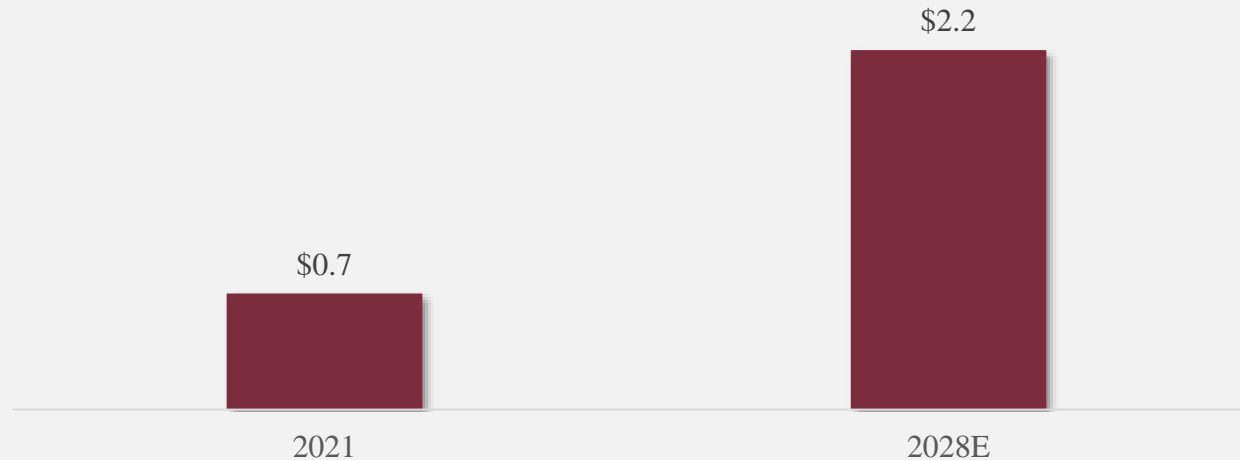
Having considered a large number of off-road go-karts, we chose the **Kandi 150cc 2-Seat Go Kart** as our top pick. This very well-made go-kart packs plenty of power in a 150cc, air-cooled, single cylinder engine and can reach max speeds of 36 miles per hour. It also uses reassuringly robust roll bars,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



# OFF-ROAD VEHICLES MARKET OUTLOOK

- According to Insight Partners, the global off-road EV market is estimated to grow by nearly 19% annually from 2021 to 2028.
- North America is half of global market share in 2021.

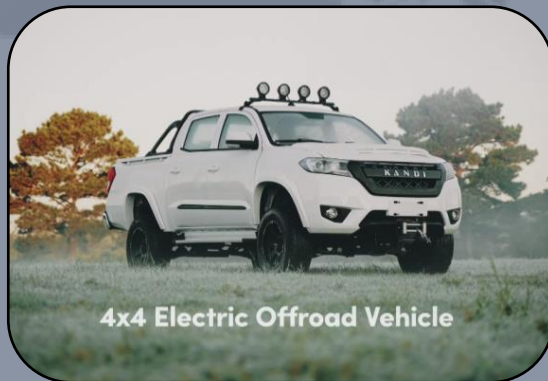
Global Off-Road EV Market Size & Forecast  
(\$billions)



Source:

The Insight Partners, *Electric Off-Road Vehicle Market Forecast to 2028 - COVID-19 Impact and Global Analysis By Vehicle (All-Terrain Vehicle (ATV), Special Service Vehicle/Utility Terrain Vehicle (SSV/UTV), and Off-Road Motorcycles), Application (Utility, Sports, Recreation, and Military), and Geography*, July 13, 2022.

## New Products



4x4 Electric Offroad Vehicle

Pure EV K32  
Fully-enclosed electric  
4WD utility terrain vehicle  
(UTV)



Electric Go-Cart Lucky<sup>1</sup>  
Lucky, a premium electric go-cart



“Crossover” Electric Golf Cart<sup>2</sup>

### Notes:

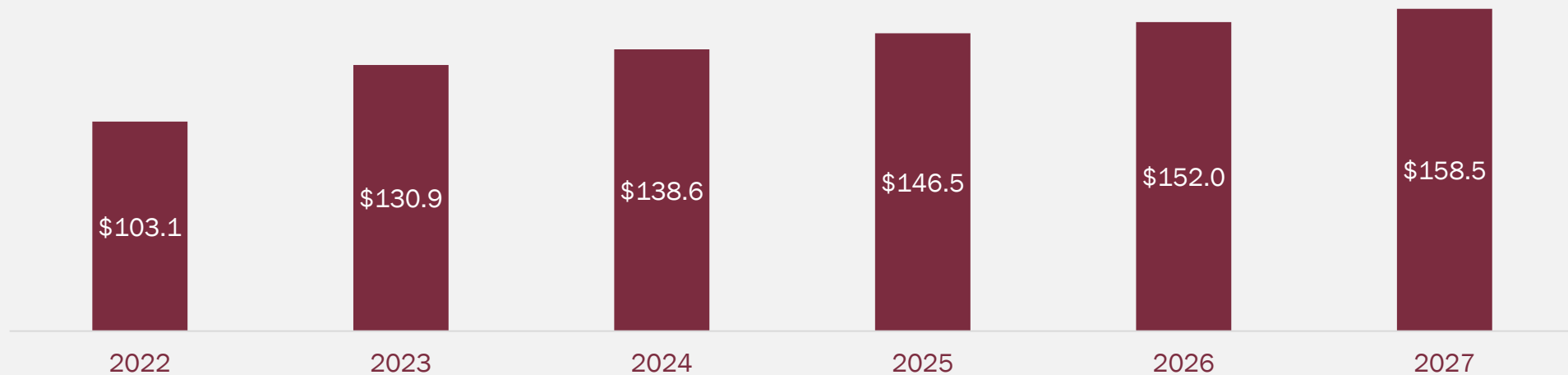
1. Lucky will soon be available in the U.S.
2. In Q1 2022, SC Autosports signed two MOU for 10,000 units of the “Crossover” electric golf carts (worth of \$68 million). As of Nov 20, 2022, the number of units produced and shipped to the U.S. was over 10,000.



# RIDE-SHARING MARKET OUTLOOK

- In global comparison, most revenue will be generated in China<sup>1</sup>
- China ride-hailing & taxi market reached ~\$103B in 2022 and projected to grow steadily
- Although COVID-19 dampened the demand, the China market still has potential for growth<sup>2</sup>
- The main market of ride-hailing apps is still in tier-1 and 2 cities, there is still a lot of room for development in the third, fourth and lower tier cities.= significant market potential for KANDI<sup>2</sup>

Ride-hailing & Taxi Market Size in China<sup>1</sup>  
(In billion)



Source:

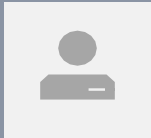
1. Statista, as of March 2023.
2. Daxue Consulting, China's ride-hailing market dynamics, September 2020.



# RIDE-SHARING ALLIANCE

- Goal to build a county-level ride-hailing operation center by adopting an all-encompassing and compliant operating model with focus on Tier-3 and Tier-4 cities in China

Compliant Operator



Remain 100% compliant across China through company assets and self-run operation

Demand Oriented



Build an eco-system for commute based entirely on local needs by integrating compliant ride-hailing platforms, Kandi-employed drivers and battery-swapping mode. Contributes to the further standardization of ride-hailing industry in China

County Focused



Build the largest all-encompassing ride-hailing operation network in China by covering everything from R&D and manufacturing of EVs to energy management to the operation of a nationwide platform



# BATTERY INNOVATION

- Expanded battery business by acquiring Jiangxi Huiyi New Energy in 2021
  - In 2019, Huiyi was the first company in China to roll out IFR18650-2000mAh battery, which boasts a battery capacity 11% higher than the IFR18650-1800mAh battery in the industry at the time; granted two state patents as a result. The battery has won wide acclaim from market and clients since its debut.
  - In November 2021, Huiyi started mass production of IFR18650-2200mAh battery, which carries an energy density of 161.8Wh/kg, representing a 10% and 22% higher battery capacity than company's IFR18650-2000mAh battery and industry average, respectively



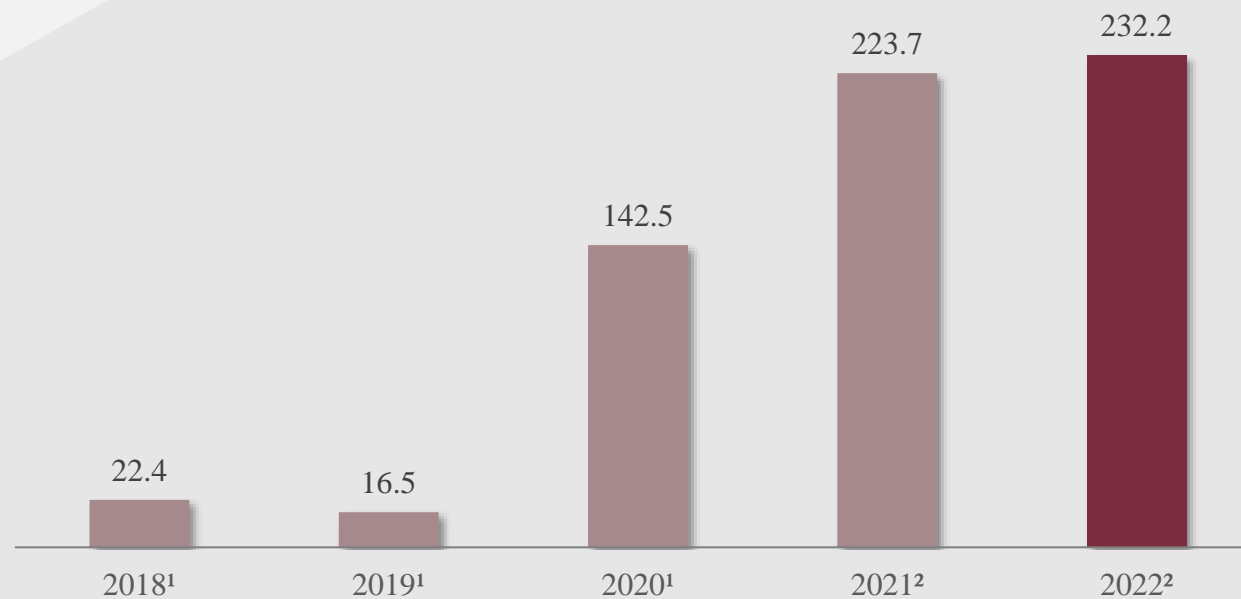


## CASH (YEAR-END)



- As of December 31, 2022, the Company had \$232.2 million cash balance<sup>2</sup>
- Balance sheet strength enables us to pursue high-demand niche markets such as off-road all-electric vehicles
- Patiently awaiting restoration of order in China EV market

(\$mln)



Note:

1. Cash includes cash and cash equivalents, and restricted cash at end of period.
2. Cash includes cash and cash equivalents, restricted cash, and Certificate of deposit at end of period.

# REVENUE



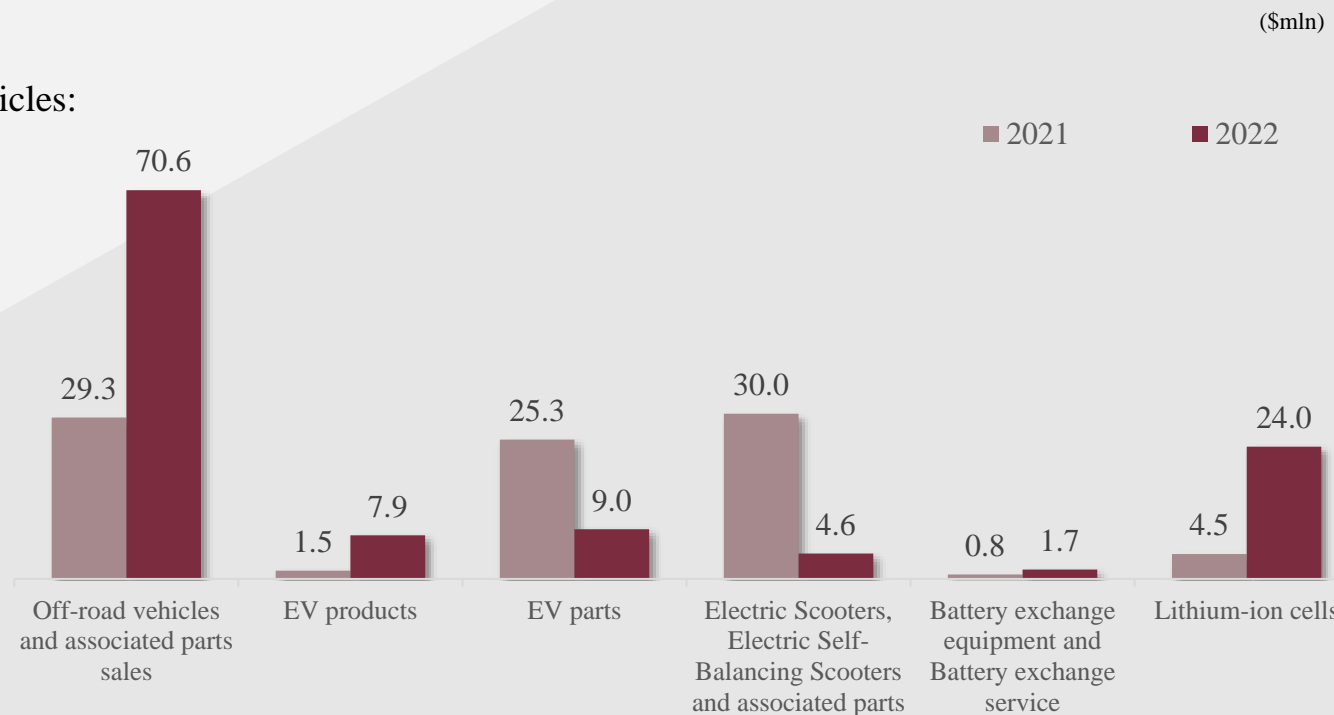
- Huge global demand for electrified off-road vehicles
- Kandi applying EV technology to off-road vehicle products
- Launching a variety of new models: electric utility terrain vehicles (UTVs), neighborhood EVs (NEV), golf carts and off-road crossover vehicles
- In 2022, total revenues increased by 28.8% y/y



# REVENUE BREAKDOWN



- FY2022 Revenue performance:
  - Total revenues increased by 28.8% y/y primarily driven by growth in off-road vehicles sales
  - Off-road vehicles and associated parts sales increased by 140.7% y/y
  - Sales of products such as EV products and lithium-ion cells increased in 2022
- Key factors:
  - Off-road vehicles continues to gain traction
  - More off-road products in the pipeline
- Traction in a variety of newly launched off-road vehicles:
  - UTVs
  - Crossover golf karts
  - Beach dune buggy crossovers

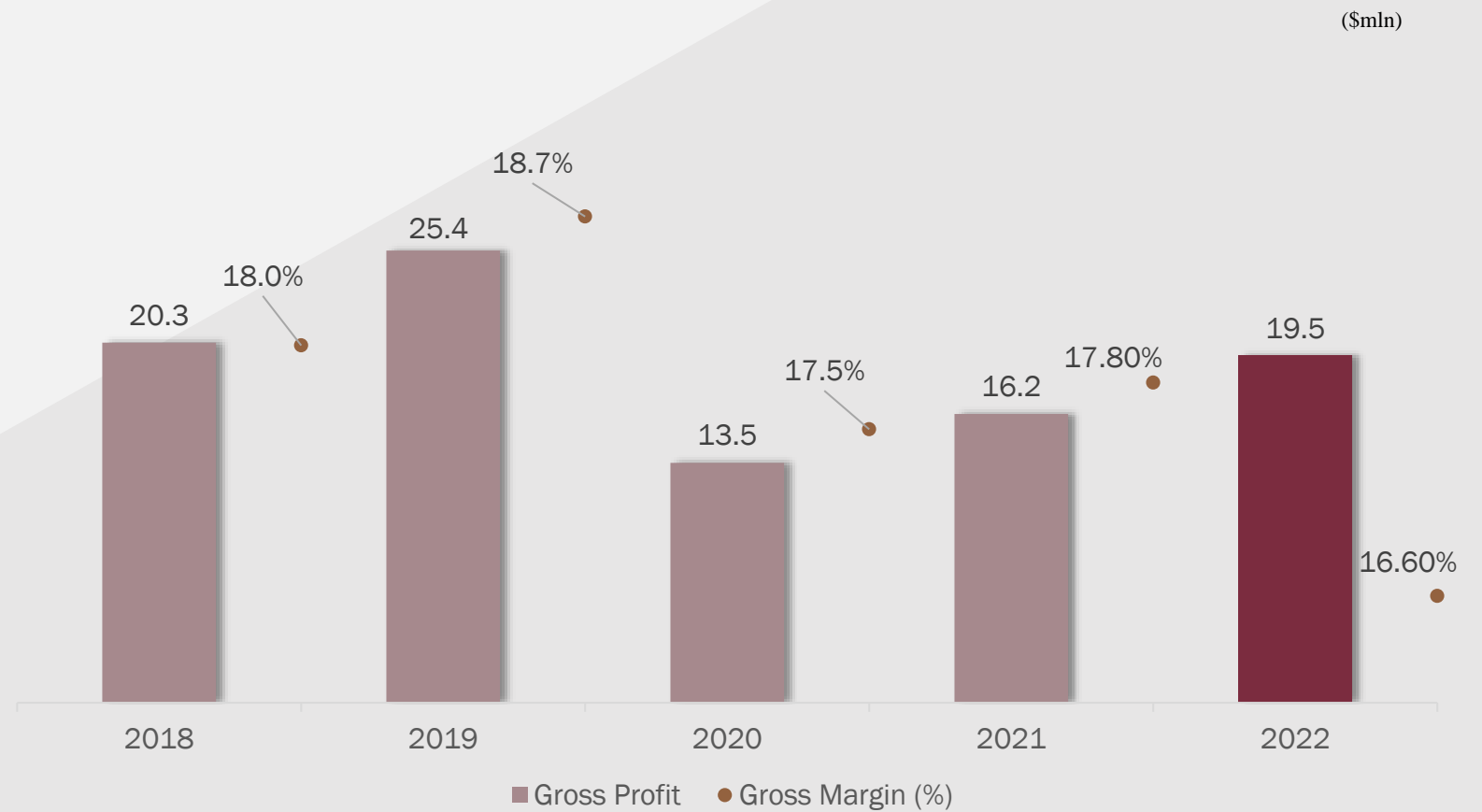




# GROSS MARGIN



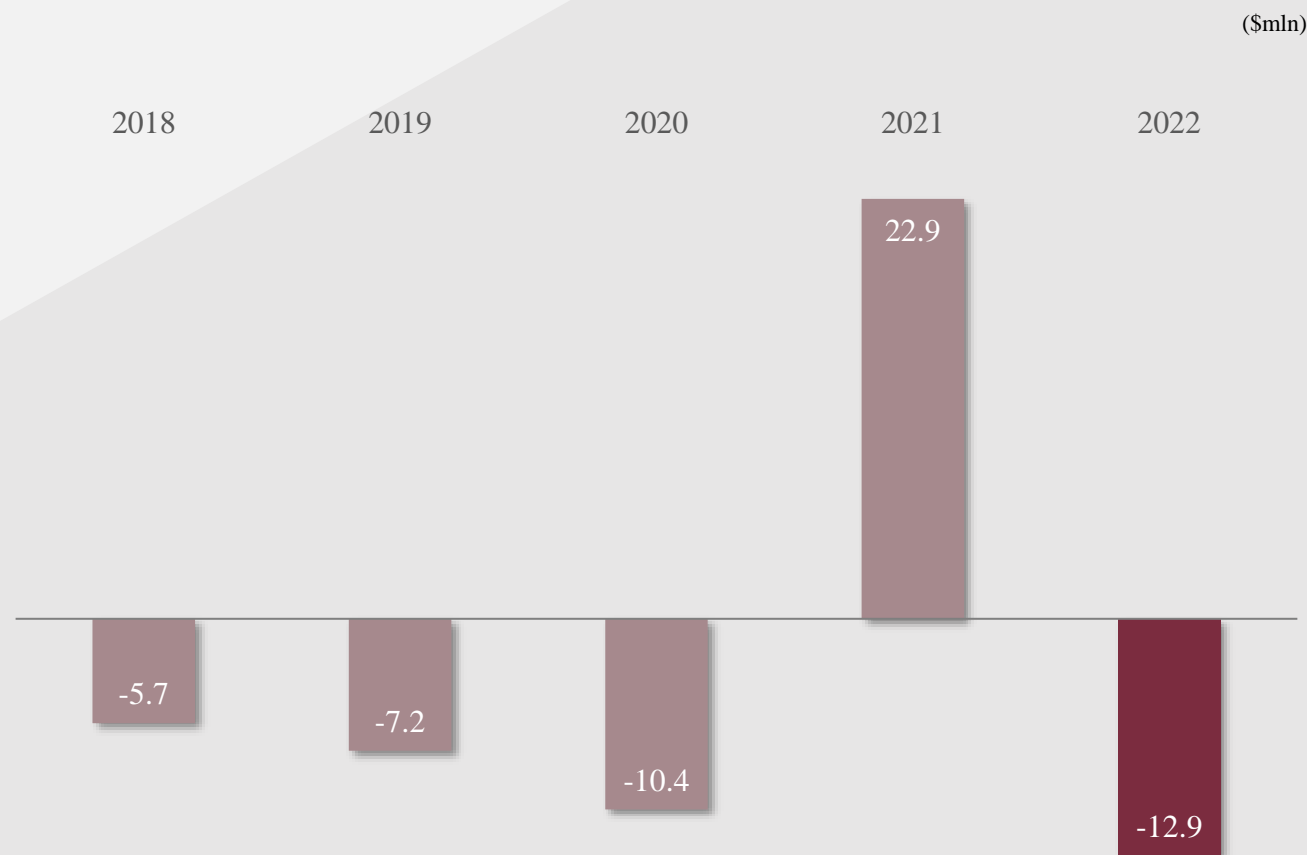
- The slight dip in gross margin in 2022 vs. 2021 was attributable to a mix of product portfolio shifting to lower margin products such as lithium-ion cells



# NET PROFIT



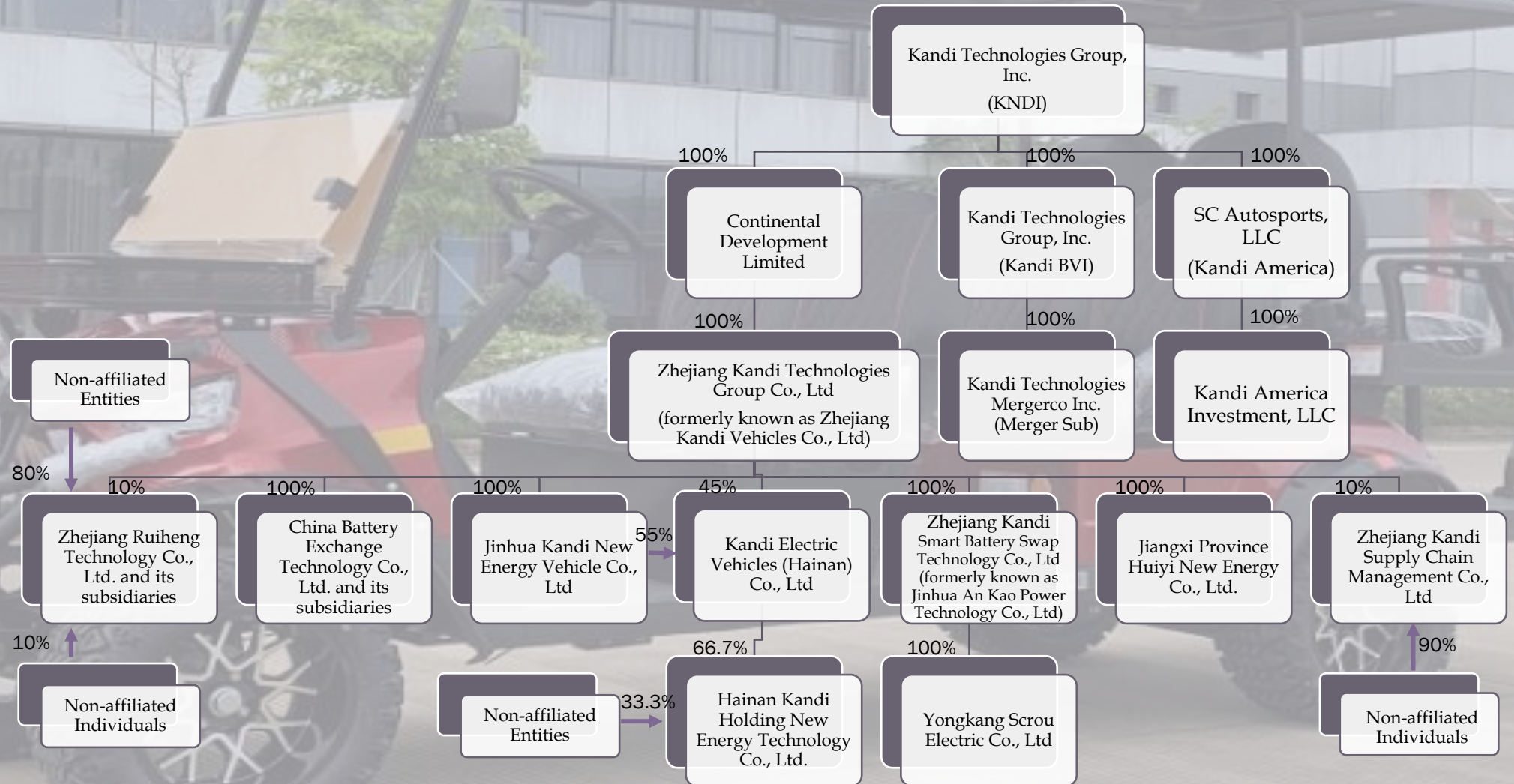
- In 2022, net loss was \$12.9 million, or \$0.17 loss per fully diluted share, compared to a net income of \$22.9 million, or \$0.30 income per fully diluted share for 2021
- The decrease in 2022 was due to the absence of gains from disposal of long-lived assets and equity sales that totaled \$66.2 million in 2021





# APPENDIX

# ORGANIZATIONAL CHART



Source: 10-K annual report for year ending December 31, 2022.



# FINANCIAL HIGHLIGHTS



Fiscal Year Ending Dec 31					
\$ millions (excluding per share)	2018	2019	2020	2021	2022
Revenue	112.4	135.7	76.9	91.5	117.8
Gross Profit	20.3	25.4	13.5	16.2	19.5
Operating Income (Loss)	(1.6)	0.9	0.8	1.3	(27.7)
Net Income	(5.7)	(7.2)	(10.4)	22.9	(12.9)
Fully Diluted EPS	(0.11)	(0.14)	(0.19)	0.30	(0.17)
Select Balance Sheet Items					
Cash/cash Equivalent	15.7	5.5	142.1	129.2	84.1
Restricted Cash	6.7	11.0	0.4	39.5	67.0
Certificate of deposit	-	-	-	55.0	81.2
Current Assets	167.3	195.6	307.1	342.6	329.3
Current Liabilities	164.8	131.9	83.8	64.2	81.5
Total Assets	428.8	371.2	495.2	520.2	483.0

Source: 10-K filed with SEC.

# KANDI | K32

A new frontier awaits.



康迪 KANDI

For More Information

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AN EV VANGUARD