Welcome

Investor Meetings
November 2019

KPIT Technologies Ltd.
Forward Looking Statements

Some of the statements in this update that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.
Who we are

- **Global Technology Company**
- **Passionate about Mobility**
- **Sharp focus on autonomous, clean, smart and connected future**
- **Specialize in embedded software, AI & Digital solutions**
- **Located across all major automotive hubs**

- **7,200+ Automoblievers**
- **25 Innovation Awards**
- **54 Global Patents**
- **20+ Different Nationalities**
- **4% – 5% Of revenue as R&D Spend**
Leadership at KPIT

RAVI PANDIT
Co-founder, Chairman & Group CEO

KISHOR PATIL
Co-founder, CEO & MD

SACHIN TIKEKAR
President & Board Member

11/24/2019
INDUSTRY TRENDS AND OUR VISION
Mega Trends in Mobility Industry

- **Connected**: Increase in number of vehicle platforms
- **Autonomous**: Increased % of software & complexity in vehicles
- **Shared**: New Players are emerging in the EV & AD domains
- **Electric**: Compliance & regulations
- **Emergence of new business models**: OEMs separating out H/w & S/w spend & buying
Software and Electronics to outgrow the Automotive Sales

In USD Billion

Components | CAGR (2020-30)
--- | ---
Power Electronics (excl. Battery Cells) | 15%
Software (functions, OS, Middleware) | 9%
Integration, Verification and Validation | 10%
Hardware (ECUs/DCUs, Sensors, others) | 5%

Automotive Sales (USD Billion)

| | 2020 | 2030 |
--- | --- | --- |
2,755 | 3,800 |

Auto Sales CAGR 2020-30 : 3%

Source: Automotive Software and Electronics 2030 – McKinsey & Company
Software Growth to be driven by these Domains

In USD Billion

<table>
<thead>
<tr>
<th>Components</th>
<th>CAGR (2020-30)</th>
</tr>
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<tbody>
<tr>
<td>AD-ADAS</td>
<td>11%</td>
</tr>
<tr>
<td>Infotainment</td>
<td>9%</td>
</tr>
<tr>
<td>Powertrain*</td>
<td>1%</td>
</tr>
<tr>
<td>Body</td>
<td>10%</td>
</tr>
<tr>
<td>OS and Middleware</td>
<td>11%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>9%</td>
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</tbody>
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* This is the Net of Growth in Electric Powertrain and traditional powertrain

Source: Automotive Software and Electronics 2030 – McKinsey & Company
Software Growth to be driven by these Stages

Function Development: 10%
Verification & Validation: 10%
Integration: 9%
TOTAL: 9%

Source: Automotive Software and Electronics 2030 – McKinsey & Company
Software in Mobility is a complex affair!

- **iPhone X**
  - One 6 Core Processor

- **Modern high-end car**
  - 100+ Processors
  - 4 different network technologies
  - 8-10 networks
  - High speed – Real time performance
  - Safety

*Premium you pay now is only for software*

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Software in mobility – complexity in code is growing!

Lines of Code

- Modern high end car: 100 m
- Facebook: 60 m
- Windows Vista: 50 m
- Large Hadron collider
- Boeing 787
- Android
- Google Chrome
- Linux Kernel 2.6.0
- Mars Curiosity Rover
- Hubble Space Telescope
- F-22 Raptor
- Space shuttle

Source: Electronicdesign.com
New Technology Investments – Major Mobility Players

JLR made $1.2 billion investment to build electric cars in Britain

VW invested $1 billion in Northvolt AB, Swedish battery cell producer in joint battery activities

BMW and Daimler will spend over $1 billion on the future of transportation

DENSO made $1.6 billion investment to strengthen development and production of automotive electrification

SoftBank and Toyota in talks to invest $1 billion+ into Uber Technologies Inc’s self-driving vehicle unit

VW announced that most of its 2020 models will come standard with its Car-Net Connectivity feature

Daimler Trucks has started testing of highly automated heavy-duty trucks on Virginia Highways

Toyota will raise its stake in Subaru Corp to better compete in developing new technologies

Technology Investments are driving high growth and predictability for technology focused niche players like KPIT

Source: Public announcements by these companies in last 6 months. List not exhaustive.

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We are well positioned for these Opportunities

3.4 New partnerships and cooperation models are emerging – primarily for software- and electronics-related topics closely together. One example would be the close collaboration of BMW, FCA, Intel, Magna, Aptiv, Continental, LiDAR supplier Innoviz, and SW specialists TTTech and KPIT to jointly develop an AD platform. Baidu is trying to build an open platform for AD with its OEM, tier-1 supplier, tier-2 supplier, and research institution partners, sharing source code and data.

According to this research, the market accounted for $15.53 billion in 2017 and is expected to reach $82.58 billion by 2026 growing at a CAGR of 20.4% during the forecast period. Factors

Some of the key players profiled in the market include NXP, Aimotive, Airbiquity, Apple, Autone Mobile, Blackberry, Elektrobit, Google, Green Hills Software, KPIT Technologies, Luxoft Microsoft Corporation, NVIDIA, Renesas Electronics, Rightware, Robert Bosch, Saferide Technologies Ltd, Sigma Software Group, Vector Informatik and Wind River System.
Our Vision

Reimagining mobility with you for creation of a cleaner, smarter and safer world
STRATEGY AND BUSINESS OUTLOOK
Strategy
Platforms, Tools and Accelerators Strategy

**Features**

- Service oriented Architecture
- Common Services
- Middleware
- HW integration layer
- Hardware

**Re-usable Software Components & Services**

*With You* to bring newer features to the market faster

KPIT provides innovative, speedy and trusted development of features from design to production

Our value proposition - Faster time to deployment through ...
1. Reusable Software Components, Tools, Accelerators
2. Deep Domain Expertise
3. Ability to scale globally

Work closely with Semiconductor companies for the suitable Platforms
Organizing business to increase our play in mobility

**Passenger Cars**
- Significant revenue at present
- Select customers with qualitative growth
- Create large deals
- Platform & annuity business

**Commercial Vehicles**
- Account based strategy
- Build offerings tailored for these customers
- Build customized offerings leveraging existing practices

**New Mobility**
- Two wheelers, Fleet Management, Shared Mobility
- Leverage existing platforms – Maximus Pro, JRM
- Build solutions for Shared Mobility (e.g. Ola, Go-Car, Go-Bike, Vogo)
- Build partnerships (Microsoft, Google, CISCO)
Focused Accounts Strategy for Accelerated Profitable Growth

Target Revenue Split

- 70% T10 Customers
- 20% T11 – 25 Customers
- 10% T26 – 50 Potential Top Customers

Selection Criteria will be...

- Important to us from overall Mobility ecosystem perspective
- Highest level of relationship and committed to strategic partnership
- Strategic for our practices
- High quality of engagement (platforms, tools, accelerators and long-term large annuity deals)

T17 accounts have been identified out of T25, developing next 8 accounts from potential accounts
Deep expertise in these domains..

- Autonomous Driving
- Connected Vehicles
- Powertrain (Electric+ Conventional)
- AUTOSAR
- Mechatronics
- Vehicle Diagnostics

Software Integration
- Feature Development
- Verification & Validation
- Re-usable Software Components
Robust Growth across the Geographies

- **AMERICAS**
  - Largest Market
  - Balanced growth in non-CASE and CASE
  - Strong relationship with passenger and commercial vehicles customers

- **EUROPE**
  - Growth driven by CASE - especially electrification and AD
  - Fastest growing geography

- **ASIA**
  - Growth across passenger cars and new mobility
  - High profitable growth
A Glocal Strategy

Build customer intimacy through...

1. Practice and program management presence at key global locations
2. Global delivery model
3. Consistent customer experience across all locations
4. Diverse teams in cultures, languages and thoughts
Financial Performance and Outlook
Revenue

- **28.6% CAGR from FY17 to FY19**
- **H1FY20 revenues at $ 150 M**

- **Growth driven by T25 Customers.**
- **T25 across GEO’s, mix of OEM’s & Tier 1’s**
Revenue Spread

GEO Mix

Well balanced geography revenue spread

Practice Mix

70% of the Revenue coming from New Age practices
EBITDA & Net Cash

- EBITDA improvement despite rupee appreciation of 1.75%
- Q2FY10 EBITDA impacted due to wage hikes, gross impact of 3.1%, net only 1.2%

- Net Cash Generation of 1,139 INR million in 6 months post de-merger
- DSO as at the end of Q2FY10 stood at 67 days, historic low for KPIT

KPI T

Q1 FY20 EBITDA includes Ind AS 116 impact of 1.4%
FY20 Outlook

- **Revenue $ million**
  - FY19: 260
  - FY20: 300

- **EBITDA %**
  - FY19: 11.0%
  - FY20: 17.0%

- **16% to 18%** comparable constant currency revenue growth
- **14% to 15%** EBITDA Margin
- **40% to 50%** EBITDA growth
Medium Term Goal

- $500 million Revenue
- 16% to 18% EBITDA
- Free Cash Flow to EBITDA 70%+
- Return on capital employed* 25%+

*Return on capital employed = (EBIT/(Equity + Long term debt))
Strong Fundamentals

- 10+ million vehicles use KPIT software
- 300+ vehicle production programs
- Work with 12 out of top 15 OEMs as customers
- More than 2 decades of work in embedded software for automotive
Strategic partnerships – customer recognitions

Recent Recognitions

- Awarded “Excellent Partner 2019” by Japanese OEM
- Featured in Top 3 “FCA Supplier Award 2018”
- Awarded “Excellent Partner 2019” for CoE strategy by Japanese Tier-1
- Awarded “Engineering Partner -2018” strategy by Japanese Tier-1
Customer Announcements

Co-branding with customers
BMW Press Release
October 2018

• In teaming up with KPIT and TTTech, the BMW Group has chosen software partners with a global footprint and proven expertise in the development of both software platforms and autonomous driving technologies.

• The partners will be able to assist with rolling out the software stack within the Autonomous Driving Platform to third parties, thereby facilitating access for OEMs.

Press release
October 24th 2018
BMW Group enlists KPIT and TTTech as software development partners for autonomous driving
Strong partnerships serve as enablers for Autonomous Driving Platform
Volkswagen AG approved KPIT’s AUTOSAR stack KSAR R4.2.1 for its Communication and Network Management Stack for CAN. KPIT’s KSAR stack provides a robust approach for its customers to adapt the AUTOSAR standard across its products.

Eaton announced strategic partnership with KPIT to develop next-generation electrified mobility technologies. Eaton’s collaboration with KPIT initially will focus on developing and deploying technologies, software solutions and platforms for several components in EV technologies.
Co-branding with Customers

Panasonic with KPIT

Software partner for Panasonic
The concept car was showcased by Panasonic at CES 2019 and other Auto Shows

FCA with KPIT

Tara Vatcher – Director Powertrain Software Engineering, FCA had an interactive session with KPIT women managers themed around “Women in Engineering and Path to Leadership”
KPIT hosted a Tech Talk on ‘Next-gen Technologies for Connected Mobility’ in partnership with Continental in Bengaluru, India.
Alexander Klotz, Rosemary Joshy from Continental and Omkar Panse from KPIT shared perspectives on role of technology and software.
Automotive and software industry professionals passionate to create the future of connected technologies participated in the Tech Talk.
KPIT Featured in The Hansen Report


Some excerpts from the company profile published

“In addition to providing software engineering services, KPIT is building a library of accelerators to help OEM customers roll out new features and functions more quickly.”

“KPIT has been building platforms (IP, frameworks, methodologies and tools), so when it takes on a project it can get up and running very quickly. These so-called accelerators help to shorten the time it takes for an OEM to roll out a new feature or function.”

“An important aspect of accelerating development for its customers is KPIT’s ability to provide the engineering workforce required to support large-scale, high-volume projects”
Thought Leadership Updates
KPIT Sparkle

KPIT Sparkle is an initiative to promote innovation among students across the country.

The participants retain the Intellectual Property Rights for their submitted innovations.

Students from Science, Engineering, Technology, Design & Management streams across India.

10 Months long program, which repeats every year.
Thought Leadership - Updates

Glimpse from KPIT's participation at SAE COMVEC 2019, Indianapolis, USA. The conference was focused on technology trends for Commercial Vehicles - KPIT showcased its latest solutions for electrification and vehicle diagnostics with commercial vehicle use cases.

Anup Sable, CTO, KPIT shared his perspective on the topic “Charging Systems for Electric Vehicles”.

Dr. Manaswini Rath was awarded as “Women leader of the organization” at The women Empowerment Summit and GIWL 2019
January 2019
KPIT presented its wide array of solutions in CES 2019 at Las Vegas, we had our esteemed partners & customers collaborate with to witness our solutions.

January 2019
KPIT embarked on a new journey focusing on technologies for mobility ecosystem, after merging its IT business with Birlasoft and demerging Engineering business.

March 2019
Technology connect – BMW with KPIT.
Thought Leadership Updates

August 2019
Coventry with KPIT Higher education initiative, co-created postgraduate programs where employees enroll for their Master's while working at KPIT, the first batch of KPIT employees graduated successfully

August 2019
Mr. Ravi Pandit, Group CEO & Chairman of KPIT spoke at the Prawaas Conference, Mumbai on “Accelerating Electric Mobility in India”

August 2019
KPIT's 5K Mobility Run in Michigan, KPITians enthusiastically participated in this “fun and fitness” event, enjoying the woods on a perfect summer day in Michigan.
CSR @ KPIT
CSR @ KPIT

KPIT has a strong social commitment to the community that we live in.

THE 4 GUIDING PILLARS of CSR @ KPIT

- ENVIRONMENT
- EDUCATION
- ENERGY
- ENGAGEMENT

- Contribute with energies and efforts of the people, not just through money
- Leverage our company’s core strength of technology expertise
- Focus efforts on a few initiatives to ensure significant impact
- Not limited by cultural and physical boundaries, to benefit a wider society

Last 6 months……..

- No of Employee Engagements: 2,107
- No of employees participated: 1,234
- No. of Direct Beneficiaries: 6,470
Thank You