



# Link Motion Inc.

A leading smart car and smart ride company

Presentation at Oppenheimer Technology,  
Internet and Communications Conference  
Link Motion Inc. (NYSE: LKM)  
August 2018

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The background of the slide is a deep space scene. On the left side, a large, dark planet with a bright blue-white horizon glow is partially visible. The rest of the background is a dark blue-black field filled with numerous small, white and light blue stars of varying brightness.

# **Investor Presentation Segments**

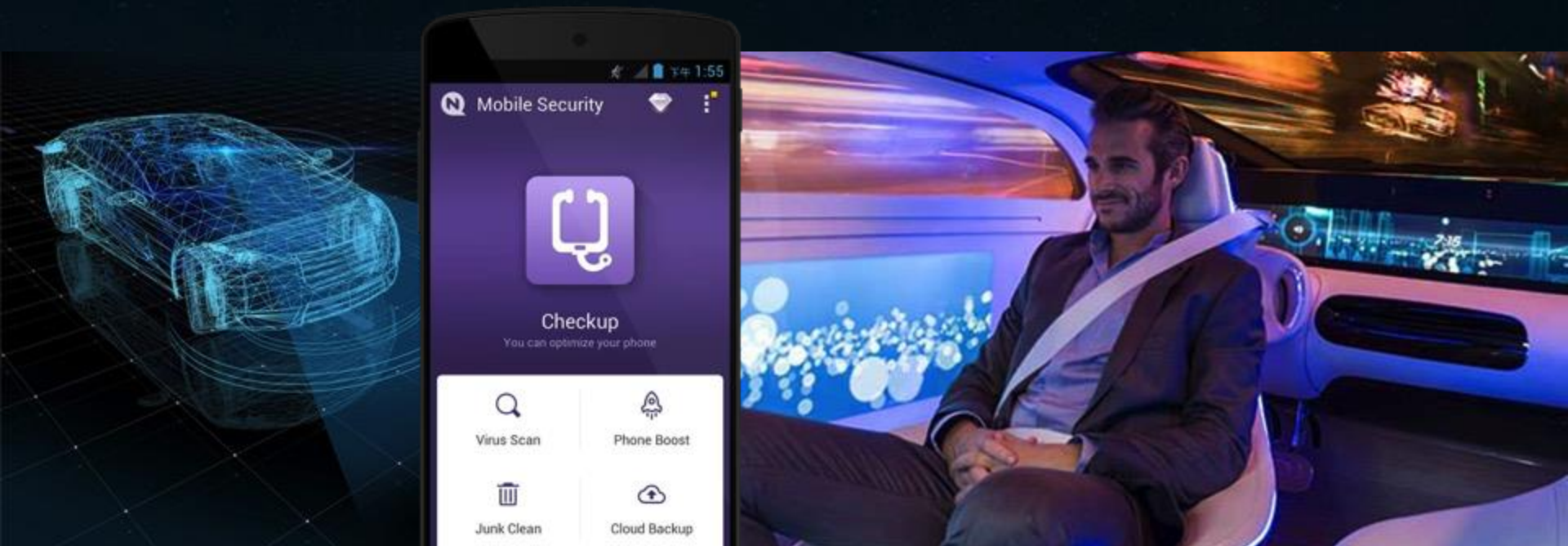
- 1. From NQ Mobile to Link Motion**
- 2. Overview of Link Motion Smart Ride Business**
- 3. Overview of Link Motion Carputer/CarBrain Platform**
- 4. Financial Overview**
- 5. Key Catalysts and Milestones**



## Part 1

# NQ Mobile to Link Motion

A look back and into the Future



# The Smart Car is the Future Revolution

## NQ Was Founded for Smart Phone Revolution



Mobile Telecommunications Networks provide the basic voice and data services to users

Access to Internet services via the mobile app store

1. **Acquired Controlling Stake in Link Motion in 2015**
2. **Completed Divestments of major smartphone businesses in Dec 2017**

## Link Motion Is Built For Future Smart Car Revolution



Autonomous driving and Smart Infrastructure enable ridesharing services

Access to Internet services via in-car smart services extends to Smart Ride Space

1. **Utilizing the Link Motion Carputer and operate a Smart Ride business**
2. **Selling the Carputer directly to car makers and OEMs**

# Link Motion Reinvents the Car with the 'Smart Space'

The future smart car creates a personalized moving "Smart Space."

This space is passenger-centric and provide all types of services connected to the internet



home



on the road



office / business

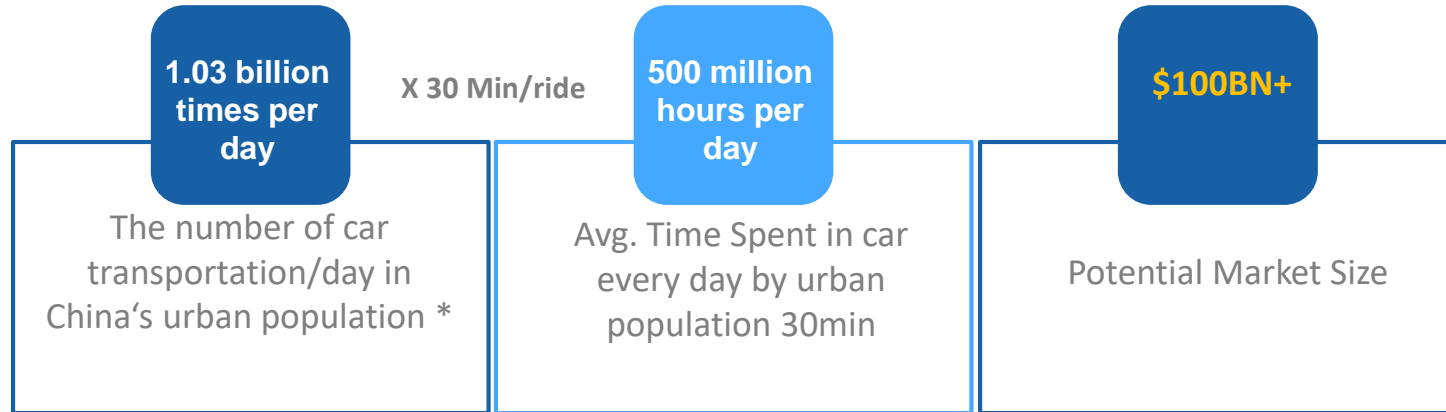
Smart Space links your home and office to create a seamless internet lifestyle.

# In-car Smart Space Services - A new market with scale (\$100 Billion +)

1 China's Urbanization Trends Continue to Create Major Transportation and Logistics Stress

2 Ridesharing Services solve some of these issues.

3 Next gen solutions will come from Smart Space Services as passengers demand more



•Source: survey on the tailored taxi consumers behavior in China's first, second and third tier cities [2015],

• National bureau of statistics, expert interview, Roland berger.



## Part 2

# Overview of Smart Ride Business

### Smart Ride Operator - The Next Generation of Ride Sharing

**Mission – helping passengers enjoy their riding time with smart space services**

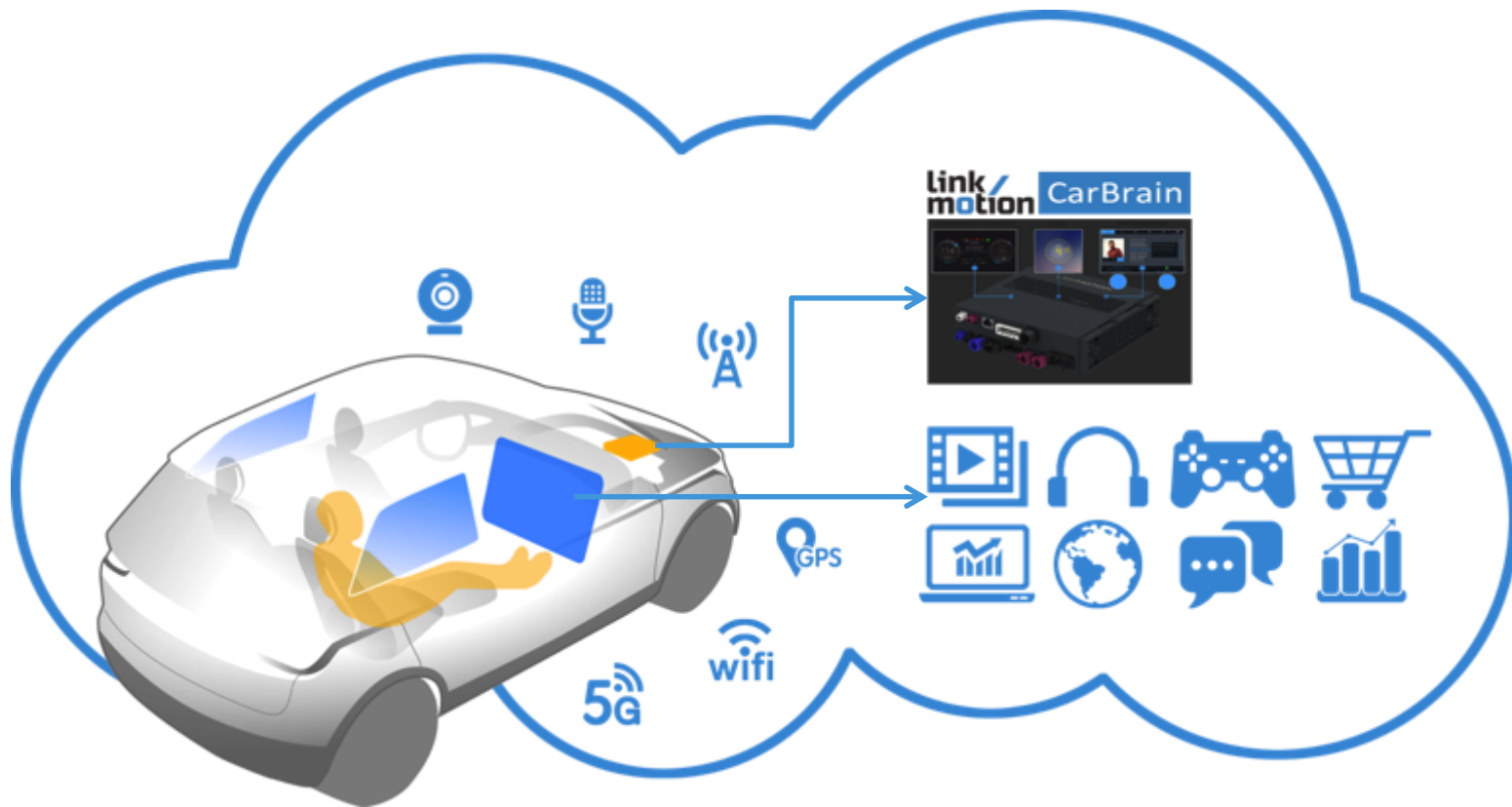
- \*Offers much more than just ridesharing

- \*Customized smart cars (created from Link Motion's Car Brain Platform)

- \*In-Car Smart Space Services Platform



## Smart Space Services by Link Motion CarBrain



# Introducing Link Motion's Smart Car







5月29日 星期二 13:07

凌动空间

我的行程信息



扫描二维码或点击此处，即可查看您的行程信息。

看视频



听音乐



应用程序

头版头条







# Business Development Milestones

- **Complete Development Phase including Pilot Program**
- **Commercial Smart Ride Operation Begins in First Cities**
- **Key Milestones**
  - 5,000 vehicles in market
  - First owned customized vehicles equipped with smart service platform
  - Introduce third-party content and service providers

**Current Year**

- **Key Milestones**
  - 15,000 vehicles in 2<sup>nd</sup> year
  - 50,000 vehicles in 10-15 cities in 3<sup>rd</sup> year
- **More than 1 million orders per day**
- **Smart Space Service**
  - 1 new car model per year
  - Upgrade service content
  - Build Smart Space Service ecosystem and developer
  - Define differentiated service system and user level

**3 Year Plan**

- **Key Milestones**
  - 200,000 vehicles with smart space services covering more than 50 cities
  - 4 million orders per day
- **Smart Space Service**
  - Open the smart car reference design to car companies and ridesharing companies based on Link Motion Car Brain and smart space services platform embedded

**5 Year Plan**

# Strategic Partnership with AutoNavi

## AutoNavi Partnership Represents Key Growth Driver

- AutoNavi, a subsidiary of Alibaba Group (NYSE: BABA), will **guide riders directly from its popular mapping application to Link Motion's smart ride service**
- **Integration with the AutoNavi mapping application is key to driving significant order flow** in all of Link Motion's operational markets and locations



高德地图  
amap.com

*"Cars are an environment where individuals spend a significant amount of time and which through connectivity can become an important part of life. **We believe there are many high-value opportunities for cooperation with an industry thought leader like Link Motion and look forward to a strong working relationship going forward**"*

- Curtis Tong  
General Manager, AutoNavi Open Platform



# Financial Modeling

## Smart Ride Services

- RMB 500 per vehicle per day (15-25 orders/day per car average RMB 25/ order)
- Op Margin approx. 10% (inclusive of car, driver, marketing and overhead costs)



## Target after 12months

### *Smart Ride Service:*

- 5,000 vehicles

### *Smart Space Services:*

- Begin Commercialization



## Smart Space Services

- RMB 90 per vehicle per day (20 orders/day per car at RMB 4.5 average per order)
- Op margin approx. 45% (inclusive of app developers share, marketing and overhead costs)



## Target after 36 months

### *Smart Ride Services:*

- 50,000 vehicles

### *Smart Space Services:*

- Add incremental 15%

### *Model Suggests:*

- Revs RMB 10.6 billion
- Op Income RMB 1.4 billion



A dark blue space background with a bright, glowing planet on the left side and numerous small white stars scattered across the field.

## Part 3

# Overview of Link Motion CarBrain Platform

### *Link Motion History*

- Nomovok Ltd founded in 2002 to develop Linux embedded solutions (developed Nokia's mobile Linux OS from 2004 including Maemo, Meego, and later Tizen)
- In 2006 started developing automotive software solutions.
- In 2012 started provided the software and instrument cluster for the Lamborghini Huracan model released in 2015
- NQ Mobile acquired Link Motion Holdings Limited in 2015 and consolidated the company





15

Years In Embedded  
Software Business

200+

Automotive Software  
Projects Delivered

100+

Top Notch Professionals  
Building The Products

5

Locations Across  
The Globe

2002

**NOKIA**  
maemo™

2004

MeeGo  
**RENESAS**

2006

**DENSO**

2008

**Pioneer**  
**TOYOTA**

2011

**AISIN**  
Geared up for the future  
**MTA**

**LANCIA**  
**RENAULT**

2013



2015



# The Car Brain

## The LM Car Brain Platform is Critical in:

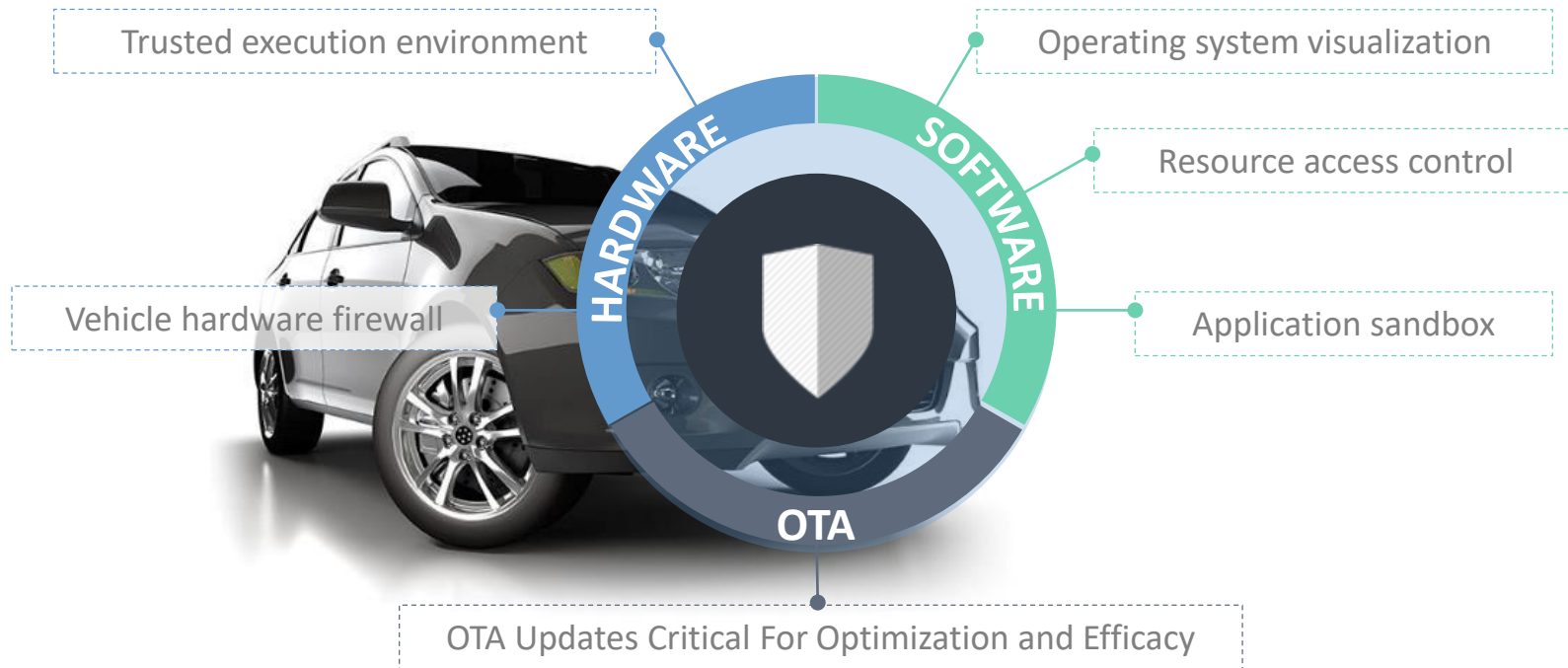
1. Powering the Smart Ride fleet
2. Enabling Car Makers and OEM's directly
3. Enabling Public Transportation Companies



## Product Comparisons

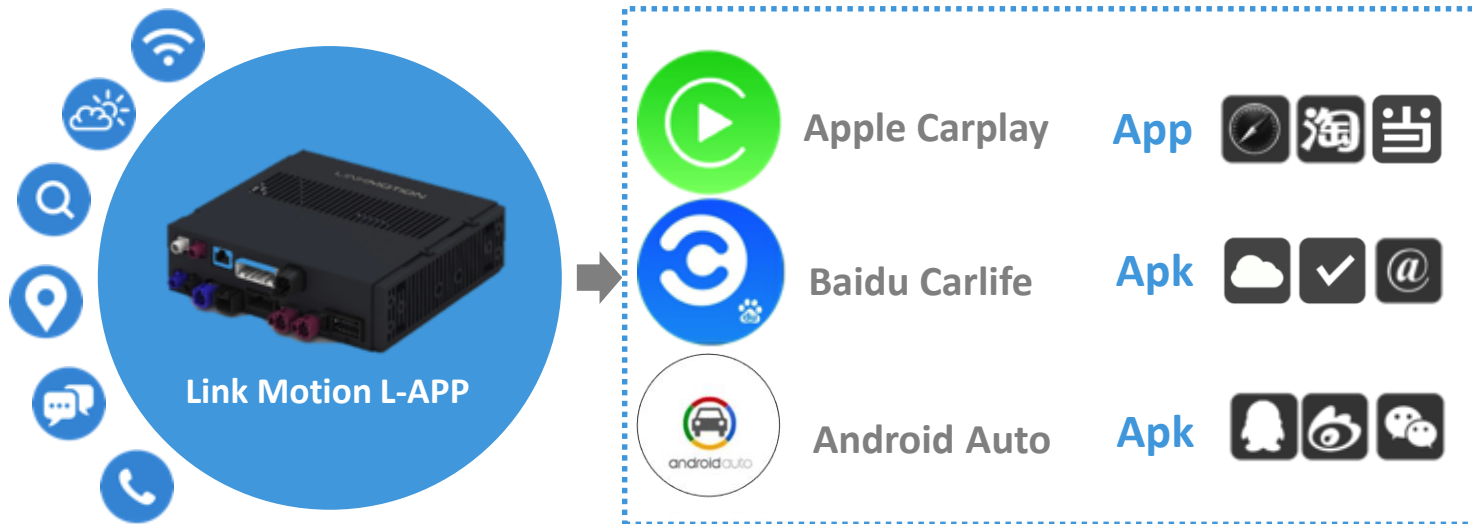
	Traditional	QNX	Android	Link Motion
<b>Safety</b>	Secure/Closed	Secure/Closed	Risk/Open	Secure/Closed
<b>Reliability</b>	High	Real-time	Activation is Slow Delayed	Almost Real-Time
<b>Cost Performance</b>	High Cost (ECU's can not be reused/Service)	High cost	Low Cost (Difficult to Optimize)	Low Cost and High Performance
<b>Connectivity</b>	Weak	Weak	Online/High	High

## Link Motion 3-2-1 Security Shield





## Supports Different Platforms/Customizable



# Lamborghini Huracan

## LAMBORGHINI



## Partnership with Chery Automotive

**link  
motion**



1



Link Motion and Chery jointly developing a new generation of smart interconnection OS platform, including autonomous driving.

2

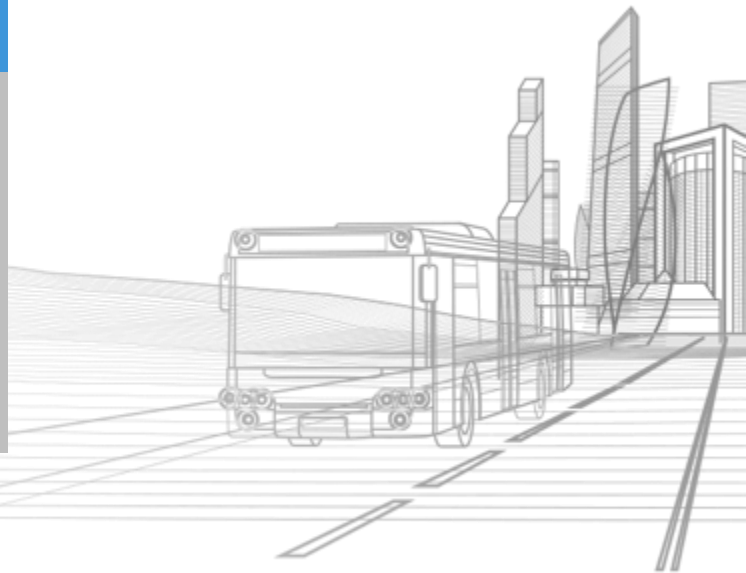


Chery is one of the largest Chinese car makers and is the largest exporter of China-made cars.

# Powering Pure Electric Buses in Qingdao

## CarBrain Extends Beyond Passenger Cars

- Selected as the platform vendor for pure electric buses in the city of Qingdao
- New specialized platform for public transportation vehicles
- More cities and public transportation opportunities expected







## Car Brain Platform

- Revenues of RMB 3,000 per unit (vehicle)
- Post sale rev opportunity in updates and add-on features
  - Gross margin at production scale approx. 30%



**Part 4**

# **Financial Overview**

## Financial Snapshot as of December 31, 2017

Company Name	Link Motion Inc.
Stock Ticker	LKM
Stock Exchange	New York Stock Exchange
Total ADSs Outstanding	101.6 million
Market Cap	\$111.0 million (as of 7.31.18)
Buyback Authorization	\$150 million (\$57 million remained as of 12.31.17)



**Part 5**

# **Key Catalysts and Milestones**

# 2018 Expectations

1. **Successfully Roll out Smart Ride Business**
  1. **Announce Key Industry and Strategic Partnerships**
  2. **End the year with 5,000 vehicles in the market**
  3. **Launch Smart Space Services**
2. **Add Key New Partnerships and Sales Deals with Link Motion's CarBrain Platform**
  1. **End the year with 30,000 units in production plan**
3. **End the year exceeding \$100 million annualized revenue runrate**

## 3 Year Expectations

1. **Generate more than \$1 billion in annual revenues**
  - **50,000 vehicles in multiple cities in Smart Ride Business**
  - **1 million units in production plan for CarBrain Platforms**
2. **Demonstrate a Leading Position in Smart Ride and Smart Space Service Platform**



# 凌动智行 link/ motion

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