

Stock Code: 300496

Stock Abbreviation: ThunderSoft

Thunder Software Technology Co., Ltd Investor Relations Activities

Code: 2021-004

Category of Investor Relations Activities	<input type="checkbox"/> Specific Research <input type="checkbox"/> Analyst Meeting <input type="checkbox"/> Media Interview <input type="checkbox"/> Earnings Call <input type="checkbox"/> Press Release <input type="checkbox"/> Road Show <input type="checkbox"/> Site Visit <input checked="" type="checkbox"/> Others (<u>HSBC 8th Annual China Conference - Virtual</u>)			
Company Name and Company Representative of Participant	Allianz Global Investors	Mr Jason Hsu	CTBC Bank [Credit]	Mr Hughes Chan
	Dauntless EM	Mr Gunawan Wijaya	Davidson Kempner [Credit]	Mr Maxim Zhu
	DWS Investments Ltd	Mr Alan Lau	Essence Securities Asset Management	Miss Yun Lin
	Foundation Asset Management	Mr Eugene Tse	GMO	Mr Chirag Khasgiwal a
	Harding Loevner	Mr Lee Gao	Harding Loevner	Mr Jingyi Li
	Harding Loevner	Ms Wenting Shen	Himalaya Capital	Mr Jiakun Liu
	Manulife	Mr Wenlin Li	Matthews	Ms Inbok Song
	Midas International Asset Management	Mrs Joohyung Julia Yoo	Mirae	Mrs Jinah Na
	Natixis	Mr Eran Benichou	Nikko Asset Management	Mr Eric Khaw
	Nikko Asset Management	Mr Eng Teck Tan	Nuveen	Ms Lilian Li
	Oberweis	Mr Terry Tian	Phillip Capital	Ms Sabrina Loh

	<p>[Credit]</p> <p>Platinum Asset Management SCB Asset Management [Credit] Toronto Dominion Bank [Credit]</p> <p>Mr Jack Cao</p> <p>Ms Nattaphicha K</p> <p>Mr Aditya Bansal</p> <p>RiverCircle Investments</p> <p>TCW Asset Management</p> <p>Van Eck</p> <p>Ms Janice Chia</p> <p>Mr Andrey Glukhov</p> <p>Mr Dom Jacobson</p>
Time	<p>ThunderSoft to Present at the HSBC 8th Annual China Conference-Virtual</p> <p>The session is scheduled for 10:00am - 11:00am Hong Kong Standard Time, May 18, 2021</p>
Location	Virtual
Public Company Representative	Rick Mi, Chairman Assistant/Investment Director
Briefing of Investor Relations Activities	<p>Part1. Introduction of Business Growth</p> <p>ThunderSoft, as a world leading Smart OS product and technology provider, we are proud that we have achieved fast business growth in overall and across all the 3 business segments as well.</p> <p>For the business growth of FY2019, the revenue is 1.827 billion RMB with growth rate at 25% year on year. And in FY2020, our overall business revenue is 2.628 billion RMB with growth rate at 43.85% year on year.</p> <p>Next, is our business growth for each of the 3 segments. Regarding Smart Software, in FY2019, the revenue is 0.967 billion RMB with growth rate at 14%, and in FY2020, the revenue is 1.162 billion RMB with growth rate at 20.24%.</p> <p>Regarding Smart Vehicle, from 2016-2020, CAGR (Compound Annual Growth Rate) is achieved at 102%. In FY2019, the revenue is 0.481 billion RMB with 72% growth and in FY2020, the revenue is 0.77 billion RMB with 60.09% growth.</p> <p>For Smart IOT, in FY2019, the revenue is 0.379 billion RMB with growth rate at 13%, and in FY2020, the revenue is</p>

achieved at 0.696 billion RMB with growth rate of 83.40%.

Part 2. Introduction of Company Profile

Thunder Software Technology Co., Ltd., (Stock Code: 300496) is a fast growing, global, world leading Smart OS product and technology provider. Since our inception in 2008, ThunderSoft has focused on providing industry leading smart device operating system, product solutions and related high value add services, helping customers to speed-up the critical time to market of their products in the areas of smart phone, smart vehicle, and IOT.

ThunderSoft, as a global company, has over 8000 engineers, operating R&D centers across more than 30 cities around the world. With this global presence, ThunderSoft can provide global customers with convenient and efficient technical services and local support.

Thundersoft has developed strong relationships with partners and customers. For the partnership with world's leading technology companies including chips, components, mobile operators, OS, software and internet vendors, Platform & AI vendors etc, ThunderSoft act as value-added partner, giving us an unique vertical integration advantage. For the partnership with customers across smart phone, smart vehicle, smart IOT, ThunderSoft act as leading OS product and technology provider with capabilities of Smart OS, Smart Middleware, On-Device AI. Our unique value to customers are Shorten Time to Market, Reduce Total Cost, Better Experience, and High Quality.

With years of R&D investment in smart OS technology such as Android, Linux, Windows, RTOS, Thundersoft has yielded a comprehensive technology system from the SOM (System on Module), hard drive, operating system kernel, and middleware to upper application, and clouding.

Investment and Acquisitions are one of our strategy to keep IP , product, and technology leadership and extend our business synergy to win in the market. In 2016, ThunderSoft acquired Rightware, who is world leading complete HMI and E-Cockpit solution provider for automotive businesses. In 2017, ThunderSoft acquired MMS Solution, a global leader in mobile software for image, video and audio processing. In 2021,

	<p>ThunderSoft acquired Forvision, a worlding leading automatic parking technology provider, to strengthen our competitive advantage in ADAS area.</p> <p>Part3. Q&A Session</p> <p>Q1. Please introduce your business model with customer</p> <p>Answer: We provide software development model, and technical service model, which are all NRE based revenue.</p> <p>We also have software licensing model which is a business model that authorizes customers to use the company's proprietary software products and other intellectual property rights, and charges related licensing fees in accordance with the authorization period or the customer's product shipments.</p> <p>In addition, we also have commodity sales model which is to sell software and hardware integration products to customers.</p> <p>Q2. Please introduce your IOT business, and what is the difference with Tuya</p> <p>Answer: ThunderSoft IOT business is including the core competitive advantage with IOTOS, a distributed OS system across Device OS, Edge OS, and Cloud OS to form Device+Edge+Cloud one stop solution and technology.</p> <p>Thundercomm TurboX™ Smart Core Platform provides one-stop solutions including System on Module (SOM), operating systems, algorithms and SDKs, and is equipped with development Kits and community services. SoM, including "core board + operating system + core algorithm", is the "brain" of intelligent products in the IOT.</p> <p>In addition to the SoM core board that provides general-purpose functions for channel customers, ThunderSoft also provides differentiated products including robots, VR/ AR, smart Camera, wearable devices, remote video conferencing systems etc.</p> <p>ThunderSoft also provides customers with intelligent solutions and technologies in the vertical industry. For example, ThunderSoft, with Schneider Electric, AWS work together, jointly developed the integration of intelligent industrial visual perception platform.</p> <p>Q3. Do you have any competitors in smart phone, smart vehicle, and IOT area? What is the key competitive advantage</p>
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	<p>with other competitors?</p> <p>Answer: ThunderSoft competitive advantages are shown in many aspects. Such as the strategic co-operation with leading chipset vendors, enhanced OS leading technology, knowhow and development experiences, global network to support customers, and leading technologies like Kanzi, MMS Solution etc. So if from above consolidated aspects, no any other competitor who is very similar and comparable with ThunderSoft, is found in the world.</p> <p>Q4. Please introduce your Q1 2021 performance</p> <p>Answer: In Q1 2021, the total revenue is achieved at 0.79 billion RMB, with growth rate at 78.8%. Smart Software revenue is 0.3 billion RMB, growth rate at 33%; Smart vehicle revenue is 0.236 billion RMB, growth rate at 91%; Smart IOT revenue is 0.25 billion RMB, growth rate at 182%. For detail, you can refer to “Chapter 3. Important Items, No2. Business review and outlook” in quarterly report.</p> <p>Q5. What is your business model in smart vehicle, who are your smart vehicle customers?</p> <p>Answer: We offer software service and software licensing to customers in Smart Vehicle business. According to FY2020, software service revenue is 0.626 billion RMB with 80% proportion. Software licensing revenue is 0.144 billion RMB with 20% proportion and 39.95% year on year growth. ThunderSoft has more 200+ customers in Smart Vehicle, including car OEMs, Tier1, and many other companies who are engaging in automotive business.</p> <p>Q6. Do you meet any competition from customers when customers build their own software development team?</p> <p>Answer: Software is defining the automotive industry, so every car marker is realizing the importance of software. ThunderSoft as the world leading full stack OS product and technology provider, has extensive capabilities to support customer win in the market. ThunderSoft software development team is ideal partner with customer, as well as with customer’s development team, to co-work and help customer product quick time to market through strategic co-operation. For example, the company and GAC Research Institute announced the establishment of the "GAC Research Institute-ThunderSoft</p>
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	<p>Smart Vehicle Software Technology Joint Innovation Center", and the two parties will work together to build the foundation for software and application innovation. In September 2020, the company signed a strategic cooperation agreement with Lingshu Software of SAIC Motor. The two parties will establish a long-term stable and in-depth cooperative relationship to jointly build the world's leading smart vehicle software platform.</p> <p>Q7. What is your business growth engine to drive your smart software business?</p> <p>Answer: ThunderSoft has established the advantages of "necessity" and "scarcity" through the global leadership of full-stack operating system technology and AI. One engine is benefiting from the rapid increase in the penetration rate of 5G smartphones, another one is from the rapid penetration of mid-to-high-end models. In addition, our cooperation with top OEM vendors are enhanced and further strengthened. There factors are bringing us into a new round of development opportunities.</p> <p>Q8. How do you extend your business with existing customer and new customer?</p> <p>Answer: We will well leverage our existing customer base, integrate global sales channels, continue to make efforts in the smart connected car market, expand the advantages of smart cockpits, to innovate and break through ADAS, and build vehicle-cloud integrated operating system.</p>
Attachment list (If Applicable)	None
Date	May 19, 2021