SONA COMSTAR

Adding a New Pillar of Growth

09 January 2023

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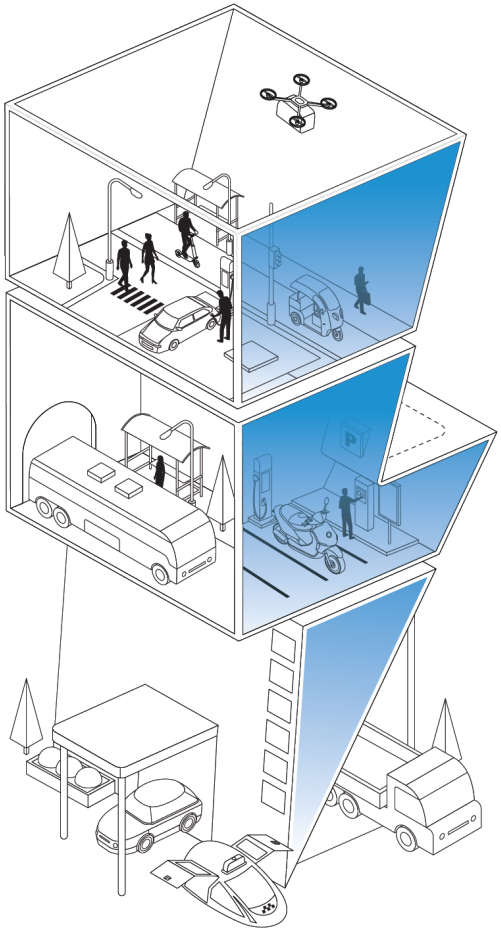
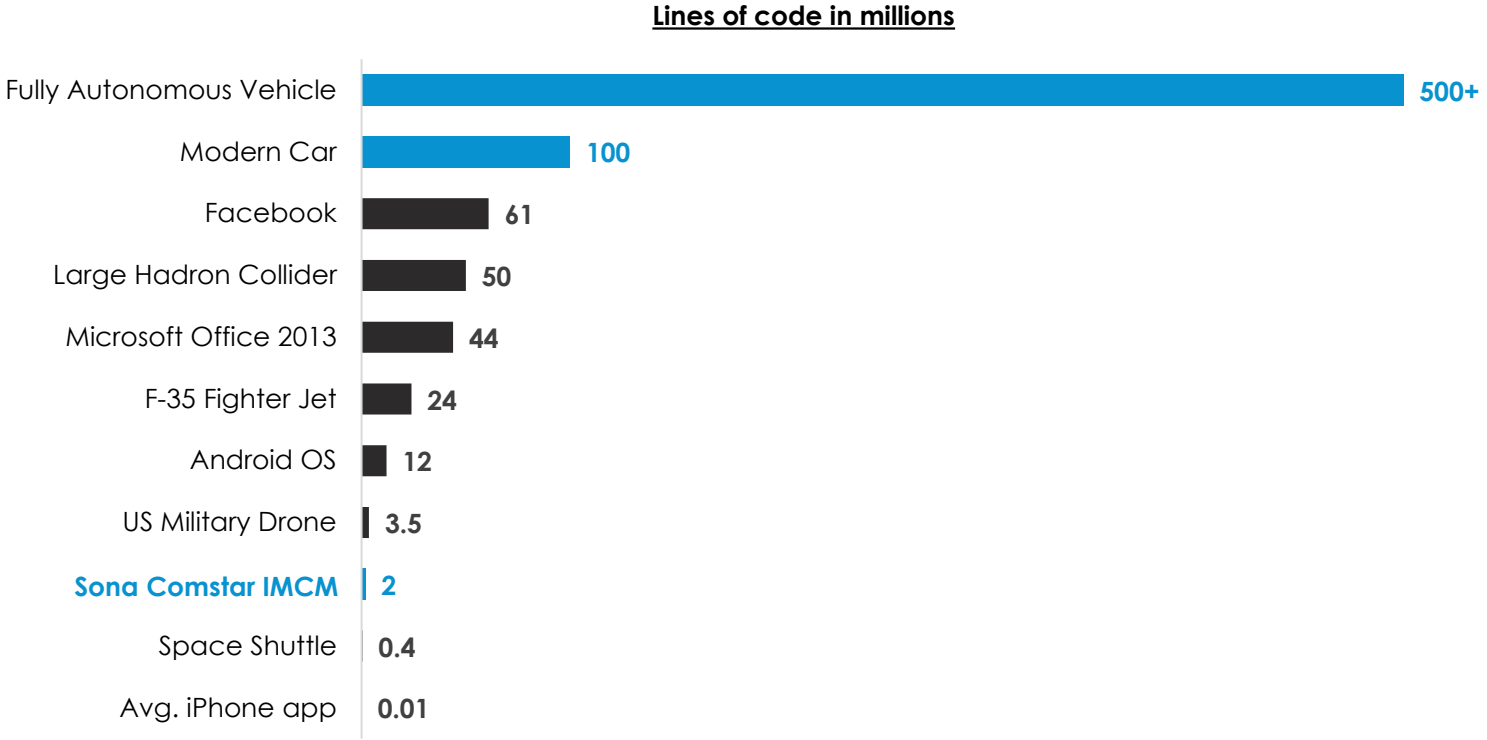


Software and Sensors are becoming critical in the EPIC automotive world *(Electrified-Personalized-Intelligent-Connected)*

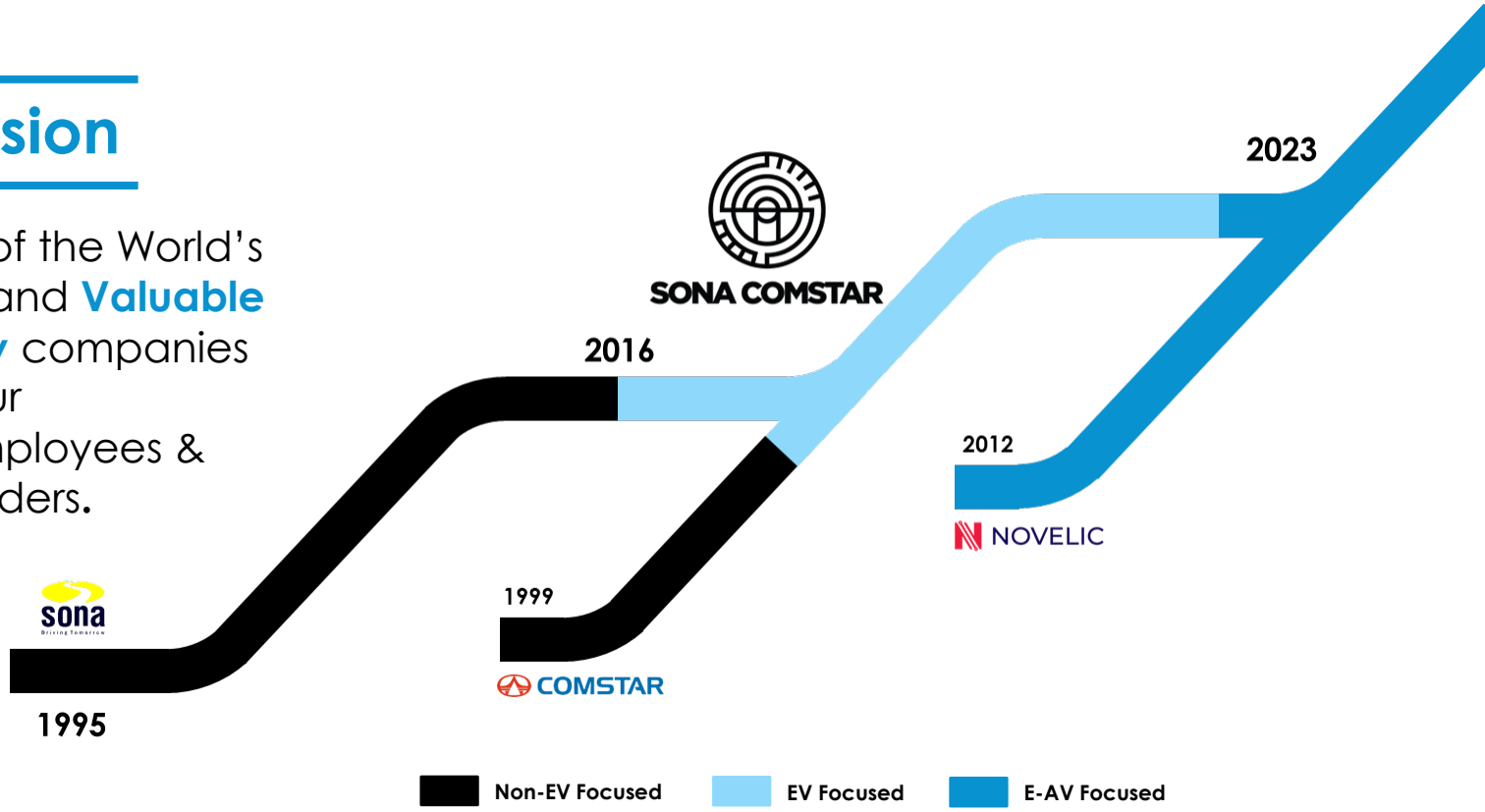


Data Source: www.informationisbeutiful.net, Deloitte Research 2018

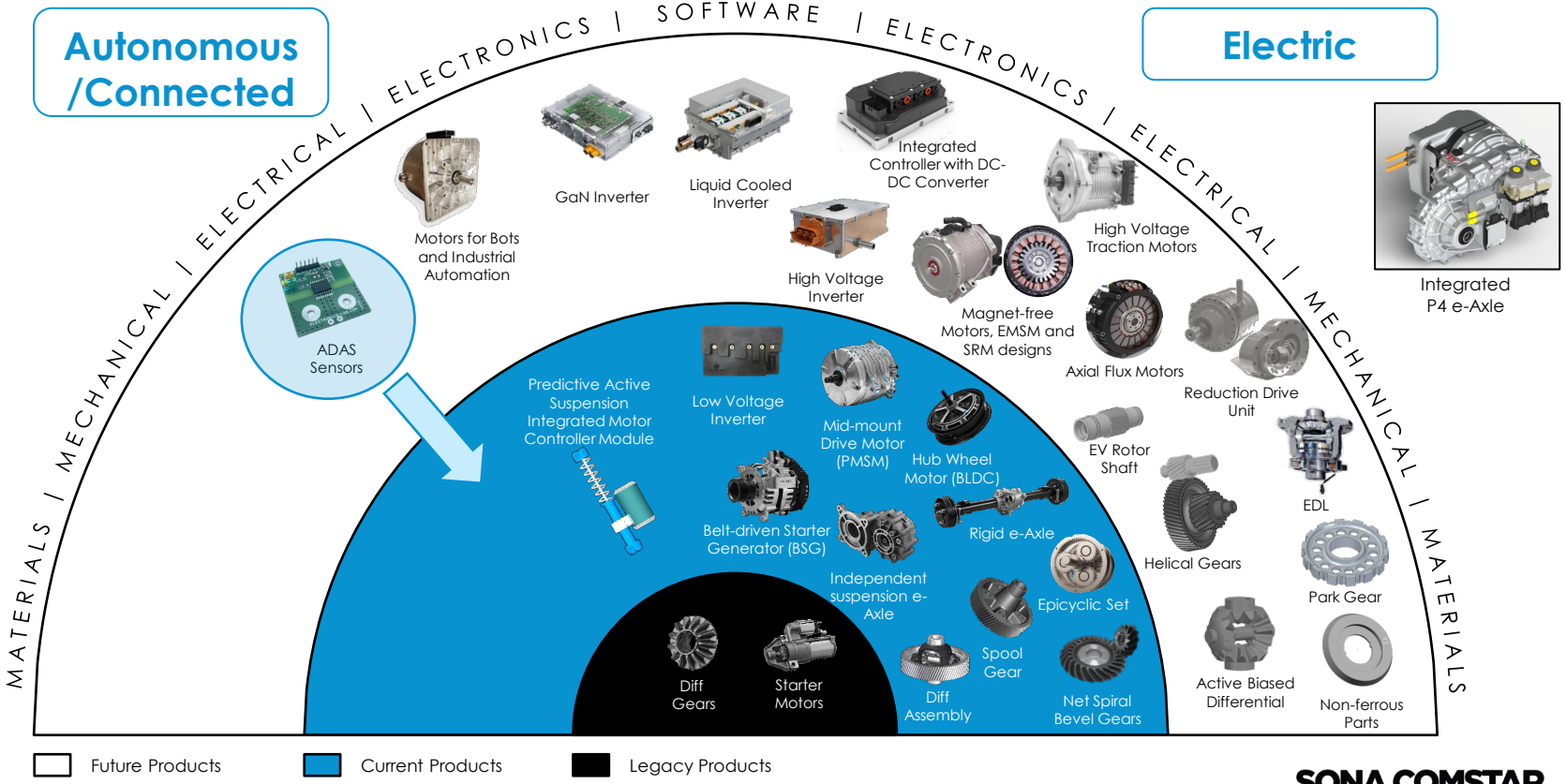
Next Phase in Our Long Term Strategy

One Vision

To become one of the World's most **Respected** and **Valuable Auto Technology** companies for our Customers, Employees & Shareholders.

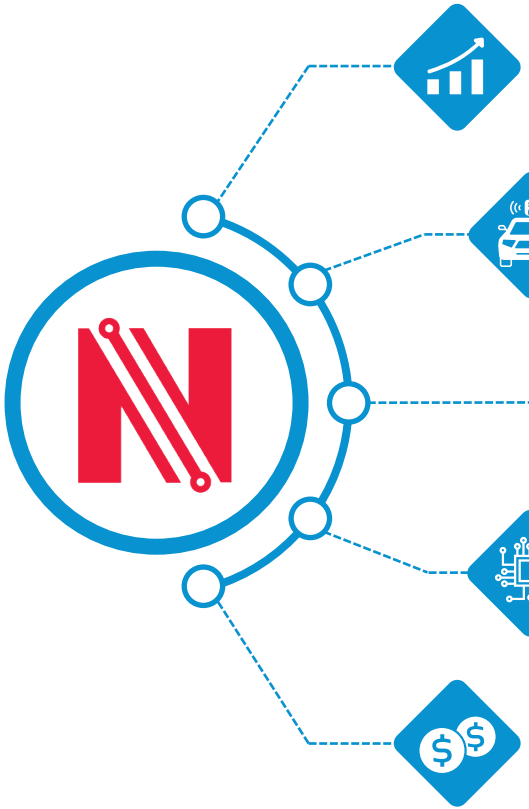


With NOVELIC, we intend to grow in the area of autonomous/ connected in our technology roadmap



Note: *The product images shown are for illustration purposes only and may not be an exact representation of the products*

Compelling Strategic Rationale for Transaction



Rare profitable high-tech, fast growing company, in $43 bn ADAS Sensors market[1], with ~27% net profit margin

Unique and patented mmWave radar technology is the best solution for in-cabin sensing

Accretive to management bandwidth with shared cultural commitment to innovation, technology and profitability

Full vertical integration from chip and sensor design to signal processing software allows partnership across the value chain – auto OEMs, AV makers, Tier-1s & chip manufacturers

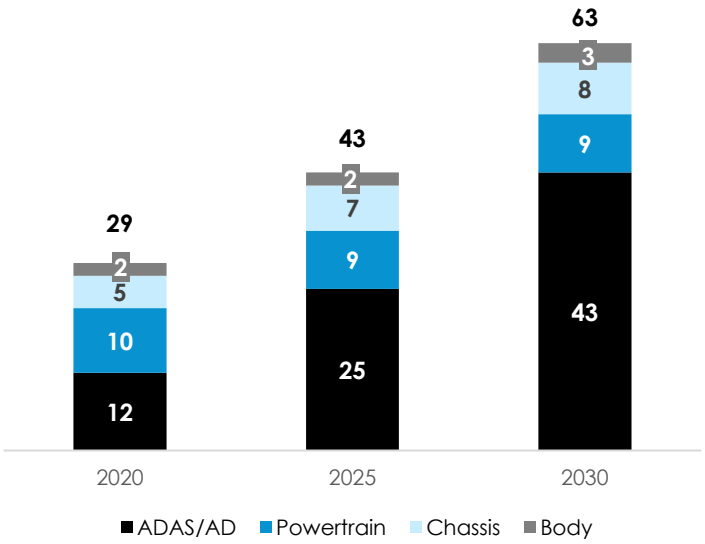
Accretive to Sona Comstar's EPS and provides significant growth opportunities over medium-term

Note: 1. In 2030 as per McKinsey Report

ADAS Sensors to be the largest segment in the total automotive sensors market; all types of sensors to co-exist

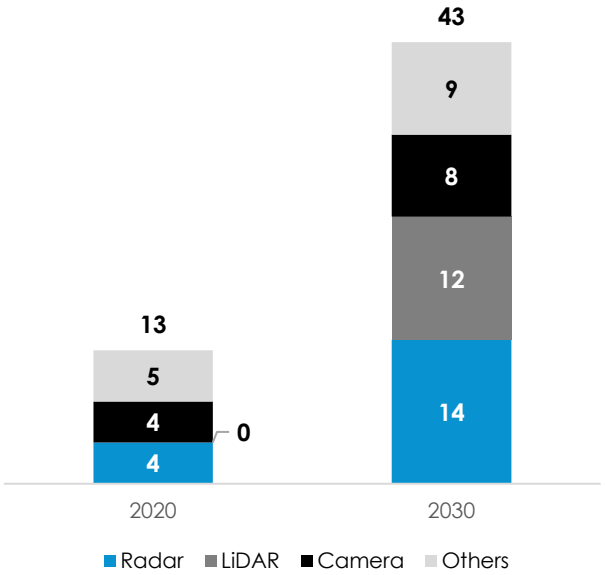
ADAS/AD sensors market size[1]

USD billions



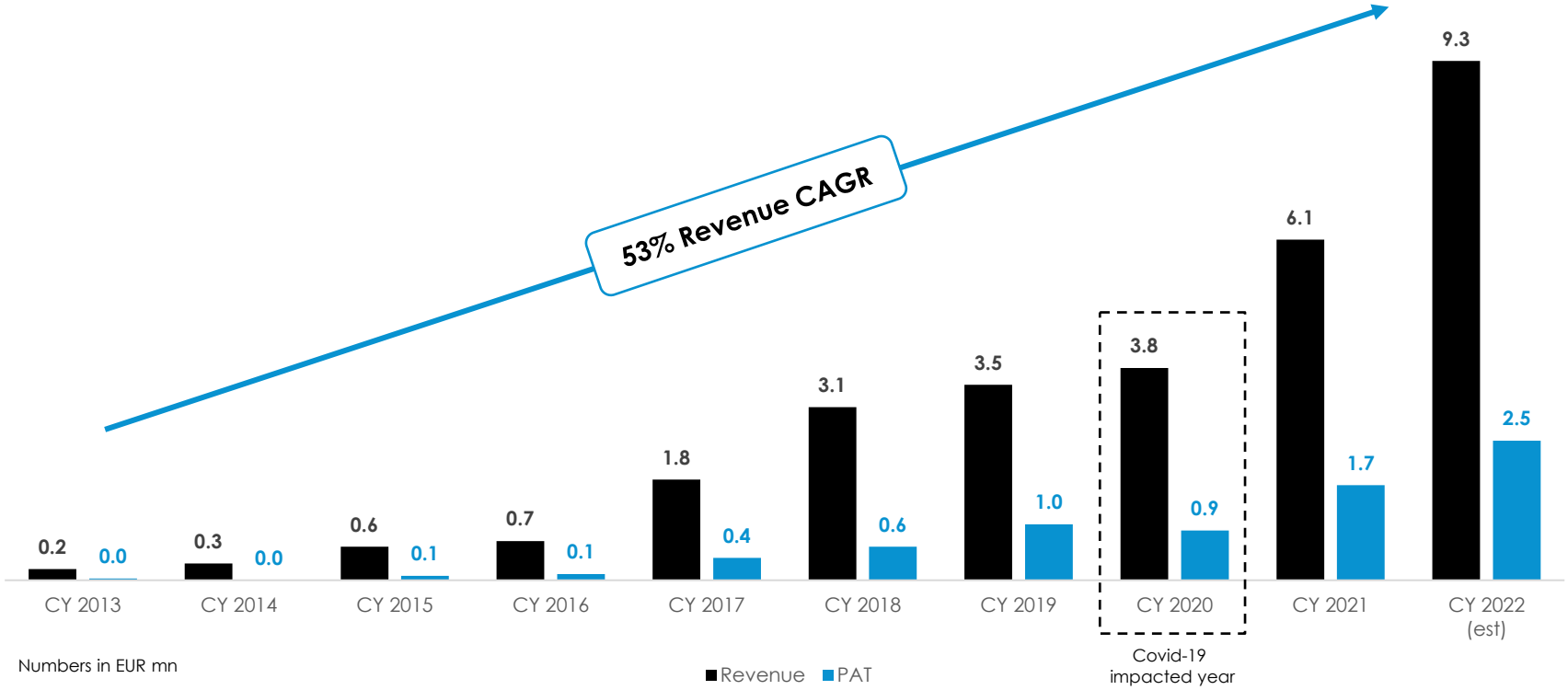
Split of market by sensor types in ADAS/AD[1]

USD billions



Note: 1. Source: McKinsey

NOVELIC has been profitable every year since its inception



Numbers in EUR mn

Unique and patented mmWave radar technology is the best solution for in-cabin sensing

In-cabin sensing to become an essential safety requirement

Children and pets left behind in locked cars have resulted in thousands of deaths around the world due to heatstroke

Government regulations and car safety assessment guidelines mandate to have child presence detection (CPD) in new car models

Euro NCAP 2023 requires child presence detection for 5-star rating; by 2025 might make it an obligation

NOVELIC's mmWave radar technology is the best solution for in-cabin sensing

High Accuracy

- Detects life presence, child presence and seat occupancy
- Works in any lighting conditions (vs. camera)
- Sees behind seats, in the footwell space and around the vehicle also

Low Cost

- Lower cost compared to LiDAR
- Requires less sensors vs. cameras
- Supports seat occupancy detection (SOD), removing the need of existing weight sensors and wiring harness *(saves ~€10-20 per seat)*

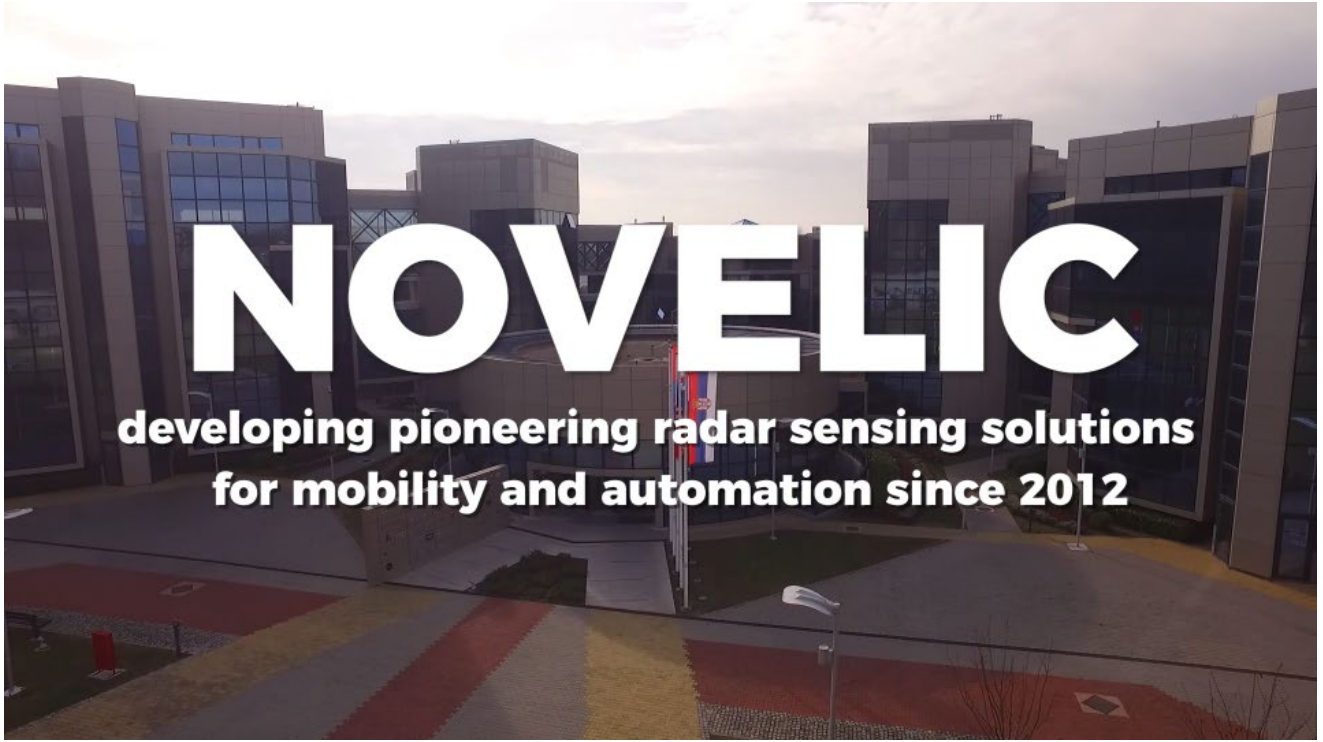
Privacy Protection

- Anonymous detection resulting in no privacy concerns unlike cameras

Timeline for CPD Implementation[1]	2021	2022	2023	2024	2025
Guidelines from	ASEAN NCAP (Southeast Asia)	ANCAP (Australia), NHTSA (USA)	EU-NCAP (Europe)	USDT (USA)	OEM Initiatives

Note: 1. Source: Infineon Presentation

NOVELIC's Products & Technology



YouTube Link: https://youtu.be/cklc4ti2vyA

Accretive to management bandwidth with shared cultural commitment to innovation, technology and profitability

NOVELIC's operations will continue to be led by its founders, ensuring continuity while leveraging Sona Comstar's scale and customer access

Darko Tasovac, CEO
Operations, Organization, Finance
Co-Founder

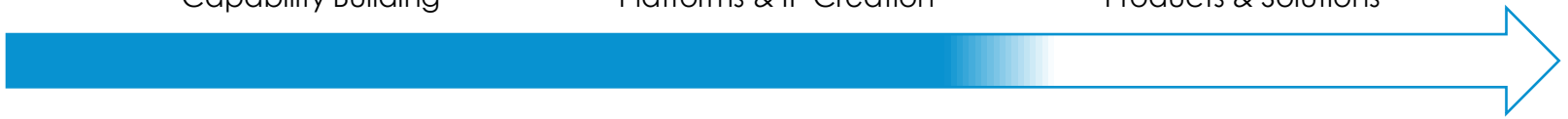
Veljko Mihajlović, CTO
Products, Organization, Engineering
Co-Founder

Dr. Veselin Branković, CSO
Business Development, Sales, IPs
Co-Founder

Phase 1
Capability Building

Phase 2
Platforms & IP Creation

Phase 3
Products & Solutions



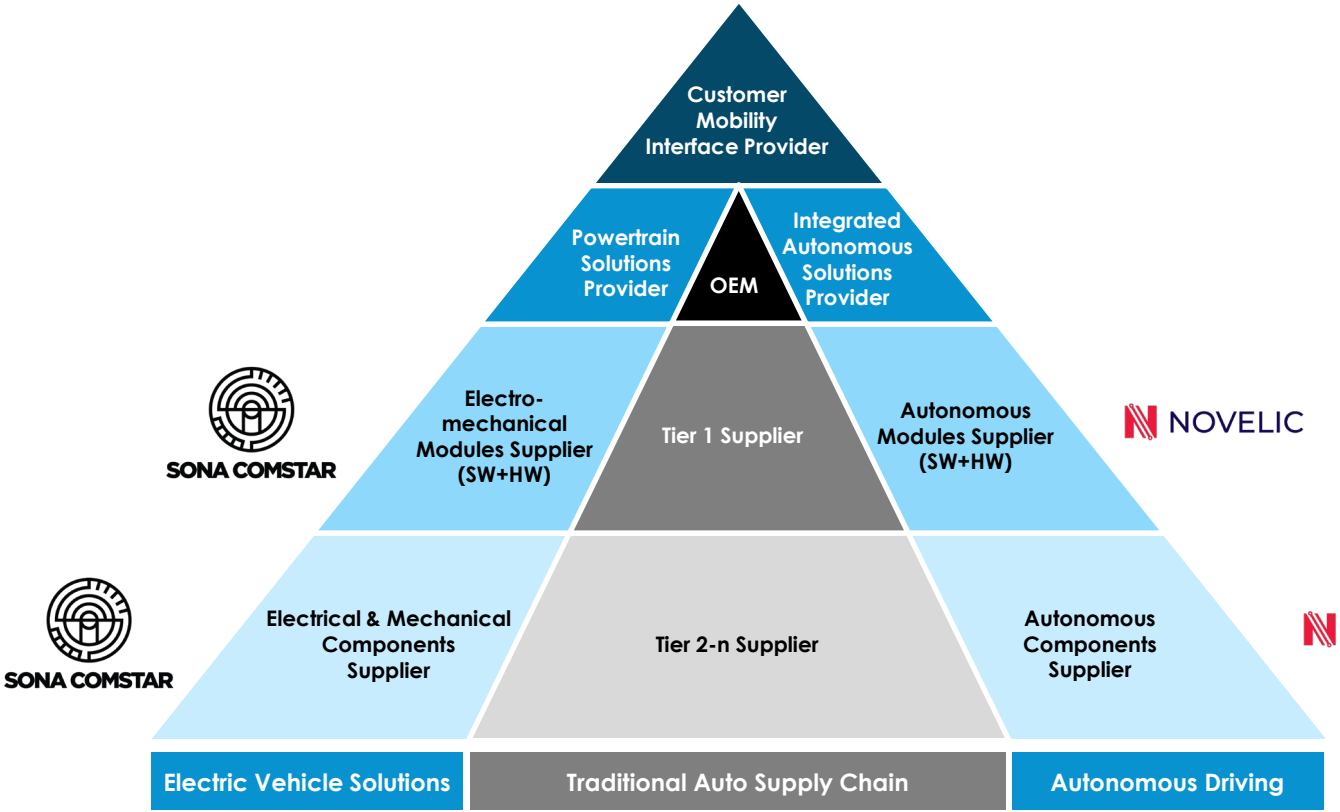
160+
Employees

130+
Engineers

10
PhDs

10
Patents

Vertically-integrated and modular ADAS solution for the new EPIC value chain



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NOVELIC

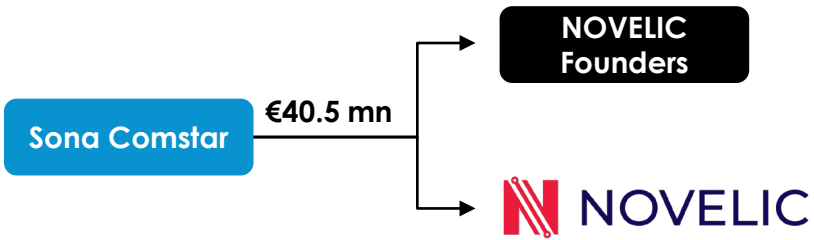
- Radar Boards & Antenna Design
- Embedded & Application Software
- Artificial Intelligence
- Machine Learning Algorithms
- Zonal architecture and multi-sensor systems

NOVELIC + Infineon + Texas Instruments

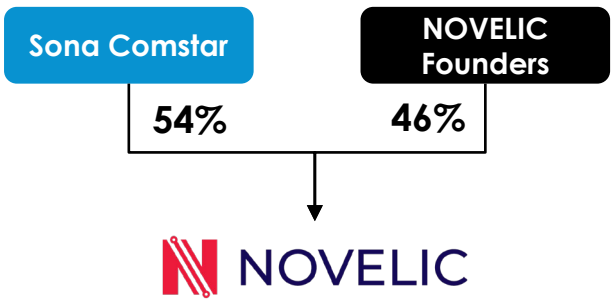
.. or any other radar chip manufacturer

EPS Accretive with significant growth opportunities

Transaction Structure



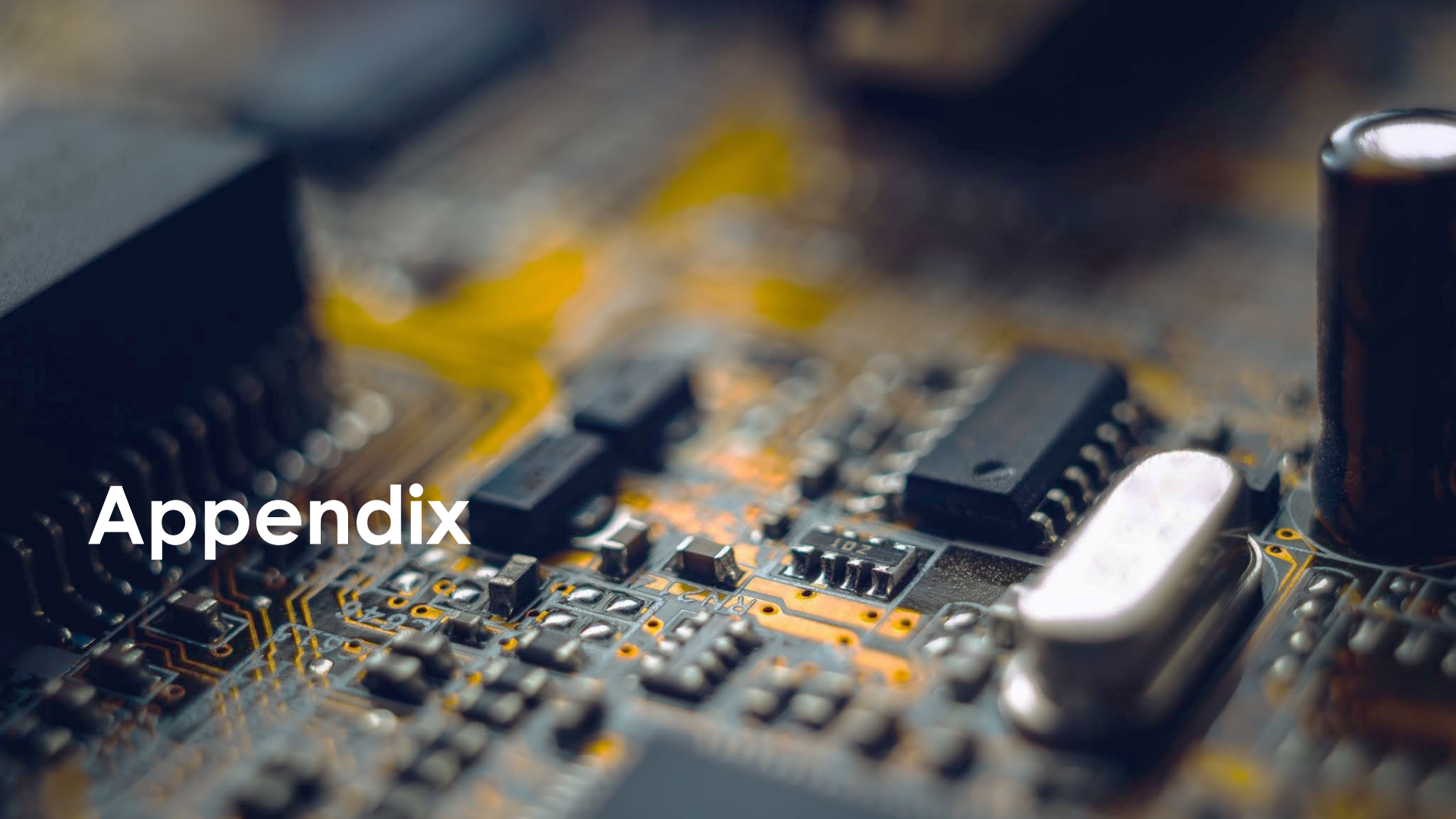
Post-transaction Shareholding[1]



- NOVELIC is valued at pre-money Enterprise Value[1] of €64.5 mn and post-money EV[1] of €75.0 mn
- **Implied transaction valuation is 26x CY22 Estimated PAT**
- Total consideration will be €40.5 mn with staggered payment structure of 60:20:20 (On Closing:12M:24M)
- Sona Comstar will fund the transaction primarily from its existing resources
- Expected to close by Mar-23, subject to customary closing conditions
- **Acquisition is expected to be EPS Accretive for Sona Comstar from Year 1**

Note: 1. Subject to closing adjustments


Q&A

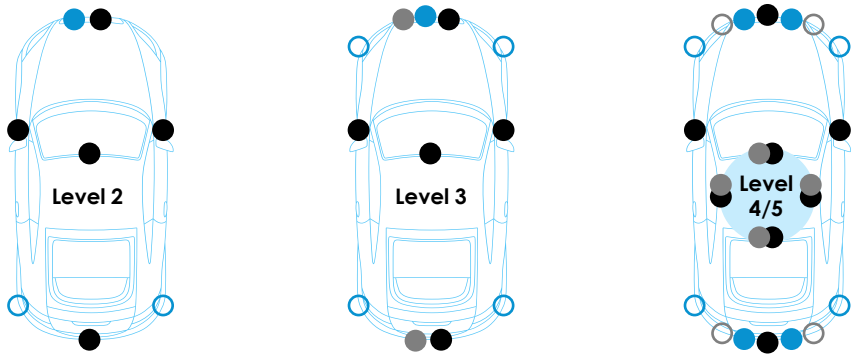


Appendix

All types of ADAS sensors will co-exist in Autonomous Vehicles

No. of sensors in a vehicle to increase as the level of autonomy increases[1]

	Level 2	Level 3	Level 4/5
Camera	5	5	8
Long-Range Radar	1	1	4
Short-/Medium-Range Radar	2	4	4
Long-Range LiDAR	-	2	4
Short-Range LiDAR	-	-	4
Total Sensors	**8**	**12**	**24**



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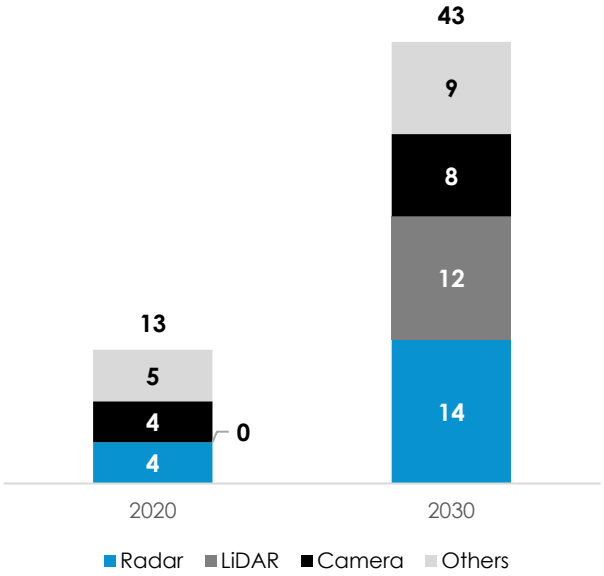

Note: 1. Source: McKinsey

Infineon has partnered with NOVELIC for in-cabin monitoring system

Infineon Technologies
391,922 followers
2mo •

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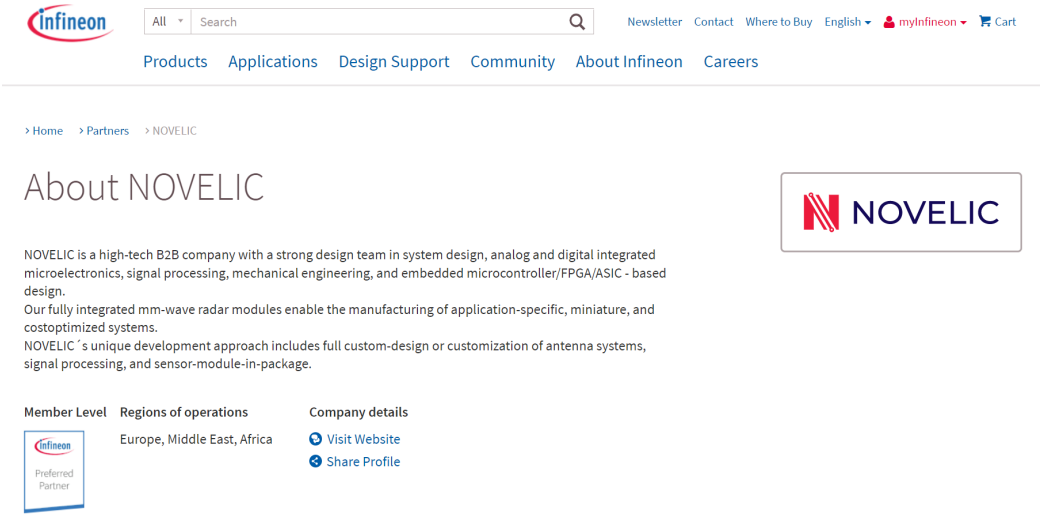
Infineon's XENSIV™ 60 GHz radar-based in-cabin monitoring system will bring vehicle occupants' safety to the next level ❗

💡 In partnership with NOVELIC, we introduce a "ready to go" solution that resolves the most vital goal of automotive in-cabin monitoring - occupancy detection, especially for the presence of little children.

The Internationale Zuliefererbörse (IZB) announces our joint solution as a world premiere today. 🎊
Read more: https://scom.ly/q8Lz9Gy

#IZB2022 #InCabinSensing #AutomotiveInnovation #XENSIVSensors #IntuitiveSensing #powerfulpartnerships

https://www.linkedin.com/posts/infineon-technologies_izb2022-incabinsensing-automotiveinnovation-activity-6985569733550993408-vZh2/



https://www.infineon.com/cms/en/partners/design-partners/novelic/

Features of mmWave radar based In-cabin monitoring systems

1. **Life Presence Detection – LPD**
   - Detects of human presence inside the car
   - 2023 onwards EU-NCAP will award points for having LPD feature
   - Can detect behind the seats or under the blanket unlike cameras

2. **Child Presence Detection – CPD**
   - Detects life & classify it between an adult and a child with only one sensor for a 5-seater car
   - 2025 classification of child (CPD) is mandatory in EU-NCAP
   - Low power consumption at system level and excellent thermal management

3. **Seat Occupancy Detection – SOD**
   - Detects and localize reliably all 5 passengers in a 5-seater car with only one sensor
   - Occupant localization and classification can be used for optimizing seatbelt reminder systems and airbag deployment
   - Cost saving of €10-20 per seat by removing weight sensors and wiring harness

4. **Intrusion Alert & Proximity Alert**
   - Can detect unauthorized access reliably if someone enters through a window, sunroof, or trunk while the car is locked
   - Can constantly monitor the nearby surroundings of the locked car and detect if someone is trying to break-in

Source: Infineon