



**WELCOME TO
HYUNDAI CRADLE Tel Aviv**

#NextAwaits CRADLE

Israel, a country in transition

From desert to...



Source: Invest in Ilan Regenbaum, Elevator

Israel, a country in transition

...one out of only two countries that began the 21st Century with a net gain in the number of trees and represents the only country with negative desertification.

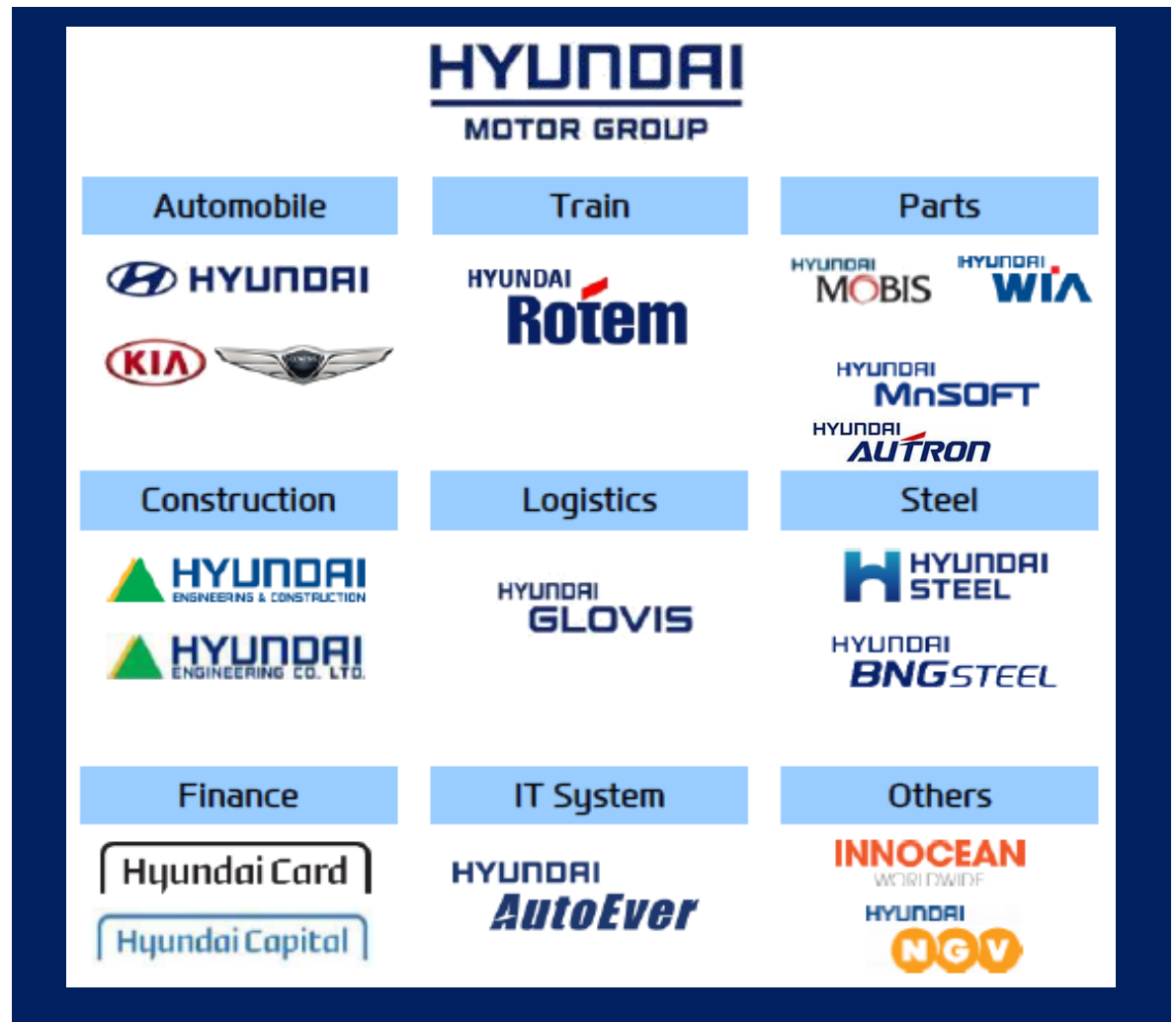


Source: Invest in Ilan Regenbaum, Elevator

Hyundai Motor Group Overview

Hyundai's Heritage

- Hyundai was founded as a small construction firm in 1947
- In 2017, Hyundai sold over 7.5 million vehicles worldwide (mass market player)
- The name "Hyundai" comes from the Korean word 現代 ([hanja](#)), which means "modernity"



Car OEMs Evolution

Hyundai's transition:
From 'car manufacturer' to 'smart mobility solution provider'

Lifetime partner in automotive and beyond



Various Analysts: Car OEM can make up to 10 times more revenue from after-market services than from the initial car sale

Connected Car Opportunities

A new digital mobility ecosystem is intersecting with today's automotive industry. Harnessing both worlds will radically change the landscape of future mobility.

PAIN POINTS

[New digital mobility ecosystem: lack of coordination]



No overarching connected platform

- Ecosystem is vertically oriented and fragmented
- Vehicle integration is inadequate
- Coordination effort is minimal

OPPORTUNITIES

Cars are generating large data

Computing Power ↑



250 Sensors & ECUs
→ 4 Terabyte /h

Networking Effect



Sales of 8M cars/yr



X

**= 234 Exabyte data and A LOT OF INSIGHTS,
equivalent of 2,000 years of HD video**

* In case of 2 hour driving a day & 1% data storing

S&T Division's Mandate

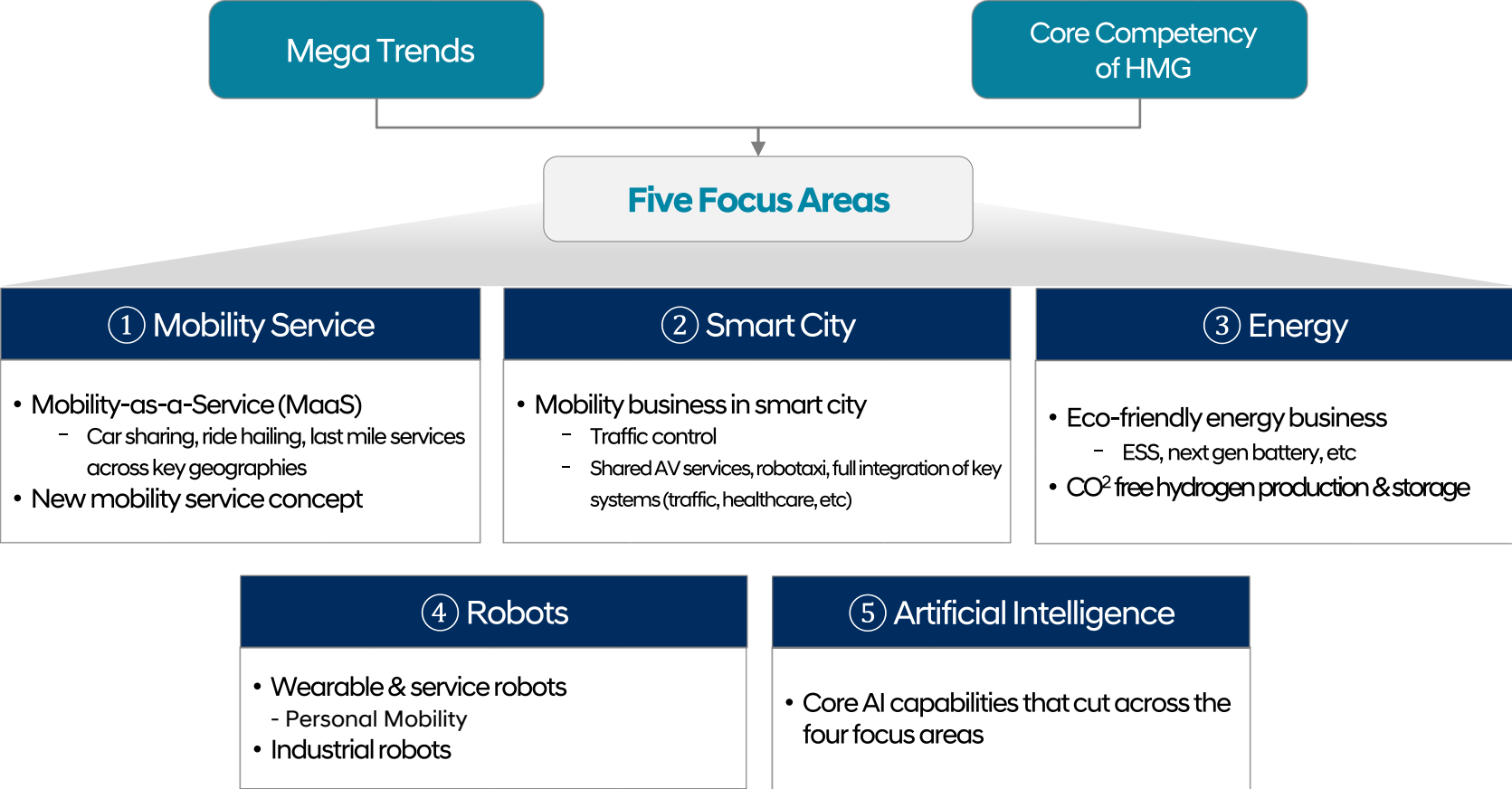
- S&T Division was established in May 2017 to assess, launch, and secure new businesses & technology through Open Innovation at Hyundai Motor Group level

We are the ... **“Future-Shaping Innovators”** ... of HMG



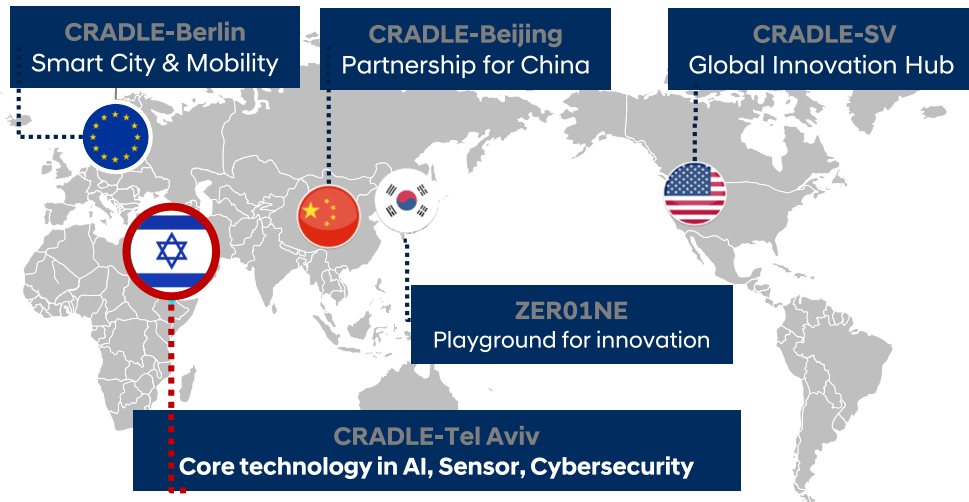
Five Focus Areas

- We focus on five core areas which intersect at the boundaries of automotive and new business opportunities that are shaping disruptive innovations



Hyundai CRADLE Tel Aviv Overview

Global innovation center



Activity Highlights

Start Date: May 25th 2018

Investments in Israel

- 8 CRADLE investments
- 2 AI Alliance Fund investments
- LP in Pitango & Maniv VCs

Industry-University Collaboration

- Co-development w/ Technion University (Engineering Dep.)
- Executed seed investment in water splitting method for cost effective onsite hydrogen production (H2Pro)



■ Business Objective












Team

- 5 HC (Ruby Chen, Koby Simana, Lior Elkan, Changhan Lee, Ji-Ae Kim)

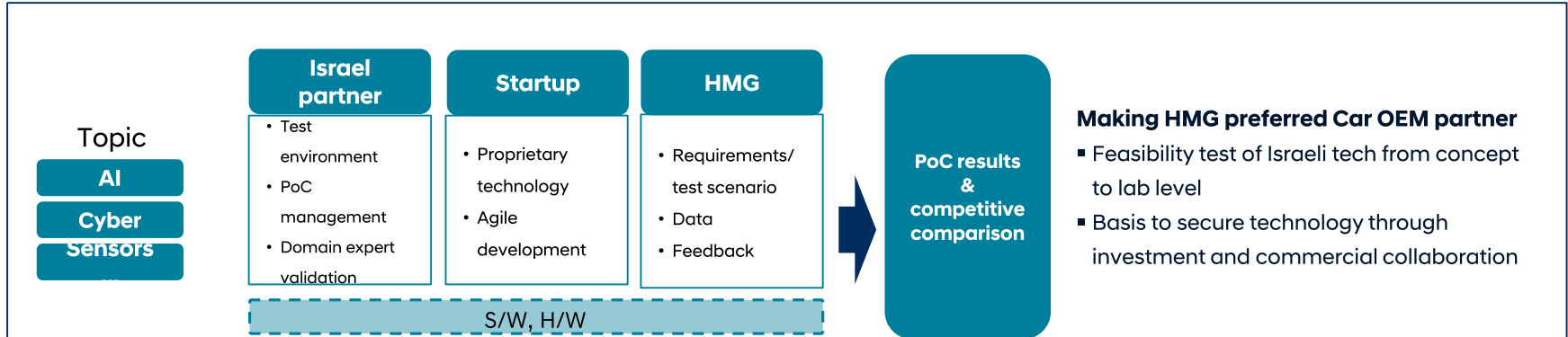
Tel-Aviv has become a test bed for various OI and expansion towards global implementation

Israel Investments to Date & Portfolio Management

Portfolio	Invest Theme	Invest date	Field of Activity
 PSYS Technologies	Robotics	Q4 '17	Solid State Lidar
 PERCEPTO	Robotics	Q3 '18	RT computer vision technology, enabling autonomous drone fleet management
 Autotalks	Smart City	Q2 '18	Dual mode (DSRC and C-V2X) chipset for V2X and V2I apps
 H ₂ PRO	Energy	Q4 '18	Novel water splitting method technology for cost effective onsite hydrogen production
 allegro.ai	AI	Q2 '18	Deep learning computer vision and sensor fusion platform for PLM
 D-ID <small>transfer our identity</small>	AI	Q3 '18	AI solution that protects computer vision data from identity thefts and frauds
 MDGo <small>vehicle to medical insight</small>	AI	Q1 '19	RT accident trauma analysis
 audioburst	AI	Q2 '19	AI-based Voice Search platform which connects listener and audio content
 Upstream Security	Cyber	Q4 '19	Cloud cyber security for connected vehicles

Taavura - CRADLE TLV Open Innovation Lab

- Tech/Service evaluation platform to review tech in lab level through partnership between Israeli players, startups and HMG



Taavura

- One of Israel's leading privately held holding groups (family ownership)
- Israel's largest road haulage & logistics group
- Are creating newly established Innovation Lab and invited HMC to join
 - **Focused Scouting** – identify new tech based on Partner needs
 - **PoC center:** perform tests using Taavura group operations (fleets, service centers)
 - **Startups acceleration program:** two batches a year, each with ~4-6 startups
 - Initial Due Diligence for collaboration
 - Support HMG Business units based on their tech challenges
- **Main Benefits:** Risk Sharing with other corporates, risk sharing on startup evaluation

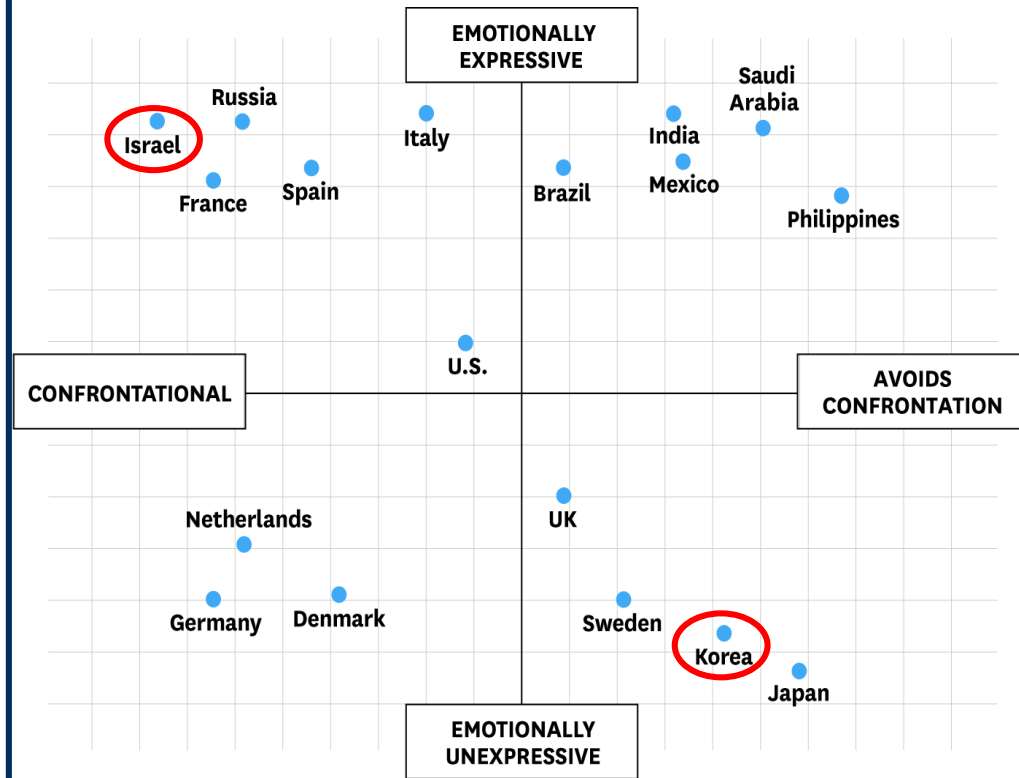
Taavura Int'l Partners



Prep for Conference: Dealing with Israelis

Preparing to Face Your Counterpart

The map below sorts nationalities according to how confrontational and emotionally expressive they are. Although negotiators often believe that the two characteristics go hand in hand, that's not always the case.



SOURCE ERIN MEYER
FROM "GETTING TO SJ, JA, OUI, HAI, AND DA," DECEMBER 2015

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Most Israelis are...

- Very expressive ("Chutzpah")
- Polyphonic culture (relationship-oriented) & task-oriented *contrast* to monochronic (rule-oriented)
- No BS – they say things how they are ("Tacles")
- Informal – they get their work done without wearing a suit
- Not afraid of failure
- Israelis have a very strong opinion on EVERYTHING
- They might yell, but help each other out
- LOVE to argue. And hate hierarchy
- Love challenges and dislike wasted talent

Thank you

