

Q4'22 and FY'22 Business Update

March 14, 2023



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Disclaimer and Cautionary Note

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Disclaimer and Cautionary Note (cont'd)

Actual results, performance or achievements may, and are likely to, differ materially, and potentially adversely, from any projections and forward-looking statements and the assumptions on which those forward-looking statements were based. There can be no assurance that the data contained herein is reflective of future performance to any degree. You are cautioned not to place undue reliance on forward-looking statements as a predictor of future performance as projected financial information and other information are based on estimates and assumptions that are inherently subject to various significant risks, uncertainties and other factors, many of which are beyond Cepton's control.

Non-GAAP Financial Measures

Some of the financial information and data contained in this presentation, such as non-GAAP net loss and adjusted EBITDA, have not been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). Non-GAAP net loss is defined as GAAP net income (loss) excluding stock-based compensation, non-recurring transaction expenses, gain or loss on changes in fair value of earnout liability and warrants, gain or loss on extinguishment of debt, gain or loss on disposal of property and equipment, and foreign currency transaction loss, net. Adjusted EBITDA is defined as non-GAAP net loss before interest expenses, provision for income taxes, and depreciation and amortization.

Cepton believes these non-GAAP financial measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Cepton's financial condition and results of operations. Cepton believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating actual and projected operating results and trends in comparing Cepton's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. Cepton also believes that adjusted EBITDA is useful to investors and analysts in assessing our operating performance during the periods these charges were incurred on a consistent basis with the periods during which these charges were not incurred. Our presentation of adjusted EBITDA should not be considered as an inference that our future results and financial position will be unaffected by unusual items. Cepton does not consider these non-GAAP financial measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and other amounts that are required by GAAP to be recorded in Cepton's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expenses and other amounts are excluded or included in determining these non-GAAP financial measures. See the appendix for a reconciliation of non-GAAP financial measures used in this presentation to the most directly comparable GAAP financial measure.

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Agenda

**Safe and Autonomous
Transportation for Everyone**

1. Business Update

2. Financial Update

3. Appendix

Business Update

Q4'22 & Full Year 2022



Series Production Execution

- Shipped pre-production units across multiple vehicle platforms to support deployment on more vehicles, in more regions, at more price points
- Additional details of the safe deployment of hands-free technology, including placement of Cepton lidar, shared by General Motors on March 7, 2023

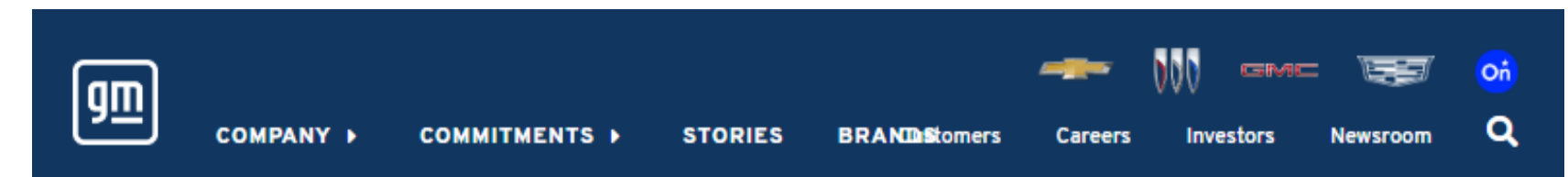


Копито  **CEPTON**

GM Ultra Cruise Update (March 7, 2023)

- GM's next-generation advanced driver assistance system (ADAS) designed to enable hands-free driving in 95% of all driving scenarios
- Comprehensive update on lidar's role in the Ultra Cruise sensor suite
- Unique behind the windshield integration utilizing Cepton lidar
 - Accurate three-dimensional view of the scene
 - Precise detection of objects and road features
 - Operates in inclement weather conditions
- Announced official initial launch on the Cadillac CELESTIQ

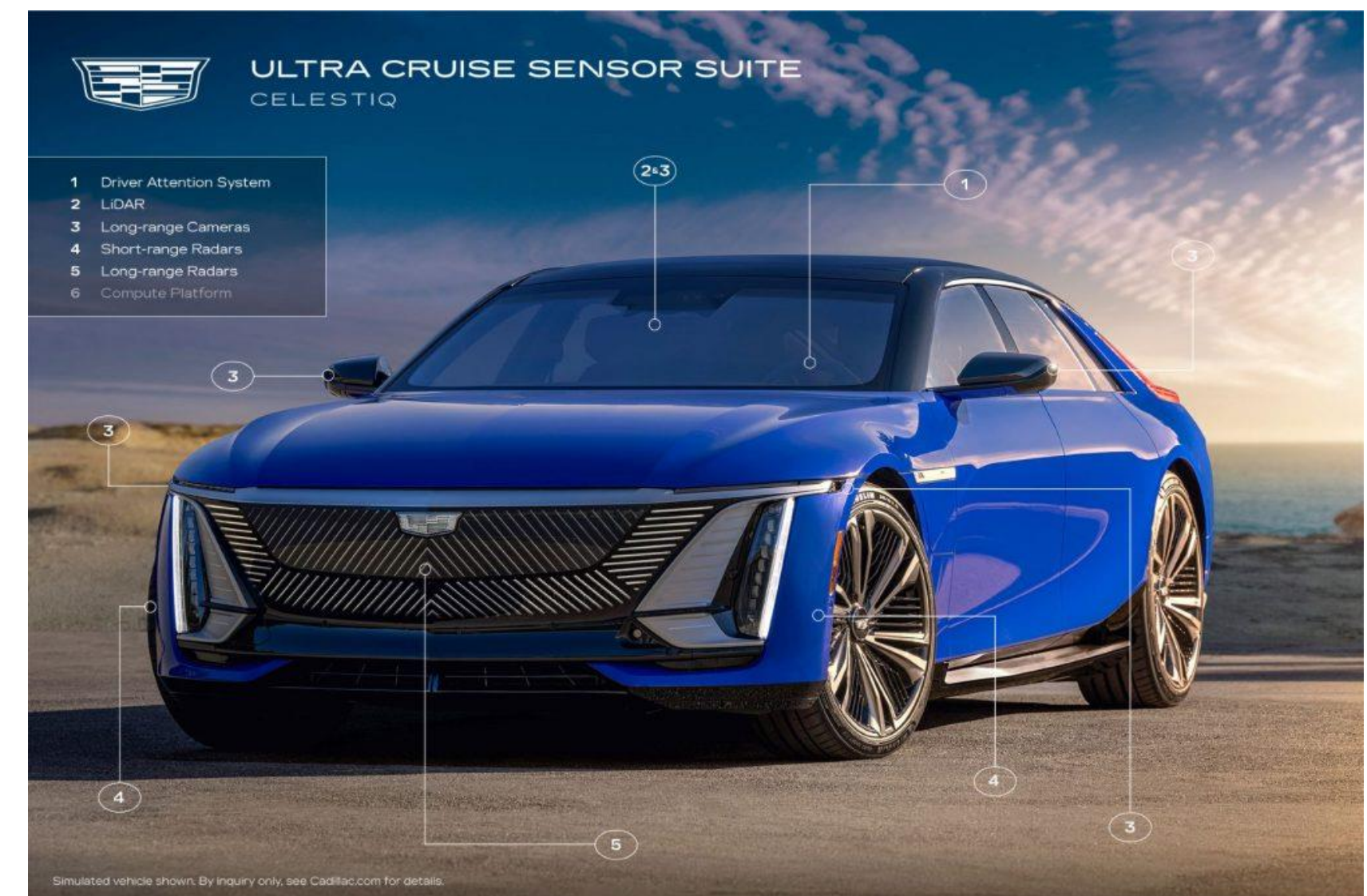
Source: <https://news.gm.com/newsroom.detail.html/Pages/news/us/en/2023/mar/0307-handsfree.html>.



Newsroom:

GM's Safe Deployment of Hands-Free Technology Shapes Ultra Cruise

Ultra Cruise will debut a unique sensor suite, providing the system with a 360-degree view of the vehicle's surroundings



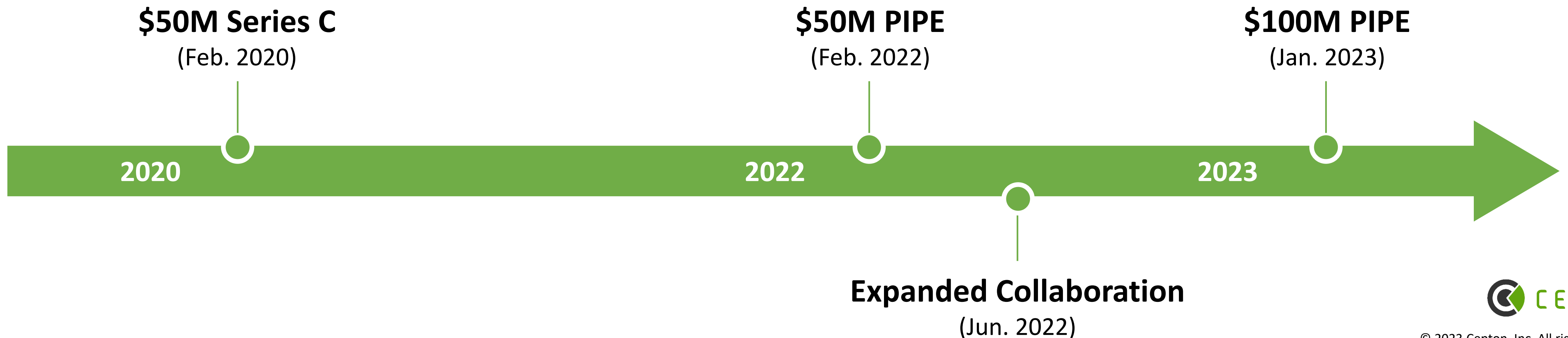
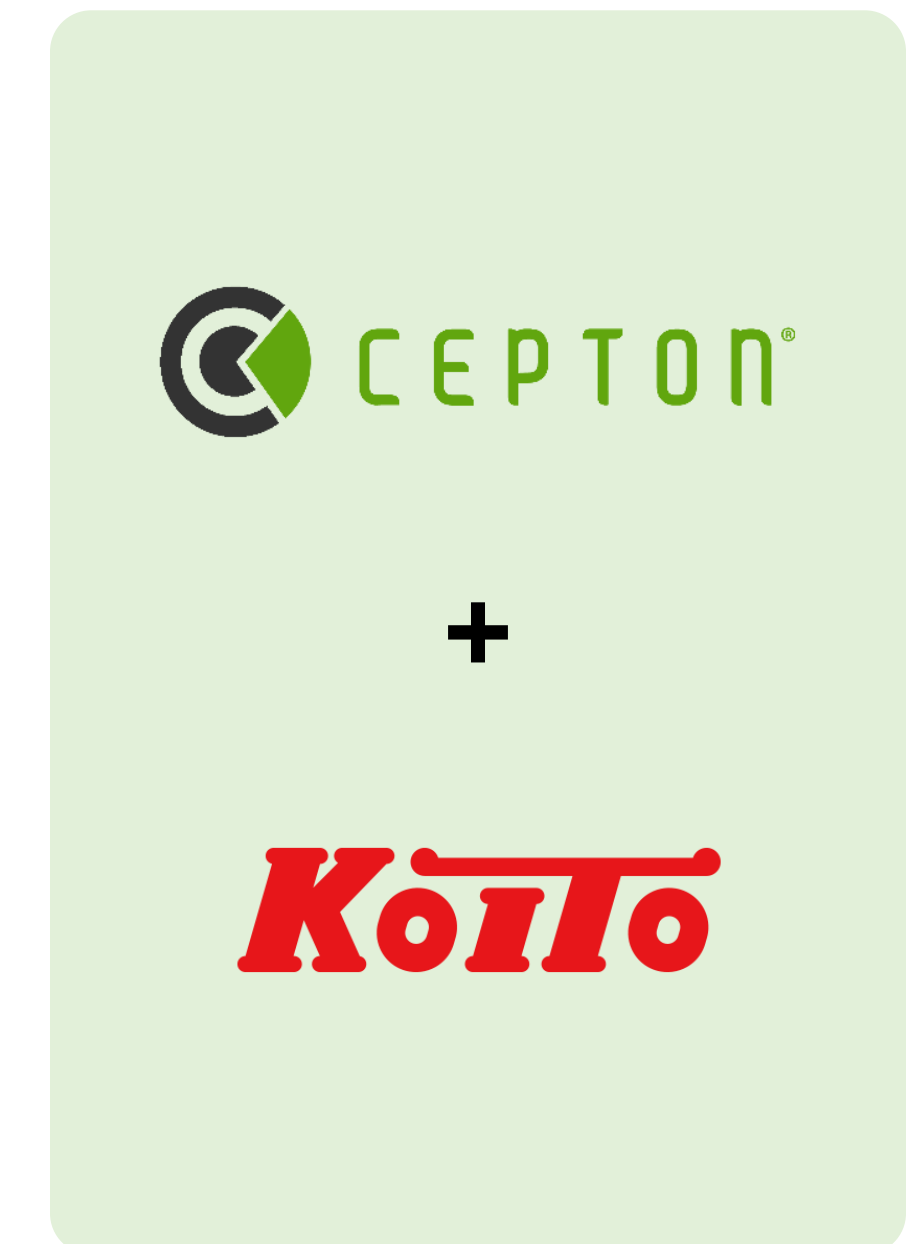


Automotive

- Continued to advance toward series production awards at global top-10 OEMs where we have completed the RFI process
- In discussions with our current OEM customer for additional vehicle models and to extend program duration
 - Current award has an estimated value of over \$1 billion dollars

Cepton + Koito – A Winning Partnership

- Koito, Cepton's automotive Tier-1 partner, strengthens partnership through \$100M PIPE investment (closed Jan. 2023)
 - Total investment of \$200M across three investment rounds
 - Largest strategic investor in Cepton
 - Latest PIPE investment in the form of convertible preferred stock at an initial conversion price of \$2.585
 - Funds will be used to fund Cepton's next stage of growth as it scales its lidar solutions for mass deployment
- Announced expanded collaboration efforts with Koito in Jun. 2022
 - Plans to increase scope of automotive development efforts beyond the current series production program
 - Focused on conducting joint go-to-market activities with select automotive customers, initially targeting Japanese automotive OEMs



Smart Infrastructure

- Won multi-million dollar sales contract from one of the largest highway tolling system operators in the United States
- Tolling and Smart Airport emerging as most promising near-term applications for lidar



Technology

- Unveiled next-generation Vista[®]-X120 Plus at CES 2023, winner of the Vehicle Technology & Advanced Mobility Innovation Award
- Taped out new imaging processing ASIC, complementing our industry leading signal processing ASIC, as we continue to execute our ASIC roadmap for improved performance and lower cost
- Dr. Dongyi Liao is promoted to CTO as Cepton emphasizes the value of software in its expanding deployment of automotive lidar in the coming years
 - Current CTO Dr. Mark McCord to chair Cepton's newly created Technology Advisory Board and remain in charge of Cepton's IP portfolio



Award-Winning Suite of New Products – Long Range Lidar



Vista[®]-X120 Plus

CES Innovation Award
Vehicle Tech & Advanced Mobility



World's slimmest software-definable, top-end automotive-grade lidar



30 degrees wider field of view, 20% reduction in size and 50% reduction in height vs. Vista X-90



Shipped first samples to global top-10 OEM for evaluation



Target volume price point below \$500

Award-Winning Suite of New Products – Near Range Lidar

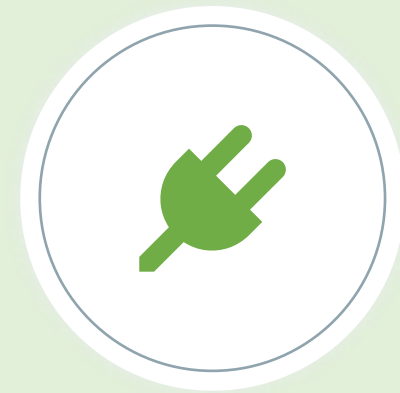


Nova

AutoTech Breakthrough Award
Automotive Sensor Hardware Solution of the Year



Miniature, wide field of view, near range lidar sensor



Automotive-grade reliability, small form factor and low power consumption



Ideal for ADAS, autonomous vehicles, autonomous ground vehicles (AGV) and smart industrial applications



Supporting new Level 4 AGV project with a Top 10 Automotive OEM



Expanded Footprint in Metro Detroit with New Center of Excellence Facility



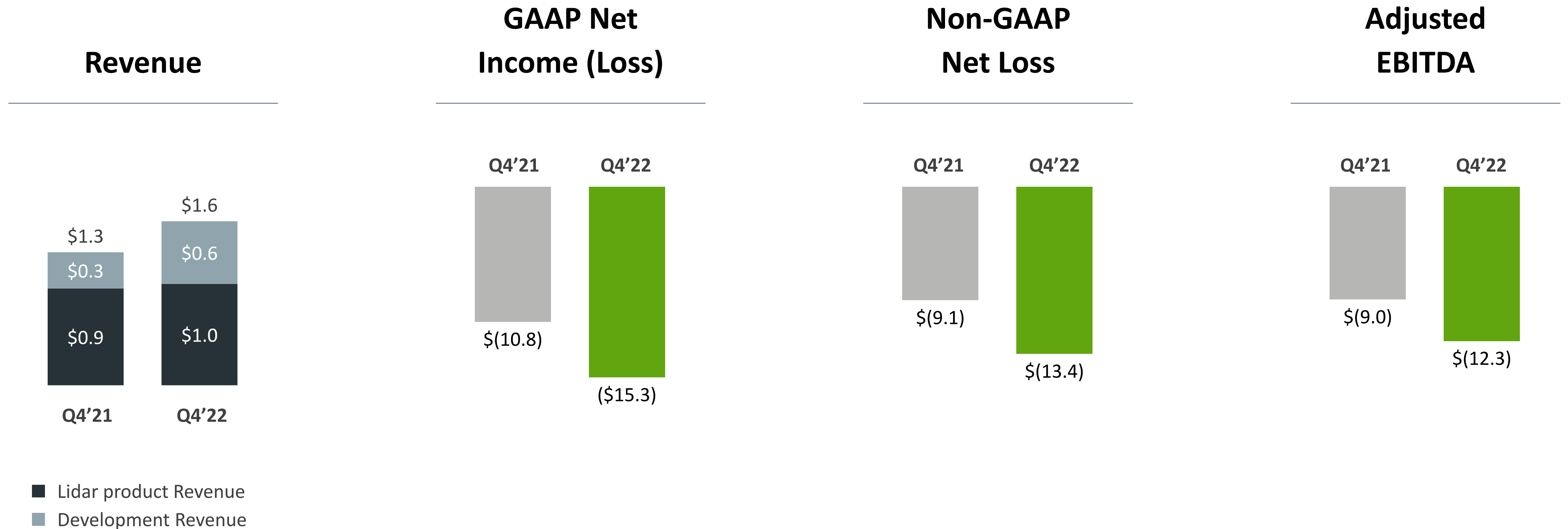
Financial Update

Q4'22 & Full Year 2022



Q4'22 | Financial Results

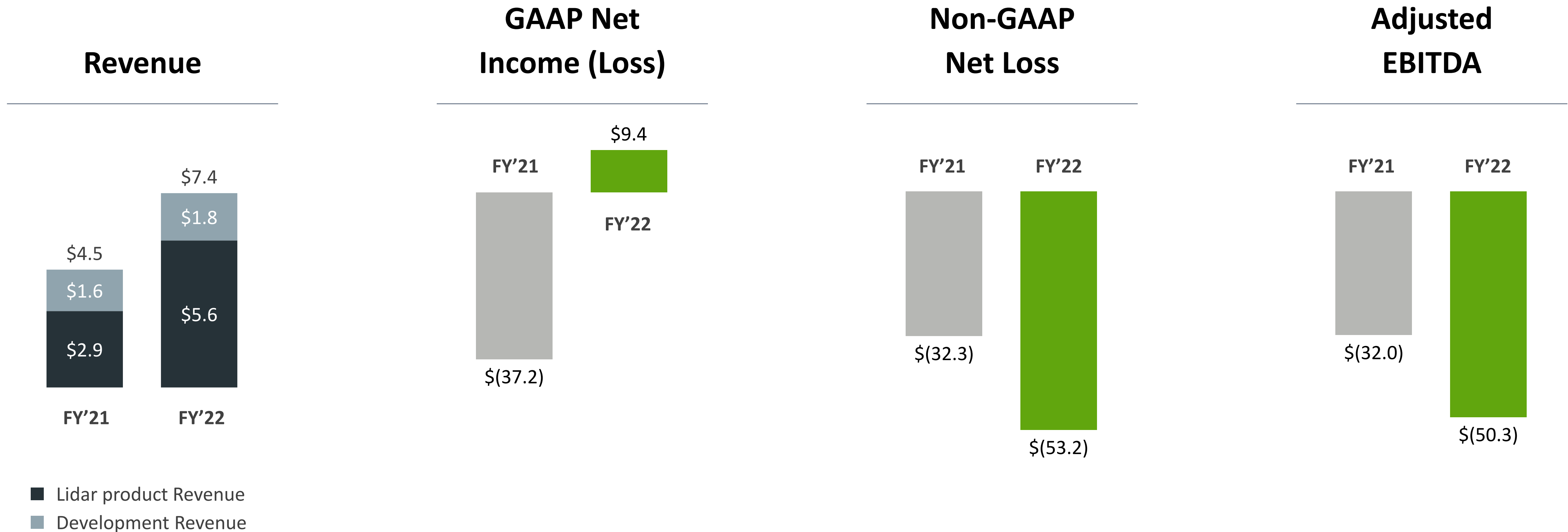
(\$ in millions)



- Q4'22 revenues increased 23% year-over-year including 5% growth in lidar product revenues and 73% growth in development revenues

Full Year 2022 | Financial Results

(\$ in millions)



- FY'22 revenues increased 65% year-over-year including 92% growth in lidar product revenues and 14% growth in development revenues
- FY'22 revenues of \$7.4M in-line with prior guidance

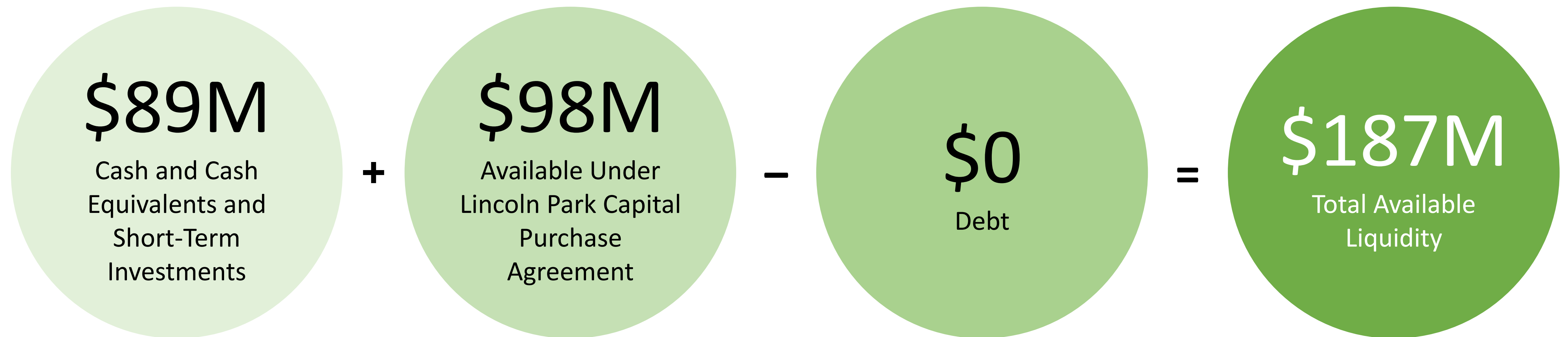
Full Year 2023 | Guidance

\$15M - \$20M

Full Year 2023 Revenue

Full Year 2023 operating expenses expected to be in line with Full Year 2022

Cash Position and Liquidity Update



- Liquidity position expected to be sufficient to support launch and ramp of current series production award
- Cash and liquidity position at close of \$100M investment from Koito in Jan. 2023

Appendix



Q4'22 | Reconciliation of GAAP Net Income (Loss) to Non-GAAP Net Loss and Non-GAAP Adjusted EBITDA

(\$ in thousands)

Three months ended December 31,

	2022		2021	
Net Income (Loss)	\$	(15,251)	\$	(10,819)
Stock-based compensation		2,289		1,656
Non-recurring transaction expenses		-		82
Gain on changes in fair value of earnout liability		(3,210)		-
Gain on changes in fair value of warrant liability		(326)		-
Loss (gain) on extinguishment of debt		958		-
Foreign currency transaction loss, net		2,168		-
Non-GAAP net loss	\$	(13,372)	\$	(9,081)
Interest expense (income), net		914		-
Provision (benefit) for income taxes		(6)		3
Depreciation and amortization		120		59
Non-GAAP adjusted EBITDA	\$	(12,344)	\$	(9,019)

Full Year 2022 | Reconciliation of GAAP Net Income (Loss) to Non-GAAP Net Loss and Non-GAAP Adjusted EBITDA

(\$ in thousands)

	Year ended December 31,	
	2022	2021
Net Income (Loss)	\$ 9,380	\$ (37,242)
Stock-based compensation	8,243	4,995
Non-recurring transaction expenses	3,009	1,075
Gain on changes in fair value of earnout liability	(74,078)	-
Gain on changes in fair value of warrant liability	(2,875)	-
Loss (gain) on extinguishment of debt	958	(1,121)
Loss on disposal of property and equipment	-	42
Foreign currency transaction loss, net	2,168	-
Non-GAAP net loss	\$ (53,195)	\$ (32,251)
Interest expense (income), net	2,511	(15)
Provision (benefit) for income taxes	16	20
Depreciation and amortization	344	210
Non-GAAP adjusted EBITDA	\$ (50,324)	\$ (32,036)