

Q3'22 Business Update

November 8, 2022



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Disclaimer and Cautionary Note

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Disclaimer and Cautionary Note (cont'd)

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Use of 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, and gain or loss on remeasurement of earnout liability and warrants. 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 Results

3. Appendix



Business Update

Q3'22





\$100 Million

Investment From **Koito**

- Signed investment agreement on October 27, 2022 for \$100 million investment from long-term automotive Tier 1 partner and current shareholder, Koito Manufacturing of Japan, in the form of convertible preferred stock (“CPS”)
- CPS will be convertible into shares of Cepton’s common stock at an initial conversion price of \$2.585 per share, representing a 13.4%, 14.4%, and 25.5% premium to the day-prior closing price, 30-day VWAP, and 90-day VWAP, respectively
- Transaction is subject to Cepton shareholder approval among other customary closing conditions, and is expected to close in 1Q 2023



Series Production Execution

- Continued shipments to support automotive series production demand
- First public reveal of Cepton lidar integrated behind the windshield in production vehicles
- Enabling one of the first Global Top-10 OEM deployments of in-vehicle lidar technology with current series production award secured to the end of 2027



Koito  **CEPTON**

Automotive

- Completed RFI process with 2 Top-10 automotive OEM customers on multiple continents
- One new Top-10 automotive OEM program added to advanced engagement stage
- Announced multiple collaboration partnerships, including with NVIDIA on their DRIVE Sim™ platform

Smart Infrastructure

- Tolling and Smart Airport emerging as most promising near-term applications for lidar
- Solutions have been designed into major airports across the United States



Technology

- Next-generation product unveil at CES 2023
- On-track to tape-out next generation ASIC by end of 2022
- Cepton's Nova lidar selected as "Automotive Sensor Hardware Solution of the Year" in the third annual AutoTech Breakthrough Awards program



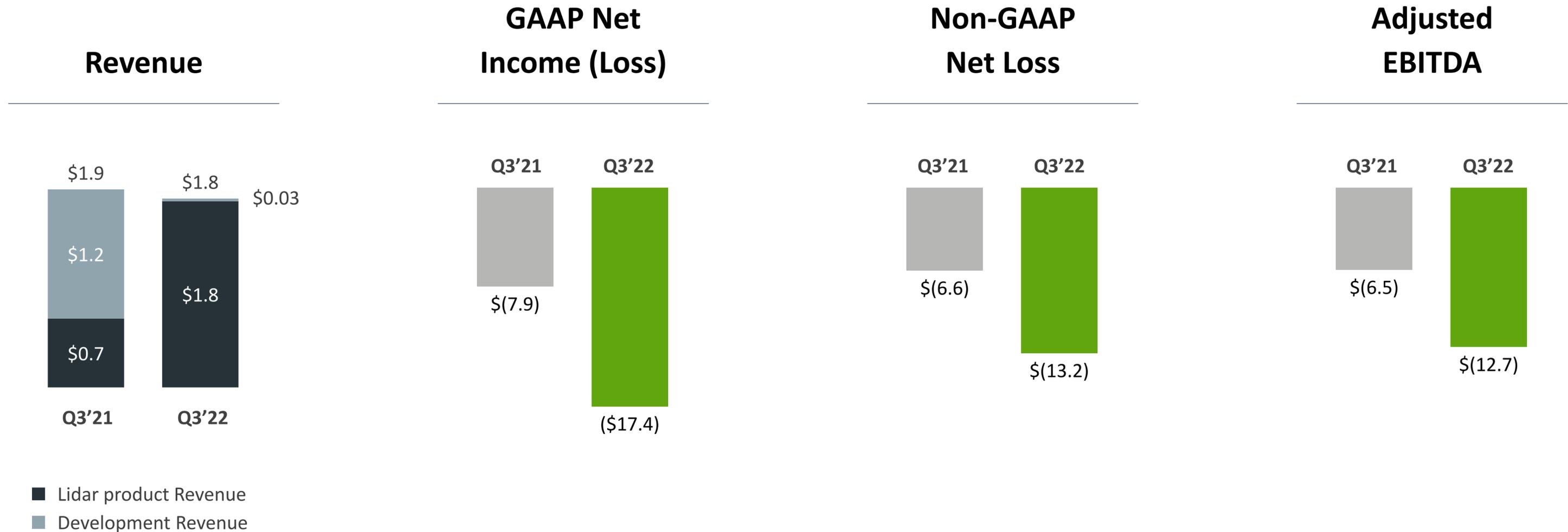
Financial Results

Q3'22



Q3'22 | Financial Results

(\$ in millions)



- Q3'22 lidar product revenues increased 171% year-over-year
- Q3'22 development revenue was minimal due to timing of achieving milestones on outstanding projects



Appendix



Reconciliation of GAAP Net Income (Loss) to Non-GAAP Net Loss and Non-GAAP Adjusted EBITDA

(\$ in thousands)

Three months ended September 30,

	2022		2021	
Net Income (Loss)	\$	(17,411)	\$	(7,862)
Stock-based compensation		2,368		1,263
Non-recurring transaction expenses		300		-
Gain on remeasurement of earnout liability		1,440		-
Gain on remeasurement of warrant liability		135		-
Non-GAAP net loss	\$	(13,168)	\$	(6,599)
Interest expense		404		-
Provision for income taxes		5		5
Depreciation and amortization		77		55
Non-GAAP adjusted EBITDA	\$	(12,682)	\$	(6,539)