

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2021

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Cepton, Inc.

(Exact name of registrant as specified in its charter)

<u>Delaware</u> (State or other jurisdiction of incorporation or organization)	<u>001-39959</u> (Commission File Number)	<u>27-2447291</u> (I.R.S. Employer Identification Number)
<u>399 West Trimble Road San Jose, California</u> (Address of principal executive offices)		<u>95131</u> (Zip Code)

Registrant's telephone number, including area code: 408-459-7579

Growth Capital Acquisition Corp.

300 Park Avenue, 16th Floor

New York, New York 10022

(Former name or former address, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.00001 per share	CPTN	The Nasdaq Capital Market
Redeemable warrants, exercisable for common stock at an exercise price of \$11.50 per share, subject to adjustment	CPTNW	The Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of February 10, 2022, 154,048,001 shares of common stock, par value \$0.00001, of the registrant were issued and outstanding.

Cepton, Inc.
(f/k/a Growth Capital Acquisition Corp.)
Quarterly Report on Form 10-Q

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PART I - FINANCIAL INFORMATION
Item 1. Financial Statements.

Cepton, Inc.
(f/k/a Growth Capital Acquisition Corp.)
CONDENSED CONSOLIDATED BALANCE SHEETS

	December 31,	March 31,
	2021	2021
	(Unaudited)	
Assets:		
Cash	\$ 108,396	\$ 749,737
Prepaid expenses	10,964	114,937
Total current assets	<u>119,360</u>	<u>864,674</u>
Investments held in Trust Account	<u>172,520,445</u>	<u>172,505,514</u>
Total assets	<u>\$ 172,639,805</u>	<u>\$ 173,370,188</u>
Liabilities, Common Stock subject to Possible Redemption and Stockholders' Deficit:		
Accounts payable and accrued expenses	\$ 1,372,463	\$ 73,756
Franchise tax payable	200,000	—
Total current liabilities	<u>1,572,463</u>	<u>73,756</u>
Warrant liability	<u>12,471,750</u>	<u>7,141,500</u>
Total liabilities	<u>14,044,213</u>	<u>7,215,256</u>
Commitments and Contingencies (See Note 7)		
Class A common stock subject to possible redemption; 17,250,000 shares at December 31, 2021 and March 31, 2021, respectively (at redemption value of \$10.00 per share)	172,500,000	172,500,000
Stockholders' deficit:		
Preferred stock, \$0.0001 par value; 1,000,000 shares authorized; no shares issued and outstanding	—	—
Class A common stock, \$0.0001 par value, 100,000,000 shares authorized, 0 shares (excluding 17,250,000 shares subject to possible redemption) issued and outstanding at December 31, 2021 and March 31, 2021, respectively	—	—
Class B common stock, \$0.0001 par value, 10,000,000 shares authorized, 4,312,500 shares issued and outstanding at December 31, 2021 and March 31, 2021	431	431
Additional paid-in capital	—	—
Accumulated deficit	<u>(13,904,839)</u>	<u>(6,345,499)</u>
Total stockholders' deficit	<u>(13,904,408)</u>	<u>(6,345,068)</u>
Total liabilities, common stock subject to possible redemption and stockholders' deficit	<u>\$ 172,639,805</u>	<u>\$ 173,370,188</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Cepton, Inc.
(f/k/a Growth Capital Acquisition Corp.)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended December 31,		For the Nine Months Ended December 31,	
	2021	2020	2021	2020
General and administrative expenses	\$ 1,161,675	\$ 114	\$ 2,245,231	\$ 114
Loss from operations	(1,161,675)	(114)	(2,245,231)	(114)
Other income (loss):				
Unrealized gain (loss) on FV changes of warrants	1,518,000	—	(5,330,250)	—
Interest income	4,384	—	16,141	—
Net income (loss)	\$ 360,709	\$ (114)	\$ (7,559,340)	\$ (114)
Basic and diluted weighted average shares outstanding, Class A common stock	17,250,000	—	17,250,000	—
Basic and diluted net income (loss) per share, Class A common stock	\$ 0.02	\$ —	\$ (0.35)	\$ —
Basic and diluted weighted average shares outstanding, Class B common stock	4,312,500	4,312,500	4,312,500	4,312,500
Basic and diluted net income (loss) per share, Class B common stock	\$ 0.02	\$ —	\$ (0.35)	\$ —

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Cepton, Inc.
(f/k/a Growth Capital Acquisition Corp.)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

	Common Stock				Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Class A		Class B				
	Shares	Amount	Shares	Amount			
Balance, March 31, 2020	—	\$ —	4,312,500	\$ 431	\$ 148,269	\$ (146,657)	\$ 2,043
Net loss	—	—	—	—	—	—	—
Balance, June 30, 2020 (Unaudited)	—	\$ —	4,312,500	\$ 431	\$ 148,269	\$ (146,657)	\$ 2,043
Net loss	—	—	—	—	—	—	—
Sale of common stock	—	—	—	—	4,086	—	4,086
Balance, September 30, 2020 (Unaudited)	—	\$ —	4,312,500	\$ 431	\$ 152,355	\$ (146,657)	\$ 6,129
Net loss	—	—	—	—	—	(114)	(114)
Balance, December 31, 2020 (Unaudited)	—	\$ —	4,312,500	\$ 431	\$ 152,355	\$ (146,771)	\$ 6,015
Balance, March 31, 2021	—	\$ —	4,312,500	\$ 431	\$ —	\$ (6,345,499)	\$ (6,345,068)
Net loss	—	—	—	—	—	(1,525,461)	(1,525,461)
Balance, June 30, 2021 (Unaudited)	—	\$ —	4,312,500	\$ 431	\$ —	\$ (7,870,960)	\$ (7,870,529)
Net loss	—	—	—	—	—	(6,394,588)	(6,394,588)
Balance, September 30, 2021 (Unaudited)	—	\$ —	4,312,500	\$ 431	\$ —	\$ (14,265,548)	\$ (14,265,117)
Net income	—	—	—	—	—	360,709	360,709
Balance, December 31, 2021 (Unaudited)	—	\$ —	4,312,500	\$ 431	\$ —	\$ (13,904,839)	\$ (13,904,408)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Cepton, Inc.
(f/k/a Growth Capital Acquisition Corp.)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Nine Months Ended December 31,	
	2021	2020
Cash Flows from Operating Activities:		
Net loss	\$ (7,559,340)	\$ (114)
Adjustments to reconcile net loss to net cash used in operating activities:		
Realized gain and interest earned on investment held in Trust Account	(14,931)	—
Unrealized gain on Fair Value changes of warrants	5,330,250	—
Changes in operating assets and liabilities:		
Prepaid expenses	103,973	—
Franchise tax payable	200,000	—
Accounts payable and accrued expenses	1,298,707	—
Net cash used in operating activities	(641,341)	—
Cash Flows from Financing Activities:		
Proceeds from notes payable – related parties	—	135,325
Payment of offering costs	—	(55,425)
Proceeds from sale of common stock	—	4,086
Net cash provided by financing activities	—	83,986
Net Change in Cash	(641,341)	83,872
Cash – Beginning	749,737	2,043
Cash – Ending	\$ 108,396	\$ 85,915
Supplemental Disclosure of Non-cash Financing Activities:		
Deferred offering costs included in accrued offering costs	\$ —	\$ 12,708

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Cepton, Inc.
(f/k/a Growth Capital Acquisition Corp.)
Notes to the Condensed Consolidated Financial Statements

NOTE 1 — DESCRIPTION OF ORGANIZATION AND BUSINESS OPERATIONS

Organization and General

On February 10, 2022 (the “Closing Date”), Cepton, Inc., a Delaware corporation (the “Company”) (f/k/a Growth Capital Acquisition Corp. (“GCAC”)), consummated the previously announced merger (the “Closing”) pursuant to that certain Business Combination Agreement, dated August 4, 2021, and as amended by the Amendment to the Business Combination Agreement, dated January 21, 2022 (as so amended, the “Business Combination Agreement”), by and among GCAC, GCAC Merger Sub Inc., a Delaware corporation and a wholly owned subsidiary of GCAC (“Merger Sub”), and Cepton Technologies, Inc., a Delaware corporation (“Legacy Cepton”).

The Company, formerly a blank check company, was incorporated under the laws of the State of Delaware on January 4, 2010 under the name PinstripesNYS, Inc., and changed its name to Growth Capital Acquisition Corp. on February 14, 2020. The Company was formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses (the “Business Combination”).

Business Prior to Business Combination

As of December 31, 2021, the Company had not commenced any operations. All activity from January 4, 2010 (inception) through December 31, 2021 relates to the Company’s formation, its prior un consummated initial public offering, and its initial public offering (the “Initial Public Offering” or “IPO”) described below, and subsequent to the IPO, identifying a target company for a Business Combination. The Company will not generate any operating revenues until after the completion of its initial Business Combination, at the earliest. The Company will generate non-operating income in the form of interest income on cash and cash equivalents from the proceeds derived from the Initial Public Offering and will recognize changes in the fair value of warrant liability as other income (expense).

The registration statements for the Company’s initial public offering (described below) were declared effective on January 29, 2021. On February 2, 2021, the Company consummated the initial public offering of 17,250,000 units (the “Units” and, with respect to the shares of Class A common stock included in the Units sold, the “Public Shares”), which includes the full exercise by the underwriter of its over-allotment option in the amount of 2,250,000 Units, at \$10.00 per Unit, generating gross proceeds of \$172,500,000, which is described in Note 3.

Simultaneously with the closing of the initial public offering, the Company consummated the sale of 5,175,000 warrants (each, a “Private Placement Warrant” and, collectively, the “Private Placement Warrants”) in a private placement to the Company’s sponsor, Growth Capital Sponsor LLC (the “Sponsor”), Nautilus Carriers LLC (“Nautilus”), an affiliate of our Co-Chief Executive Officers, and HB Strategies LLC (“HB Strategies”), an affiliate of Hudson Bay Capital Management LP (“Hudson Bay”) generating gross proceeds of \$5,175,000, which is described in Note 4.

Transaction costs amounted to \$4,296,946, consisting of \$3,450,000 of underwriting fees, and \$824,946 of other offering costs.

The Trust Account

Following the closing of the IPO on February 2, 2021 and the exercise of Over-allotment Units simultaneously with the closing of the Initial Public Offering, an amount of \$172,500,000 (\$10.00 per Unit) from the net proceeds of the exercise of the Units in the IPO, the sale of the Private Placement Warrants, and the exercise of Over-allotment Units was placed in a trust account (“Trust Account”). The proceeds held in the Trust Account are substantially invested only in money market funds registered under the Investment Company Act of 1940, as amended and compliant with Rule 2a-7.

Except with respect to interest earned on the funds held in the Trust Account that may be released to the Company to pay its taxes, the proceeds from the IPO may not be released from the Trust Account until the earliest of: (i) the completion of the initial Business Combination; (ii) the redemption of any public shares properly tendered in connection with a stockholder vote to amend the Company’s amended and restated certificate of incorporation to modify the substance or timing of the Company’s obligation to redeem 100% of its public shares if it does not complete the initial Business Combination by August 2, 2022; or (iii) the redemption of all of the Company’s public shares if the Company is unable to complete the initial Business Combination by August 2, 2022 (at which such time up to \$100,000 of interest shall be available to the Company to pay liquidation or dissolution expenses), subject to applicable law. The proceeds deposited in the Trust Account could become subject to the claims of the Company’s creditors, if any, which could have priority over the claims of the Company’s public stockholders.

Initial Business Combination

The Company’s management has broad discretion with respect to the specific application of the net proceeds of the IPO, although substantially all of the net proceeds of the IPO and the Private Placement are intended to be generally applied toward consummating an initial Business Combination. The initial Business Combination must occur with one or more businesses or assets with a fair market value equal to at least 80% of the net assets held in the Trust Account (excluding the amount of the Business Combination Marketing Fee).

On August 4, 2021, the Company, (“GCAC”), and GCAC Merger Sub Inc., a Delaware corporation and a wholly-owned subsidiary of GCAC (“Merger Sub”) entered into a Business Combination Agreement (the “Business Combination Agreement”) with Cepton Technologies, Inc., a Delaware Corporation (“Cepton”). Pursuant to the Business Combination Agreement, subject to the terms and conditions set forth therein, upon the consummation of the transactions contemplated by the Business Combination Agreement (the “Transactions”), Merger Sub will merge with and into Cepton (the “Merger”) with Cepton continuing as the surviving corporation in the Merger and a wholly-owned subsidiary of GCAC.

On February 10, 2022 GCAC consummated the previously announced merger pursuant to that certain Business Combination Agreement, dated August 4, 2021, and as amended by the Amendment to the Business Combination Agreement, dated January 21, 2022 (as so amended, the “Business Combination Agreement”), by and among GCAC, GCAC Merger Sub Inc. and Cepton Technologies, Inc.

The Company, after signing a definitive agreement for an initial Business Combination, provided its public stockholders’ with the opportunity to redeem all or a portion of their shares upon the completion of the initial Business Combination. An aggregate of 15,589,540 shares of the Company’s Class A common stock were presented for redemption in connection with a special meeting held on February 9, 2022, in exchange for a pro rata portion of the funds in the Company’s Trust Account. As a result, approximately \$155.9 million (or approximately \$10.00 per share) will be released from the Trust Account to pay such holders.

Each of the Company’s Sponsor and Nautilus has agreed that it will be severally liable to the Company, on a pro rata basis based on the number of founder shares owned by them, if and to the extent any claims by a third party for services rendered or products sold to the Company, or a prospective target business with which the Company have entered into a written letter of intent, confidentiality or similar agreement or Business Combination agreement, reduce the amount of funds in the Trust Account to below the lesser of (i) \$10.00 per public share and (ii) the actual amount per public share held in the Trust Account as of the date of the liquidation of the Trust Account, if less than \$10.00 per share due to reductions in the value of the trust assets, less interest released to pay taxes, provided that such liability will not apply to any claims by a third party or prospective target business who executed a waiver of any and all rights to the monies held in the Trust Account (whether or not such waiver is enforceable) nor will it apply to any claims under the Company’s indemnity of the underwriters of IPO against certain liabilities, including liabilities under the Securities Act. However, the Company has not asked its Sponsor or Nautilus to reserve for such indemnification obligations, nor has it independently verified whether the Sponsor or Nautilus have sufficient funds to satisfy such indemnity obligations and believe that the only assets of the Sponsor and Nautilus are securities of the Company. Therefore, the Company cannot assure you that the Sponsor or Nautilus would be able to satisfy those obligations. None of the Company’s officers or directors will indemnify the Company for claims by third parties including, without limitation, claims by vendors and prospective target businesses.

Purchase Agreement of Growth Capital Acquisition Corp. Common Stock

On November 24, 2021, GCAC and Cepton entered into a Purchase Agreement (the “Purchase Agreement”) with Lincoln Park Capital Fund, LLC (“Lincoln Park”), pursuant to which Lincoln Park has agreed to purchase from GCAC up to \$100,000,000 of GCAC common stock (subject to certain limitations contained in the Purchase Agreement) from time to time over a 36-month period. In connection with the Purchase Agreement, GCAC and Cepton also entered into a registration rights agreement with Lincoln Park (the “Lincoln Park Registration Rights Agreement”) whereby GCAC has agreed to file with the U.S. Securities and Exchange Commission (the “SEC”) within thirty (30) days following the consummation of the Merger, a new registration statement covering the shares of GCAC common stock that may be issued to Lincoln Park under the Purchase Agreement.

After (i) the consummation of the Merger and (ii) upon the satisfaction of certain other conditions set forth in the Purchase Agreement (the “Commencement Date”), GCAC has the right, but not the obligation, from time to time to direct Lincoln Park to purchase shares of GCAC common stock having a value of up to \$500,000 on any business day (the “Purchase Date”), which may be increased to up to \$1,000,000 depending on certain conditions as set forth in the Purchase Agreement (and subject to adjustment for any reorganization, recapitalization, non-cash dividend, stock split, reverse stock split or other similar transaction as provided in the Purchase Agreement) (each, a “Regular Purchase”). The purchase price per share for a Regular Purchase will be the lower of: (i) the lowest trading price for shares of GCAC common stock on the applicable Purchase Date and (ii) the average of the three lowest closing sale prices for GCAC common stock during the ten consecutive business days ending on the business day immediately preceding such Purchase Date. The purchase price per share will be equitably adjusted for any reorganization, recapitalization, non-cash dividend, forward or reverse stock split, or other similar transaction occurring during the business days used to compute such price.

From and after the Commencement Date, GCAC has the right, but not the obligation, to direct Lincoln Park on each Purchase Date to make “accelerated purchases” on the following business day (the “Accelerated Purchase Date”) up to the lesser of (i) 300% of the number of shares purchased pursuant to a Regular Purchase or (ii) 30% of the trading volume on Accelerated Purchase Date (during a time period specified in the Purchase Agreement) at a purchase price equal to the lesser of 95% of (x) the closing sale price of GCAC’s common stock on the Accelerated Purchase Date and (y) of the volume weighted average price of GCAC’s common stock on the Accelerated Purchase Date (during a time period specified in the Purchase Agreement) (each, an “Accelerated Purchase”). GCAC shall have the right in its sole discretion to set a minimum price threshold for each Accelerated Purchase in the notice provided with respect to such Accelerated Purchase and GCAC may direct multiple Accelerated Purchases in a day provided that delivery of shares has been completed with respect to any prior Regular and Accelerated Purchases that Lincoln Park has purchased.

In consideration for entering into the Purchase Agreement, GCAC issued to Lincoln Park 50,000 shares of GCAC common stock as a commitment fee on the date of the closing of the Merger. GCAC is also obligated to issue up to an additional 150,000 shares of GCAC common stock as a commitment fee 180 days after the date of the closing of the Merger (such shares, collectively, the “Commitment Shares”).

The Purchase Agreement may be terminated by GCAC at any time after the Commencement Date, at its sole discretion, without any cost or penalty, by giving one business day notice to Lincoln Park to terminate the Purchase Agreement.

Actual sales of shares of common stock to Lincoln Park under the Purchase Agreement will depend on a variety of factors to be determined by GCAC from time to time, including (among others) market conditions, the trading price of GCAC common stock and determinations by GCAC as to available and appropriate sources of funding for GCAC and its operations. The Purchase Agreement prohibits GCAC from issuing or selling and Lincoln Park from acquiring any shares of GCAC common stock if those shares of GCAC common stock, when aggregated with all other shares of GCAC common stock then beneficially owned by Lincoln Park and its affiliates, would result in Lincoln Park having beneficial ownership of more than 9.99% of the then issued and outstanding shares of GCAC common stock.

The Purchase Agreement contains customary representations, warranties, covenants, closing conditions and indemnification provisions by, among and for the benefit of the parties. Lincoln Park has agreed that neither it nor any of its agent, representatives or affiliates will enter into or effect, directly or indirectly a short selling or hedging, which establishes a net short position with respect to the GCAC common stock. There are no limitations on the use of proceeds, financial or business covenants, restrictions on future financings (other than restrictions on GCAC’s ability to enter into a similar type of agreement or Equity Line of Credit during the Term, excluding an At-The-Market transaction with a registered broker-dealer), rights of first refusal, participation rights, penalties or liquidated damages in the Purchase Agreement.

The issuance of the shares pursuant to the Purchase Agreement is expected to be undertaken in reliance upon the exemption from the registration requirements of the Securities Act of 1933, as amended, afforded by Section 4(a)(2).

Conversion of Securities and Merger Considerations

Immediately prior to the effective time of the Merger (the “Effective Time”), Cepton caused each share of Cepton Class F Stock and each share of Cepton preferred stock to be automatically converted into a number of shares of Cepton common stock, at the then-effective conversion rate as calculated pursuant to Cepton’s Amended and Restated Certificate of Incorporation. All of the Cepton Class F Stock and the Cepton preferred stock converted into common stock of Cepton is no longer outstanding and cease to exist, and each holder of Cepton preferred stock thereafter cease to have any rights with respect to such securities.

At the Effective Time, by virtue of the Merger and without any action on the part of GCAC, Merger Sub, Cepton or the holders of any of the following securities:

(a) Each share of Cepton common stock (other than the Dissenting Shares and the Cancelled Shares (as such terms are defined in the Business Combination Agreement)) converted into (i) the contingent right to receive Earnout Shares (as defined below) (which may be zero) and (ii) a certain number of shares of GCAC Class A common stock equal to (x) \$1,500,000,000 divided by the total number of Cepton capital stock (on an “as-converted” to Cepton common stock basis) on a fully diluted basis as of the date of Closing (but excluding company options that are not vested), divided by (y) 10 (the “Merger Consideration”).

(b) each option to purchase shares of Cepton common stock, whether or not exercisable and whether or not vested, that is outstanding immediately prior to the Effective Time was assumed by GCAC and converted into an option to purchase shares of GCAC Class A common stock (each, a “Converted Option”). Each Converted Option will have and be subject to the same terms and conditions (including vesting, expiration and exercisability terms) as were applicable to the Cepton option from which it was converted immediately before the Effective Time, except that (x) each Converted Option will be exercisable for that number of shares of GCAC Class A common stock equal to the product (rounded down to the nearest whole number) of (1) the number of shares of Cepton common stock subject to the Cepton option immediately before the Effective Time and (2) the Merger Consideration and (y) the per share exercise price for each share of GCAC Class A common stock issuable upon exercise of the Converted Option will be equal to the quotient (rounded up to the nearest whole cent) obtained by dividing (1) the exercise price per share of Cepton common stock of such Cepton option immediately before the Effective Time by (2) the Merger Consideration.

Earnout Merger Consideration

In addition to the Merger Consideration set forth above, additional contingent shares (“Earnout Shares”) are payable to each holder of Cepton common stock and/or Cepton options receiving consideration in the Merger, in the amounts set forth below:

(a) If the closing share price of GCAC Class A common stock equals or exceeds \$15.00 per share for any 20 trading days within any consecutive 30-trading day period that occurs after the Closing Date and on or prior to the three-year anniversary of the Closing Date, then, GCAC will issue to each holder of Cepton common stock that is entitled to Earnout Shares a number of shares of GCAC Class A common Stock equal to such holder’s pro rata portion of 7,000,000 shares.

(b) If the closing share price of GCAC Class A common stock equals or exceeds \$17.50 per share for any 20 trading days within any consecutive 30-trading day period that occurs after the Closing Date and on or prior to the three (3)-year anniversary of the Closing Date, GCAC will issue to each holder of Cepton common stock that is entitled to Earnout Shares, a number of shares of GCAC Class A common stock equal to such holder’s Earnout Pro Rata Portion of 6,000,000 shares.

In the event that after the Closing and prior the three-year anniversary of the Closing Date, (i) there is a Change of Control (as defined in the Business Combination Agreement) (or a definitive agreement providing for a Change of Control has been entered into prior to the three-year anniversary of the Closing Date and such Change of Control is ultimately consummated, even if such consummation occurs after the three -year anniversary of the Closing Date), (ii) any liquidation, dissolution or winding up of GCAC (whether voluntary or involuntary) is initiated, (iii) any bankruptcy, reorganization, debt arrangement or similar proceeding under any bankruptcy, insolvency or similar law, or any dissolution or liquidation proceeding, is instituted by or against GCAC, or a receiver is appointed for GCAC or a substantial part of its assets or properties or (iv) GCAC makes an assignment for the benefit of creditors, or petitions or applies to any governmental authority for, or consents or acquiesces to, the appointment of a custodian, receiver or trustee for all or substantially all of its assets or properties (any of (i) to (iv), an “Acceleration Event”), then any Earnout Shares that have not been previously issued by GCAC (whether or not previously earned) shall be deemed earned and issued by GCAC to the holders of Cepton common stock, unless, in the case of an Acceleration Event that is a Change of Control, the value of the consideration to be received by the holders of the GCAC Class A common stock in such Change of Control transaction is less than the stock price threshold applicable to the relevant Earnout Shares.

Cepton Loan and Security Agreement

On January 4, 2022 (the “Effective Date”), Cepton entered into a Loan and Security Agreement (the “Loan Agreement”) with Trinity Capital Inc., a Maryland corporation (the “Lender”), pursuant to which the Lender has agreed to make up to three (3) advances (each, an “Advance,” and collectively, the “Advances”) to Cepton in an aggregate original principal amount not to exceed \$25,000,000. An initial advance to Cepton in an original principal amount of \$10,000,000 (the “Initial Advance”) was funded on the Effective Date. Up to two additional advances of \$7,500,000 each, or one additional advance of \$15,000,000, will be made available at Cepton’s request at any time prior to July 1, 2022, subject to certain standard conditions precedent as set forth in the Loan Agreement.

The principal amount outstanding under each Advance shall accrue interest from the date of the Advance at a floating per annum rate equal to the greater of (i) ten and three-fourths percent (10.75%) or (ii) the rate of interest per annum from time to time published in the money rates section of The Wall Street Journal as the “prime rate” then in effect, which if less than three and one-quarter percent (3.25%) shall be deemed to be three and one-quarter percent (3.25%), plus seven percent (7.0%).

Interest shall be payable monthly starting with the first business day of the month following the funding of the Advance, which was February 1, 2022 in the case of the Initial Advance. The principal amount of each Advance is to be repaid in consecutive equal monthly installments starting the 26th month after funding of such Advance, which is April 1, 2024 in the case of the Initial Advance. All outstanding amounts under the Advances must be repaid on February 2, 2026 (such date, the “Maturity Date”). On the Maturity Date, Cepton is also obligated to pay a final payment fee equal to two and one-half percent (2.5%) of the original principal amount of the applicable Advances actually advanced by Lender. Cepton may prepay the Advances at any time, provided that if such prepayment occurs: (i) prior to the first anniversary of the funding of the Initial Advance, Cepton must pay a prepayment premium equal to one and one-half percent (1.5%) of the principal amount being prepaid; (ii) on or after the first anniversary of the Initial Advance and until the third anniversary of the Initial Advance, Cepton must pay a prepayment premium equal to one percent (1.0%) of the principal amount being prepaid; and (iii) on or after the third anniversary of the Initial Advance and at any time prior to the Maturity Date, Cepton must pay a prepayment premium equal to one-half of one percent (0.5%) of the principal amount being prepaid.

Outstanding borrowings under the Loan Agreement are secured by a first priority lien on substantially all of the personal property assets of Cepton, other than Cepton's intellectual property. In conjunction with the security interest granted under the Loan Agreement, Cepton's obligations are further secured pursuant to the terms of a Pledge Agreement, dated as of the Effective Date (the "Pledge Agreement").

The Loan Agreement requires Cepton to make representations and warranties and comply with covenants that are customary in loan agreements of this type. Subject to certain exceptions, the Loan Agreement contains covenants which restrict, among other things, the payment of dividends, corporate changes, repurchase of stock, incurrence of indebtedness, payment or modification of indebtedness, permitting encumbrances, investments, dispositions and acquisitions. There are no financial covenants. Borrower has also granted Lender certain information rights, including the right to attend periodic meetings with Cepton's senior management.

If an event of default occurs, Lender is entitled to take enforcement action, including acceleration of amounts due under the Loan Agreement. The Loan Agreement contains customary events of default, including, among other events, non-payment of principal or interest, violations of covenants, attachment of the Borrower's funds or seizure of Borrower's assets, insolvency, cross defaults to other material debt, material agreements and material judgments, as well as the failure to give notice of the departure of Cepton's chief executive officer, chief technology officer, and chief financial officer.

The Loan Agreement also contains other customary provisions, such as provisions relating to commitment fees, expense reimbursement and confidentiality. Lender has indemnification rights and the right to assign the Loan Agreement without Borrower's consent.

In connection with the Loan Agreement, Cepton and Lender also entered into a Participation Rights Agreement (the "Participation Rights Agreement"), which grants to the Lender a right (but not an obligation) to participate in certain of Cepton's future equity financings up to a total \$1,000,000, at the same per share purchase price and on the same terms as other investors in such equity financings. Lender's rights terminate upon the earliest to occur of (A) immediately prior to a Change of Control (as such term is defined in the Loan Agreement), (B) immediately prior to Cepton's listing on the NYSE or NASDAQ or (C) immediately after the termination of the Loan Agreement.

In connection with the Loan Agreement, Cepton also issued to Lender a warrant (the "Cepton Warrant"), dated January 4, 2022, to purchase up to 96,998 shares of Cepton's common stock, at an exercise price of \$16.89 per share, payable in cash or on a cashless basis according to the formula set forth in the Cepton Warrant. The exercise price of the Cepton Warrant and the number of shares issuable upon exercise of the Cepton Warrant are subject to adjustments for stock splits, combinations, stock dividends or similar events. The Cepton Warrant is exercisable until the earlier of (1) the date that is ten (10) years after the date of issuance; (2) an Acquisition (as such term is defined in the Cepton Warrant), in which event treatment of the Cepton Warrant is further set forth in the Cepton Warrant; (3) a SPAC Transaction (as such term is defined in the Loan Agreement), in which event the Cepton Warrant will be deemed to be exercised automatically on a net issuance basis if not exercised prior to the consummation of such SPAC Transaction. The consummation of the Business Combination Agreement with the Company resulted in the automatic net exercise of the Cepton Warrant.

Liquidity and Capital Resources

At December 31, 2021, the Company had cash outside the Trust Account of \$108,396 and a working capital deficiency of \$1,453,103. All remaining cash held in the Trust Account is generally unavailable for the Company's use prior to an initial business combination, and is restricted for use either in a Business Combination or to redeem common stock.

On February 2, 2021, the Company consummated its IPO (see Note 3) and Private Placement (See Note 4) and the underwriters fully exercised their Over-Allotment Option. Of the net proceeds from the IPO, exercise of the over-allotment option, and associated Private Placements, \$172,500,000 of cash was placed in the Trust Account.

The Company has incurred and expects to continue to incur significant costs in pursuit of its Business Combination (see Note 8). These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management addressed this issue with the consummation of the Business Combination Agreement on February 10, 2022, and with new sources of financing.

In connection with the Company's assessment of going concern considerations in accordance with Accounting Standards Update ("ASU") 2014-15, "Disclosures of Uncertainties about an Entity's Ability to Continue as a Going Concern," management believes that the funds which the Company has available following the completion of the Business Combination Agreement will enable it to sustain operations for a period of at least one-year from the issuance date of these financial statements. Accordingly, substantial doubt about the Company's ability to continue as a going concern as disclosed in previously issued financial statements has been alleviated.

Risks and Uncertainties

Management is continuing to evaluate the impact of the COVID-19 pandemic on the industry and has concluded that while it is reasonably possible that the virus could have a negative effect on the Company's financial position and/or, results of its operations, the specific impact is not readily determinable as of the date of these condensed consolidated financial statements. The condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and in accordance with the instructions to Form 10-Q and Article 8 of Regulation S-X of the SEC. Certain information or footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted, pursuant to the rules and regulations of the SEC for interim financial reporting. Accordingly, they do not include all the information and footnotes necessary for a complete presentation of financial position, results of operations, or cash flows. In the opinion of management, the accompanying unaudited consolidated financial statements include all adjustments, consisting of a normal recurring nature, which are necessary for a fair presentation of the financial position, operating results and cash flows for the periods presented.

The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the Company's Annual report on Form 10-K/A, as filed with the SEC on December 14, 2021. The interim results for the nine months ended December 31, 2021 are not necessarily indicative of the results to be expected for the year ending March 31, 2022 or for any future periods.

Emerging Growth Company

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such an election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard.

This may make comparison of the Company's condensed consolidated financial statements with another public company, which is neither an emerging growth company nor an emerging growth company, and which has opted out of using the extended transition period, difficult or impossible because of the potential differences in accounting standards used.

Cash and Cash Equivalents

The Company considers all short-term investments with an original maturity of three months or less when purchased to be cash equivalents. The Company did not have any cash equivalents as of December 31, 2021 and March 31, 2021.

Investment Held in Trust Account

As of December 31, 2021, investment in the Company's Trust Account consisted of \$919 in cash and \$172,519,526 in Money Market mutual funds. Money Market funds are characterized as Level 1 investments within the fair value hierarchy under ASC 820 (as defined below).

At March 31, 2021, the assets held in the Trust Account were held in cash, U.S. Treasury Bills and Money Market mutual funds. The Company classifies its United States Treasury Bills as held-to-maturity in accordance with FASB ASC Topic 320 "Investments—Debt and Equity Securities." Held-to-maturity securities are those securities which the Company has the ability and intent to hold until maturity. Held-to-maturity treasury securities are recorded at amortized cost and adjusted for the amortization or accretion of premiums or discounts.

As of March 31, 2021, investment in the Company's Trust Account consisted of \$919 in cash, \$86,253,272 in U.S. Treasury Bills and \$86,251,323 in Money Market mutual funds. All of the U.S. Treasury Bills matured on May 6, 2021. The Company considers all investments with original maturities of more than three months but less than one year to be short-term investments. The carrying value approximates the fair value due to its short-term maturity. The carrying value, excluding gross unrealized holding gain and fair value of held to maturity securities on March 31, 2021 are as follows:

	Carrying Value/Amortized Cost	Amortization of Bond Discount	Gross Unrealized Gain	Fair Value as of March 31, 2021
U.S. Money Market Mutual Funds	\$ 86,251,323	\$ -	\$ -	\$ 86,251,323
U.S. Treasury Bills	86,253,272	4,167	1,898	86,255,170
	<u>\$ 172,504,595</u>	<u>\$ 4,167</u>	<u>\$ 1,898</u>	<u>\$ 172,506,493</u>

A decline in the market value of held-to-maturity securities below cost that is deemed to be other than temporary, results in an impairment that reduces the carrying costs to such securities' fair value. The impairment is charged to earnings and a new cost basis for the security is established. To determine whether an impairment is other than temporary, the Company considers whether it has the ability and intent to hold the investment until a market price recovery and considers whether evidence indicating the cost of the investment is recoverable outweighs evidence to the contrary. Evidence considered in this assessment includes the reasons for the impairment, the severity and the duration of the impairment, changes in value subsequent to year-end, forecasted performance of the investee, and the general market condition in the geographic area or industry the investee operates in.

Premiums and discounts are amortized or accreted over the life of the related held-to-maturity security as an adjustment to yield using the effective-interest method. Such amortization and accretion is included in the "interest income" line item in the statements of operations. Interest income is recognized when earned.

Common Stock Subject to Possible Redemption

The Company accounts for its Class A common stock subject to possible redemption in accordance with the guidance in ASC Topic 480 "Distinguishing Liabilities from Equity". Class A common stock subject to mandatory redemption is classified as a liability instrument and is measured at fair value. Conditionally redeemable common stock (including common stock that features redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company's control) is classified as temporary equity. At all other times, common stock is classified as stockholders' equity. The Company's common stock features certain redemption rights that are considered to be outside of the Company's control and subject to the occurrence of uncertain future events. Accordingly, common stock subject to possible redemption is presented as temporary equity, outside of the stockholders' deficit section of the Company's balance sheet.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash accounts in a financial institution, which, at times, may exceed the Federal Depository Insurance Coverage of \$250,000. The Company has not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such accounts.

Financial Instruments

The fair value of the Company's assets and liabilities, which qualify as financial instruments under the FASB ASC 820, "Fair Value Measurement," approximates the carrying amounts represented in the balance sheet, primarily due to their short term nature.

Fair Value Measurements

Fair value is defined as the price that would be received for sale of an asset or paid for transfer of a liability, in an orderly transaction between market participants at the measurement date. GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices (unadjusted) for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

In some circumstances, the inputs used to measure fair value might be categorized within different levels of the fair value hierarchy. In those instances, the fair value measurement is categorized in its entirety in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

Warrant Liability

The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives in accordance with ASC Topic 815, "Derivatives and Hedging". For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value on the grant date and is then re-valued at each reporting date, with changes in the fair value reported in the condensed statements of operations. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement or conversion of the instrument could be required within 12 months of the balance sheet date.

The Company accounts for the warrants issued in connection with the IPO in accordance with the guidance contained in ASC 815-40. Such guidance provides that because the warrants do not meet the criteria for equity treatment thereunder, each warrant must be recorded as a liability. Accordingly, the Company classified each warrant as a liability at its fair value. This liability is subject to re-measurement at each reporting period. With each such re-measurement, the warrant liability will be adjusted to fair value, with the change in fair value recognized in the Company's condensed statement of operations. As of December 31, 2021 and March 31, 2021, there were 13,800,000 warrants outstanding.

Net Loss Per Share

The Company has two classes of shares, which are referred to as Class A common stock and Class B common stock. Earnings and losses are shared pro rata between the two classes of shares. The 17,250,000 potential common stock for outstanding warrants to purchase the Company's shares were excluded from diluted earnings per share for the period from March 31, 2020 (inception) through December 31, 2021 because the warrants are contingently exercisable, and the contingencies have not yet been met. As a result, diluted net loss per common stock is the same as basic net loss per common stock for the periods. The table below presents a reconciliation of the numerator and denominator used to compute basic and diluted net loss per share for each class of common stock:

	For the nine months ended December 31, 2021		For the nine months ended December 31, 2020	
	Class A	Class B	Class A	Class B
Basic and diluted net loss per share:				
Numerator:				
Allocation of net loss	\$ (6,007,472)	\$ (1,501,868)	\$ —	\$ (114)
Denominator:				
Weighted-average shares outstanding	17,250,000	4,312,500	—	4,312,500
Basic and diluted net loss per share	<u>\$ (0.35)</u>	<u>\$ (0.35)</u>	<u>\$ —</u>	<u>\$ (0.00)</u>
	For the three months ended December 31, 2021		For the three months ended December 31, 2020	
	Class A	Class B	Class A	Class B
Basic and diluted net loss per share:				
Numerator:				
Allocation of net loss	\$ 288,567	\$ 72,142	\$ —	\$ (114)
Denominator:				
Weighted-average shares outstanding	17,250,000	4,312,500	—	4,312,500
Basic and diluted net loss per share	<u>\$ 0.02</u>	<u>\$ 0.02</u>	<u>\$ —</u>	<u>\$ (0.00)</u>

Income Taxes

The Company follows the asset and liability method of accounting for income taxes under FASB ASC 740, "Income Taxes" ("ASC 740"). Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the condensed financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that included the enactment date. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more likely than not to be sustained upon examination by taxing authorities. There were no unrecognized tax benefits as of December 31, 2021. The Company's management determined that the United States is the Company's only major tax jurisdiction. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. No amounts were accrued for the payment of interest and penalties for the period from December 31, 2021 and March 31, 2021. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position.

Recent Accounting Standards

August 2020, the FASB issued Accounting Standards Update (“ASU”) 2020-06, Debt — Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging — Contracts in Entity’s Own Equity (Subtopic 815-40) (“ASU 2020-06”) to simplify accounting for certain financial instruments. ASU 2020-06 eliminates the current models that require separation of beneficial conversion and cash conversion features from convertible instruments and simplifies the derivative scope exception guidance pertaining to equity classification of contracts in an entity’s own equity. The new standard also introduces additional disclosures for convertible debt and freestanding instruments that are indexed to and settled in an entity’s own equity. ASU 2020-06 amends the diluted earnings per share guidance, including the requirement to use the if-converted method for all convertible instruments. ASU 2020-06 is effective January 1, 2022 and should be applied on a full or modified retrospective basis, with early adoption permitted beginning on January 1, 2021. There was no material impact to the Company’s financial position, results of operations or cash flows.

Management does not believe that any recently issued, but not effective, accounting standards, if currently adopted, would have a material effect on the Company’s financial statements.

NOTE 3 — PUBLIC OFFERING

Pursuant to the IPO, the Company sold 17,250,000 at an offering price of \$10.00 per Unit, which included 2,250,000 units sold upon the full exercise by the underwriter of its over-allotment option, at \$10.00 per Unit, generating gross proceeds of \$172,500,000.

Each Unit consists of one share of the Company’s Class A common stock, \$0.0001 par value, and one-half of one redeemable warrant, with each whole warrant exercisable for one share of Class A common stock (each, a “Warrant” and, collectively, the “Warrants” and, with respect to the warrants sold in the Private Placement, the “Private Placement Warrants”). Each whole Warrant entitles the holder thereof to purchase one share of Class A common stock at a price of \$11.50 per share, subject to adjustment.

All of the 17,250,000 Class A common stock sold as part of the Units in the IPO contain a redemption feature which allows for the redemption of such public shares in connection with the Company’s liquidation, if there is a stockholder vote or tender offer in connection with the Business Combination and in connection with certain amendments to the Company’s certificate of incorporation. In accordance with SEC guidance on redeemable equity instruments, which has been codified in ASC 480-10-S99, redemption provisions not solely within the control of the Company require common stock subject to redemption to be classified outside of permanent equity.

The Class A common stocks are accounted for in accordance to codified in ASC 480-10-S99. If it is probable that the equity instrument will become redeemable, the Company has the option to either remeasure changes in the redemption value over the period from the date of issuance (or from the date that it becomes probable that the instrument will become redeemable, if later) to the earliest redemption date of the instrument or to recognize changes in the redemption value immediately as they occur and adjust the carrying amount of the instrument to equal the redemption value at the end of each reporting period. The Company recognizes changes in redemption value immediately as they occur. Immediately upon the closing of the IPO, the Company recognized the remeasurement from initial book value to redemption amount value. The change in the carrying value of redeemable common stock resulted in charges against additional paid-in capital and accumulated deficit.

Warrants

Warrants may only be exercised for a whole number of shares. No fractional Warrants will be issued upon separation of the Units and only whole Warrants will trade. The Warrants will become exercisable on the later of (a) 30 days after the completion of the initial Business Combination or (b) 12 months from the closing of the IPO; provided in each case that the Company has an effective registration statement under the Securities Act covering the shares of Class A common stock issuable upon exercise of the Warrants and a current prospectus relating to them is available (or the Company permits holders to exercise their Warrants on a cashless basis and such cashless exercise is exempt from registration under the Securities Act). The Company will agree that as soon as practicable, but in no event later than 15 business days, after the closing of the initial Business Combination, the Company will use its best efforts to file with the SEC a registration statement for the registration, under the Securities Act, of the shares of Class A common stock issuable upon exercise of the Warrants, to cause such registration statement to become effective within 60 business days after the closing of the initial Business Combination and to maintain a current prospectus relating to those shares of Class A common stock until the warrants expire or are redeemed, as specified in the warrant agreement. If the shares issuable upon exercise of the warrants are not registered under the Securities Act by the 60th business day after the closing of the initial Business Combination, the Company will be required to permit holders to exercise their warrants on a “cashless basis” in accordance with Section 3(a)(9) of the Securities Act or another exemption. Notwithstanding the above, if the Company’s Class A common stock is at the time of any exercise of a warrant not listed on a national securities exchange such that it satisfies the definition of a “covered security” under Section 18(b)(1) of the Securities Act, the Company may, at its option, require holders of Warrants who exercise their warrants to do so on a “cashless basis” in accordance with Section 3(a)(9) of the Securities Act and, in the event the Company elects, the Company will not be required to file or maintain in effect a registration statement, but the Company will use its best efforts to register or qualify the shares under applicable blue sky laws to the extent an exemption is not available.

The warrants contain a tender or exchange offer that the Company’s management concluded do not qualify as an acceptable form of net cash settlement under the exception of ASC 815-40-25-8, because an event that is not within the entity’s control (tender offer) may result in a circumstance in which warrant holders would be entitled to cash while holders of the shares underlying the contract also would not receive cash (because a portion of their shares may not be subject to the tender offer). In a tender offer for less than all of the Company’s outstanding shares, the common stockholders may be restricted in the number of tendered shares that will be accepted for purchase. As such, the Company’s Public Warrants are reported as a derivative liability.

The Warrants will expire five years after the completion of a Business Combination or earlier upon redemption or liquidation.

The Company may call the Warrants for redemption (except with respect to the Private Placement Warrants):

- in whole and not in part;
- at a price of \$0.01 per warrant;
- upon a minimum of 30 days’ prior written notice of redemption (the “30-day redemption period”); and
- if, and only if, the last sale price of the Class A common stock equals or exceeds \$18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending on the third trading day prior to the date on which the Company sends the notice of redemption to the warrant holders.
- If the Company calls the Warrants for redemption, management will have the option to require all holders that wish to exercise the Warrants to do so on a “cashless basis,” as described in the warrant agreement.

NOTE 4 — PRIVATE PLACEMENT

Simultaneously with the closing of the IPO, the Company consummated the sale of 5,175,000 Private Placement Warrant in a private placement to the Sponsor, Nautilus Carriers LLC and HB Strategies LLC generating gross proceeds of \$5,175,000.

A portion of the purchase price of the Private Placement Warrants were added to the proceeds from the IPO held in the Trust Account. If the Initial Business Combination is not completed by August 2, 2022, the proceeds from the sale of the Private Placement Warrants held in the Trust Account will be used to fund the redemption of the Public Shares (subject to the requirements of applicable law) and the Private Placement Warrants will expire worthless.

The Private Placement Warrants are identical to the Warrants underlying the Units sold in the IPO, except that the Private Placement Warrants and the shares of Class A common stock issuable upon exercise of the Private Placement Warrants will not be transferable, assignable or salable until 30 days after the completion of the initial Business Combination, subject to certain limited exceptions. Additionally, the Private Placement Warrants will be non-redeemable so long as they are held by the initial purchasers or such purchasers' permitted transferees. If the Private Placement Warrants are held by someone other than the initial stockholders or their permitted transferees, the Private Placement Warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Warrants.

NOTE 5 — RELATED PARTY TRANSACTIONS

Founder Shares

On April 30, 2010, the Company sold 5,000,000 shares of the Company's common stock, par value \$0.0001 per share, to the Sponsor, at a purchase price of \$25,000. On July 1, 2012, the Company issued 376,344 shares of the Company's common stock to a third party as consideration for services performed. On February 24, 2020, the third party forfeited 257,649 shares of the Company's common stock.

On February 24, 2020, the Company effectuated a recapitalization. Each outstanding share of the Company's Common Stock became 0.8425 shares of Class B common stock, resulting in an aggregate of 4,312,500 Founder Shares outstanding and held by the Sponsor (up to 562,500 of which were subject to forfeiture if the underwriter's over-allotment option was not exercised in full). All share and per-share amounts for periods and dates prior to December 2019 have been retroactively restated to reflect this split. Additionally, 75,000 shares of Class B Common Stock were transferred from the Sponsor to the Company's three independent directors prior to the closing of the IPO.

On August 14, 2020, the Sponsor forfeited an aggregate of 2,833,333 shares of Class B common stock to the Company for no consideration, and each of Nautilus and HB Strategies purchased from the Company 1,379,167 shares of Class B common stock for a purchase price of \$2,043 (or an aggregate purchase price of \$4,086).

On January 7, 2021, three initial stockholders of the Company forfeited an aggregate of 718,750 shares of Class B common stock at no cost, which the Company cancelled, resulting in an aggregate of 3,593,750 shares of Class B common stock outstanding and held by the Company's initial stockholders.

On January 29, 2021, the Company effectuated a 1.2-for-1 forward stock split, resulting in an aggregate of 4,312,500 shares held by its initial stockholders (all share and per share amounts have been restated).

Holders of Founder Shares may also elect to convert their shares of Class B common stock into an equal number of shares of Class A common stock, subject to adjustment, at any time.

The Company's initial stockholders, officers and directors have agreed, not to transfer, assign or sell any Founder Shares held by them until the earlier to occur of: (i) one year after the completion of the initial Business Combination, (ii) the last sale price of Class A common stock equals or exceeds \$12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 60 days after the initial Business Combination, or (iii) the date following the completion of the initial Business Combination on which the Company completes a liquidation, merger, stock exchange, reorganization or other similar transaction that results in all of the public stockholders having the right to exchange their shares of common stock for cash, securities or other property.

Administrative Fees

Commencing on January 29, 2021, the Company agreed to pay an affiliate of the Sponsor a total of \$5,750 per month for office space, utilities and secretarial and administrative support. Upon completion of the initial Business Combination or the Company's liquidation, the Company will cease paying these monthly fees. The Company incurred \$51,750 and \$17,250 in expenses in connection with such services for the nine and three months ended December 31, 2021, respectively, as reflected in the accompanying condensed statement of operations.

Notes Payable — Related Party

The Company issued promissory notes to certain initial stockholders of the Company, which allowed the Company to borrow up to \$300,000 without interest to be used for a portion of the expenses of the IPO. All amounts due under the promissory notes were payable on the earlier of: (i) June 30, 2021 or (ii) the date on which the Company consummated its IPO. The promissory notes were repaid from the proceeds of the IPO. As of December 31, 2021 and March 31, 2021, there were no amounts outstanding under the promissory notes.

Related Party Loans

In order to finance transaction costs in connection with a Business Combination, the Sponsor and certain other initial stockholders of the Company may, but are not obligated to, loan the Company funds as may be required ("Working Capital Loans"). If the Company completes a Business Combination, the Company would repay the Working Capital Loans out of the proceeds of the Trust Account released to the Company. Otherwise, the Working Capital Loans would be repaid only out of funds held outside the Trust Account. In the event that a Business Combination does not close, the Company may use a portion of proceeds held outside the Trust Account to repay the Working Capital Loans, but no proceeds held in the Trust Account would be used to repay the Working Capital Loans. Except for the foregoing, the terms of such Working Capital Loans, if any, have not been determined and no written agreements exist with respect to such loans. The Working Capital Loans would either be repaid upon consummation of a Business Combination, without interest, or, at the lender's discretion, up to \$1,500,000 of such Working Capital Loans may be convertible into warrants of the post-Business Combination entity at a price of \$1.00 per warrant. The warrants would be identical to the Private Placement Warrants. At December 31, 2021 and March 31, 2021 there were no amounts outstanding due to related parties.

NOTE 6 — RECURRING FAIR VALUE MEASUREMENTS

At December 31, 2021, the Company's warrant liability was valued at \$12,471,750. Under the guidance in ASC 815-40 the warrants do not meet the criteria for equity treatment. As such, the warrants must be recorded on the balance sheet at fair value. This valuation is subject to re-measurement at each balance sheet date. With each re-measurement, the warrant valuation will be adjusted to fair value, with the change in fair value recognized in the Company's condensed statement of operations.

The Company's warrant liability for the Private Placement Warrants is based on a valuation model utilizing inputs from observable and unobservable markets with less volume and transaction frequency than active markets. The fair value of the Private Warrant liability classified within Level 3 of the fair value hierarchy.

The Company's warrant liability for the Public Warrants is based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. The fair value of the Public Warrant liability is classified within Level 1 of the fair value hierarchy.

At December 31, 2021, substantially all of the Company's trust assets on the condensed consolidated balance sheet consist of U. S. Money Market Mutual funds which are classified as cash equivalents. Fair values of these investments are determined by Level 1 inputs utilizing quoted prices (unadjusted) in active markets for identical assets.

The following table presents information about the Company's assets and liabilities that were measured at fair value on a recurring basis, and indicates the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value.

December 31, 2021:	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:			
Investments held in Trust Account-Money Market Mutual Funds	\$ 172,520,445	\$ —	\$ —
	<u>\$ 172,520,445</u>	<u>\$ —</u>	<u>\$ —</u>
Liabilities			
Warrant Liability—Public Warrants	\$ 7,762,500	\$ —	\$ —
Warrant Liability—Private Warrants	—	—	4,709,250
	<u>\$ 7,762,500</u>	<u>\$ —</u>	<u>\$ 4,709,250</u>
March 31, 2021:			
Assets:			
Investments held in Trust Account-Money Market Mutual Funds	\$ 86,251,323	\$ —	\$ —
Cash and Investments held in Trust Account-Treasury Bills	\$ 86,255,170	\$ —	\$ —
	<u>\$ 172,506,493</u>	<u>\$ —</u>	<u>\$ —</u>
Liabilities			
Warrant Liability—Public Warrants	\$ 4,398,750	\$ —	\$ —
Warrant Liability—Private Warrants	—	—	2,742,750
	<u>\$ 4,398,750</u>	<u>\$ —</u>	<u>\$ 2,742,750</u>

The Private Warrants were valued using a Black Scholes Option Pricing Model and were considered to be a Level 3 fair value measurements due to the use of unobservable inputs. The Black Scholes Option Pricing Model's primary unobservable input utilized in determining the fair value of the Private Warrants is the expected volatility of the common stock. The expected volatility as of the IPO date was derived from the post-merger announced publicly traded warrants for comparable SPAC companies as of the valuation date. The closing price of the Public Warrants was used to determine their fair value.

The key inputs used in the Black Scholes Option Pricing Model for the Private Warrants were as follows:

Input	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Risk-free interest rate	1.3%	1.2%
Expected term (years)	5.04	5.58
Expected volatility	14.0%	10.0%
Stock Price	\$ 9.93	\$ 9.70
Exercise price	\$ 11.50	\$ 11.50
Dividend yield	0.0%	0.0%

The following table sets forth a summary of the changes in the fair value of the Level 3 assets and liabilities measured at fair value for the nine and three months ended December 31, 2021:

	<u>Private Warrants</u>
Fair value as of March 31, 2021	\$ 2,742,750
Change in fair value	517,500
Fair value as of June 30, 2021	<u>\$ 3,260,250</u>
Change in fair value	2,018,250
Fair value as of September 30, 2021	<u>\$ 5,278,500</u>
Change in fair value	<u>(569,250)</u>
Fair value as of December 31, 2021	<u>\$ 4,709,250</u>

There were no transfers between levels for the three and nine months ended December 31, 2021.

NOTE 7 — COMMITMENTS AND CONTINGENCIES

Registration Rights

The holders of the Founder Shares, Private Placement Warrants, shares of Class A common stock underlying the Private Placement Warrants, warrants issuable upon conversion of working capital loans (if any), and the shares of Class A common stock issuable upon exercise of or conversion of the foregoing are entitled to registration rights pursuant to certain registration rights agreements executed on January 29, 2021, requiring the Company to register such securities for resale (in the case of the initial shares, only after conversion to the Company's Class A common stock). Certain holders of these securities are entitled to make up to three demands, excluding short form demands, that the Company register such securities. In addition, the holders have certain "piggy-back" registration rights with respect to registration statements filed subsequent to our completion of the Company's initial Business Combination and rights to require the Company to register for resale such securities pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"). The Company will bear the expenses incurred in connection with the filing of any such registration statements. Notwithstanding the foregoing, the Sponsor may not exercise its demand and "piggyback" registration rights after five (5) and (7) years, respectively, after the effective date of the registration statement filed in connection with the IPO and may not exercise its demand rights on more than one occasion. In addition, if Hudson Bay acquires units in the IPO and becomes an affiliate (as defined in the Securities Act) of us following such offering, the Company has agreed to file a registration statement following such offering to register the resale of the units (including the shares of Class A common stock and warrants included in the units) purchased by Hudson Bay (or its nominee) in the IPO. Pursuant to the Company's registration rights agreement with its initial stockholders, the Company will be liable for certain liquidated damages for failure to honor such holders' registration rights described herein. There is no defined maximum allowed amount of potential liquidated damages in the registration rights agreement with the Company's initial stockholders. The Company's registration rights agreement with its initial stockholders expires upon the earlier of (i) the tenth anniversary of the date it was executed or (ii) the date as of which (A) all of the registrable securities (as defined therein) have been sold pursuant to a registration statement or (B) with respect to any holder, such holder ceasing to hold registrable securities.

Business Combination Marketing Agreement

The Company has engaged Maxim Group LLC, an affiliate of its Sponsor, as advisors in connection with its initial Business Combination to assist it in arranging meetings with its stockholders to discuss a potential Business Combination and the target business' attributes, introduce it to potential investors that may be interested in purchasing its securities, assist it in obtaining stockholder approval for its initial Business Combination and assist it with the preparation of press releases and public filings in connection with the initial Business Combination. Maxim Group LLC earned its fee for such services upon the consummation of the initial Business Combination of an amount equal to 3.5% of the gross proceeds of the IPO (exclusive of any applicable finders' fees which might become payable) or \$6,037,500 and was paid upon consummation of the Business Combination Agreement.

Business Combination Agreement

On August 4, 2021, the Company and GCAC Merger Sub Inc., a Delaware corporation and newly formed wholly-owned subsidiary of the Company ("Merger Sub") entered into a Business Combination Agreement (the "Business Combination Agreement") with Cepton Technologies, Inc., a Delaware corporation ("Cepton"). Pursuant to the Business Combination Agreement, subject to the terms and conditions set forth therein, upon the consummation of the transactions contemplated by the Business Combination Agreement (the "Closing"), Merger Sub will merge with and into Cepton (the "Merger" and, together with the other transactions contemplated by the Business Combination Agreement, the "Transactions"), with Cepton continuing as the surviving corporation in the Merger and a wholly-owned subsidiary of the Company. Upon the consummation of the business combination, the Company will change its name to Cepton, Inc.

On February 10, 2022 the Company consummated its Business Combination Agreement with Cepton Technologies, Inc. and changed its name to Cepton, Inc.

Cepton Stockholder Support Agreements

Concurrently with the execution of the Business Combination Agreement on August 4, 2021, the Company, Merger Sub and certain Cepton stockholders (the “Supporting Cepton Stockholders”) entered into the Cepton Stockholder Support Agreements (the “Cepton Stockholder Support Agreements”). Each Cepton Stockholder Support Agreement provides, among other things, that on (or effective as of) the third business day following the date that the proxy statement/consent solicitation statement/prospectus is disseminated to Cepton’s stockholders, each Supporting Cepton Stockholder will execute and deliver a written consent with respect to the outstanding shares of Cepton common stock and Cepton preferred stock held by such Supporting Cepton Stockholder adopting the Business Combination Agreement and approving the Transactions.

Immediately prior to the effective time of the Merger (the “Effective Time”), Cepton caused each share of Cepton Class F Stock and each share of Cepton preferred stock to be automatically converted into a number of shares of Cepton common stock, at the then-effective conversion rate as calculated pursuant to Cepton’s Amended and Restated Certificate of Incorporation. All of the Cepton Class F Stock and the Cepton preferred stock converted into common stock of Cepton is no longer outstanding and cease to exist, and each holder of Cepton preferred stock thereafter cease to have any rights with respect to such securities.

Amended Registration Rights Agreement

Contemporaneously with the execution and delivery of the Business Combination Agreement on August 4, 2021, the Company’s sponsor, Growth Capital Sponsor LLC (the “Sponsor”), Nautilus Carriers LLC (“Nautilus”), HB Strategies LLC (“HB Strategies”), and certain other stockholders of the Company (collectively, the “Initial Holders”), Cepton, and certain Cepton stockholders entered into an amendment (the “Amended Registration Rights Agreement”) to those certain Registration Rights Agreements, each dated as of January 29, 2021, (“Existing Registration Rights Agreement”) by and among the Company and the Initial Holders. Pursuant to the Amended Registration Rights Agreement, the stockholder parties will be provided the right to demand registrations, piggy-back registrations and shelf registrations with respect to Registrable Securities (as defined in the Amended Registration Rights Agreement). The Amended Registration Rights Agreement supersedes the Existing Registration Rights Agreement between Company and certain of the Initial Holders.

Confidentiality and Lock-Up Agreement

Contemporaneously with the execution and delivery of the Business Combination Agreement on August 4, 2021, certain Cepton stockholders entered into a Confidentiality and Lock-up Agreement with the Company (each, a “Confidentiality and Lock-Up Agreement”). Pursuant to the Confidentiality and Lock-Up Agreements, each Cepton stockholder party thereto agreed to a 180-day lock-up of its restricted securities of the Company following Closing, subject to (i) early release upon certain corporate transactions and (ii) certain limited permitted transfers where the recipient takes the shares subject to the restrictions in the Confidentiality and Lock-Up Agreement.

Unpaid Expenses and Lock-Up Agreement

Contemporaneously with the execution and delivery of the Business Combination Agreement on August 4, 2021, the Company, Sponsor, Nautilus, HB Strategies, and Cepton entered into an Unpaid Expenses and Lock-Up Agreement (the “Unpaid Expenses and Lock-Up Agreement”), pursuant to which, among other things, Sponsor, Nautilus, and HB Strategies agreed that if the Company’s unpaid or contingent liabilities as of immediately prior to the Closing (excluding deferred underwriting and business combination marketing fees and expenses arising from the Company’s initial public offering and excluding any fees and expenses arising from the PIPE Investment) exceed \$10,000,000, the Sponsor, Nautilus, and HB Strategies, each will, at their election, either forfeit immediately prior to the Closing a number of Founder Shares and Founder Warrants having an aggregate value equal to the Excess Expense Amount (as defined in the Unpaid Expenses and Lock-Up Agreement) or (ii) pay to the Company an amount in cash equal to the Excess Expense Amount. Pursuant to the Unpaid Expenses and Lock-Up Agreement, each of the Sponsor, Nautilus, and HB Strategies are subject to certain lock-up restrictions. Upon consummation of the Business Combination Agreement on February 10, 2022, the Company’s unpaid or contingent liabilities as of immediately prior to the Closing (excluding deferred underwriting and business combination marketing fees and expenses arising from the Company’s initial public offering and excluding any fees and expenses arising from the PIPE Investment) did not exceed \$10,000,000.

Stockholder Support Agreement

Contemporaneously with the execution and delivery of the Business Combination Agreement on August 4, 2021, Cepton and certain stockholders of the Company entered into Stockholder Support Agreements (the “Stockholder Support Agreements”). Pursuant to the Stockholder Support Agreements, the stockholders of the Company party thereto will agree, among other things, to vote their shares of the Company’s Class B common stock in favor of the adoption and approval of the Business Combination Agreement and the Transactions. HB Strategies entered into a substantially similar Stockholder Support Agreement.

On February 9, 2022, GCAC held a special meeting of its stockholders (the “Special Meeting”), at which holders of 15,727,382 shares of common stock were present in person or by proxy, constituting a quorum for the transaction of business. As of the record date, 21,562,500 shares of common stock, including 17,250,000 shares of Class A common stock and 4,312,500 shares of Class B common stock, were outstanding and entitled to vote at the Special Meeting. The Company’s stockholders approved the adoption and approval of the Business Combination Agreement, dated as of August 4, 2021 (as amended by the Amendment to the Business Combination Agreement, dated as of January 21, 2022, the “**Business Combination Agreement**”), by and among GCAC, GCAC Merger Sub Inc., and Cepton Technologies, Inc.

Subscription Agreements

In connection with the proposed business combination between the Company and Cepton, the Company entered into subscription agreements (the “Subscription Agreements”) dated August 4, 2021 and October 19, 2021, and, as amended, dated February 3, 2022, with the investors named therein (the “PIPE Investors”), pursuant to which the Company agreed to issue and sell to the PIPE Investors approximately \$59.5 million of the Company’s Class A common stock immediately prior to closing of the Merger (the “PIPE Investment”). The PIPE Investment was conditioned on the concurrent closing of the Merger and other customary closing conditions. The proceeds from the PIPE Investment will be used to fund a portion of the cash consideration for the business combination. The Subscription Agreements provide for certain customary registration rights for the PIPE Investors.

The Business Combination Agreement and related agreements are further described in the Company’s Current Report on Form 8-K filed with the SEC on August 5, 2021. The foregoing descriptions of each of the Business Combination Agreement, the Cepton Stockholder Support Agreements, the Amended Registration Rights Agreement, the Confidentiality and Lock-Up Agreement, the Unpaid Expenses and Lock-Up Agreement, the Stockholder Support Agreement and the Subscription Agreements are qualified in their entirety by reference to such agreements filed as an exhibit to this Quarterly Report.

Purchase Agreement

On November 24, 2021, the Company and Cepton entered into a Purchase Agreement (the “Purchase Agreement”) with Lincoln Park Capital Fund, LLC (“Lincoln Park”), pursuant to which Lincoln Park has agreed to purchase from the Company up to \$100,000,000 of the Company’s common stock. In connection with the Purchase Agreement, the Company and Cepton also entered into a registration rights agreement with Lincoln Park (the “Lincoln Park Registration Rights Agreement”) whereby the Company has agreed to file with the U.S. SEC within thirty (30) days following the consummation of the Merger, a new registration statement covering the shares of the Company common stock that may be issued to Lincoln Park under the Purchase Agreement.

After (i) the consummation of the Merger and (ii) upon the satisfaction of certain other conditions set forth in the Purchase Agreement, the Company shall have the right, but not the obligation, from time to time to direct Lincoln Park to purchase shares of the Company’s common stock having a value of up to \$500,000 on any business day (the “Purchase Date”), which may be increased to up to \$1,000,000 depending on certain conditions as set forth in the Purchase Agreement.

In consideration for entering into the Purchase Agreement, the Company issued to Lincoln Park 50,000 shares of the Company’s common stock as a commitment fee on the date of the closing of the Merger. The Company is also obligated to issue up to an additional 150,000 shares of the Company’s common stock as a commitment fee 180 days after the date of the closing of the Merger.

The issuance of the shares pursuant to the Purchase Agreement was undertaken in reliance upon the exemption from the registration requirements of the Securities Act of 1933, as amended, afforded by Section 4(a)(2).

NOTE 8 — STOCKHOLDERS' EQUITY

Preferred Stock

The Company is authorized to issue 1,000,000 shares of preferred stock with a par value of \$0.0001 and with such designations, voting and other rights and preferences as may be determined from time to time by the Company's board of directors. At December 31, 2021 and March 31, 2021, there were no shares of preferred stock issued or outstanding.

Class A common stock — The Company is authorized to issue 100,000,000 shares of Class A common stock with a par value of \$0.0001 per share. As of December 31, 2021 and March 31, 2021, there were no shares of Class A common stock issued or outstanding, excluding 17,250,000 shares subject to possible redemption.

Class B common stock — The Company is authorized to issue 10,000,000 shares of Class B common stock with a par value of \$0.0001 per share. As of December 31, 2021 and March 31, 2021, there were 4,312,500 shares of Class B common stock issued and outstanding.

The shares of Class B common stock will automatically convert into shares of the Company's Class A common stock at the time of an initial Business Combination or at any time prior thereto at the option of the holder on a one-for-one basis, subject to adjustment for stock splits, stock dividends, reorganizations, recapitalizations and the like, and subject to further adjustment as provided herein. In the case that additional shares of Class A common stock, or equity-linked securities, are issued or deemed issued in excess of the amounts sold in our initial public offering and related to the closing of the initial Business Combination, including pursuant to a specified future issuance, the ratio at which shares of Class B common stock shall convert into shares of Class A common stock will be adjusted (unless the holders of a majority of the outstanding shares of Class B common stock agree to waive such adjustment with respect to any such issuance or deemed issuance, including a specified future issuance) so that the number of shares of Class A common stock issuable upon conversion of all shares of Class B common stock will equal, in the aggregate, on an as-converted basis, 20% of the sum of the total number of all shares of common stock outstanding upon the completion of our initial public offering plus all shares of Class A common stock and equity-linked securities issued or deemed issued in connection with the initial Business Combination (excluding any shares or equity-linked securities issued, or to be issued, to any seller in the initial Business Combination, any private placement-equivalent warrants issued to the Sponsor or its affiliates upon conversion of loans made to us). If the Company enters into an initial Business Combination, it may (depending on the terms of such an initial Business Combination) be required to increase the number of shares of Class A common stock which the Company is authorized to issue at the same time as the Company's stockholders vote on the initial Business Combination to the extent the Company seeks stockholder approval in connection with the initial Business Combination. Holders of the Company's common stock are entitled to one vote for each share of common stock.

On February 24, 2020, the Company effectuated a recapitalization. Each outstanding share of the Company's Common Stock became 0.8425 shares of Class B common stock, resulting in an aggregate of 4,312,500 Founder Shares outstanding. On August 14, 2020, the Sponsor forfeited an aggregate of 2,833,333 shares of Class B Common Stock to the Company, and each of Nautilus and HB Strategies purchased from the Company 1,379,167 shares of Class B Common Stock. In January 2021, three initial stockholders of the Company forfeited an aggregate of 718,750 shares of Class B common stock at no cost, which the Company cancelled, resulting in an aggregate of 3,593,750 founder shares outstanding and held by its initial stockholders. On January 29, 2021, the Company effectuated a 1.2-for-1 forward stock split, resulting in an aggregate of 4,312,500 Class B shares held by its initial stockholders.

NOTE 9 — SUBSEQUENT EVENTS

The Company has evaluated events that have occurred after the balance sheet up to the date the consolidated financial statements were issued. The Company did not identify any subsequent events that would have required adjustment to or disclosure in the consolidated financial statements, except for the disclosures relating to the consummation of its Business Combination Agreement with Cepton Technologies, Inc., a Delaware corporation (“Cepton”) on February 10, 2022 as disclosed in Note 1 to the financial statements.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

References in this report (the “Quarterly Report”) to the “Company,” “our,” “us” or “we” refer to Growth Capital Acquisition Corp. The following discussion and analysis of the Company’s financial condition and results of operations should be read in conjunction with the unaudited consolidated financial statements and the notes thereto contained elsewhere in this report. Certain information contained in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “should,” “could,” “would,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “continue,” or the negative of such terms or other similar expressions. Such statements include, but are not limited to, possible business combinations and the financing thereof, and related matters, as well as all other statements other than statements of historical fact included in this Form 10-Q. Factors that might cause or contribute to such a discrepancy include, but are not limited to, those described in our other SEC filings.

Overview

We formerly were a blank check company, incorporated under the laws of the State of Delaware on January 4, 2010 under the name PinstripesNYS, Inc., and changed our name to Growth Capital Acquisition Corp. on February 14, 2020 and later to Cepton, Inc on February 10, 2022. We were formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses (the “Business Combination”).

On February 10, 2022, Cepton, Inc., (f/k/a Growth Capital Acquisition Corp. (“GCAC”)), consummated a previously announced merger pursuant to a Business Combination Agreement, dated August 4, 2021, and as amended by the Amendment to the Business Combination Agreement, dated January 21, 2022 (as so amended, the “Business Combination Agreement”), by and among GCAC, GCAC Merger Sub Inc., a Delaware corporation and a wholly owned subsidiary of GCAC (“Merger Sub”), and Cepton Technologies, Inc., a Delaware corporation (“Legacy Cepton”).

The issuance of additional shares of our stock in a Business Combination:

- may significantly dilute the equity interest of investors, which dilution would increase if the anti-dilution provisions in the Class B common stock resulted in the issuance of Class A shares on a greater than one-to-one basis upon conversion of the Class B common stock;
- may subordinate the rights of holders of common stock if preferred stock is issued with rights senior to those afforded our common stock;
- could cause a change of control if a substantial number of shares of our common stock are issued, which may affect, among other things, our ability to use our net operating loss carry forwards, if any, and could result in the resignation or removal of our present officers and directors;
- may have the effect of delaying or preventing a change of control of us by diluting the stock ownership or voting rights of a person seeking to obtain control of us; and

- may adversely affect prevailing market prices for our Class A common stock and/or warrants.

Similarly, if we issue debt securities or otherwise incur significant indebtedness, it could result in:

- default and foreclosure on our assets if our operating revenues after an initial business combination are insufficient to repay our debt obligations;
- acceleration of our obligations to repay the indebtedness even if we make all principal and interest payments when due if we breach certain covenants that require the maintenance of certain financial ratios or reserves without a waiver or renegotiation of that covenant;
- our immediate payment of all principal and accrued interest, if any, if the debt is payable on demand;
- our inability to obtain necessary additional financing if the debt contains covenants restricting our ability to obtain such financing while the debt is outstanding;
- our inability to pay dividends on our common stock;
- using a substantial portion of our cash flow to pay principal and interest on our debt, which will reduce the funds available for dividends on our common stock if declared, expenses, capital expenditures, acquisitions and other general corporate purposes;
- limitations on our flexibility in planning for and reacting to changes in our business and in the industry in which we operate;
- increased vulnerability to adverse changes in general economic, industry and competitive conditions and adverse changes in government regulation; and
- limitations on our ability to borrow additional amounts for expenses, capital expenditures, acquisitions, debt service requirements, execution of our strategy and other purposes and other disadvantages compared to our competitors who have less debt.

Results of Operations

As of December 31, 2021, we had not commenced any operations. All activity from March 31, 2020 through December 31, 2021 relates to our formation, our prior unconsummated initial public offering, and our Initial Public Offering. We will not generate any operating revenues until after the completion of our initial Business Combination, at the earliest. We will generate non-operating income in the form of interest income on cash and cash equivalents from the proceeds derived from the Initial Public Offering.

On February 10, 2022 we consummated our Business Combination Agreement with Cepton Technologies, Inc.

For the three months ended December 31, 2021, we had a net income of \$360,709, which consisted of interest income of \$4,384, an unrealized gain on fair value changes of warrants of \$1,518,000, partially offset by \$1,161,675 in general and administrative costs.

For the nine months ended December 31, 2021, we had a net loss of \$7,559,340, which consisted of \$2,245,231 in general and administrative costs, an unrealized loss on fair value changes of warrants of \$5,330,250, partially offset by interest income of \$16,141.

Liquidity and Capital Resources

Prior to the quarterly period covered by this Quarterly Report, on February 2, 2021, we consummated our IPO of 17,250,000 Units (the “Units” and, with respect to the shares of Class A common stock included in the Units sold, the “Public Shares”), which includes the full exercise by the underwriter of its over-allotment option in the amount of 2,250,000 Units, at \$10.00 per Unit, generating gross proceeds of \$172,500,000.

Simultaneously with the closing of our IPO, we consummated the sale of 5,175,000 warrants (each, a “Private Placement Warrant” and, collectively, the “Private Placement Warrants”) in a private placement to our Sponsor, Growth Capital Sponsor LLC, Nautilus Carriers LLC, an affiliate of our Co-Chief Executive Officers, and HB Strategies LLC, an affiliate of Hudson Bay Capital Management LP generating gross proceeds of \$5,175,000.

Transaction costs amounted to \$4,294,613, consisting of \$3,450,000 of underwriting fees, and \$844,613 of other offering costs.

Following the closing of the IPO on February 2, 2021, an aggregate of \$172,500,000 (\$10.00 per Unit) from the net proceeds of the sale of the Units in the IPO and the sale of the Private Placement Units was placed in a trust account (the “Trust Account”) located in the United States at J.P. Morgan Chase Bank, N.A., with Continental Stock Transfer & Trust Company acting as trustee, which were invested only in U.S. government treasury bills with a maturity of 185 days or less or in money market funds registered under the Investment Company Act of 1940, as amended. Unless and until we complete the initial Business Combination, we may pay our expenses only from the net proceeds of the IPO held outside the Trust Account.

Except with respect to interest earned on the funds held in the Trust Account that may be released to the Company to pay its taxes, the proceeds from the IPO may not be released from the Trust Account until the earliest of: (i) the completion of the initial Business Combination; (ii) the redemption of any public shares properly tendered in connection with a stockholder vote to amend the Company’s amended and restated certificate of incorporation to modify the substance or timing of the Company’s obligation to redeem 100% of its public shares if it does not complete the initial Business Combination by August 2, 2022; or (iii) the redemption of all of the Company’s public shares if the Company is unable to complete the initial Business Combination by August 2, 2022 (at which such time up to \$100,000 of interest shall be available to the Company to pay liquidation or dissolution expenses), subject to applicable law. The proceeds deposited in the Trust Account could become subject to the claims of the Company’s creditors, if any, which could have priority over the claims of the Company’s public stockholders.

At December 31, 2021, we had cash outside the Trust Account of \$108,396 and a working capital deficiency of \$1,453,103. We have incurred and expect to continue to incur significant costs in pursuit of our Business Combination. These conditions raise substantial doubt about our ability to continue as a going concern. We addressed this issue with the consummation of the Business Combination Agreement on February 10, 2022, and with new sources of financing.

In connection with our assessment of going concern considerations in accordance with Accounting Standards Update (“ASU”) 2014-15, “Disclosures of Uncertainties about an Entity’s Ability to Continue as a Going Concern,” we believe that the funds which we have available following the completion of the Business Combination Agreement will enable us to sustain operations for a period of at least one-year from the issuance date of these financial statements. Accordingly, substantial doubt about our ability to continue as a going concern as disclosed in previously issued financial statements has been alleviated.

Off-Balance Sheet Arrangements

We have no obligations, assets or liabilities, which would be considered off-balance sheet arrangements as of December 31, 2021. We do not participate in transactions that create relationships with unconsolidated entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements. We have not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or purchased any non-financial assets.

Contractual obligations

We do not have any long-term debt, capital lease obligations, operating lease obligations or long-term liabilities, other than an agreement to pay the Sponsor a monthly fee of \$5,750 for office space, utilities and secretarial and administrative services. We began incurring these fees on January 29, 2021 and ceased to incur these fees monthly upon the consummation of the Business Combination Agreement dated February 10, 2022.

Critical Accounting Policies

Common Stock Subject to Possible Redemption

We account for our Class A common stock subject to possible redemption in accordance with the guidance in ASC Topic 480 “Distinguishing Liabilities from Equity”. Class A common stock subject to mandatory redemption is classified as a liability instrument and is measured at fair value. Conditionally redeemable common stock (including common stock that features redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company’s control) is classified as temporary equity. At all other times, common stock is classified as stockholders’ equity. Our common stock features certain redemption rights that are considered to be outside of the Company’s control and subject to the occurrence of uncertain future events. Accordingly, common stock subject to possible redemption is presented as temporary equity, outside of the stockholders’ deficit section of the balance sheet.

Warrant Liability

We evaluate our financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives in accordance with ASC Topic 815, “Derivatives and Hedging”. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value on the grant date and is then re-valued at each reporting date, with changes in the fair value reported in the condensed statements of operations. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement or conversion of the instrument could be required within 12 months of the balance sheet date.

We account for the warrants issued in connection with the IPO in accordance with the guidance contained in ASC 815-40. Such guidance provides that because the warrants do not meet the criteria for equity treatment thereunder, each warrant must be recorded as a liability. Accordingly, we classified each warrant as a liability at its fair value. This liability is subject to re-measurement at each reporting period. With each such re-measurement, the warrant liability will be adjusted to fair value, with the change in fair value recognized in the condensed statement of operations. As of December 31, 2021 and March 31, 2021, there were 13,800,000 warrants outstanding.

Net Income (Loss) Per Share

We have two classes of shares, which are referred to as Class A common stock and Class B common stock. Earnings and losses are shared pro rata between the two classes of shares. The 17,250,000 potential common stock for outstanding warrants to purchase our shares were excluded from diluted earnings per share for the period from March 31, 2020 (inception) through December 31, 2021 because the warrants are contingently exercisable, and the contingencies have not yet been met. As a result, diluted net loss per common stock is the same as basic net loss per common stock for the periods.

Recent accounting standards

August 2020, the FASB issued Accounting Standards Update (“ASU”) 2020-06, Debt — Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging — Contracts in Entity’s Own Equity (Subtopic 815-40) (“ASU 2020-06”) to simplify accounting for certain financial instruments. ASU 2020-06 eliminates the current models that require separation of beneficial conversion and cash conversion features from convertible instruments and simplifies the derivative scope exception guidance pertaining to equity classification of contracts in an entity’s own equity. The new standard also introduces additional disclosures for convertible debt and freestanding instruments that are indexed to and settled in an entity’s own equity. ASU 2020-06 amends the diluted earnings per share guidance, including the requirement to use the if-converted method for all convertible instruments. ASU 2020-06 is effective January 1, 2022 and should be applied on a full or modified retrospective basis, with early adoption permitted beginning on January 1, 2021. There was no material impact to the Company’s financial position, results of operations or cash flows.

We do not believe that any recently issued, but not effective, accounting standards, if currently adopted, would have a material effect on our financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this item.

Item 4. Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed by us in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial and accounting officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the fiscal quarter ended December 31, 2021, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on this evaluation, our principal executive officer and principal financial and accounting officer have concluded that during the period covered by this report, our disclosure controls and procedures were not effective due to a material weakness in our internal control over financial reporting regarding the restatements related to complex financial instruments (discussed in Note 2 to the Financial Statements included in the September 30, 2021 10-Q/A).

The restatements constitute a material weakness in our internal control over financial reporting. In light of this material weakness, we performed additional analysis as deemed necessary to ensure that our unaudited condensed interim financial statements were prepared in accordance with U.S. generally accepted accounting principles. Accordingly, management believes that the financial statements included in the December 31, 2021 Quarterly Report on Form 10-Q present fairly in all material respects our financial position, results of operations and cash flows for the period presented.

It is noted that the non-cash adjustments to the financial statement do not impact the amounts previously reported for our cash and cash equivalents. In light of this material weakness, we performed additional analysis as deemed necessary to ensure that our unaudited condensed interim financial statements were prepared in accordance with U.S. generally accepted accounting principles.

Changes in Internal Control Over Financial Reporting

We have commenced our remediation efforts in connection with the identification of the material weakness surrounding internal controls over financial reporting for complex financial instruments discussed above and have taken the following steps subsequent to the quarter ended September 30, 2021:

- We have implemented procedures intended to ensure that we identify and apply the applicable accounting guidance to all complex transactions.
- We are establishing additional monitoring and oversight controls designed to ensure the accuracy and completeness of our condensed consolidated financial statements and related disclosures.

Other than the aforementioned remediation efforts, there have been no changes to our internal control over financial reporting during the quarter ended December 31, 2021 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors.

We identified a material weakness in our internal control over financial reporting related to the accounting and reporting for complex financial instruments, due to our reconsideration of the accounting treatment for our warrants and the classification of redeemable shares subject to redemption in connection with the SEC Staff Statement.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Our management also evaluates the effectiveness of our internal controls and we will disclose any changes and material weaknesses identified through such evaluation in those internal controls. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

As described in Item 4 in this Quarterly Report, we identified material weaknesses in our internal control over financial reporting related to the classification of redeemable shares subject to redemption. Based on ASC 480-10-S99, redemption provisions not solely within the control of the Company require the Public Shares of the Company's Class A common stock subject to redemption to be classified outside of permanent equity. We have, following the date of the SEC Staff Statement, undertaken measures to review our warrants and to properly account for the warrants as liabilities. We also classified those Public Shares as temporary equity regardless of the charter's requirement and that management concluded that all Public Shares should be reported as temporary equity on the Company's balance sheet.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds from Registered Securities

Private Placement

On February 2, 2021, simultaneously with the closing of the Initial Public Offering, the Company completed the private sale of an aggregate of 5,175,000 Private Placement Warrants to the Company's Sponsor, Growth Capital Sponsor LLC (the "Sponsor"), Nautilus Carriers LLC ("Nautilus"), an affiliate of our Co-Chief Executive Officers, and HB Strategies LLC ("HB"), an affiliate of Hudson Bay Capital Management LP at a purchase price of \$1.00 per Private Placement Warrant, generating gross proceeds to the Company of \$5,175,000. The Private Placement Warrants are identical to the Warrants sold as part of the Units in the Initial Public Offering, except that the Sponsor, Nautilus and HB have agreed not to transfer, assign or sell any of the Private Placement Warrants (except to certain permitted transferees) until 30 days after the completion of the Company's initial business combination. The Private Placement Warrants are also not redeemable by the Company so long as they are held by the Sponsor, Nautilus or HB or their permitted transferees. In addition, for as long as the Private Placement Warrants are held by the Sponsor, Nautilus and HB, such warrants may not be exercised after five years from the effective date of the registration statement relating to the Initial Public Offering. No underwriting discounts or commissions were paid with respect to such sale. The issuance of the Private Placement Warrants was made pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933, as amended.

Use of Proceeds from the Initial Public Offering

Following the closing of the Initial Public Offering and the sale of Private Placement Warrants, \$172,500,000 was placed into the trust account. The proceeds in the trust account may be invested solely in U.S. government treasury bills with a maturity of 185 days or less or in money market funds registered under the Investment Company Act of 1940, as amended and compliant with Rule 2a-7 thereof.

The Company paid transaction costs of \$4,294,613, consisting of \$3,450,000 of underwriting fees, and \$844,613 of other offering costs. The remaining proceeds of approximately \$968,580 held outside the Trust Account will be used to pay for business, legal and accounting due diligence on prospective acquisitions and continuing general and administrative expenses.

There has been no material change in the planned use of the proceeds from the Initial Public Offering and Private Placement as is described in the Company's final prospectus related to the Initial Public Offering.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits.

Exhibit No.	Description
2.1	Business Combination Agreement, dated as of August 4, 2021, by and among GCAC, Merger Sub and Cepton Technologies, Inc.(1)
10.1	Form of Stockholder Support Agreement by and among GCAC, Cepton Technologies, Inc. and the stockholders of Cepton Technologies, Inc. party thereto (1).
10.2	Form of Amended and Restated Registration Rights Agreement, by and among GCAC, the Initial Holders and the Cepton Technologies, Inc. stockholders party thereto.(1)
10.3	Form of Confidentiality and Lock-Up Agreement, by and between GCAC and the stockholder of Cepton Technologies, Inc. party thereto (1)
10.4	Form of Expenses and Lock-Up Agreement, by and between GCAC and the Cepton Technologies, Inc. stockholders party thereto.(1)
10.5	Form of GCAC Stockholder Support Agreements by and between Cepton Technologies, Inc. and GCAC stockholders.(1)
10.6	Form of Subscription Agreement.(1)
31.1*	Certification of the Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of the Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of the Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

** Furnished herewith

(1) Incorporated by reference to the Current Report on Form 8-K filed by GCAC on August 5, 2021.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CEPTON, INC.

Date: February 22, 2022

/s/ Jun Pei

Name: Jun Pei
Title: President and Chief Executive Officer
(Principal Executive Officer)

Date: February 22, 2022

/s/ Winston Fu

Name: Winston Fu
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jun Pei, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cepton, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 22, 2022

By: /s/ Jun Pei

Name: Jun Pei

Title: President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Winston Fu, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cepton, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 22, 2022

By: /s/ Winston Fu
Name: Winston Fu
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Cepton, Inc. (the "Company") on Form 10-Q for the period ended December 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jun Pei, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 22, 2022

By: /s/ Jun Pei

Name: Jun Pei

Title: President and Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filing.

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Cepton, Inc. (the "Company") on Form 10-Q for the period ended December 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Winston Fu, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 22, 2022

By: /s/ Winston Fu
Name: Winston Fu
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filing.