

Q2'22 Business Update

August 8, 2022



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Disclaimer and Cautionary Note (cont'd)

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Use of Non-GAAP Financial Measures

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

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

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Agenda

**Safe and Autonomous
Transportation for Everyone**

1. Business Update

2. Financial Results

3. Appendix



Business Update

Q2'22



Series Production Execution

- Continued ramp of D-sample shipments for end delivery to multiple OEM vehicle manufacturing plants across multiple states, which is the final stage in hardware validation before SOP
- Completed lead-OEM initial site audit of manufacturing facility in Japan
- Selected Fabrinet as key sub-module supplier to support flagship automotive ADAS lidar program with capability to supply full turn-key lidar solutions for other customers



Koito  **CEPTON**

Automotive

- Hosted on-site technical reviews with 3 Top-10 automotive OEMs to advance ongoing product evaluation projects (RFI work)
- Collaboration efforts with Koito Manufacturing of Japan, our tier-1 partner, expanded to include select future Cepton lidar products and go-to-market activities
- Expanded office in Detroit to support active engagements with automotive OEMs

Smart Infrastructure

- Continued to expand smart infrastructure applications beyond proof-of-concept to lidar deployment
- Example projects include smart-tolling stations in the Midwest, obstacle detection for railway applications both domestically and abroad in China, and security and monitoring at domestic airports



Technology

- Achieved ISO-26262 ASIL-B certification for our lidar engine ASIC
- Continued progress on tape out of 2nd generation ASIC for further performance enhancements and cost reductions



Financial Results

Q2'22



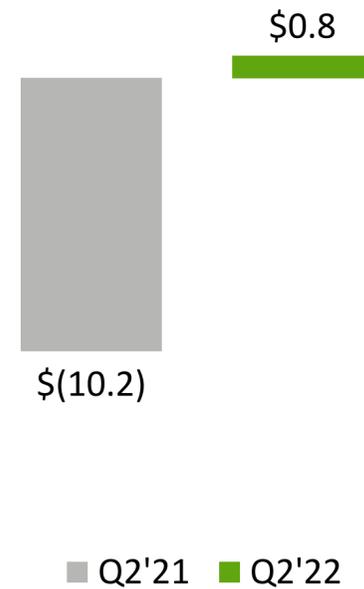
Q2'22 | Financial Results

(\$ in millions)

Revenue



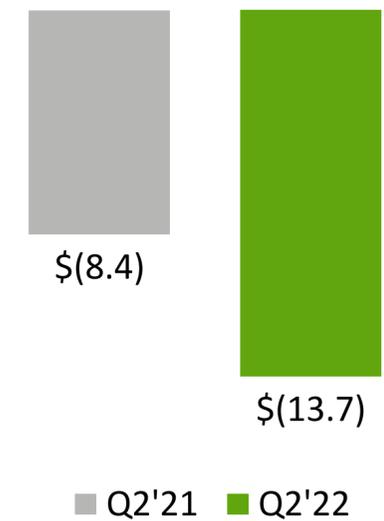
GAAP Net Income (Loss)



Non-GAAP Net Loss



Adjusted EBITDA





Appendix



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

(\$ in thousands)

	Three months ended June 30,	
	2022	2021
Net Income (Loss)	\$ 843	\$ (10,201)
Stock-based compensation	2,239	1,782
Gain on remeasurement of earnout liability	(15,630)	-
Gain on remeasurement of warrant liability	(1,904)	-
Non-GAAP net loss	\$ (14,452)	\$ (8,419)
Interest expense	681	-
Provision for income taxes	12	2
Depreciation and amortization	79	50
Non-GAAP adjusted EBITDA	\$ (13,680)	\$ (8,367)