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PRESS RELEASE

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## **Decision on Additional Acquisition of Shares of a Listed Company in U.S.A.**

KOITO MANUFACTURING CO., LTD. (“KOITO”) announces that at its Board of Directors meeting held today, it has resolved to additionally acquire shares of Cepton, Inc. (“Cepton”) (Head Office: CA, U.S.A., Listed on NASDAQ), a company which designs, manufactures and sells LiDAR for Advanced Driver Assistance System (ADAS) and autonomous driving.

### **1. Background and Purpose of the Decision on the Additional Acquisition of the Shares**

ADAS and autonomous driving vehicles require high-accuracy sensors such as LiDAR, cameras and millimeter-wave radars which are essential to monitoring surroundings of vehicle. KOITO will help make our society more safe and secure by developing solutions to support driver and machine visibility with various sensor and lighting technologies. As one of these strategies, KOITO has invested 100 million dollars (50 million dollars in February 2020 and 50 million dollars in February 2022) in Cepton, KOITO’s co-developer of automotive LiDAR.

In order to strengthen our relationship to accelerate the commercialization of high-performance LiDAR, on August 30, 2022, KOITO delivered the Letter of Intent to Cepton, in which KOITO proposed to purchase convertible non-voting preferred securities (CPS) convertible into Cepton’s Common Stock for an aggregate subscription price of up to 100 million dollars (the “Potential Transaction”), and has been discussing contractual terms.

As KOITO has come to an agreement on the contractual terms with Cepton, KOITO resolved at its Board of Directors meeting held today to execute an investment agreement and other related agreements with Cepton.

The consummation of the Potential Transaction is subject to, among other conditions, the approval of Cepton shareholders.

KOITO and Cepton commenced the co-development of automotive LiDAR in 2018, and the mid-range LiDAR currently being developed has excellent features in terms of aspects, such as monitoring distance, angular resolution, reliability, and affordable price, and KOITO and Cepton are accelerating its development to launch on the market and mass produce of LiDAR.

In addition, as higher definition LiDAR capable of scanning both near and far is necessary for technological progress and dissemination of ADAS and autonomous driving vehicles (level 3 and higher), KOITO and Cepton are also working on the development of short- and long-range LiDAR. As such, both domestic and overseas automobile manufacturers are showing interest in and have high expectations for the partnership between KOITO and Cepton.

Furthermore, we will promote co-development in order to expand future LiDAR business, such as commercializing headlamps that integrate KOITO’s automotive lighting technology and LiDAR technology, and applying the same to the mobility area such as smart infrastructure.

## 2. Outline of Cepton

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|--|--|---|
| (1) Company Name                       | Cepton, Inc.   |   |
| (2) Head Office                        | 399 West Trimble Road, San Jose, CA, 95134, U.S.A.   |   |
| (3) Name and Title of Representative   | Jun Pei, CEO   |   |
| (4) Business Purpose                   | Design, manufacturing and sales of LiDAR for automotive, infrastructure, and other markets |   |
| (5) Establishment                      | April 26, 2016   |   |
| (6) Relations between KOITO and Cepton | Capital  | KOITO directly owns approximately 12.6% of the Cepton's issued and outstanding shares of Common Stock |
|  | Personnel  | One of KOITO's corporate officers is a director of Cepton.  |
|  | Business   | KOITO and Cepton have been operating joint research since May 2018.                                   |

## 3. Financial Impact

Regarding the acquisition, KOITO does not expect any significant effects on its consolidated business results for the fiscal year ending March 31, 2023.