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PRESS RELEASE

KOITO MANUFACTURING CO., LTD.

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Announcement Regarding Starting Negotiations with a Listed Company in U.S.A. to make the Company a Subsidiary

KOITO MANUFACTURING CO., LTD. (KOITO) hereby announces that, at the meeting of its Board of Directors held on December 21, 2023, it has resolved to start negotiations with Cepton, Inc. ("Cepton", Head Office: CA, U.S.A., Listed on NASDAQ) regarding the acquisition of shares of Cepton to make Cepton a subsidiary of KOITO.

1. Background and Reason for Making Cepton a subsidiary

KOITO and Cepton began co-development of LiDAR for automotive since 2018, completed development and preparation for mass production of medium-range LiDAR, and are currently working on development of short-range LiDAR in addition to long-range LiDAR to meet all needs for automotive, from passenger vehicles to industrial, construction, and agricultural machinery.

Cepton's proprietary Micro Motion Technology LiDAR technology, which has no sliding parts, can meet a wide range of needs in the infrastructure field, where high durability is required. We are working to win market share by developing and expanding sales of products such as moving object detection system the "ILLUMIERE™".

As the scope of collaboration with Cepton expands in this way, we intend to pursue synergies between Cepton's superior technological capabilities and KOITO Group's technologies and know-how accumulated in the automotive lighting equipment and traffic system businesses by making Cepton its subsidiary, and to further strengthen our market competitiveness, including QCDD (quality, cost, supply, and development) in the LiDAR business.

2. Outline of Cepton

(1) Company Name	Cepton, Inc.	
(2) Head Office	399 West Trimble Road, San Jose, CA, 95131, 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 1,962,474 shares of the Cepton's Common Stock and 10,000 shares of convertible non-voting preferred securities (CPS) convertible into Cepton's Common Stock (Percentage of voting rights holding: approximately 12.4%)
	Personnel	One of KOITO's Corporate Officers and One of Directors are Directors of Cepton.
	Business	KOITO and Cepton have been operating joint research since May 2018.

3. Financial Impact

Regarding this matter, KOITO does not expect any significant effects on its consolidated business results for the fiscal year ending March 31, 2024.