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## PRESS RELEASE

KOITO MANUFACTURING CO., LTD.

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(Stock Code: 7276 Prime Market, TSE)

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### **Announcement Regarding Making Cepton, Inc., a U.S. Listed Company, a Subsidiary**

As announced in the “Announcement Regarding Starting Negotiations with a Listed Company in U.S.A. to make the Company a Subsidiary” released December 22, 2023, KOITO MANUFACTURING CO., LTD. (“KOITO”) had been negotiating with Cepton, Inc. (“Cepton”, Head Office: CA, U.S.A., Listed on NASDAQ) regarding the acquisition of shares to make Cepton a subsidiary of KOITO (“the transaction”). KOITO reached an agreement with Cepton on the share purchase price and other terms and conditions and resolved to make Cepton a subsidiary at a meeting of its Board of Directors held on July 29, 2024, and subsequently KOITO entered into a merger agreement with Cepton.

The transaction is subject to the approval of Cepton’s shareholders, the approval of the U.S. authorities, and other conditions precedent set forth in the merger agreement. Cepton is expected to become our consolidated subsidiary from the fourth quarter of the fiscal year ending March 31, 2025.

#### **1. Background and Reason for Making Cepton a Subsidiary**

In the automotive industry, as development of ADAS (Advanced Driver Assistance Systems) and systems for automated driving progress and the needs for peripheral monitoring using various sensors increase, the market for LiDAR, which is superior in detection range, detection accuracy and precision, is expected to expand its market as an essential sensor.

Under these circumstances, KOITO and Cepton began joint development of LiDAR in 2018, working on the development of short-, medium-, and long-range LiDAR to meet a wide range of needs related to sensor-based peripheral monitoring, including for infrastructure areas, in addition to automotive applications such as passenger cars, industrial machinery, construction machinery, and agricultural machinery.

In April 2024, the short-range LiDAR developed in collaboration with Cepton was selected and ordered for use in peripheral monitoring of Level 4 automated vehicles (fully automated driving under certain conditions, such as on highways and in limited areas).

As the scope of collaboration with Cepton expands in this way, we recognized that the acquisition of Cepton would allow us to combine Cepton’s superior technological capabilities with the technologies and know-how accumulated by KOITO group in the automotive lighting equipment and traffic system businesses, as well as to streamline processes and of both companies. We believe this will further strengthen QCDD (quality, cost, delivery, and development) and our market competitiveness in the LiDAR business.

Under our corporate message of “Lighting for Your Safety,” we have been contributing to the realizing a safe and secure mobility society through “light” in the field of automotive lighting equipment and other products. By adding LiDAR, a sensor that uses “light”, to our product lineup, we will contribute to safety and security in the next-generation mobility society where ADAS and autonomous driving becomes popular, and we will aim for sustainable corporate growth by providing even higher value-added products through synergy between automotive lighting equipment and sensor technology.

## 2. Structure of the Transaction

The transaction will be conducted through a reverse triangular merger. Cepton will be merged into a merger subsidiary that is a wholly owned subsidiary of an intermediate holding company which KOITO established in Delaware, U.S.A. (the “intermediate holding company”). The surviving company after the merger will be Cepton, which will become a wholly owned subsidiary of the intermediate holding company. KOITO is expected to own approximately 94.1%\* of the total shares of Cepton through the intermediate holding company.

Mr. Jun Pei, Cepton’s CEO and major shareholder, and certain other existing shareholders will each contribute a portion of their holdings of Cepton common stock in-kind to the intermediate holding company and acquire a partial ownership interest in the intermediate holding company. In addition to KOITO, Mr. Jun Pei and certain other existing shareholders will continue to be indirect shareholders of Cepton after the completion of the transaction.

KOITO will acquire Cepton’s common stock at a price of \$3.17 per share, and Cepton’s shareholders will receive the right to receive 100% cash consideration in exchange for the cancellation of their Cepton common stock.

(\*Note) The Company's shareholding ratio in Cepton after the transaction is the current plan.

## 3. 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) Major Shareholders and Shareholding Ratio	Jun Pei	16.1%
	Jun Ye	16.2%
	KOITO MANUFACTURING CO., LTD.	12.2%
	Mark McCord	6.4%
(7) Relations between KOITO and Cepton	Capital	KOITO directly owns 1,962,474 shares of the Cepton’s Common Stock and 100,000 shares of convertible non-voting preferred securities (CPS) convertible into Cepton’s Common Stock (Percentage of voting rights held: approximately 12.2%)
	Personnel	One of KOITO’s Corporate Officers and KOITO’s Directors are Directors of Cepton.
	Business	KOITO and Cepton have been conducting joint research since May 2018.

## 4. Schedule

(1) Date of Resolution at the Board of Directors	July 29, 2024
(2) Date of Conclusion of Contract	July 29, 2024
(3) General Meeting of Shareholders of Cepton, Inc.	Expected in the Third Quarter of the Fiscal year ending March 31, 2025
(4) Closing of the Transaction	Expected in the Fourth Quarter of the Fiscal year ending March 31, 2025

## 5. Financial Impact

The effect of this transaction on the business results for the fiscal year ending March 31, 2025 is not material and has been reflected in the “Notice of Revision of Business Results Forecast” released today. We will promptly disclose any additional information that should arise in the future.

This document does not constitute an offer of any securities for sale or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. This document is prepared for the sole purpose of publicly announcing that KOITO has resolved matters relating to the acquisition of Cepton, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan.