

LUMINAR

# QUARTERLY BUSINESS UPDATE

February 28, 2022

# DISCLAIMER AND CAUTIONARY NOTE

## FORWARD-LOOKING STATEMENTS

This presentation of Luminar Technologies, Inc. ("Luminar" or the "Company") includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "future," "growth," "opportunity," "well-positioned," "forecast," "intend," "seek," "target," "anticipate," "believe," "expect," "estimate," "plan," "outlook," and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding the expected achievement of series production readiness for Iris lidar and core software, the expected timing of the beta release of Sentinel, the expected growth in 2022 of Luminar's forward-looking order book and major commercial wins, and expectations for 2022 revenue growth and cash expenditure. Such forward-looking statements with respect to revenues, earnings, performance, strategies, prospects and other aspects of the business of Luminar are based on current expectations that are subject to risks and uncertainties. These statements are based on various assumptions, whether or not identified in this presentation, and on the current expectations of Luminar's management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability.

A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward-looking statements. These factors include, but are not limited to: Luminar's history of losses, significant continuing expenses and limited operating history; the cost of Luminar's strategic initiatives and the potential failure to increase revenue to offset these initiatives; whether Luminar's lidar products are selected for inclusion in autonomous driving or ADAS systems by automotive OEMs or their suppliers, and whether Luminar will be de-selected by any customers; the lengthy period of time from a major commercial win to implementation and the risks of cancellation or postponement of the contract or unsuccessful implementation; potential inaccuracies in Luminar's forward looking estimates of certain metrics and future cost of goods sold (COGS) and bill of materials (BOM) and total addressable market; the discontinuation, lack of success of Luminar's customers in developing and commercializing products using Luminar's solutions; Luminar's inability to reduce and control the cost of the inputs on which Luminar relies; the effect of continued pricing pressures, competition from other lidar manufacturers, automotive original equipment manufacturers ("OEMs") cost reduction initiatives and the ability of automotive OEMs to re-source or cancel vehicle or technology programs; general economic uncertainty and the effect of general economic conditions on Luminar's industry in particular, including the level of demand and financial performance of the autonomous vehicle industry and market adoption of lidar as well as developments in alternative technology and the increasingly competitive environment in which Luminar operates; Luminar's ability to manage its growth and expand its business operations effectively, including into international markets, such as China, which exposes Luminar to operational, financial and regulatory risks; adverse impacts due to limited availability and quality of materials, supplies, and capital equipment, or dependency on third-party service providers; whether Luminar will be able to successfully transition its engineering designs into high volume manufacturing, including the Company's ability to transition to an outsourced manufacturing business model and whether the Company and its outsourcing partners and suppliers can successfully operate complex machinery; whether Luminar can successfully select, execute or integrate its acquisitions; whether the complexity of Luminar's products results in undetected defects and reliability issues which could reduce market adoption of its new products, limit its ability to manufacture, damage its reputation and expose it to product liability, warranty and other claims; Luminar's ability to maintain and adequately manage its inventory; Luminar's ability to remediate the material weakness in its internal controls over financial reporting; Luminar's ability to protect and enforce its intellectual property rights; changes in personnel and availability of qualified personnel and dependence on Austin Russell, Luminar's Founder, President and Chief Executive Officer; the amount and timing of future sales and whether the average selling prices of Luminar's products could decrease rapidly over the life of the product as well as dependence on key customers, who are often large corporations with substantial negotiating power; the effects of the ongoing coronavirus (COVID-19) pandemic or other infectious diseases, health epidemics, pandemics and natural disasters on Luminar's business; interruption or failure of Luminar's information technology and communications systems and cybersecurity risks to operational systems, security systems, infrastructure, integrated software in its lidar solutions; strict government regulation that is subject to amendment, repeal or new interpretation and Luminar's ability to comply with modified or new laws and regulations applying to its business; whether the concentration of Luminar's stock ownership and voting power limits the ability of its stockholders to influence corporate matters; and risks related to Luminar's indebtedness; and other risks and uncertainties discussed from time to time in the Company's periodic reports on Form 10-K or Form 10-Q filed with the Securities and Exchange Commission (the "SEC"), including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of those reports, as well as other documents filed or to be filed with the SEC. There may be additional risks that Luminar presently knows or that Luminar currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements.

You are cautioned not to place undue reliance upon any forward-looking statements, including the projections, which speak only as of the date made. Luminar does not undertake any commitment to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

Accordingly, forward-looking statements, including any projections or analysis, should not be viewed as factual and should not be relied upon as an accurate prediction of future results. The forward-looking statements contained in this presentation are based on the Company's current expectations and beliefs concerning future developments and their potential effects on Luminar. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control), or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements.

Should one or more of these risks or uncertainties materialize, or should any of management's assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. Luminar does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. Accordingly, you should not put undue reliance on these statements.

# DISCLAIMER AND CAUTIONARY NOTE

## USE OF PROJECTIONS

This presentation contains financial forecasts with respect to certain financial measurements of Luminar, including, but not limited to Luminar's projected Revenue, cash spend, year end cash, and order book. Such projected financial information constitutes forward-looking information, and is for illustrative purposes only and should not be relied upon as necessarily being indicative of future results. Luminar's independent registered public accounting firm did not audit, review, compile, or perform any procedures with respect to the projections for the purpose of their inclusion in this presentation, and accordingly, it did not express an opinion or provide any other form of assurance with respect thereto for the purpose of this presentation. These projections should not be relied upon as being necessarily indicative of future results. Luminar does not undertake any commitment to update or revise the projections, whether as a result of new information, future events or otherwise.

In this presentation, certain of the above-mentioned projected information has been repeated (in each case, with an indication that the information is an estimate and is subject to the qualifications presented herein), for purposes of providing comparisons with historical data. The assumptions and estimates, including Order Book numbers underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. See "Forward-Looking Statements" paragraph above. Accordingly, there can be no assurance that the prospective results are indicative of the future performance of Luminar or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

## INDUSTRY AND MARKET DATA

In this presentation, Luminar relies on and refers to information and statistics regarding the sectors in which Luminar competes and other industry data. Luminar obtained this information and statistics from third-party sources, including reports by market research firms. Although Luminar believes these sources are reliable, the Company has not independently verified the information and does not guarantee its accuracy and completeness. Luminar has supplemented this information where necessary with information from discussions with Luminar customers and Luminar's own internal estimates, taking into account publicly available information about other industry participants and Luminar's management's best view as to information that is not publicly available.

## USE OF NON-GAAP FINANCIAL MEASURES

The financial information and data contained in this presentation is unaudited and does not conform to Regulation S-X promulgated under the Securities Act of 1933, as amended. Accordingly, such information and data may not be included in, may be adjusted in or may be presented differently in, any filing Luminar makes with the SEC.

This presentation includes non-GAAP financial measures, including earnings before interest, taxes, depreciation and amortization ("EBITDA"), Order Book, cash spend, Free Cash Flow ("FCF"), and non-GAAP operating expenses. Free Cash Flow is defined as EBITDA less capital expenditures (including patent acquisitions) less changes in net working capital less net interest expense less taxes (including the benefit of existing and future net operating losses). Cash spend or free cash flow are defined as operating cash flows less capital expenditures. Non-GAAP operating expenses is defined as operating expenses less stock-based compensation and expenses related to registration statements.

Major commercial win is defined as a written agreement with a major industry player, including based on their past experience in high volume production, leadership in autonomy, or market leadership, that selects our technology for what is expected to be a significant commercial program, including OEM series production programs. We only include major commercial wins, disclosed or undisclosed, in our forward looking orderbook calculation, which are subject to the risks set forth in the "Forward-Looking Statements" section above.

Order Book is defined as the forward-looking cumulative sales estimates of Luminar's hardware and software products over the lifetime of given programs which Luminar's technology is integrated into or provided for, based primarily on projected/actual contractual pricing terms and good faith estimates of "take rates" of Luminar's technology on vehicles. Such anticipated programs and volumes/take rates are based on commitments by our partners that are dependent on successful performance through development and validation and entering definitive purchase orders for series production, which may change for a variety of reasons as disclosed herein, including, without limitation, the risks set forth in the "Forward-Looking Statements" section above. Customer production vehicle volume estimates (and take rates when applicable) are largely sourced from (i) the OEM/customer, (ii) IHS Markit or other third party estimates, and/or (iii) Luminar's management good faith estimates.

Luminar believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Luminar's financial condition and results of operations. Luminar's management uses these non-GAAP measures to compare Luminar's performance to that of prior periods for trend analyses and for budgeting and planning purposes. These measures are used in monthly financial reports prepared for management and Luminar's board of directors. Luminar believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. Management of Luminar does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP measures is that they exclude significant expenses and income that are required by GAAP to be recorded in Luminar's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by Luminar's management about which expenses and income are excluded or included in determining these non-GAAP measures.

Other companies may calculate non-GAAP measures differently, and therefore the non-GAAP measures of Luminar included in this presentation may not be directly comparable to similarly titled measures of other companies.

## TRADEMARKS AND TRADE NAMES

Luminar owns or has rights to various trademarks, service marks and trade names that it uses in connection with the operation of its business. This presentation also contains trademarks, service marks and trade names of third parties, which are the property of their respective owners. The use or display of third parties' trademarks, service marks, trade names or products in this presentation is not intended in, and does not imply, a relationship with Luminar, or an endorsement or sponsorship by or of Luminar. Solely for convenience, the trademarks, service marks and trade names referred to in this presentation may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that Luminar will not assert, to the fullest extent under applicable law, its rights or the right of the applicable licensor in these trademarks, service marks and trade names.

# WHAT'S INSIDE

Business Update // Recent Highlights

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Mercedes-Benz: Major Commercial Win

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CES 2022 Highlights

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2021: Key Milestones and Summary Financial Results

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2022: Key Milestones and Guidance

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Appendix & Photos

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# BUSINESS UPDATE // RECENT HIGHLIGHTS

## 1. Delivering on Key Milestones

- Delivered on all five key 2021 company milestones
- Completed all core development milestones in first series production contract
- Demonstrated Sentinel alpha with Proactive Safety™ and Highway Autonomy capabilities at CES
- Intense focus on industrialization; now in C-phase

## 2. New Commercial Wins and Momentum Across the Industry

- Landmark series production win with Mercedes-Benz
- At CES, Volvo Cars & Luminar announced plans for launch of ADAS/autonomous features

## 3. Delivered \$32M in 2021 Revenue – Top End of Guidance

- Executed \$625M convertible bond transaction to fund share repurchases & growth initiatives
- Ended 2021 with \$792M cash balance<sup>1</sup> (following share repurchases)

**Watch the latest “The Path to Series Production” video at:**

**[www.luminartech.com/path](http://www.luminartech.com/path)**

<sup>1</sup> Includes cash & cash equivalents and marketable securities

# MERCEDES-BENZ: MAJOR COMMERCIAL WIN

**Luminar's Iris lidar technology planned to be integrated into production vehicle platform.**



Enables enhanced safety and autonomy on Mercedes-Benz next generation cars



Validates technology and Luminar holistically as a direct partner to the leading luxury vehicle OEM



Data from development and production vehicles to be provided to Luminar for continuous product improvement and updates



Further enables economies of scale required for unit economics



On-site collaboration in Florida, California and Germany, and strategic guidance to accelerate industrialization



*"Luminar is the perfect addition to our existing roster of first-class cooperations with leading and cutting-edge tech companies."*



*~ Markus Schäfer*

*Member of the Board of Management of Daimler AG  
Mercedes-Benz AG, Chief Technology Officer*

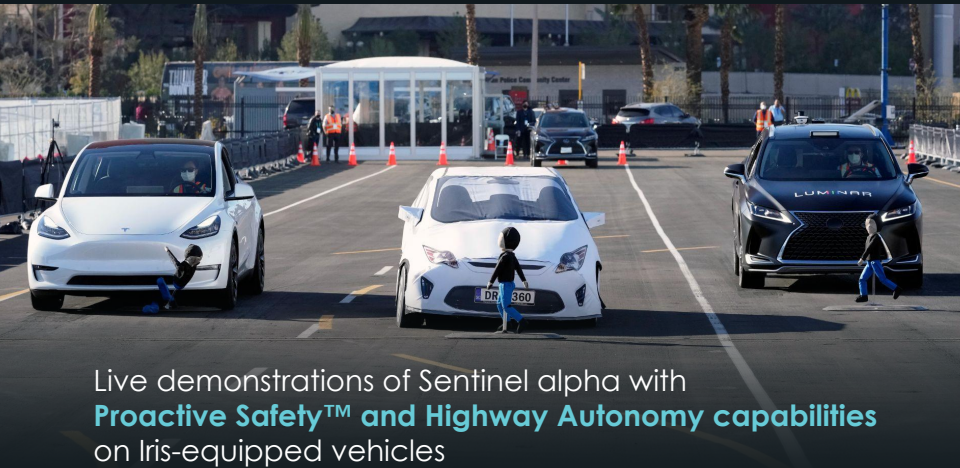
# CES 2022 HIGHLIGHTS



Announced company vision for next century:  
**Save 100 million lives and 100 trillion hours over next 100 years**



**Unveiled 'Blade' truck integration**  
with three Iris lidars for long-range sensing in all directions



Live demonstrations of Sentinel alpha with  
**Proactive Safety™ and Highway Autonomy capabilities**  
on Iris-equipped vehicles



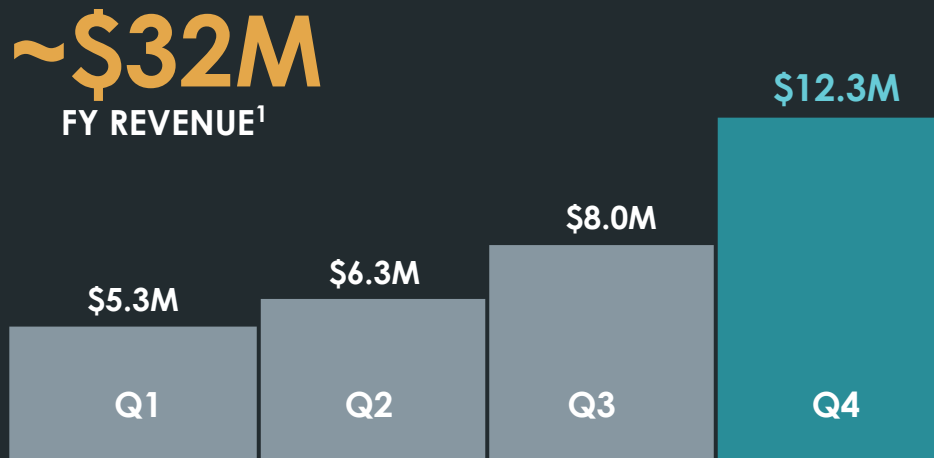
**Luminar & Volvo announced plans for launch of ADAS & autonomous features;** showcased Concept Recharge with Luminar lidar

# MET ALL 5 KEY 2021 MILESTONES

Topic	Target Metric Summary	EOY 2021 Progress
IRIS: INDUSTRIALIZATION FOR SERIES PRODUCTION	C-sample By Year-End	<ul style="list-style-type: none"><li>• Successfully entered C-Phase before year-end producing initial units</li><li>• Completed all core development/revenue milestones in first series production contract</li><li>• Transitioned and locked in 100+ production-intent suppliers</li><li>• Intense focus on industrialization, including with key partners (Celestica, Fabrinet, Webasto, Inalfa)</li></ul>
SOFTWARE DEVELOPMENT	Sentinel Development & Alpha Release Before Year-End	<ul style="list-style-type: none"><li>• Developed Sentinel and released alpha version</li><li>• Live public demos of Sentinel (Proactive Safety™ &amp; Highway Autonomy capabilities) at CES</li></ul>
COMMERCIAL PROGRAM WINS	6 Major Commercial Wins Before Year-End	<ul style="list-style-type: none"><li>• Increased target of 4 major commercial wins to 6 mid-year and delivered all 6: SAIC, Airbus, Pony.ai, Volvo (Standardization), NVIDIA, Polestar</li><li>• Announced additional, important commercial wins (that did not yet fit our definition of 'major') incl. Embark, Kodiak, Zenseact, Robotic Research</li></ul>
FORWARD-LOOKING ORDER BOOK	Forward-Looking Order Book Growth 60%+ by Year-End	<ul style="list-style-type: none"><li>• Increased target from 40% to 60% YoY growth mid-year</li><li>• Delivered 61% YoY growth in forward-looking order book at year-end</li></ul>
CASH SPEND & INVESTMENTS	Greater Cash Position at Year-End Than Start	<ul style="list-style-type: none"><li>• Ended year with \$792M of cash vs \$486M target</li><li>• Excluding impact of convertible note offering, would have ended ~\$500M</li></ul>



# 2021 SUMMARY FINANCIAL RESULTS



## Q4'21 REVENUE OF \$12.3M

- Q4 revenue up 408% YoY and 55% sequentially on strong commercial win momentum & ramping series program revenue
- FY 2021 revenue ~\$32M at top end of guidance including \$1M contra revenue from customer warrants impact
- Majority of revenue from Series Production development contracts from major commercial wins

<sup>1</sup> Includes ~\$1M of contra-revenue charge in Q4 associated with warrants previously issued to a customer.

<sup>2</sup> Includes cash & cash equivalents and marketable securities. <sup>3</sup> Defined as operating cash flow less capex.

## CASH POSITION<sup>2</sup> ~\$792M

### Q4'21 CASH POSITION OF \$792M

- Issued \$625M in convertible senior notes to repurchase shares and accelerate growth
- Beat 2021 year-end cash position guidance, even after removing positive impact of convertible

## FY CASH SPEND<sup>3</sup> ~\$155M

### Q4'21 CASH SPEND OF \$56.4M

- Focus on driving industrialization and bringing manufacturing up for greater than expected major commercial wins
- Q4 cash spend higher than run-rate due to working capital related factors

# KEY COMPANY-LEVEL 2022 MILESTONES & GUIDANCE

## KEY COMPANY TARGET MILESTONES & METRICS



### SERIES PRODUCTION

*Achieve series production readiness for Iris lidar and core software*



### SENTINEL

*Sentinel Beta release (Advancing Proactive Safety™ + Highway Autonomy Capabilities)*



### COMMERCIAL PROGRAM WINS

*40% growth in major commercial wins*



### FORWARD-LOOKING ORDER BOOK

*40% forward-looking order book growth*

## FINANCIAL METRICS

**\$40M+**

REVENUE (\$M)

**Cash spend<sup>1</sup> moderately higher than 2021**

<sup>1</sup> Defined as operating cash flow less capex.

# APPENDIX

# Q4 & FY'21 SELECTED FINANCIALS

	Dec 31	Sept 30
(\$M)	2021	2021
Cash and cash equivalents	\$330	\$129
Marketable securities	\$462	\$416
Cash, cash equivalents & marketable securities	\$792	\$545
Total Assets	\$884	\$608

	Three months ended Dec 31,	
(\$M)	2021	2020
Free cash flow <sup>(2)</sup>	\$(56.4)	\$(28.2)

(\$M)	GAAP Three months ended Dec 31,		NON-GAAP <sup>(1)</sup> Three months ended Dec 31,		GAAP Twelve months ended Dec 31,		NON-GAAP <sup>(1)</sup> Twelve months ended Dec 31,	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenue	\$12.3	\$2.4	\$12.3	\$2.4	\$31.9	\$14.0	\$31.9	\$14.0
Cost of sales	\$19.8	\$6.7	\$16.2	\$6.7	\$46.1	\$25.0	\$39.7	\$24.7
Gross loss	\$(7.5)	\$(4.3)	\$(3.9)	\$(4.2)	\$(14.2)	\$(11.0)	\$(7.7)	\$(10.7)
Operating expenses	\$63.5	\$26.1	\$39.2	\$21.1	\$200.4	\$75.9	\$126.9	\$66.4

Notes: (1) Non-GAAP results have been adjusted for stock-based compensation (\$27.8M and \$4.0M for Q4 2021 and Q4 2020, respectively; \$77.7M and \$8.7M for 2021 and 2020 respectively), amortization of intangible assets (\$0.1M for Q4 2021; \$0.2M for 2021), expenses related to registration statements on Form S-1 (\$1.1M for Q4 2020; \$2.0M and \$1.1M for 2021 and 2020, respectively). (2) Cash flows from operating activities (\$54.2)M and \$(27.9)M for Q4 2021 and Q4 2020, respectively) less capital expenditure \$(2.3)M and \$(0.2)M for Q4 2021 and Q4 2020, respectively).

# PHOTOS

# LUMINAR BLADE TRUCK INTEGRATION



# LUMINAR DEMO VEHICLE WITH IRIS INTEGRATION

