



Q2 2023

# Earnings Presentation

**August 2, 2023**



# Forward Looking Statements

This presentation contains certain forward-looking statements within the meaning of the federal securities laws, including statements regarding the services offered by Innoviz, the anticipated technological capability of Innoviz's products, the markets in which Innoviz operates, Innoviz's projected future operational and financial results, including Cash Collection from Customers, revenue and non-recurring engineering (NRE) bookings. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. "Cash Collection from Customers" is cash received by the Company from revenues, advances and NRE bookings as described in the following sentence. "NRE (Non-recurring Engineering) bookings" is booked services that may be ordered from Innoviz usually as part of a series production award or other program and includes, among other things, application engineering, product adaptation services, testing and validation services, standards and qualification work and change requests (usually during the lifetime of a program). The commitment for a certain NRE is usually provided around the initiation of the program and may be paid based on milestones over the development phase of the project which may take a few years.

Many factors could cause actual future events, and, in the case of our forward-looking revenue, Cash Collection from Customers, and NRE bookings, actual orders or actual payments, to differ materially from the forward-looking statements in this announcement including but not limited to, the ability to implement business plans, forecasts, and other expectations, the ability to convert series production awards or other programs into definitive orders and the magnitude of such orders, the possibility that NRE would be set off against liabilities and indemnities, the ability to identify and realize additional opportunities, and potential changes and developments in the highly competitive LiDAR technology and related industries. The foregoing list is not exhaustive. You should carefully consider such risk and the other risks and uncertainties described in Innoviz's annual report on Form 20-F filed with the SEC on March 9, 2023 and other documents filed by Innoviz from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Viewers are cautioned not to put undue reliance on forward-looking statements, and Innoviz assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Innoviz gives no assurance that it will achieve its expectations.

# OUR VISION

Become the  
World's Leading  
Tier 1 Supplier of  
LiDAR & Perception  
Software



# First Generation BMW Program Production Units Shipped

Deploying on the  
BMW 7 Series

Began shipping  
production units  
in 3Q23

SOP ramping  
through the back  
half of 2023

Pursuing  
integration with  
additional models



# Second Generation LiDAR Development for BMW

## Strong vote of confidence from a major OEM

Beginning development of B-Samples for second-generation BMW LiDAR program

Developing a much broader suite of solutions – LiDAR, compute module, upgraded perception software, and all-new MRM software

Working on the program as a Tier 1 direct supplier

Opportunity for substantial NRE and sample shipments

Will enable BMW Group to decide on a serial production award for the next-gen program by late 2023 or early 2024; co-locating engineers for rapid progress

New program is targeting higher volumes and a broader array of vehicles



“ LiDAR is one of the critical technologies underpinning Level 3 or even higher automated functions. Optimizing LiDAR technologies and costs are the major challenges in order to bring Level 3 highly automated driving into the mainstream. We are very pleased to have Innoviz develop the first B-Samples of this new LiDAR generation. ”

**Nicolai Martin**

SVP Driving Experience, BMW Group

# New InnovizCore AI Compute Module

## A platform for future software growth

Decentralized compute power dedicated to advanced LiDAR-based software solutions – offers Innoviz a base for further expansion of AI-driven software

Most advanced Convolutional Neural Network (CNN) accelerators available, designed for processing super high resolution LiDAR data in real time

High performance GPU and DSP accelerators and high efficiency computing cores

Reduces compute load, and cost, of central ECU for the OEM

Capable of integrating data inputs from camera and radar in addition to LiDAR and enables ongoing upgrades through OTA updates

Grows our total addressable content per vehicle



# Minimum Risk Maneuver (MRM) Software

## Growing our software mix

### Moving up the software stack

First instance where Innoviz software will be controlling a vehicle

### Deepens integration with customers

Further assimilates our data and software with their development

### A potential new first for LiDAR

Aiming to be the first instance of LiDAR controlling a vehicle during the MRM procedure

### Financial tailwind

Increased software mix expected to be revenue and gross margin accretive



# Second Generation Custom ASIC

## Unlocks new levels of performance

Meaningfully better point cloud – more points per second

Extends maximum detection range to over 450 meters

Unlocks increased software functionality

Enables us to support more configurations with one product

Major source of competitive advantage

- Many competitors are using multiple FPGA's instead of a custom ASIC, often adding hundreds of dollars of cost, size, weight, complexity, power consumption, and heat challenges





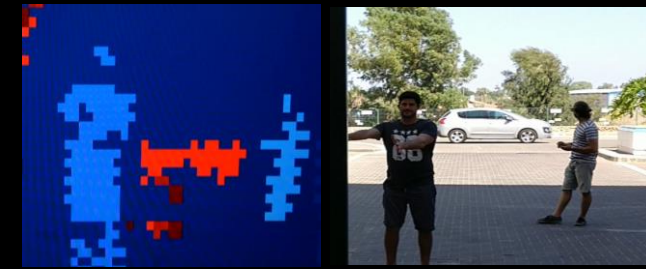
# Rapidly Advancing Our Resolution

A key competitive advantage



2016

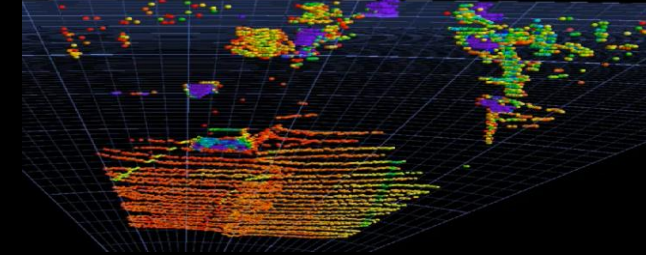
**PROTOTYPE I**



2017

**PROTOTYPE II**

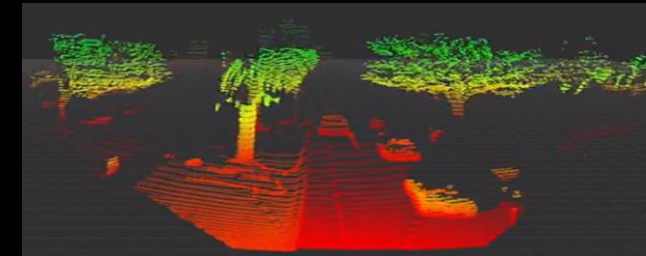
40x performance  
70% Cost Reduction



2018

**INNOVIZ PRO**

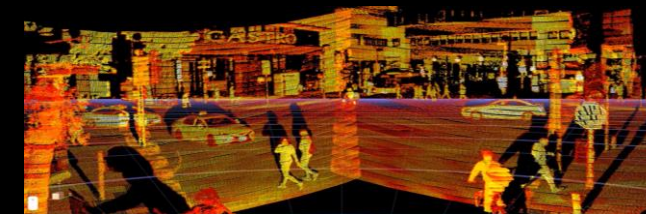
20x Performance  
60% Cost Reduction



2020

**INNOVIZONE**

20x Performance  
60% Cost Reduction



2022

**INNOVIZTWO**

30x Performance  
70% Cost Reduction



# Able to Support Multiple LiDAR Configurations With One Architecture

Increases our volumes and drives structural cost leadership



# New Light Commercial Vehicle Program

Revenues expected to grow in 2H23 with accelerated deployment path

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Sample units began shipping end of 2Q23, expected to ramp in 2H23

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Test vehicles with our units replacing development stage competitor's units; should be on the road later this year

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SOP targeting mid-decade, moving much faster than prior programs

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Framework agreed, pending final requirements and commercial terms



# Market Capture Window 2023-24

Opportunity to solidify clear leadership position

## Innoviz Pipeline<sup>1</sup>

10-15 Programs in RFI or RFQ

With customers representing ~40% of global automotive production

Including 8 of the top 10 global automakers

>50% in RFQ stage

## Innoviz Customers

6 Awards & Programs

With customers representing ~15% of global automotive production



Source: Internal Projections

1. Pipeline includes business in the RFI or RFQ process and there can be no assurances that Innoviz will enter into contractual arrangements with these OEMs or customers

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**Majority**  
of automotive OEM share likely to be awarded in the next 12-18 months

**Concentrated**  
ultimately expected to be a winner takes most, ~2-3 player market

- Safety Critical
- Tech Differentiated
- Cost Leadership



# Q2'23 Financial Update

**Eldar Cegla, Chief Financial Officer**

# Cash Position & Financial Update

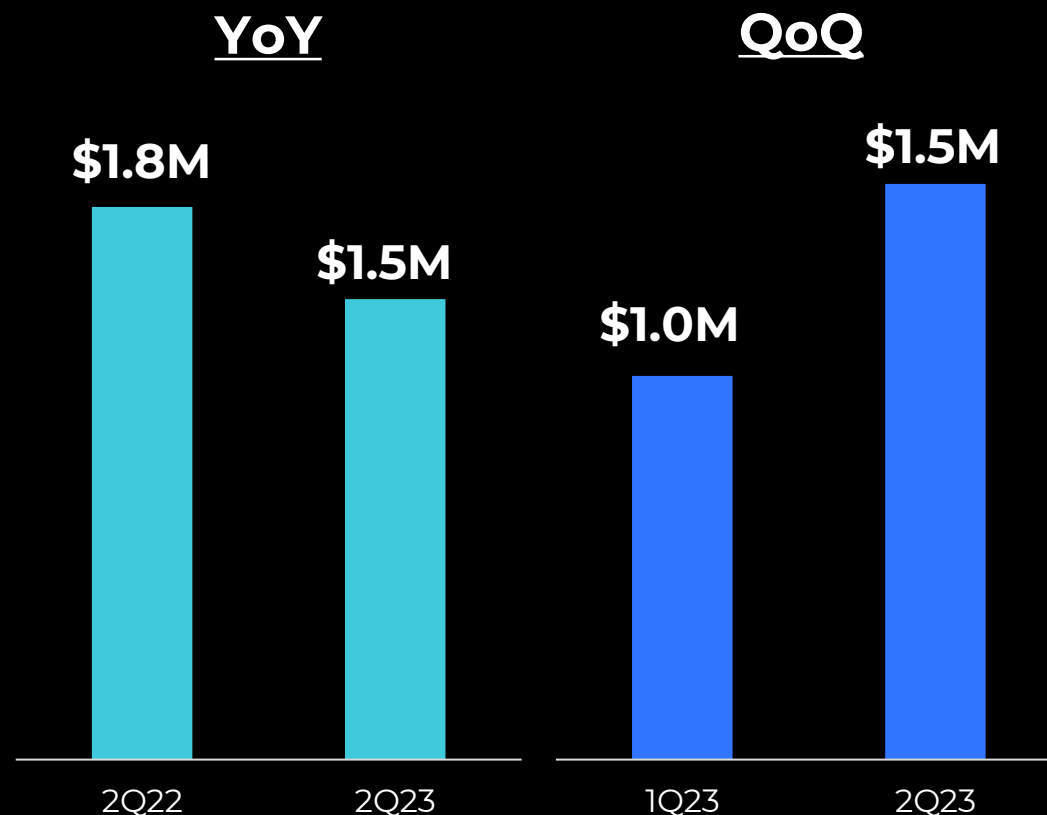
**Liquidity of \$130M** in cash and cash equivalents, short-term deposits, short term restricted cash and marketable securities as of June 30, 2023

Innoviz operating cash burn in the second quarter of 2023 was **within planned budget**

**Revenues for 2Q23 were \$1.5M**, up 45% compared to revenues of \$1.0 million in Q1 2023 and down 18% compared to revenues of \$1.8 million in Q2 2022. The 45% quarter-over-quarter increase in revenues, was primarily driven by increased unit sales, which grew 47% sequentially. The year-over-year decline in revenues was driven primarily by the progress in the BMW program as it transitioned to volume production at Magna, the Tier-1 on the program. The transition includes a shift from selling full LiDAR units to selling components to Magna at lower production average sales prices.

**2023 Revenue Cadence Outlook** – Q3 2023 revenue expected to approximately double versus Q2 2023, with another meaningful increase in Q4 2023

## Revenues for Q2 2023



# Raising 2023 Targets

Solid progress YTD

## Customer Targets

**+1-3**

Additional Programs with Existing Customers

Previously raised from +1-2

**+2**

New Series Production Awards with New Customers

Solid progress

## Financial Targets

**\$15-20M** ↑

2023 Revenue

~150-230% YoY

Raised from \$12-15M

**\$20-30M**

2023 Cash Collection from Customers

+295 - 490 % YoY

**\$20-70M** ↑

New NRE Bookings

~80-530% YoY

Raised from \$20-40M

## Sources of Pre-Production Income

### Sample Units

Much higher ASPs than production units – typically \$5,000-15,000

### Non-Automotive Sales

Much higher ASPs than automotive productions units – typically \$5,000-15,000

### Non-Recurring Engineering (NRE)

- Estimated \$150-250M of NRE in Current RFI/RFQ Pipeline
- Multiple types of pre-production services:
  - Application engineering (integration)
  - Hardware modifications
  - Software modifications
  - Change requests
  - Various testing, validation & qualification services
- Can be recognized as revenue or a contra-expense, but either way, it's a cash payment received from a customer

# Strong Momentum on Multiple Fronts

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Shipped production units for first generation BMW

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Launched B-Samples for second generation development program at BMW

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Expanding our product offering with development of compute module and MRM

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Upgraded ASIC unlocks increased features and functionality

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AI powered tools enable a growing lead in software

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Light commercial vehicle program units shipped and expected to grow in 2H23

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Pipeline remains robust with over half of programs in RFQ stage

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Growth drives NRE and samples that can generate meaningful pre-production revenues

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Raised 2023 financial targets in conjunction with growing commercial momentum



## Upcoming IR Calendar

### August 9-10

J.P. Morgan 2023 Auto Conference, NYC

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### August 22-23

3rd Annual Needham SemiCap and EDA 1x1 Conference, Virtual

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### September 6-8

Citi's 2023 Global Technology Conference, NYC

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### September 11-13

Jefferies Israel Tech Trek Conference

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## Contact

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Thank You!



**INNOVIZ**  
TECHNOLOGIES