

Slide 1 – Title Slide

Slide 2 - Forward Looking Statements (Maya)

- Good morning. I would like to welcome you to our Q3 2024 earnings conference call. Joining us today are Omer Keilaf, Chief Executive Officer; and Eldar Cegla, Chief Financial Officer.
- I would like to remind everyone that this call is being recorded and will be available on the Investor Relations section of our website at ir.innoviz.tech.
- Before we begin, I would like to remind you that our discussion today will include forward-looking statements that are subject to risks and uncertainties relating to future events and the future financial performance of Innoviz. Actual results could differ materially from those anticipated in the forward-looking statements.
- Forward-looking statements made today speak only to our expectations as of today, and we undertake no obligation to publicly update or revise them. For a discussion of some important risk factors that could cause actual results to differ materially from any forward-looking statements, please see the risk factors section of our Form 20-F filed with the U.S. Securities and Exchange Commission on March 12, 2024.
- Omer, please go ahead.

Slide 3 – Our Vision

Slide 4 – Q3 Highlights / Introduction (Omer)

- Thank you, Maya, and good morning, everyone. Thank you for joining us.
- The third quarter represented another strong quarter for Innoviz both in terms of revenue and cash performance.
- During the last quarter we announced a new partnership with a leading Level 4 platform partner, today I am happy to share that following this agreement we entered two new OEM programs with expected SOP in 2026. I will share more detail on this momentarily.
- Revenues for the quarter were \$4.5 million, above the midpoint of our guidance range of \$3.5 to \$5 million, we further decreased our cash used in operations and capital expenditures from \$28.6 million in Q3 2023 by approximately 38% to \$17.7 million this quarter. Both Eldar and I will provide additional color on this later.
- On today's call I'll begin the discussion by providing more details on our announcement of the 2 new OEMs, then we will discuss our progress regarding the different Volkswagen programs

- I'll then give an overview of our pipeline and highlight several of the programs we are competing for. These are exciting programs with notable OEMs, and on some we are expecting nomination decisions in the near term. I'll provide some high-level detail on these and explain why we are confident in our positioning.
- We will also share with you exciting breakthroughs on the technological front. These developments allow us to significantly improve our product's performance in both range and resolution and also provide new and unique LiDAR capabilities which are valuable to our clients.
- I'll conclude the technical discussion with an update on our new short-range offering.
- Finally, I'll discuss our expectations for the rest of the year in addition to reviewing our Q3 financials.

Slide 5 – 2 OEMs Update

- Starting with our announcement on the two new OEM programs. During the third quarter, following our engagement with a major Level 4 platform partner, we entered two new OEM programs which have adopted the platform to allow seamless integration of our LiDARs into their vehicles.
- As part of this process, we are working with the platform partner and the OEMs on the mechanical, electrical and other integration aspects.
- Innoviz is expected to provide a bundle of nine InnovizTwo short- and long-range LiDARs per vehicle. This is a testament to the business advantage of offering a bundle of both Short and Long Range LiDARs to our customers, which allows us to secure more meaningful revenues.
- We expect to see fleets from both OEMs begin road testing in 2025, with Start of Production expected in 2026.
- These two OEMs are part of a group of additional OEMs that have already selected the platform. Therefore, we expect additional OEM programs in the future. Importantly, this partnership has the potential to offer significant revenue growth and favorable volumes for Innoviz.
- Just recently, we have heard of progress around some new and exciting customers who may potentially adopt the platform.
- We're excited to be a part of this platform and for the opportunities it could create for Innoviz. We are aware of the market's curiosity related to the names of the platform partner and the OEMs and we agreed with our partner to share more details before the end of the year.

Slide 6 – Volkswagen

- Moving on to an update on our partnership with Volkswagen.
- As a reminder, we secured a series production award for different VW brands.
- We are working on two Level 3 platforms, one with Qualcomm and Cariad and the other combines Mobileye Chauffeur and Rivian software.
- We also continue to work on the ID.Buzz light commercial vehicle program, a level 4 program with multiple LiDARs per vehicle planned to launch in 2026. This program incorporates Mobileye Drive.
- I'm happy to share that the development process is moving forward nicely across these programs.
- We continue to move through various audits and development gates successfully, both on the production line and other development aspects.
- We are on track to meet the planned LiDAR start of production timelines.

Slide 7 – MOIA

- Just recently, MOIA, a Volkswagen Group technology company that develops on-demand ride pooling services for urban areas, made an important announcement regarding the ID. Buzz.
- MOIA announced that starting in mid-2025 it will deploy the ID. Buzz in Hamburg, Germany as part of project ALIKE, a project to test autonomous on-demand ridepooling in the city. This is in addition to its previous announcements regarding deployment also in Austin, Texas and in Hanover Germany. We are happy to see this platform expanding and eager to learn about additional locations around the world which will follow.
- MOIA is offering its Mobility-as-a-service licensing model to cities all over the world, and its goal is to develop an autonomous ridepooling system that can be scaled internationally.
- We are proud to be a part of the ID. Buzz program, which is supporting the evolution of mobility.

Slide 8 – Pipeline

- Now I'll discuss our pipeline of RFIs and RFQs and provide additional detail on several specific RFQs in which we are making progress.
- Overall, we currently have over 15 programs in the pipeline, with approximately 50% in the RFQ stage.
- We're encouraged by the continued progression of the opportunities in our pipeline and are confident in our positioning to provide our LiDARs and perception software to the market.

- While we are in contact with a number of OEMs regarding additional programs, I'll speak today about several specific opportunities we are working towards.
- First, I'll highlight a potential new level 3 program with a top ten automotive OEM that we are particularly excited about.
- We were able to demonstrate InnovizTwo's performance advantages and maturity to the potential customer and are in the very late stages of the RFQ process with this meaningful OEM, reaching alignment on technical, production, commercial and legal matters. I am happy to also share that we recently passed their exhaustive production audits, a major box to check in the RFQ process.
- We are making solid progress, and they have indicated that they are nearly ready to make a nomination decision.
- We're looking forward to hearing their decision soon.

Slide 9 – North American OEMs / Pipeline Update

- Importantly, we are seeing a pickup in potential customer activity in the North America region in both Level 3 and Level 4.
- As such, we are in contact with several leading North American automotive OEMs regarding various RFIs and RFQs, including Level 3 and Level 4 programs.

Across these OEMs, we've successfully completed LiDAR technical and commercial assessments which allowed us to display the advantages of our technology.

- As a result, we are now in various stages of sourcing processes.
- We expect to start hearing back from the OEMs regarding the kickoff of these programs in the coming months.
- The opportunities I've just discussed are among the many in our diverse pipeline.
- We have a lot to look forward to, and the entire team is working hard to convert these opportunities into additional design wins.

Slide 10 - Technology Update Intro

- Now turning to an overview of some exciting breakthroughs on the technological front.

- More and more, we are seeing our unique technology as a primary competitive advantage. We are as confident as ever that we are positioned to win many more customer programs thanks to the value our outstanding technology offers to our clients.
- Innoviz is not the first or oldest LiDAR company, yet we've become a trailblazer in the industry since we were founded. Today, it seems from the feedback that we are receiving from our customers, that our technology significantly outpaces the LiDAR market, and we believe that this gap will continue to widen.
- There are several reasons to support this claim. First and foremost, we have the track record and culture to push boundaries and never assume there is a limit to what we can do. Impossible is not in our vocabulary.
- This has translated to tangible results, which I will touch on in the following slides. These include our new and improved InnovizTwo configuration, a unique IR imaging offering, unparalleled blockage resilience, and the first samples of the InnovizTwo short-range LiDAR for Level 4 and non-automotive applications.

Slide 11 – New InnovizTwo

- At Innoviz, we continuously advance our technology – we are always striving to push performance boundaries to enhance quality for our customers.
- In that spirit, we have again improved the InnovizTwo with a new and more advanced configuration.
- Some key features include a new uniform resolution of 0.05 x 0.05 degrees across the field of view resulting in approximately 12 megapixels per second along with an improved range.
- We're proud to have upgraded our technology again and offer additional performance advantages contributing to a better driving experience.

Slide 12 – “All in One” LiDAR and IR Camera

- Another exciting development which is now offered to our customers is a new feature which allows capturing in-LiDAR IR imaging that can capture scenes with views of few kilometers very much like a camera. That will allow us to see not only point clouds but actual clouds in the sky...
- With this technology, our LiDAR has the unique ability to provide camera-like image output that can be provided alongside our 3-D point cloud data at the same resolution. This allows an improved low-level fusion of both a 3-D and camera-like image, which enables low-level fusion perception stack that exceeds the capabilities of existing LiDAR perception solutions. As you can see in the video, this allows for an “all in one” LiDAR plus IR camera, using the same hardware.
- This creates lower power usage and higher performance – all at a lower cost to the customer.

Slide 13 - Blockages

- With all of these technological advances, we have delivered yet another key differentiating advantage, which is InnovizTwo's resilience to various types of blockages, including mud, dust, water, stone chipping and insects.
- This resilience mitigates the potential for compromised object detection and tracking, and for autonomous driving disengagements.
- In the videos that you are seeing, you will notice that the LiDAR window is heavily covered with mud which normally would create blockages that translate into gaps or holes in the field of view in any standard Lidar or Camera. As you can see, no such holes are observed in the InnovizTwo point cloud or IR image thanks to our technological solution to the blockage problem.
- This is a critical advantage, especially for Level 4 applications. Our product delivers continuous availability, allowing the vehicle to reliably detect obstacles, pedestrians, and changes in the driving environment, ultimately minimizing the risk of collisions.
- This becomes crucial as we work with OEMs across autonomy levels, including working up to level 4. Let me explain...

Slide 14 – Advantages for Level 4

- Level 2 applications require full driver supervision, hence the reduced sensitivity to blockages. When working with Level 3 applications, the driver is allowed to take their eyes off of the road. In Level 3 you need to have redundancy, but even then, the driver might be required to regain control of the vehicle within 10 seconds, if needed.
- A high quality, resilient LiDAR sensor contributes to a robust system that allows higher availability and creates a better autonomous driving experience by allowing the driver to relax for longer periods without interruption.
- With Level 4, the technology needs to be several magnitudes better because there is no driver to turn to - there is no 10 seconds grace period.
- Because of that, we're past the point of talking about just range and resolution. We're talking about quality and availability – our technology needs to be immune to blockages and adverse driving conditions that might arise on the road.
- The ability to operate seamlessly under these conditions is baked into the foundations of our technology, our designs and our architectures.

Slide 15 – Short Range

- Last technical update for today is related to our offering of a short-range version of the InnovizTwo.
- The short-range LiDARs can be implemented across Level 4 automotive and non-automotive applications. Its features include resilience to sunlight and adverse weather conditions, up to 100 meters of detection range, an up-to 90-degree vertical field of view and embedded automotive cybersecurity.
- These are just several of the many features that contribute to InnovizTwo short-range's unique advantages.
- Following the development of this differentiated technology, we have seen increased interest in our short-range offering from customers, including interest in bundling this solution with our long-range LiDAR, such as presented in today's announcement.

Slide 16 - Cost Reductions

- I'd now like to take a moment to highlight our effective cash performance, which in tandem with our strong revenues, has led to sequentially decreased cash burn.
- We are seeing benefits from the cost actions we executed as part of the strategic realignment we announced in Q1.
- Last year, our organizational structure comprised separate hardware and software development units supporting both the InnovizOne and InnovizTwo platforms, meaning we had separate cost structures for each platform.
- We combined these units into one consolidated R&D department, and after moving InnovizOne into series production we are solely focused on the InnovizTwo platform.
- Notably, we are leveraging technological similarities between InnovizOne and InnovizTwo to further manage costs. For example, we invested in developing a second-generation high-quality ASIC chip, meaning we have no need for additional investments in that component in the coming years.
- The realignment that we did earlier this year enabled us to realize and benefit from these technological carryovers, optimized workflows and processes, and a reorganized structure. We are on track to achieve the originally projected financial benefits of the realignment, and as a result, we are now better positioned for rapid transformative growth with a larger number of customers.
- Importantly, we are further offsetting our spending by consistently achieving revenues above or in line with our guidance.

Slide 17 - Full Year Guidance

- Before I hand the call over to Eldar, I'll provide our revenue guidance for the full year.
- We expect full year revenue in the range of \$23.5 – \$25 million, compared to \$20.9 million in Full year 2023.
- I'd like to call out that the lumpiness we are seeing in revenues can be attributed to the cadence of NREs, channel fill and customer activity.
- Last quarter, we reiterated our confidence in achieving our operational targets of two to three additional programs from both existing and new customers, and \$20 million to \$70 million of new NRE bookings in 2024.
- I'm pleased to share that we've already met our operational target of adding 2 to 3 new programs in 2024. This was achieved through the addition of the 2 new OEMs in connection with the collaboration with a leading Level 4 platform partner, which is offering its solution together with Innoviz's LiDARs to several programs. In addition, there are two additional programs that we started working on this year, which are pending finalizing the commercial and legal terms, on top of these 2 OEMs.
- Given the developments with our customers and continued strong performance in Q3, we also remain confident in achieving \$20 - \$70 million in NRE bookings and reiterate that target.
- Looking ahead to 2025, we expect to accelerate our revenue streams and build on our topline momentum as more customers adopt our technology.
- And with that, I'll turn the call over to Eldar to review our Q3 2024 financials.

Slide 18 - Financials Breaker (Eldar)

- Thank you, Omer, and good morning, everyone.

Slide 19 - Financials (Eldar)

- Starting with cash, we ended Q3 2024 with approximately \$87.7 million in cash and cash equivalents, bank deposits, marketable securities and short-term restricted cash on the balance sheet.
- Cash used in operations and capital expenditures came in at \$17.7 million compared to \$28.6 million in Q3 '23 and \$21.6 million last quarter.
- We're continuing to drive sequentially decreased cash burn, resulting from our focus on the InnovizTwo platform and our strong revenue performance.

- As Omer mentioned, we are realizing the benefits of our strategic realignment. Having reduced investments in InnovizOne development, our organization is leaner, more agile and entirely focused on one platform with InnovizTwo.
- I'm pleased to share that we are on track to achieve the expected savings from the realignment, reinforcing Innoviz's history of financial execution.
- We're very proud of the trend of consistent improvement in cash burn that we've delivered over the course of the year. While there may be continued lumpiness on a sequential basis, on a full year basis, we expect to see lower overall burn in Full Year 2024 than we saw in Full Year 2023.
- Looking into 2025 and beyond, we remain confident in our ability to manage our expenses effectively and keep our burn down on an annualized basis.
- Gross margins continued to improve quarter over quarter. Going forward, we expect margins will continue to be lumpy as we ramp up the InnovizTwo platform, as unit volumes fluctuate and NRE revenues continue to vary from quarter to quarter.
- Now turning to the income statement. Revenues for Q3 were \$4.5 million, compared to \$3.5 million in Q3 of 2023, and in line with our guidance range of \$3.5 to \$5 million. This represents another quarter in which we have delivered on the topline, extending our record of strong revenue execution.
- Our operating expenses for Q3 2024 were \$26 million, a decrease of 6.4% from \$27.8 million in Q3 2023. This quarter's operating expenses included \$4.2 million of share-based compensation compared to \$5.0 million in Q3 2023.
- Research and development expenses for Q3 2024 were \$19.7 million, a decrease from \$20.7 million in Q3 2023. The quarter's R&D expenses included \$3 million of share-based compensation compared to \$3.1 million in Q3 2023.
- To conclude, the third quarter represented another quarter of solid performance from both a revenue and cash perspective. We're encouraged by the ongoing strength of our expense management and ability to consistently meet or exceed our revenue guidance. Looking into Q4, we expect a strong finish to the year in which we maintain lower burn while further ramping up InnovizTwo and working to secure additional design wins.
- With that, I'll turn the call back to Omer for a few closing remarks.

Slide 19 - Key Takeaways / Conclusion (Omer)

- Thank you, Eldar.

- Before I wrap up the call and open for Q&A, I wanted to remind you all in January we will be back at CES in Las Vegas providing a closer look at our recent technological advances for the CES community and touching base with numerous customers and suppliers.
- I hope to see some of you there.
- In conclusion, Q3 was another strong quarter for Innoviz in terms of revenue performance, cost discipline, advancing customer relationships and further developing our technology.
- We were happy to add two new OEMs through our partnership with the level 4 platform partner, who we are collaborating with to bring our solutions to market. We are excited to see the first test vehicles on the road in 2025, and look forward to the expected launch in 2026.
- An increased number of OEM customers supports our revenue growth in the short and long term through NRE bookings, samples and production units sales meanwhile continuing to build the momentum of securing additional new OEMS.
- We see this collaboration as potentially very valuable and we expect to continue to grow the partnership with additional OEMs. We hope to share more information on this by the end of the year.
- Our work with Volkswagen continues without delay, we are meeting deadlines and delivering high quality products to the programs, and we are optimistic about the opportunity to expand the relationship with this key customer.
- Across the board, we deepened our relationships with our customers and we believe that our next few wins are within reach. Our pipeline remains robust and we are working to further advance our RFIs and RFQs.
- Heading into next year, as we add additional programs we expect to enhance our revenue streams and reinforce our record of strong topline performance.
- Our superior technology, balance sheet, and favorable external market factors, give us confidence we can achieve our goal to become the leading tier 1 automotive LiDAR supplier.
- And with that operator, please open up the call for Q&A.

Conclusion after Q&A (Omer)

- Thanks again to everyone for joining us this morning. We hope to see you at CES and look forward to updating you next quarter on the continued progress we are making here at Innoviz.