



# COMPUTER VISION AI FOR IN-CABIN SENSING

Company presentation | March 2023

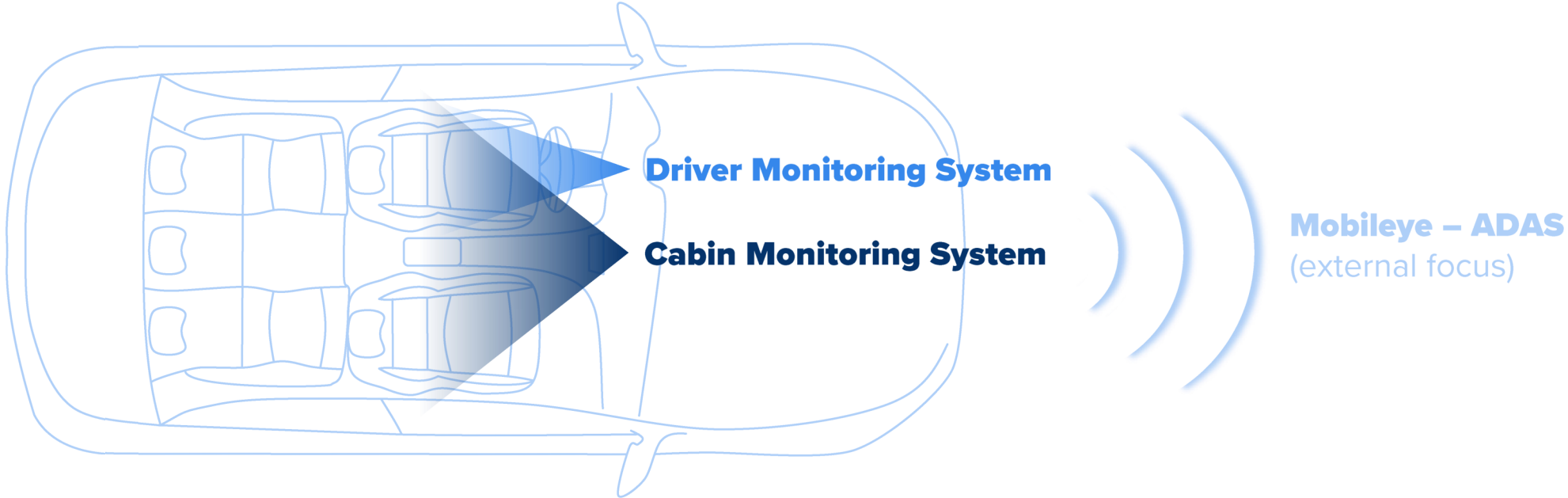


# DISCLAIMER



- This presentation was prepared by Cipia Vision Ltd. (the "Company") as a general presentation regarding the Company. This presentation is not intended as a substitute for inspection of the Company's formal reports as required under the provisions of the law, including, among others, the Company's annual report for the year 2022, as published on March 12, 2023, and any subsequent immediate reports (the "Company Reports"). To the extent that there are any contradictions between this presentation the Company Reports as required pursuant to any law, the Company Reports shall prevail.
- The information included in the presentation does not constitute advice, nor does it form a recommendation or opinion about any investment and does not constitute an offering or an invitation to purchase securities of the Company, and does not substitute the need for independent review and personal advice in accordance with the specific circumstances of each investor.
- This presentation does not constitute or embody part of any offer or invitation to purchase securities of the Company and does not constitute or embody part of the invitation to receive such offers, and, in particular, does not constitute an "offer to the public" or "sale to the public" of any kind. Such an offer shall be made only in accordance with the provisions of the law, after obtaining the necessary permits from the Israeli Securities Authority and the Tel-Aviv Stock Exchange.
- This presentation may include Forward-Looking Information, as defined in the Securities Law, 5728-1968, including forecasts, estimates, assessments and other information pertaining to future events. In certain circumstances, one may identify Forward-Looking Information where use of certain words or phrases is made, including "expected", "believe", "may" "appreciate that (something may happen)", "expect", "intend" "continue" "can" "may" "plan", or other similar phrases or words. The Forward-Looking Information in this presentation is based on subjective assessments by the Company's management as of the date of this presentation, which although the Company believes to be reasonable, are inherently uncertain. Forward-Looking Information involves risks or uncertainties, including factors beyond the Company's control, each of which, or a combination of which, as well as the realization of any of the risk factors characterized by the Company's operations, may materially impair the Company's results and cause actual results to differ materially from the Forward-Looking Information. All Forward-Looking Information is solely aimed at the date to which it relates. Except for the obligation to disclose information as required by applicable securities laws, the Company does not undertake to update or change any information contained in this presentation, whether as a result of new information, future events or other reasons. It is also clarified that the Company's business plans and strategy included in this presentation are accurate as of the date of this presentation and may change in accordance with resolutions of the board of directors of the Company, as may be resolved from time to time.
- Other than trademarks that are owned by the Company or which the Company has the right to use, the trademarks included in this presentation are the property of their owners and are used in this presentation for the purpose of understanding the context only. The use of such trademarks may not be construed as approval or verification in relation to the Company's software, services, or securities.
- For the avoidance of doubt, the Company does not undertake to update the information contained in this presentation.
- This presentation includes only partial information, which the Company saw fit to share with its shareholders and the general public investing in the Company's securities. It is possible that the manner in which the information contained in the presentation is presented is different from the manner in which this information is included in publications in the Company's reports. This presentation includes a summary of the topics described in it, in the context in which they are discussed, and not the full information available to the Company in relation to these topics. This presentation does not include the full results and financial information of the company and the explanations to them, and/or the Company's business plans or the description of all the Company's activities and/or risk factors that apply to the Company and is not intended to replace the need to review Company Reports.

# CIPIA: FOCUS ON DRIVER AND CABIN MONITORING



Distraction Drowsiness



Face ID



Gaze areas



Seatbelt



Phone



Smoking



Occupancy



Seatbelt



Child reminder



ID



Expressions



Objects



Gestures

# LEADING IN-CABIN SENSING PROVIDER



55

Employees

66

Patents & applications

7

Vehicle OEMs

10

Platforms

30

Models (design wins)

\$53M

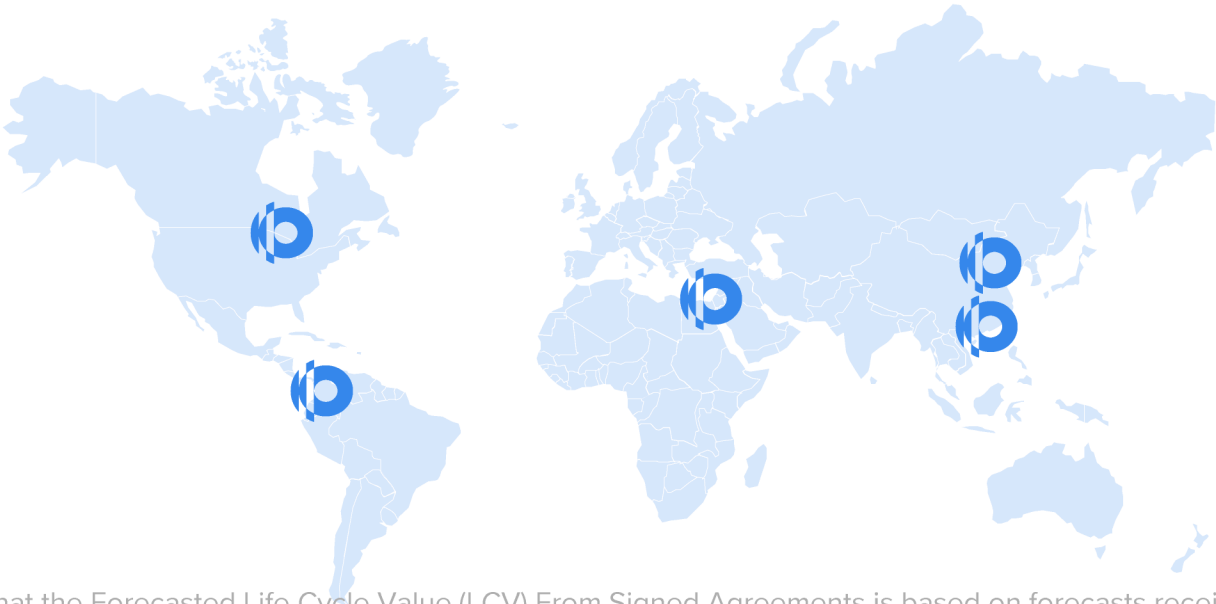
Lifecycle value of hardware & software

\$19M

Lifecycle value of software only

Lifecycle value of signed agreements Jan 2023 - Dec 2027\*

Vehicle OEM agreements only – does not include additional aftermarket software and device revenue



\*As of March 12, 2023. It is clarified, that the Forecasted Life Cycle Value (LCV) From Signed Agreements is based on forecasts received by the Company from the manufacturer. However, the Company estimates that the level of certainty of the Forecasted LCV from Signed Agreements from the sale of hardware (cameras) is lower than that from the sale of software, due to the availability of alternative hardware in the market. The agreements do not require minimum quantity.



# THE PROBLEM BEHIND THE STEERING WHEEL

**1,350,000**

Die in road accidents annually

World Health Organization

**80%**

Distraction in the 3 seconds prior to the collision






National Highway Traffic Safety Administration

**21%**

Fatal collisions are caused by drowsiness

American Automobile Association

# GLOBAL REGULATORY & SAFETY STANDARDS TREND

Europe		China	United States	
				
Safety standard requires direct (e.g., camera based) driver monitoring (DMS)		Driver monitoring GB/T 41797-2022	Driver monitoring congress bill to prevent automation complacency and misuse	Safety standards reward L2 vehicles with driver monitoring
<b>2023 – 2025</b>		<b>2023</b>		<b>2022</b>

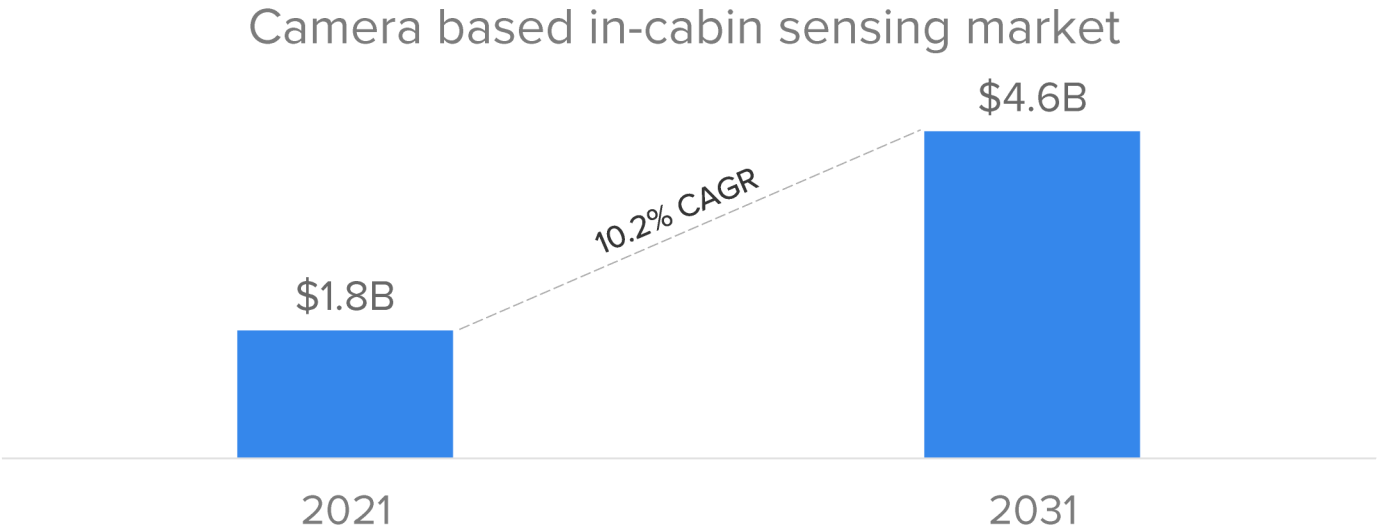
\*Regulation and safety standards do not require driver monitoring to be performed using video analysis (i.e., camera), with the exclusion of China.

# INCREASING DEMAND AMONG OEMS FOR DRIVER MONITORING



90M

Vehicles sold annually



Source: <https://www.alliedmarketresearch.com/driver-monitoring-systems-market>

# CIPIA'S IN-CABIN SENSING SOLUTIONS



**Driver monitoring software** (may be accompanied by a camera) for automotive OEMs

**Driver monitoring device** for telematics service providers and fleets

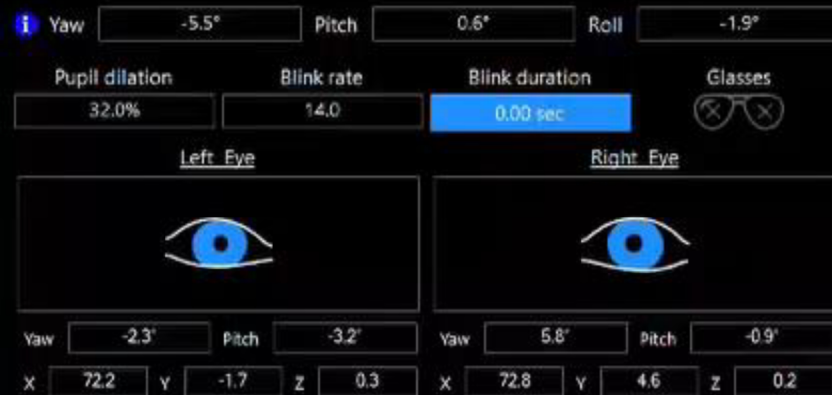
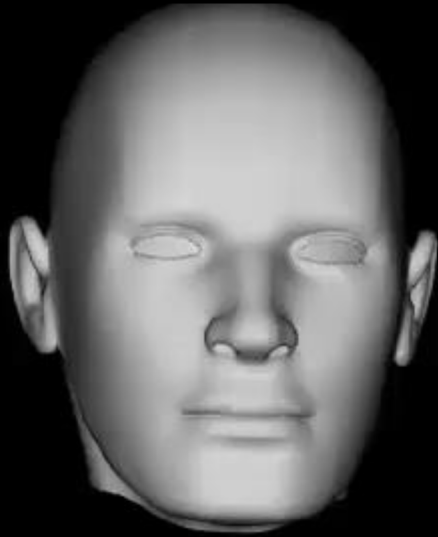
**Cabin monitoring software** (under development) for automotive OEMs

Safety

Safety & fleet optimization

Safety & convenience

# ADVANCED COMPUTER VISION AI TECHNOLOGY





# THE NEED FOR DMS RISES WITH THE AUTONOMY LEVEL



Cipia’s Driver Sense addresses DMS regulatory requirements and safety standards at levels 0 - 3

Level 0	Level 1	Level 2	Level 3
			
Impairment alerts (audio/visual/haptic)	Impairment intervention (active safety)	Preventing automation complacency & misuse	Driver availability verification
Required by			
EU GSR	Euro NCAP	IIHS & Consumer Reports (US)	EU GSR

# CIPIA-FS10 DEVICE – SMART FLEET MANAGEMENT



Targeting telematics service providers

## DRIVER ALERTS

- Safety alerts (distraction, drowsiness, seatbelt, phone)
- Compliance (smoking, seatbelt, phone)
- Dispute resolution



## SMARTER FLEET MANAGEMENT

- Real time alerts
- Driver ID
- Workforce management
- Compliance
- Driver scoring
- Accident investigation
- Tamper detection

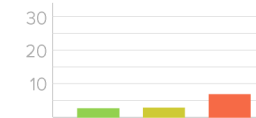
### Weekly report



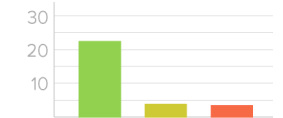
John Smith



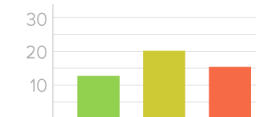
Risk: 56



Asleep



Distraction



Phone



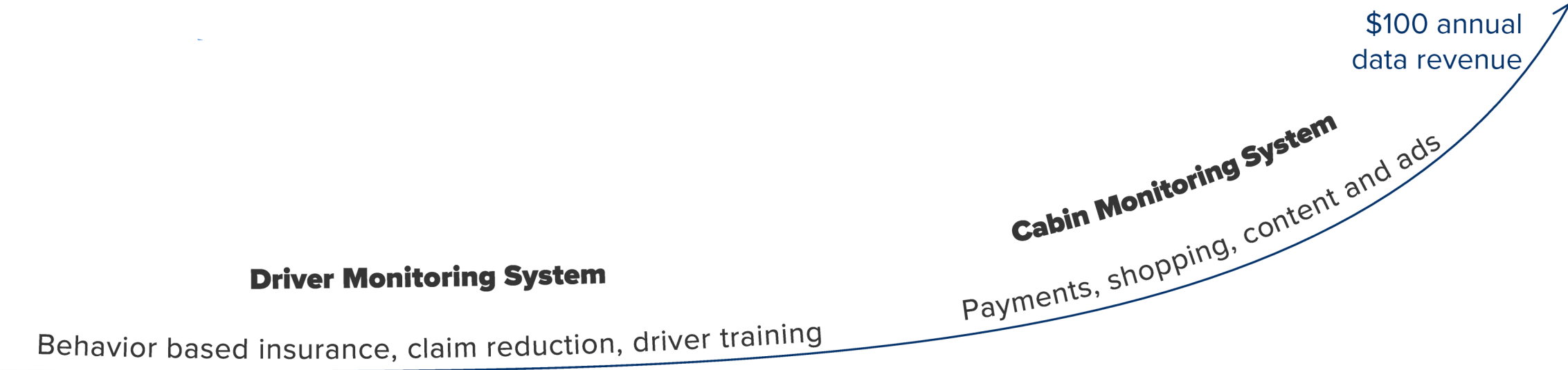
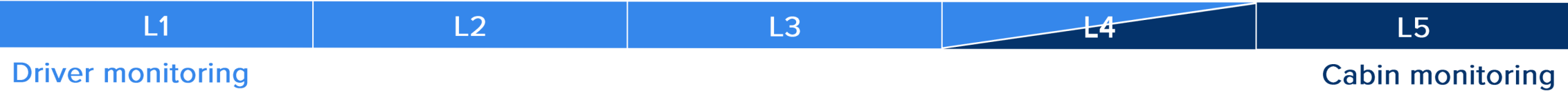
Seatbelt

0-20 Kph

20-50 Kph

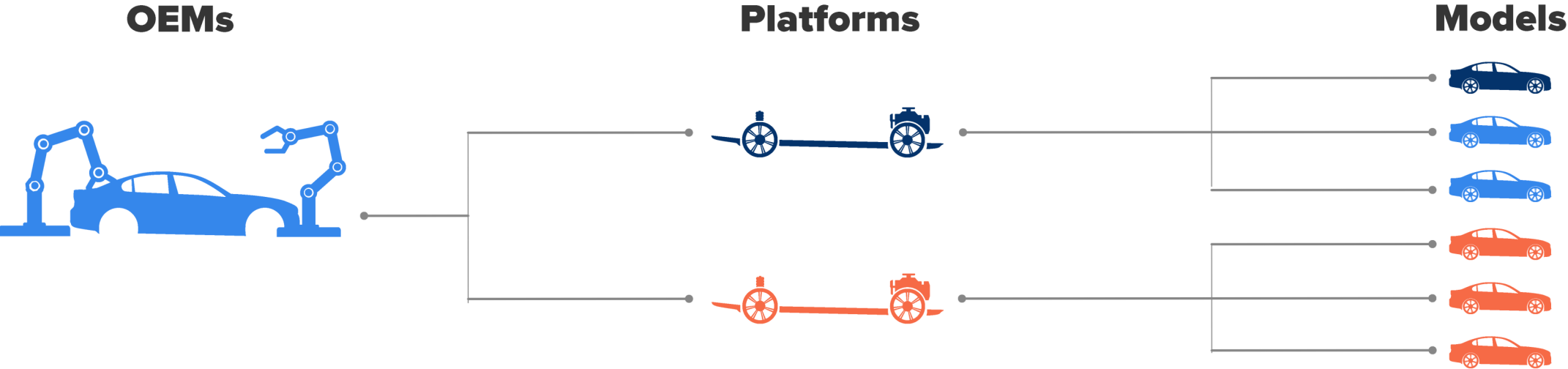
>50Kph

# AUTONOMY IS A GROWTH ENGINE



Source: Automotive Data Monetisation Pricing and Business Models, Frost & Sullivan, October 2017

# EACH PLATFORM REPRESENTS MULTI-MODEL POTENTIAL



# TOP 3 PLAYERS IN THE DMS






Colin Barnden / Semicast Research  
@semicast\_res

... Cipia is a clear third supplier of automotive-grade DMS and is highly underrated.

13:40 · 26/01/2022 · [Twitter Web App](#)

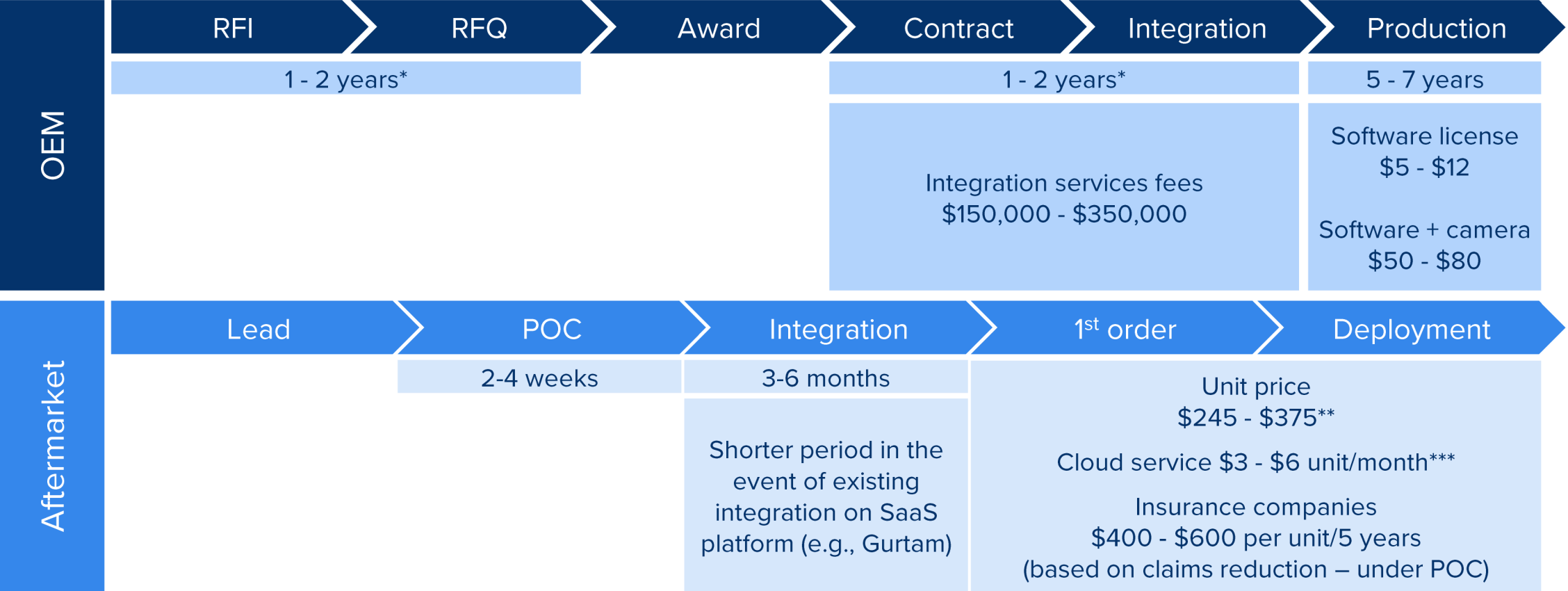


	OEMs	Platforms	Models	Positioning	Market cap
	7	10	30	Lean hardware & strategic partnerships	TASE: CPIA ~\$17.5M
	18	?	142	# of OEMs	Nasdaq Nordic: SEYE ~\$153
	10	15	160	# of miles accumulated through TSP business	AIM: SEE ~\$369M

Customer data source: [https://www.linkedin.com/posts/colin-barnden-1081376\\_ces-driver-monitoring-activity-7019653458244841472-bl9S?utm\\_source=share&utm\\_medium=member\\_desktop](https://www.linkedin.com/posts/colin-barnden-1081376_ces-driver-monitoring-activity-7019653458244841472-bl9S?utm_source=share&utm_medium=member_desktop)  
Market cap source: respective stock exchange data as of March 2, 2022



# BUSINESS MODEL



\*Based on safety standards and regulation, the market is adopting DMS at a faster pace (previously reported as 1 - 3 years).

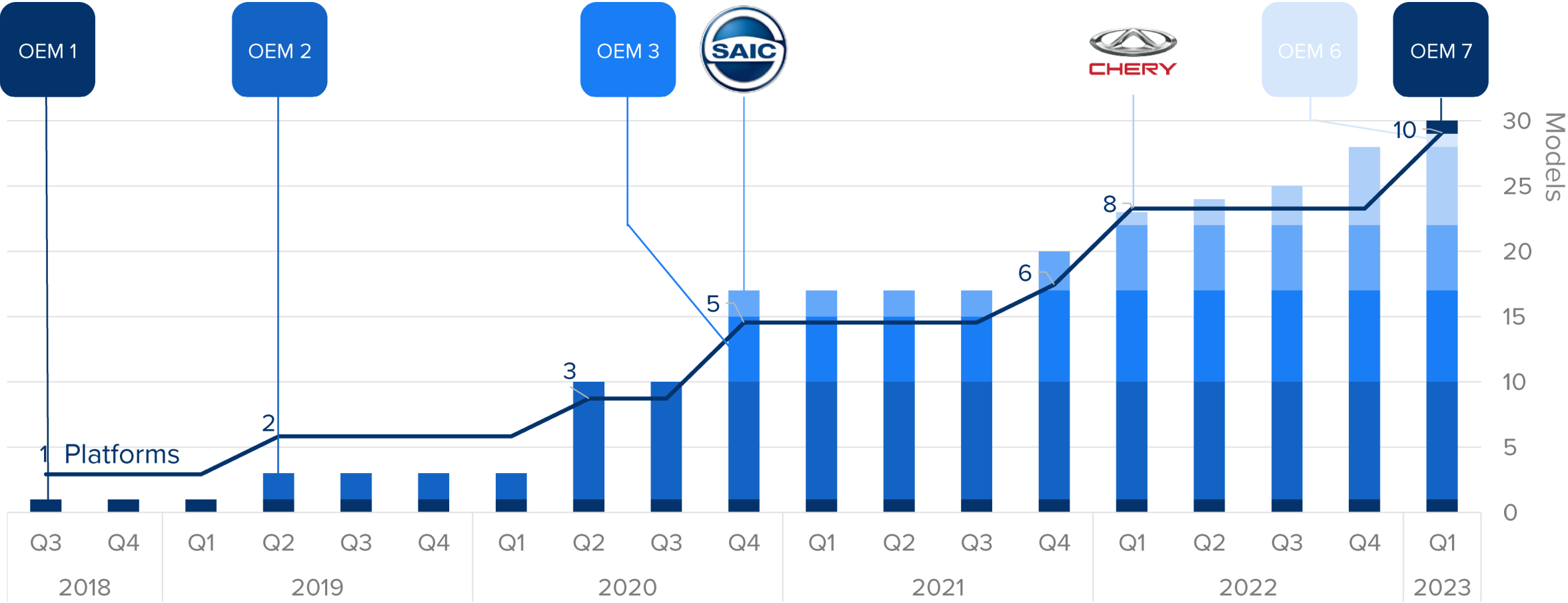
\*\*Price increase reflects ADAS ready and connected units.

\*\*\*Assuming 50% of vehicles will make use of Cipia’s cloud.

# DRIVER SENSE: CONTINUOUS GROWTH



4 OEMs already in serial production



# FINANCIAL REPORTS



Profit & Loss (thousands of USD)	2022	2021	2020
<b>Total Revenues</b>	<b>5,329</b>	<b>4,779</b>	<b>1,741</b>
<b>Gross Profit</b>	<b>1,167</b>	<b>1,893</b>	<b>641</b>
<b>Gross margin</b>	<b>22%</b>	<b>40%</b>	<b>37%</b>
R&D expenses	5,292	5,002	3,801
S&M expenses	4,412	3,478	2,426
G&A expenses	3,112	2,725	1,012
Total Operating expenses	12,816	11,205	7,239
Financial expenses (income)*	1,256	(9,399)	9,516
Profit (loss) before taxes	(12,905)	87	(16,114)
<b>Balance Sheets</b>			
Cash and equivalents	16,155	19,767	3,858
Inventory	1,839	1,755	-
Loans from Bank	1,220	1,965	633
Derivative Financial Instruments	-	-	19,670
Preferred equity (Liability)	-	-	51,371

\* Based mainly on financial instruments and converting them to equity in 2021

# \$97.5M RAISED IN TOTAL



Years	Round	Main investors	Amount
2022	PIPE	Institutional & private investors (existing & new)	\$11.7mm
2021	IPO (Inc. Pre-IPO)	Institutional investors	\$26mm
2020	Convertible Loan	Jebsen Group, Grupo Antolin	\$8.5mm
2016-2018	Series D	Jebsen Group, Arie Capital, Smart Gesture, private investors	\$30mm
2014-2015	Series C	Mitsui & others	\$12mm
2011-2013	Series B	Mitsui & others	\$7mm
2007-2010	Series A	Private investors	\$3mm

# BOARD OF DIRECTORS



Bringing automotive, AI technology and financial experience to support the company's growth



**Prof. Eli Talmor**

25+ years in Private Equity and Venture Capital

Senior Professor at London Business School



**Gal Shmueli**

Colonel and technology leader in elite intelligence military units

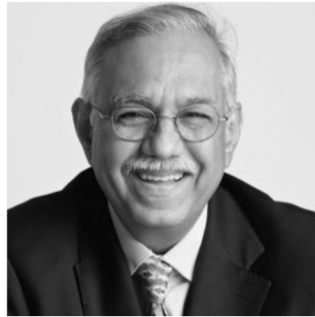
Founder of several startups with \$1.6B exits



**Dr. Thomas Wetzer**

10+ years experience in growth capital investments including Asia

GM of Jebesen Capital



**Dr. Seshu Bhagavathula**

30+ years in automotive tech and sensing (20 at Daimler)

CTO and President at Ashok Leyland Group



**Orit Lerer**

40+ years of executive management in Bank Hapoalim

Rich financial and managerial experience in global corporations



**Alejandro Weinstein**

Partner and founder of Olive Tree Ventures

Led, as CEO and entrepreneur, billions of dollars M&A deals



**Prof. Eli Amir**

30+ years in financial accounting

Senior Professor at Collier School of Management and Accounting Chair and visiting prof. at London Business School



# MANAGEMENT



	<b>Yehuda Holtzman</b> CEO	35+ years experience of executive management & entrepreneurship in the tech industry	  
	<b>Tal Krzypow</b> VP Product	10+ years experience of global scale software products	
	<b>Shelly Mesilati</b> VP Finance	15+ years experience of financial management including capital raising for tech companies	 
	<b>Erez Steinberg</b> VP R&D	15+ years experience of development activities including hardware and software	
	<b>Israel Ronn</b> VP Telemetry & Fleets	30+ years experience of executive management in the automotive industry	  
	<b>Liat Rostock</b> VP Marketing	One of Cipia's earliest employees with 10+ years of marketing experience	

# JOIN THE GROWTH



Regulation  
driven market

7

OEMs

10

Platforms

30

Design wins



Strategic  
Partnerships

4

OEMs in  
production

\$53M

Lifecycle value of  
hardware & software

\$19M

Lifecycle value of  
software only

5 Years Lifecycle  
value from signed  
contracts\*

The future platform for  
monetization of passenger data



\* The contracts do not require minimum quantity. Please see slide 4 for additional information regarding schedule and assumptions.



# THANK YOU!



[www.cipia.com](http://www.cipia.com)



[info@cipia.com](mailto:info@cipia.com)

