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COMPUTER VISION AI FOR IN-CABIN SENSING

Company presentation | September 2023

Cipia Vision Ltd

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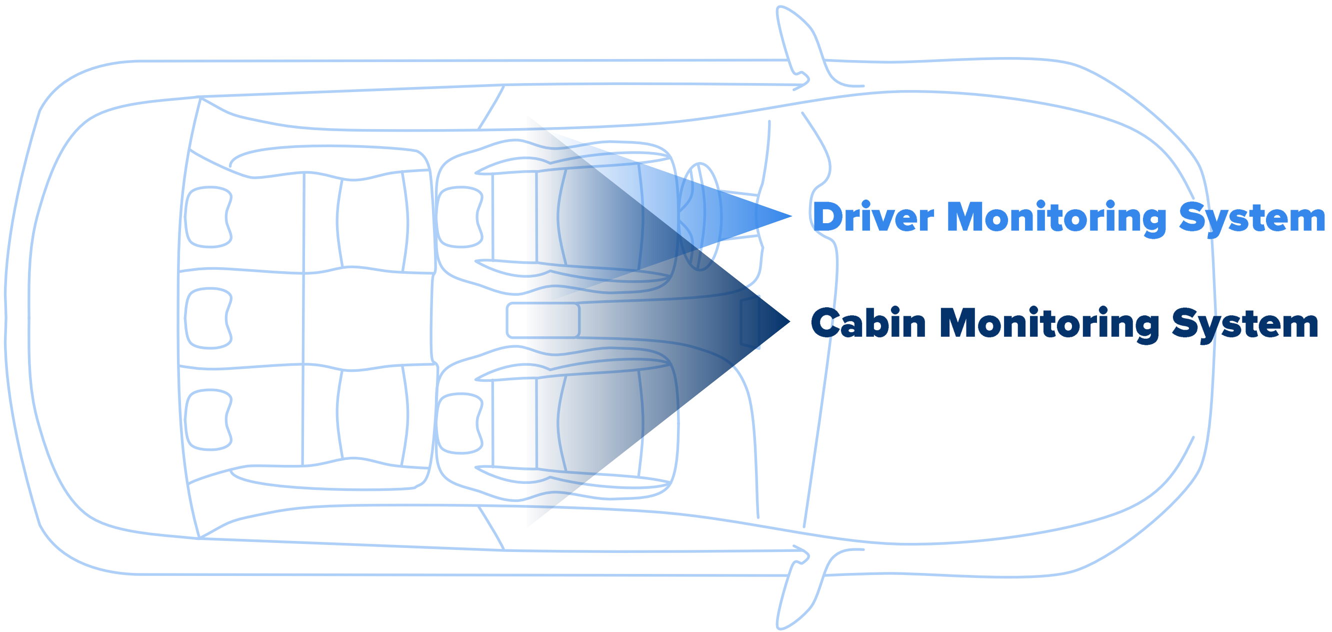
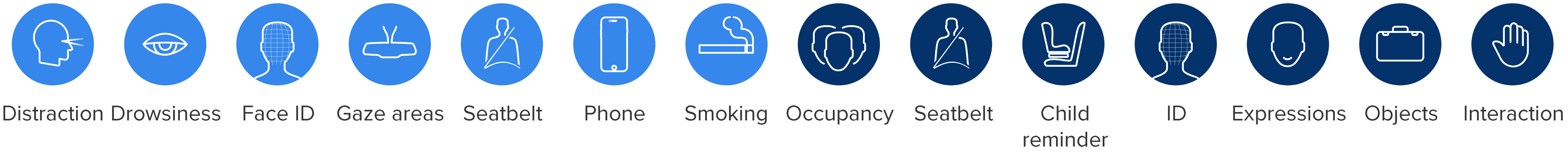
CIPIA: FOCUS ON DRIVER AND CABIN MONITORING





Click to watch video

LEADING IN-CABIN SENSING PROVIDER

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57
Employees

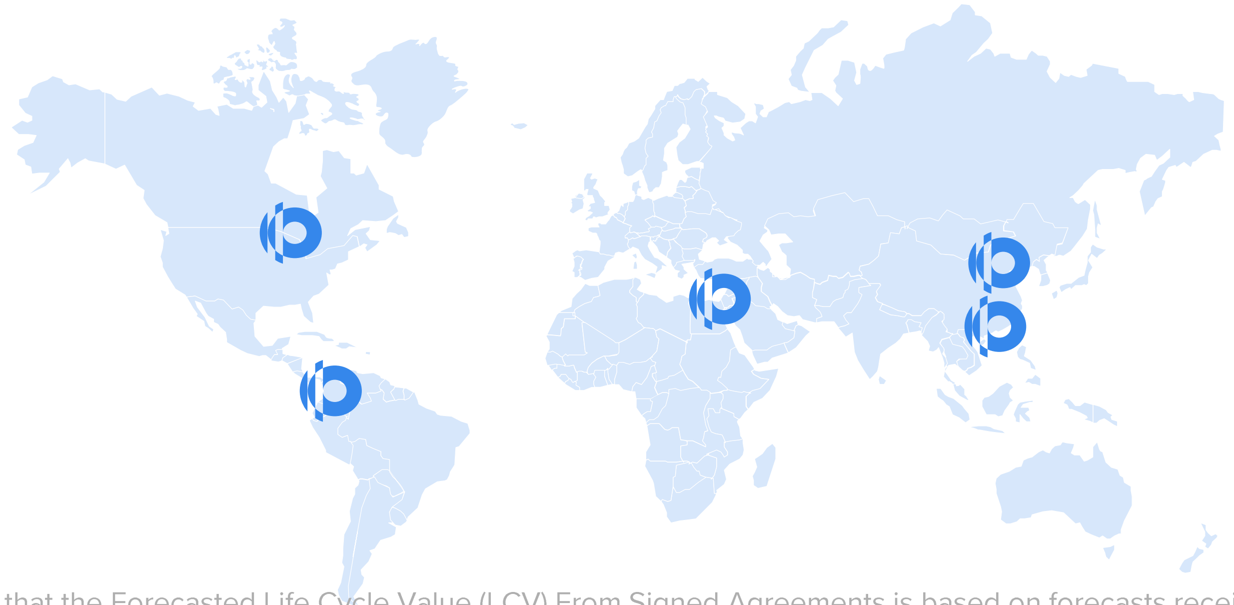
66
Patents & applications

8
Vehicle OEMs

12
Platforms

50
Models (design wins)

$36M
Lifecycle value of hardware & software



$18M
Lifecycle value of software

Lifecycle value of signed agreements July 2023 - June 2028*

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

*As of August 15, 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

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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 collusions are caused by drowsiness

American Automobile Association

GLOBAL REGULATORY & SAFETY STANDARDS TREND

Europe		China	United States	
	European Parliament			CR Consumer Reports
Safety standard requires direct (e.g., camera based) driver monitoring (DMS)	Drowsiness and distraction warnings are required in new vehicles	Driver monitoring GB/T 41797-2022	Driver monitoring congress bill to prevent automation complacency and misuse	Safety standards reward L2 vehicles with driver monitoring
2023 – 2025	**2024 – 2026**	**2023**		**2022**

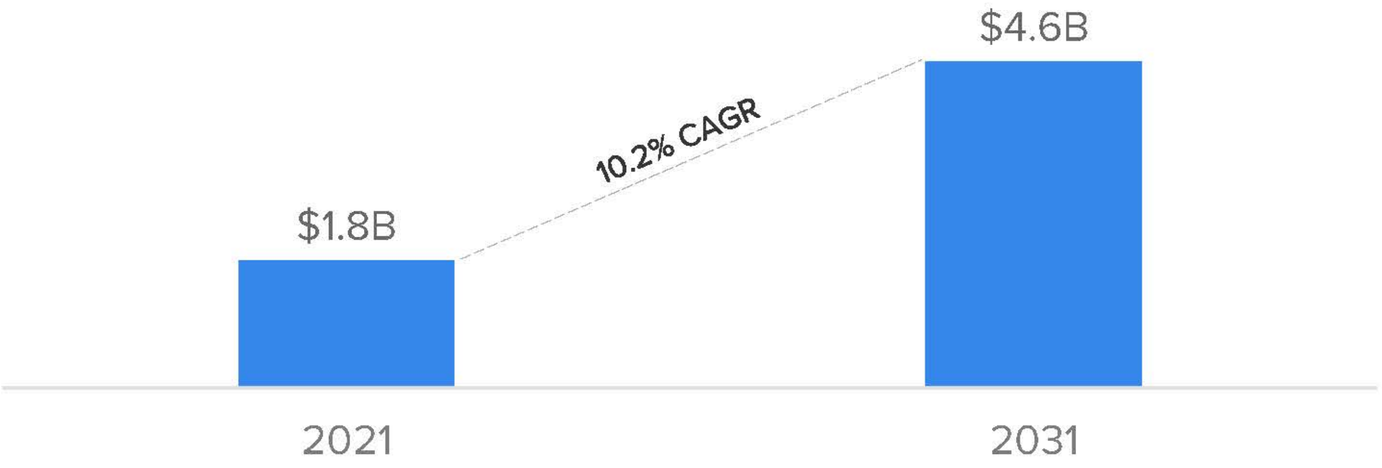
*Regulation and safety standards do not require driver monitoring to be performed using video analysis (i.e., camera), with the exclusion of China.

INCREASING DEMAND AMONG OEMS FOR DRIVER MONITORING

90M

Vehicles sold annually

Camera based in-cabin sensing market



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

Safety

Driver monitoring device for telematics service providers and fleets

Safety & fleet optimization

Cabin monitoring software (under development) for automotive OEMs

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

Impairment alerts (audio/visual/haptic)

Level 1

Impairment intervention (active safety)

Level 2

Preventing automation complacency & misuse

Level 3

Driver availability verification

Required by

Level 0	Level 1	Level 2	Level 3
EU GSR	Euro NCAP	IIHS & Consumer Reports (US)	EU GSR

CIPIA-FS10 DEVICE – SMART FLEET MANAGEMENT

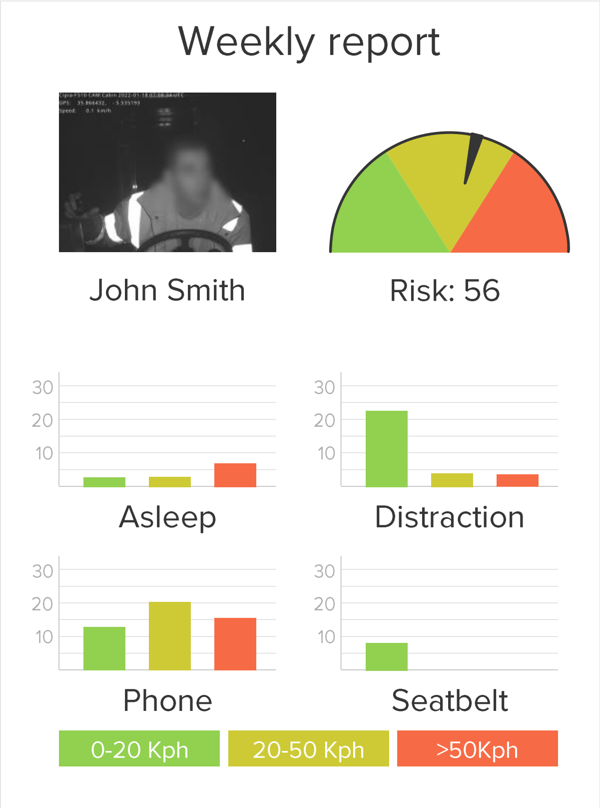
Targeting telematics service providers

DRIVER ALERTS

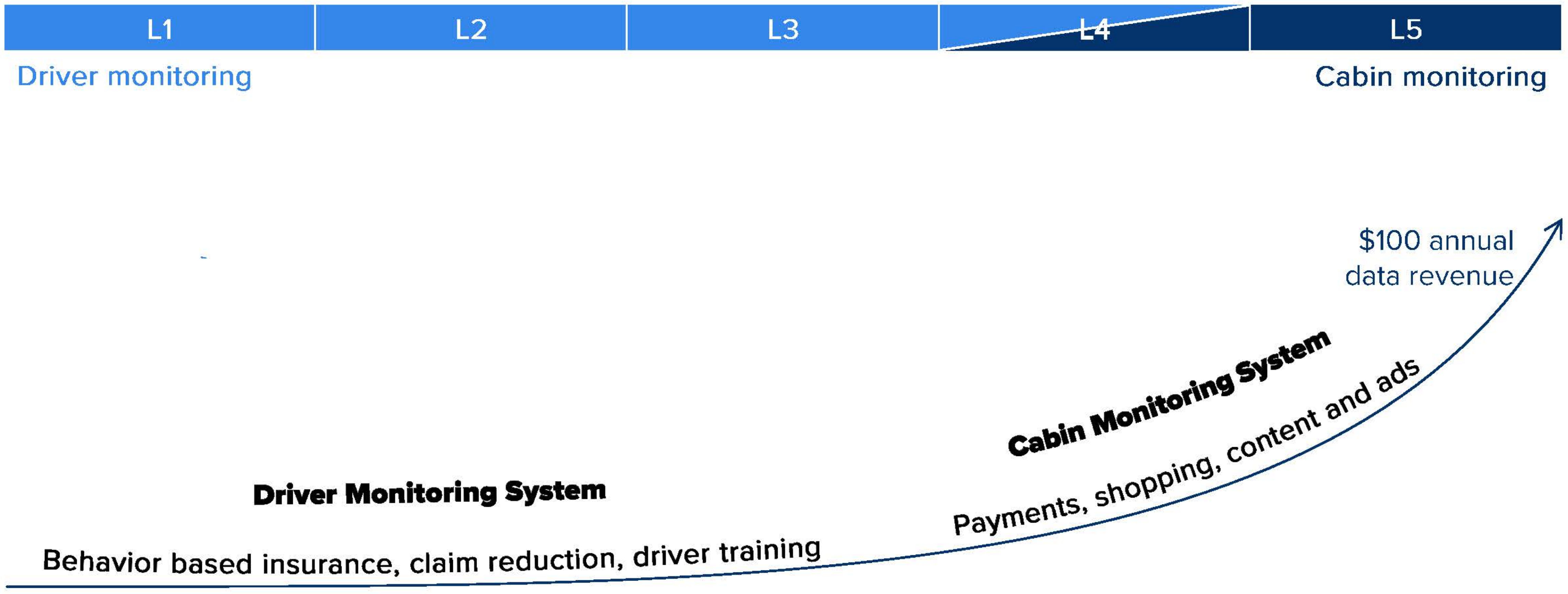
- Safety alerts (distraction, drowsiness, seatbelt, phone)
- Compliance (smoking, seatbelt, phone)
- Dispute resolution

SMARTER FLEET MANAGEMENT

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

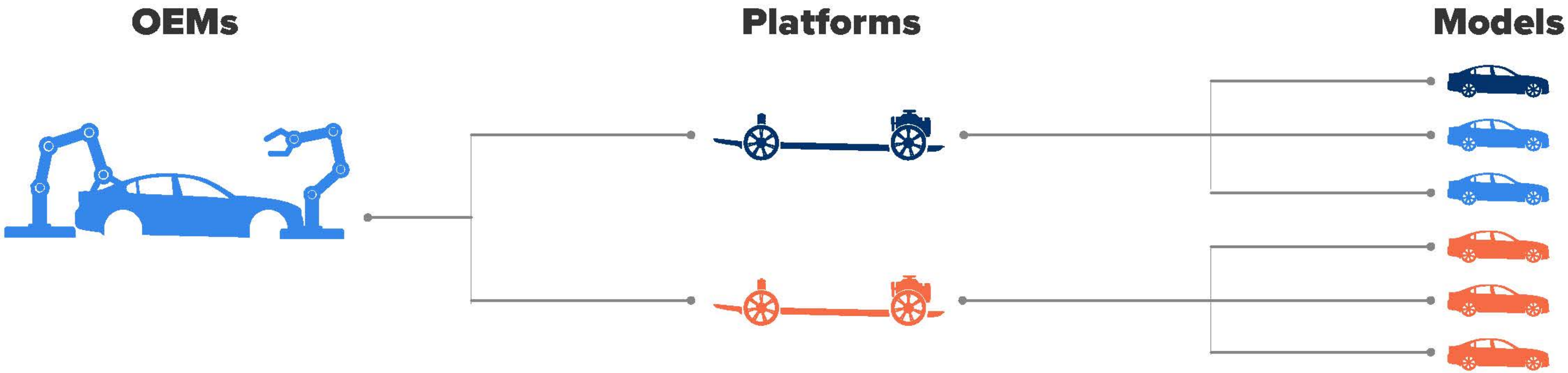


AUTONOMY IS A GROWTH ENGINE



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

EACH PLATFORM REPRESENTS MULTI-MODEL POTENTIAL



TOP 3 PLAYERS IN THE DMS MARKET

	OEMs	Platforms	Models	Positioning	Market cap
cipia	8	12	50	Lean hardware & strategic partnerships	TASE: CPIA ~$30M
smart eye	19	?	217	# of OEMs	Nasdaq Nordic: SEYE ~$160
seeingmachines	10	15	160	# of miles accumulated through TSP business	AIM: SEE ~$313

Customer data source: Smart Eye source (March 7, 2023) and Seeing Machines source (January 2, 2023)
Market cap source: respective stock exchange data as of August 14, 2023

BUSINESS MODEL

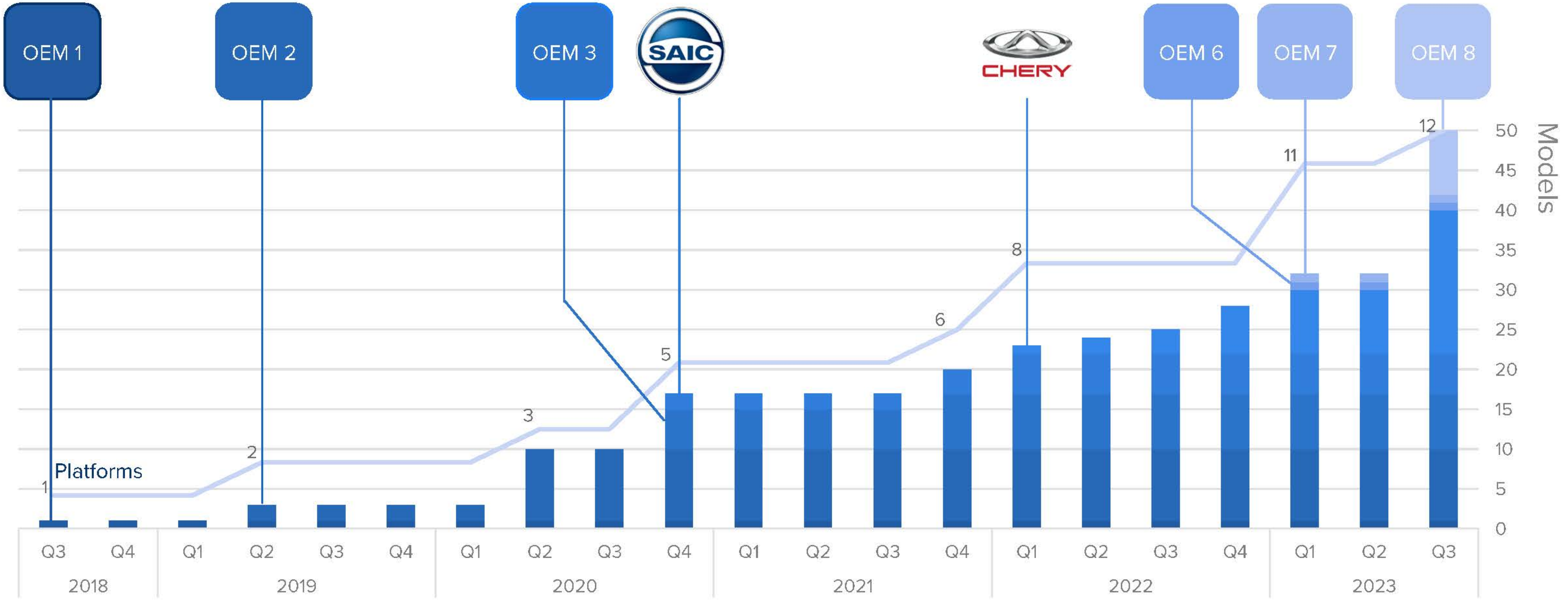
OEM	RFI	RFQ	Award	Contract	Integration	Production
	1 - 2 years*			1 - 2 years*		5 - 7 years
				Integration services fees $150,000 - $350,000		Software license $5 - $12 Software + camera $50 - $80

Aftermarket	Lead	POC	Integration	1st order	Deployment
		2-4 weeks	3-6 months	Unit price $245 - $375** Cloud service $3 - $6 unit/month*** Insurance companies $400 - $600 per unit/5 years (based on claims reduction – under POC)	
			Shorter period in the event of existing integration on SaaS platform (e.g., Gurtam)		

*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



H1 2023 ACHIEVEMENTS

Financials compared to H1 2022

+66%

in gross profit compared to H1 2022

+50%

in gross margin compared to H1 2022

Units compared to end of 2022

+60%

in vehicle manufacturers (OEMs) choosing company products*

+43%

in awarded vehicle models*

*As of August 15, 2023.

FINANCIAL REPORTS

Profit & Loss (thousands of USD)	June 2023	2022	2021	2020
Total Revenues	**2,499**	**5,329**	**4,779**	**1,741**
Gross Profit	**840**	**1,167**	**1,893**	**641**
Gross margin	**34%**	**22%**	**40%**	**37%**
R&D expenses	2,610	5,292	5,002	3,801
S&M expenses	1,518	4,412	3,478	2,426
G&A expenses	1,648	3,112	2,725	1,012
Total Operating expenses	5,776	12,816	11,205	7,239
Financial expenses (income)	713	1,256	(9,399)	*9,516
Profit (loss) before taxes	(5,649)	(12,905)	87	(16,114)
Balance Sheets				
Cash and equivalents	10,491	16,155	19,767	3,858
Inventory	1,317	1,839	1,755	-
Loans from Bank	869	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

MANAGEMENT

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	**Yehuda Holtzman** CEO	35+ years experience of executive management & entrepreneurship in the tech industry	mobileaccess. mobilogy oti
	**Tal Krzypow** VP Product & Strategy	15+ years experience of global scale software products	Microsoft
	**Shelly Mesilati** CFO	15+ years experience of financial management including capital raising for tech companies	oversi content. storage. delivery; pillar DATA SYSTEMS
	**Erez Steinberg** CTO	20+ years experience of development activities including hardware and software	freescale semiconductor
	**Guy Tsafrir** VP R&D	25+ years experience of software development and management	cognata SAMSUNG GE HealthCare
	**Israel Ronn** VP Telemetry & Fleets	30+ years experience of executive management in the automotive industry	spotam LOGTEL Telecom POINTER
	**Liat Rostock** VP Marketing	One of Cipia's earliest employees with 10+ years of marketing experience	cipia

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 Jebsen 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 Coller School of Management and Accounting Chair and visiting prof. at London Business School

JOIN THE GROWTH

Regulation driven market

8
OEMs

12
Platforms

50
Design wins

4
OEMs in production

$36M
Lifecycle value of hardware & software

$18M
Lifecycle value of software

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!

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